

**Comprehensive
Performance Management
Approach**

**OCSE Task Order
36: Performance
Management**

Project Background

- Builds upon need identified by Urban Academies
- The performance levels of a large urban jurisdiction greatly influence a state's overall performance and incentive levels
- Many urban jurisdictions face challenges to improve their performance:
 - Caseload size
 - Diversified populations
 - Urban poverty

2

Project Background—Cont.

- Project Goals:
 - Create interest among states and local jurisdictions in adopting performance management principles and techniques
 - Provide technical assistance for local jurisdictions and states in applying performance management principles
 - Encourage partnerships between local and state offices to improve statewide performance levels

3

Project Background—Cont.

- Summary of Project Activities:
 - Interviewed local jurisdictions and states about performance management practices they use
 - Gathered input from Urban Academy participants on what material to include in the TEMPO document and how to format it
 - Drafted TEMPO document

4

Project Background—Cont.

- Summary of Project Activities—Cont.:
 - Conducted technical assistance forum with Urban Academy Participants
 - Organized performance management conference calls with Urban Academy participants
 - Developed conference presentation for OCSE

5

Comprehensive Performance Management—What's the Appeal?

- "Comprehensive Performance Management" means a structured feedback loop that enables an organization to proactively influence the outcomes it wants to achieve
- Compare Comprehensive Performance Management in our personal lives to that of an organization

6

Comprehensive Performance Management—What's the Appeal?

- **Personal Example: Running a half-marathon**
 - Develop a race plan and goal time
 - Determine mile splits to set the pace for reaching goal time
 - Schedule time for training
 - Wear a stop watch during the race
 - Check actual splits against the plan
 - After the race, identify weaknesses and plan for improvement

7

Defining a Comprehensive Performance Management Approach in an Organization



8

Defining a Comprehensive Performance Management Approach in an Organization

- Strategic Planning**
A process to reach consensus on:
- Current "picture" of the program
 - Desired "picture" of the program for the future
 - The path to follow to get from the current to the future "picture"

9

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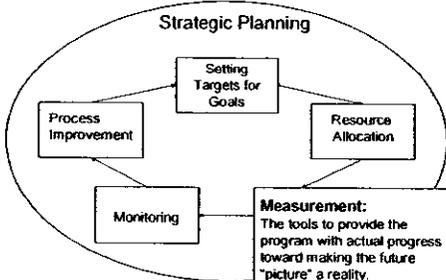
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Defining a Comprehensive Performance Management Approach in an Organization



11

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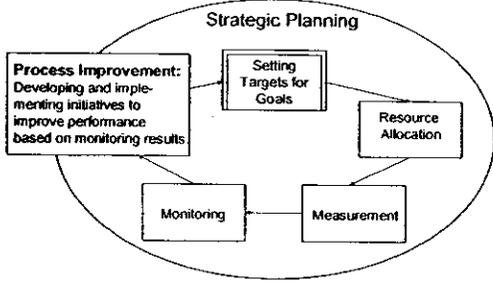
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Defining a Comprehensive Performance Management Approach in an Organization



13

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14

Steps for Strategic Planning

- Step 1: Develop Vision, Values, and Mission
 - Use national child support strategic plan for guidance
- Step 2: Conduct SWOT Analysis
 - Internal Factors: Strengths and Weaknesses
 - External Factors: Opportunities and Threats
- Step 3: Set Goals
- Step 4: Develop Strategies
- Step 5: Conduct Gap Analysis
- Step 6: Develop Operational Plans

15

Managers' Checklist for Strategic Planning

- Involve representatives from all levels of program staff in developing strategic and operational plans.
- Seek input from customers and stakeholders in developing a strategic plan
- Focus strategic goals on achieving outcomes customers and stakeholders care most about.
- Ensure strategic goals balance management perspectives of business process results, customer service, organizational development, and fiscal accountability.

16

Steps for Setting Targets for Goals

- Step 1: Validate Caseload and Workload Assumptions
- Step 2: Determine Process Capacity
- Step 3: Establish Program Targets
- Step 4: Prorate Program Targets to Subunit Level and Set Milestones

17

Managers' Checklist for Setting Targets

- Involve expert staff resources from all levels of the program in identifying the potential for efficiency gains in processes.
- If the program does not have access to output reports, consider determining process capacity by having a sample of workers manually track their productivity intermittently and then the managers extrapolate the results.

18

Managers' Checklist for Setting Targets—Cont.

- Keep abreast of demographic and economic trends affecting families in their caseloads.
- Ensure the program can produce a caseload dynamics report that tracks each month the number of cases opening and closing with and without orders.

19

Steps for Allocating Resources

- Step 1: Plan for Resource Needed to Reach Targets
- Step 2: Estimate Program Revenues
- Step 3: Prorate Program Targets to Reallocated Resources

20

Managers' Checklist for Allocating Resources

- Focus program resources on achieving strategic goals.
- Ensure that strategic goals determine resource allocation rather than resource allocation determines strategic goals.

21

Steps for Measuring Results

- Step 1: Determine Set of Metrics for Strategic Goals and Related Processes
 - Lead and lag indicators
- Step 2: Create Automated Reports for Metrics
- Step 3: Create Ad Hoc Query Tool
- Step 4: Create Performance-Based Budget Monitor Report

22

Managers' Checklist for Measuring Results

- To the extent possible, use the computer system to track data needed to calculate lead and lag indicators. If data are not on the system, program managers may need to have a sample of workers manually track their results then extrapolate these results to the program as a whole.
- Ensure that system is able to generate reports with lead and lag indicators.

23

Managers' Checklist for Measuring Results—Cont.

- Ensure that ad hoc query tool is able to generate reports.
- Ensure that the system provides reliable data for the reports.
- Update system reports on a timely basis when changes to the system affect a data field compiled in a report.
- Fix errors in the reports on a timely basis.

24

Steps for Monitoring Performance

- Step 1: Produce Reports of Lead and Lag Indicators on a Regular Basis
- Step 2: Produce Ad Hoc Reports as Needed
- Step 3: Executive Management Reviews Program Performance
- Step 4: Supervisors Review Staff Performance and Productivity
 - Identify best practices
 - Identify training needs

25

Steps for Monitoring Performance—Cont.:

- Step 5: Staff Self-Manage Performance and Productivity
- Step 6: Monitor Budget Relative to Performance Targets

26

Managers' Checklist for Monitoring Performance

- Give subunit managers/supervisors budget parameters and performance targets before the start of the annual period.
- Give subunit managers/supervisors responsibility to manage their portions of the budget in order to meet their subunit performance targets.
- Give subunit managers/supervisors appropriate discretion to reallocate their resources to meet performance targets.

27

Managers' Checklist for Monitoring Performance—Cont.

- Ensure that the program as a whole is able to account for how expenditures produce results.
- Establish a team at the executive management level that coordinates the performance management approach, provides technical assistance to report users, and troubleshoots problems with reports and the distribution of reports.

28

Managers' Checklist for Monitoring Performance—Cont.

- Produce reports that compare monthly milestones and actual results, provide trend lines for results, and provide results for the same period the previous year.
- Provide monthly lead and lag indicator and budget reports to subunit managers/supervisors.
- Share data reports with staff at all levels of the program.
- Be proactive in updating interested parties (stakeholders, advocacy groups) with program results.

29

Steps for Improving Processes

- Step 1: Analyze Process Data for Root Causes of Barriers to Process Efficiency
- Step 2: Develop Plan to Overcome Root Cause Problem
- Step 3: Implement and Test the Change
- Step 4: Standardize Successful Changes throughout Program

30

Managers' Checklist for Improving Processes

- Have in place a permanent process that uses expert staff resources from all levels of the program for identifying and overcoming barriers to process efficiency.
- Utilize data reports to identify barriers to process efficiency.
- Minimize cycle time for identifying and implementing process improvements.

31

Managers' Checklist for Improving Processes—Cont.

- Update official manual and desk aids when process improvements are implemented program wide.
- Conduct training for staff on new or revised procedures when process improvements are implemented program wide.

32

Feedback and Questions



33

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34
