Managing Organizational Performance

Brent Stockwell
Strategic Initiatives Director
Scottsdale City Manager’s Office
Bstockwell@ScottsdaleAZ.gov
480-312-7288
Brent Stockwell
Strategic Initiatives Director
City Manager’s Office
Serving Scottsdale since 2002
Who are you? What you do?
What’s one key service you provide?
Why did you sign-up for this class?
“..the only measure of a great team – or a great organization – is whether it accomplishes what it sets out to accomplish.”

Patrick Lencioni
What should Abigail do?
What should Daniel do?
What should Emily do?
Tools for success.

- Strategic Planning
- Logic Models
- Performance Measures
- Evaluation & Analysis
- Reporting
Three reasons employees don’t like their jobs

**Anonymity**
We aren’t understood or appreciated for our unique contribution

**Irrelevance**
We don’t see how our work impacts the lives of others

**Immeasurability**
We don’t get a daily sense of measurable accomplishment
Three reasons employees don’t like their jobs

Anonymity  Irrelevance  Immeasurability

But, what if...
we understood our unique contribution,
knew how our work impacted others
and got a daily sense of accomplishment?
Wouldn’t that make a difference?
This is true for organizations as well.

What if...
we clearly communicated what we do,
why we do it,
and how well we do it?
Wouldn’t that make a difference?
“Imagine playing or watching a football game and not knowing the score.”

Patrick Lencioni
“The key is always to measure the right things.”

Patrick Lencioni
“What matters is not finding the perfect indicator, but settling upon a consistent and intelligent method of assessing your output results and then tracking your trajectory with rigor.”

Jim Collins
Performance management is...

...an organization-wide effort to improve results by integrating objective evidence with decision-making processes.
Performance Management Process

**PLAN**
What are you trying to achieve?

**DO**
What must you do to achieve your desired results?

**REVISE**
What must you improve to achieve your desired results?

**REVIEW**
How will you know if you are successful?
What are you trying to achieve?
What must you do to achieve your desired results?
How will you know if you are successful?
What must you improve to achieve your desired results?
What are you trying to achieve?

Planning for Performance
“Plans are worthless, planning is everything.”

Dwight D. Eisenhower
Some strategic plans are nothing more than...
What is a Strategic Planning?

A management tool to:
- assess the current environment
- anticipate and respond to change
- envision the future
- increase effectiveness
- develop commitment to the mission
- achieve consensus on objectives

*GFOA Best Practices (2005)*
Prepare a mission statement 

Mission Statement 

Guided by a RELENTLESS focus (heartfelt adjective) 

On QUALITY, (cliche) (another cliche) (yet another cliche) 

We will strive to (long-winded phrase) 

Delivering (big aspirational word) to our (vague group) 

Quality! We've already used that 

Slide 1 of 42
In contrast, good mission statements:

- Are short and sharply focused
- State why we do what we do
- Provide direction for doing the right things
- Are clear and easily understood
- Are memorable and easily memorizable
- Describe what we want to be remembered for
“The effective mission statement is short and sharply focused. It should fit on a t-shirt.”

Peter Drucker
The mission of the City of Scottsdale is to cultivate citizen trust by fostering and practicing open, accountable, and responsive government; providing quality core services; promoting long-term prosperity; planning and managing growth in harmony with the city’s unique heritage and desert surroundings; strengthening the city’s standing as a preeminent destination for tourism; and promoting livability by enhancing and protecting neighborhoods. Quality of life shall be the city’s paramount consideration.
Simply better service for a world-class community

What does this mean to you as an employee?

What might you do, or not do, as a result of this mission statement?
Assess environmental factors
CITY OF SCOTTSDALE :: STRENGTHS

SCOTTSDALE AIRPORT/AIRPARK
DOWNTOWN REPUTATION & DISTRICT NAME RECOGNITION
TOP EXECUTIVES & FIRMS
QUALITY OF LIFE
PUBLIC STAFF AND SERVICES EVENTS
EDUCATED & AFFLUENT PEOPLE
DESTINATION TOURISM

CITY OF SCOTTSDALE :: WEAKNESSES

DIVISIVENESS IN GOVERNMENT
LACK OF SITES BUILT-OUT
LACK OF ECONOMIC DEVELOPMENT MARKETING CITY
LACK OF YOUNG TALENT
LACK OF VISION
PUBLIC/CITIZEN VITRIOL
LACK OF LAND ARROGANCE

CITY OF SCOTTSDALE :: OPPORTUNITIES

GROW HIGH VALUE SECTORS CIVILITY
EMPLOYMENT CENTERS QUALITY JOBS
MCDOWELL ROAD YOUNG TALENT
ECONOMIC DEVELOPMENT CURE CORRIDOR HOUSING
EXPANDED TRANSPORTATION AND TRANSIT DOWNTOWN

CITY OF SCOTTSDALE :: THREATS

ANTI-GROWTH ATTITUDES
UNWILLINGNESS TO "ENCLAVE" INVEST IN FUTURE MENTALITY
LACK OF TRANSPORTATION
INCREASED FAILED BOND ELECTIONS
FAILED SCHOOL OVERRIDES
HIGH COST NORTH VS. SOUTH, OLD VS. NEW, RICH VS. LESS AFFLUENT
ATTRACTING/RETAINING TALENT LIMITED CAPITAL FOR STARTUPS

From draft Economic Development Strategic Framework
Identify critical issues and areas for focus
Alignment with Strategic Goals

Plot of 14 Attributes

Priority

Ecological Quality
Safety
Transport
Cultural Assets
Natural Assets
Beauty at Night
Specific Amenities
Tech Leadership
Human Capital
Lively People
Employment
Healthcare
Inclusiveness

Social Brand

Influenceable

Low

Low

High

High

Alignment with Strategic Goals
Agree on a small number of broad goals

“Goals make it absolutely clear where you will concentrate resources for results – the mark of an organization serious about success.”

Peter Drucker
“The hunter who chases two rabbits catches neither.”
Goals:
- Are overarching
- Should be few in number (5 or less)
- Flow from the mission
- Build on strengths
- Address opportunities
- Collectively outline your desired future
Land a man on the moon and return him safely to earth by the end of this decade from $x$ to $y$ by when
Decide what you’re trying to accomplish

Ask yourself these two questions:
1. How will you know whether or not you’re making progress?
2. How will you persuade someone else you’re right?

Develop strategies to achieve broad goals.
What is a logic model?

Source: http://www.rand.org/content/dam/rand/pubs/technical_reports/2006/RAND_TR370.pdf
TO CONDUCT ACTIVITIES TO DELIVER SERVICES TO BENEFIT CUSTOMERS TO ACHIEVE RESULTS WE USE RESOURCES
Drivers and trucks drive to each house twice a week to collect refuse and recycling from every resident’s curb or alley to encourage a clean, sustainable environment.
Public Services

- To achieve results
- To benefit customers
- To deliver services
- To conduct activities
- To provide resources

Internal Services

- We use resources
- To conduct activities
- To deliver services
TO COLLECT REFUSE AND RECYCLING FROM EVERY RESIDENT’S CURB OR ALLEY TO ENCOURAGE A CLEAN, SUSTAINABLE ENVIRONMENT TO KEEP THEM OPERATING EFFECTIVELY SO THAT DRIVERS AND TRUCKS CAN DRIVE TO EACH HOUSE TWICE A WEEK USE TECHS AND TOOLS TO REPAIR AND MAINTAIN VEHICLES
TO COLLECT REFUSE AND RECYCLING FROM EVERY RESIDENT’S CURB OR ALLEY TO ENCOURAGE A CLEAN, SUSTAINABLE ENVIRONMENT

ANALYSTS, COMPUTERS AND WEBSITES ARE UTILIZED TO RECRUIT APPLICANTS AND HIRE QUALIFIED DRIVERS

SO THAT DRIVERS AND TRUCKS CAN DRIVE TO EACH HOUSE TWICE A WEEK
Group Exercise

- Pick one key service that you provide
- Fill out the logic model for that service
- Share with others at your table
- After everyone has shared, pick one example from each table to share with the group
What’s your strategy?

- To achieve results
- To benefit customers
- To deliver services
- To conduct activities
- We use resources
Create an action plan
Concise action statements describing specific efforts we must do well, or improve, in order to achieve the mission.

MUST BE QUANTIFIABLE
Specific
Measurable
Achievable
Relevant
Timely
Incorporate performance measures

“Meaningful quantitative evidence used to monitor and track progress towards achievement of desired results.”
“However beautiful the strategy, you should occasionally look at the results.”

Winston Churchill
Align unit strategic plans with the organization-wide assumptions and strategies
<table>
<thead>
<tr>
<th>Mission</th>
<th>What is our purpose? Why do we exist?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goals</td>
<td>What are our main focus areas for the long- and short-term?</td>
</tr>
<tr>
<td>Values</td>
<td>What principles govern our actions and the way we do business?</td>
</tr>
<tr>
<td>Objectives</td>
<td>What efforts are needed to get results?</td>
</tr>
<tr>
<td>Initiatives</td>
<td>What specific activities must be done to ensure we meet the objectives?</td>
</tr>
<tr>
<td>Measures</td>
<td>How will we know if we are achieving results?</td>
</tr>
<tr>
<td>Strategic Goals</td>
<td>General Plan Elements</td>
</tr>
<tr>
<td>-----------------------------------------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>Value Scottsdale’s Unique</td>
<td>Character and Design</td>
</tr>
<tr>
<td>Lifestyle and Character</td>
<td>Land Use</td>
</tr>
<tr>
<td>Economic Vitality</td>
<td>Economic Vitality</td>
</tr>
<tr>
<td>Enhance Neighborhoods</td>
<td>Community Involvement</td>
</tr>
<tr>
<td></td>
<td>Housing</td>
</tr>
<tr>
<td></td>
<td>Neighborhoods</td>
</tr>
<tr>
<td>Preserve Meaningful Open Space</td>
<td>Open Space and Recreation</td>
</tr>
<tr>
<td></td>
<td>Preservation and Environment Planning</td>
</tr>
<tr>
<td>Seek Sustainability</td>
<td>Cost of Development</td>
</tr>
<tr>
<td></td>
<td>Growth Areas</td>
</tr>
<tr>
<td></td>
<td>Public Services and Facilities</td>
</tr>
<tr>
<td>Advance Transportation</td>
<td>Community Mobility</td>
</tr>
</tbody>
</table>
Simply better service for a world-class community

A. Partner with residents and businesses to revitalize the McDowell Road corridor
B. Provide strategic support of tourism and visitor events
C. Create and adopt a comprehensive economic development strategy
D. Develop a transportation strategy that anticipates future needs
E. Prepare and adopt fiscally sustainable operating and capital budgets
F. Reinvest in a high performance organization and work culture
A. Partner with residents and businesses to revitalize the McDowell Road corridor
1. Define the McDowell Road Corridor boundaries and get direction on the appropriate tools to consider in revitalizing the area
2. Listen to key stakeholders to understand current market conditions and ensure marketing efforts are focused on recruiting desired businesses to the area
3. Establish a new “brand” or identity for the McDowell Road corridor
4. Improve linkages to nearby amenities and adjacent communities
5. Improve transit service along the McDowell Road corridor
6. Work with area residents to strengthen neighborhoods in and around the revitalization area
<table>
<thead>
<tr>
<th>Objectives</th>
<th>Initiatives</th>
<th>Measures</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Partner with residents and businesses to revise the McDowell Road corridor.</td>
<td>a. Get direction from City Council on the geographic boundaries of &quot;McDowell Road Corridor.&quot;</td>
<td>Oct. 2013.</td>
<td>Completed at Oct. 8, 2013, City Council work study session and reconfirmed April 1, 2014.</td>
</tr>
<tr>
<td></td>
<td>b. Evaluate and establish consensus on which tools are available for use in a redevelopment district (if any) and are acceptable for use in stimulating revitalization.</td>
<td>Prepare a list of tools available under the redevelopment district and other designations. Present for City Council discussion following adoption of Economic Development Strategic Plan Framework.</td>
<td>Presentation was made to the City Council Economic Development Subcommittee in Feb. 2014. Follow up presentation to City Council will be scheduled following adoption of Economic Development Strategic Plan Framework which is tentatively scheduled for Nov. 12, 2014.</td>
</tr>
<tr>
<td></td>
<td>c. Evaluate the city’s zoning ordinances that could provide tools (amended development standards, reduced fees, expedited review, overlay district, etc.) to stimulate revitalization of the area.</td>
<td>Initiate appropriate ordinance amendments on an ongoing basis for consideration by Spring 2015.</td>
<td>Currently evaluating all available tools and benchmarking other communities' practices and continuing to meet with stakeholders [Item 2.a]</td>
</tr>
<tr>
<td></td>
<td>d. Create an &quot;adaptive reuse&quot; policy or ordinance that would encourage the reuse and modification of existing buildings.</td>
<td>Based on feedback received in item 2.a., deliver report to city manager and present to City Council in Fall 2014.</td>
<td>Staff completed research and is drafting adaptive reuse/revitalization policies for small lot commercial properties for City Council consideration in Fall 2014. Also, utilizing a McDowell Road corridor web page and monthly newsletter to promote awareness of new and existing tools that are available to encourage private reinvestment.</td>
</tr>
</tbody>
</table>
What should Abigail do?

Review or create a strategic plan for her area.

Make sure there’s a mission statement – or create one

Have a few key goals her department is working to accomplish

Work with her team to develop a strategy/logic model to understand how their work helps achieve the mission.
What should Daniel do?

Gather data for the SWOT analysis.

Review the strategic plan for the department and see if there’s alignment between the measures and the goals.
What should Emily do?

- Participate in planning efforts
- Review plans to provide feedback on feasibility
- Make sure her work is measurably accomplishing the mission
- Suggest changes as needed
What must you do to achieve your desired results?
Performance measures are meaningful quantitative evidence used to monitor and track progress towards achievement of desired results.

An indicator describes the environment in which you operate, including external factors that impact services.

Measures are controllable, indicators are not (usually).
Types of performance measures

**Input**
- Amount of resources used (or available) to provide services

**Output**
- Amount of work produced or services delivered

**Outcome**
- The desired end result that demonstrates the impact of the services delivered

**Efficiency**
- Amount of work done per amount of resources used

**Effectiveness**
- Amount of achieved results, or the level of quality relative to the amount of work done

**Productivity**
- Amount of quality work done per amount of resources used

**Cost-Effectiveness**
- Amount of outcome achieved per amount of resources used

**Indicators**
- Describe the environment in which the service is provided

**Conditions**
- External requirements or demands that impact service delivery
Input

Amount of resources used (or available) to provide services

Examples:
- Employees or full-time equivalents (FTEs) hours/2,080
- Expenditures for library materials
- Number of sworn firefighters
- Hours paid to sworn police personnel
- Physical resources used—electricity, water, gas, steel, cement, asphalt

What’s an input in your area?
Output

Amount of work produced or services delivered

Examples:

- Tons of residential refuse collected
- Number of lane miles swept
- Number of applications processed
- Number of sets of city council minutes prepared
- Number of arrests
- Number of trees planted

What’s an output for your area?
Outcome

The desired end result that demonstrates the impact of the services delivered

Examples:

- City facilities are clean, well-maintained and open
- Streets and roads are well-maintained and clean
- Travel/transit times are reasonable & predictable

Identify outcomes clearly so you can identify the measureable factors that will get you the results you desire

What’s an outcome for your area?
What’s one way to measure efficiency in your area?

Efficiency

Amount of work done per amount of resources used

Examples:
- Number of transactions per FTE
- Cost per work order completed
- Expenditures per case closed
- Road rehab expenditures per lane mile
Effectiveness

Amount of achieved results, or the level of quality relative to amount of work done

Examples:

- Citizen, employee and customer satisfaction, quality and timeliness ratings from surveys
- Pavement condition index (PCI)
- % of improperly repaired meters
- % of cardiac arrest patients delivered with a pulse
- Fire confined to room of origin

Thinking about your key outcomes, what’s one way to measure effectiveness in your area?
Productivity

Amount of quality work done per amount of resources used

Calculated by dividing an efficiency (or input) measure by an effectiveness measure

Examples:
- Cost per properly repaired meter
- Cost per vacancy filled successfully

How might you measure the amount of quality work per amount of resources used in your area?
Cost-Effectiveness

Amount of outcome achieved per amount of resources used

Examples:

- Per customer cost to provide after-school programs
- Cost to provide 24-hour turnaround service on all building inspections
- Per customer cost to provide passport services
- Per customer cost for twice-weekly refuse and recycling collection
- Per customer cost to provide neighborhood trolley services

How might you measure cost-effectiveness in your area?
Types of performance measures

**Input**
Amount of resources used (or available) to provide services

**Output**
Amount of work produced or services delivered

**Outcome**
The desired end result that demonstrates the impact of the services delivered

**Indicators**
Describe the environment in which the service is provided

**Efficiency**
Amount of work done per amount of resources used

**Effectiveness**
Amount of achieved results, or the level of quality relative to the amount of work done

**Conditions**
External requirements or demands that impact service delivery

**Productivity**
Amount of quality work done per amount of resources used

**Cost-Effectiveness**
Amount of outcome achieved per amount of resources used
Solid Waste Example

- **Input**: Equipment Operators
- **Output**: Tons collected per month
- **Outcome**: Refuse is collected in a reliable and clean manner

**Indicators**
- Number of households

**Conditions**
- State law requiring twice per week pick-up

**Efficiency**
- Tons collected per month per operator

**Effectiveness**
- Tons collected per month without complaints of missed or messy collection

**Productivity**
- Tons of complaint-free collection per operator

**Cost-Effectiveness**
- Cost to provide residential refuse collection services per operator
Questions performance measures can help answer

**Input**
How much resources (staff/$$$, etc.) did you use?

**Output**
How much work was accomplished?

**Outcome**
What are the desired results (short-term or long-term)?

**Indicators**
How large is your service area? What population and demographics do you serve?

**Efficiency**
How much work was accomplished with available resources?

**Effectiveness**
How well did you achieve the desired results?

**Conditions**
What legal or regulatory requirements impact how you provide service?

**Productivity**
How much time/effort was expended on quality work?

**Cost-Effectiveness**
How much value was provided per dollar spent?
Are you staying with me? Any questions?
Group Exercise

- Pick one key service that you provide
- Fill out the performance measures chart
- Share your chart with others at your table
- One person should be willing to share with the class
Now it’s your turn…
Select a palette of performance measures
Your palette should be:

relevant  understandable  complete
<table>
<thead>
<tr>
<th>Step 1. What do you do?</th>
<th><strong>Definition.</strong> Describe in one-sentence what you do... why it exists.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Step 2. Why do you do it?</strong></td>
<td><strong>Customers.</strong> Who are your primary customers? Who benefits from the work you do?</td>
</tr>
<tr>
<td><strong>Outcomes.</strong> What desired results are you trying to achieve from the perspective of your customers? What difference do you make?</td>
<td></td>
</tr>
<tr>
<td><strong>External Indicators and Conditions.</strong> What external indicators and demands impact what you do and why you do it?</td>
<td></td>
</tr>
<tr>
<td><strong>Step 3. How do you do it?</strong></td>
<td><strong>1. Service</strong></td>
</tr>
<tr>
<td><strong>Context Measures</strong> (Inputs/Outputs/Indicators).</td>
<td></td>
</tr>
<tr>
<td><strong>2. Service</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Context Measures</strong> (Inputs/Outputs/Indicators).</td>
<td></td>
</tr>
<tr>
<td><strong>3. Service</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Context Measures</strong> (Inputs/Outputs/Indicators).</td>
<td></td>
</tr>
<tr>
<td><strong>Step 4. How well do you do it?</strong></td>
<td><strong>Efficiency Measures</strong></td>
</tr>
<tr>
<td><strong>Effectiveness Measures</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Efficiency Measures</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Effectiveness Measures</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Efficiency Measures</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Effectiveness Measures</strong></td>
<td></td>
</tr>
</tbody>
</table>
Why measure?

If You Don't Measure Results,  
You Can't Tell Success from Failure

If You Can’t See Success,  
You Can’t Reward It

If You Can’t Reward Success,  
You’re Probably Rewarding Failure

If You Can't See Success,  
You Can't Learn From It

If You Can't Recognize Failure,  
You Can't Correct It

If You Can Demonstrate Results,  
You Can Win Public Support

What should Abigail do?

Lead her team in an effort to identify possible performance measures

Build a palette of measures that are relevant, understandable and complete
What should Daniel do?

Evaluate the selected measures to ensure they provide a relevant understandable and complete picture of performance in the department.
What should Emily do?

Provide feedback on whether the measures accurately measure what they are trying to measure.

Make sure data is accurate and reported in a timely manner.
Evaluating and Reporting Results

PLAN

REVISE
What must you improve to achieve your desired results?

DO

REVIEW
How will you know if you are successful?
Questions for evaluation:

What happened?
Why did it happen?
How did it happen?
Was this the most efficient use of resources?
How effective was the effort?
How can we improve on the result?
Assign staff to analyze the performance data.

Ask questions about the data – does this make sense?

Regularly review reports as part of the management cycle.
THOSE WHO DO NOT REMEMBER THE PAST ARE CONDEMNED TO REPEAT IT.
“We must understand variation.”

(avoid management tampering)

Dr. W. Edwards Deming
Targets express a specific level of performance the organization is aiming to achieve.
Standards (also called “benchmarks”) express the minimum acceptable level of performance that is expected and achieved by other, high-performing organizations.
How else will you know how well you are doing without context?
A key question to ask is: “compared to what?”
Target setting
This graph shows the number of days between close of work order and the opening of the next work order on the same unit. The fleet’s goal is 45 days.

Source: City of Scottsdale
<table>
<thead>
<tr>
<th>MEASURE:</th>
<th>Drinking Water Produced Daily</th>
<th>Annual Target</th>
<th>Q1 Target</th>
<th>Q1 Actual</th>
<th>% of Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMMENT:</td>
<td>Average daily potable water production in millions of gallons. Significant late monsoon rains reduced demand for water in the first quarter.</td>
<td>70.9</td>
<td>81.8</td>
<td>78.8</td>
<td>96.3%</td>
</tr>
</tbody>
</table>

| MEASURE: | Sewage Treated Daily | 21.4 | 21.4 | 23.1 | 108% |
| COMMENT: | Average daily volume of sewage treated in millions of gallons. Includes flow to 91st Avenue regional facility. | |

| MEASURE: | Percent of Lost & Unaccounted For Water | 6% | 6% | 7.7% | 128% |
| COMMENT: | Required state standard is 10%. Scottsdale’s goal is aggressive and 40% lower than the state standard. Based on the many factors influencing this measure, it may take more than one year to achieve. | |

| MEASURE: | Percentage of calls handled and resolved immediately by staff in a single phone call | 85% | 85% | 84.6% | 100% |

| MEASURE: | Drinking Water compliance rate | 100% | 100% | 100% | 100% |

| MEASURE: | Amount of water (in million gallons) recharged above Safe Yield | 2,500 | 625 | 3,469 | 555% |
| COMMENT: | Substantial off-site recharge planned for the previous fiscal year was delayed and not included in initial target. | |

| MEASURE: | Percentage of workshop participants who attended a landscape workshop and rated the program as "Excellent" or "Good" in a feedback survey | 98% | 98% | 100% | 102% |
| COMMENT: | 100% of 277 workshop attendees rated the workshops as good or excellent. | |
Comparing performance with other organizations
YOU CAN’T COMPARE APPLES AND ORANGES.

THAT’S CLEARLY WRONG BECAUSE YOU JUST COMPARED THEM AND DECLARED THEM DIFFERENT.
We compare for context
We compare for validation
We compare to track our progress
We compare for motivation
We compare to understand
If we don’t compare, others will.
What’s in it for us?

“Residents who experienced … ‘operational transparency’ in government services – seeing the work that government is doing – expressed more positive attitudes toward government and greater support for maintaining or expanding the scale of government programs.”

Harvard Business School study, 2013
How will you know how you are doing without context?
“Evidence suggests that improved performance occurs at a much greater rate when performance measures are compared.”

Smith and Cheng, 2004
Tips for successful Performance Review Sessions:

- Leadership sufficiently interested to support and participate in regular meetings
- A process that provides timely and accurate data on program outputs and outcomes
- Staff that can assist the leader in examining the data and provide advice on issues to address at the meetings
“But you must never forget that every one of these figures comes from the village watchman, who just puts down what he damn well pleases.” Sir Josiah Stamp, 1911
Don’t be surprised when measures are revised
Don’t take it personally...
Performance Management is communication.
Reports give a glimpse inside the manager’s brain.
simplicity
Empathize
Perceive others needs & expectations
Empathize
Perceive others needs & expectations

Distill
Boil down & customize to meet needs
Empathize
Perceive others needs & expectations

Clarify
Make it easier to understand & use

Distill
Boil down & customize to meet needs
Empathize
Perceive others needs & expectations

Clarify
Make it easier to understand & use

Distill
Boil down & customize to meet needs

simplicity

From: “Simple: Conquering the Crisis of Complexity,” Alan Siegel and Irene Etzkorn (2013)
<table>
<thead>
<tr>
<th>Scottsdale Statistics Fiscal Year Ending June 30</th>
<th>2009</th>
<th>5-Year Trend</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acres of land acquired for the McDowell Sonoran Preserve</td>
<td>25</td>
<td></td>
<td>2,365</td>
</tr>
<tr>
<td>Annual attendance at parks, community centers and libraries (in millions)</td>
<td>8.7</td>
<td></td>
<td>7.8</td>
</tr>
<tr>
<td>Total number of filed charges heard and resolved by the City Court</td>
<td>137,887</td>
<td></td>
<td>83,441</td>
</tr>
<tr>
<td>Responses by the Fire Department to calls for emergency services</td>
<td>23,953</td>
<td></td>
<td>28,544</td>
</tr>
<tr>
<td>Average Fire Dept. travel time to calls for emergency services (in minutes)</td>
<td>4:23</td>
<td></td>
<td>4:27</td>
</tr>
<tr>
<td>Total crimes per thousand (Scottsdale Uniform Crime Report, Part 1) *</td>
<td>34.3</td>
<td></td>
<td>27.8</td>
</tr>
<tr>
<td>Average Police Department response time to emergency calls (in minutes)</td>
<td>5:07</td>
<td></td>
<td>5:04</td>
</tr>
<tr>
<td>Drinking water supplied (million gallons per day)</td>
<td>69.4</td>
<td></td>
<td>70.2</td>
</tr>
<tr>
<td>Homes serviced by residential trash and recycling collections</td>
<td>78,607</td>
<td></td>
<td>80,354</td>
</tr>
<tr>
<td>New jobs created in targeted industries</td>
<td>394</td>
<td></td>
<td>1,069</td>
</tr>
<tr>
<td>Average hotel occupancy rate</td>
<td>59%</td>
<td></td>
<td>66%</td>
</tr>
<tr>
<td>Total citywide transit ridership (in millions)</td>
<td>3.5</td>
<td></td>
<td>2.6</td>
</tr>
<tr>
<td>Scottsdale Airport takeoffs &amp; landings</td>
<td>169,972</td>
<td></td>
<td>142,248</td>
</tr>
<tr>
<td>Maintained landscaped medians and rights of way (in millions of square feet)</td>
<td>17.0</td>
<td></td>
<td>22.5</td>
</tr>
<tr>
<td>Maintained city facilities (in millions of square feet)</td>
<td>2.3</td>
<td></td>
<td>3.3</td>
</tr>
</tbody>
</table>
74% Salaries & Wages up to 2,418 full-time employees

40% of budget

26% Benefits

60% Payments to private sector through contracts and direct purchases of products and services.
“effective information visualization (is) premised on:

**simplicity**
(complex notions simplified to save time for reader);

**transparency**
(visual honesty and responsibility in sourcing);

**creativity**
(design that is memorable and understandable);

**sociability**
(easily shared and improved)"
effective information visualization (is) premised on:

**simplicity**

(complex notions simplified to save time for reader)

<table>
<thead>
<tr>
<th>Scottsdale Statistics</th>
<th>Fiscal Year Ending June 30</th>
<th>2009</th>
<th>5-Year Trend</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acres of land acquired for the McDowell Sonoran Preserve</td>
<td></td>
<td>25</td>
<td></td>
<td>2,365</td>
</tr>
<tr>
<td>Annual attendance at parks, community centers and libraries (in millions)</td>
<td></td>
<td>8.7</td>
<td></td>
<td>7.8</td>
</tr>
<tr>
<td>Total number of filed charges heard and resolved by the City Court</td>
<td></td>
<td>137,887</td>
<td></td>
<td>83,441</td>
</tr>
<tr>
<td>Responses by the Fire Department to calls for emergency services</td>
<td></td>
<td>23,953</td>
<td></td>
<td>28,544</td>
</tr>
<tr>
<td>Average Fire Dept. travel time to calls for emergency services (in minutes)</td>
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**transparency**

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“effective information visualization (is) premised on:

creativity

(design that is memorable and understandable)

Phoenix is almost 7 times larger than Scottsdale!
“effective information visualization (is) premised on:

🌟 **sociability**

(easily shared and improved)
Edward R. Tufte

Remove Chartjunk

“interior decoration of graphics generates a lot of ink that does not tell the viewer anything new.”
Increase Data-Ink

“Data graphics should draw the viewer’s attention to the sense and substance of the data, not to something else.”
Accessible Complexity: The Friendly Data Graphic

Characteristics of friendly graphics

- words are spelled out
- words run from left to right
- little messages help explain data
- avoid elaborately encoded shadings, crosshatching and colors
- labels are placed on the graphic itself; no legend is required
- graphic attracts viewer, provokes curiosity
- colors, if used, are chosen so that color-deficient and color-blind (5 to 10 percent of viewers) can make sense of the graphic (blue can be distinguished from other colors by most color-deficient people)
- Type is clear, precise, modest
- Type is upper- and lower-case, with serifs

First Response Unit - Station 602 Area

FY 2011/12
1.9 companies
Station 602
6,161 Calls

FY 2012/13
1.1 companies
Station 602
6,784 Calls

10% more calls

FY 2012/13
77% 23%
OTHERS

601 3%
603 3%
PHX 1%
TEMPE 0.2%

FY 2011/12
93% 7%
OTHERS

601 3%
603 3%
PHX 1%
TEMPE 0.2%

77% 23%
OTHERS

601 13%
603 7%
PHX 4%
TEMPE 0.3%
“People... operate with beliefs and biases. To the extent you can eliminate both and replace them with data, you gain a clear advantage.”

Michael Lewis | Moneyball: The Art of Winning an Unfair Game
Assign a staff member to regularly review performance measures

Make sure that targets and standards are identified for each measure

Build review of measures into the regular management cycle – monthly staff meetings?

Work with her team to create a simple report that distills and clarifies performance information for management and customers
What should Daniel do?

Review measures on an regular basis and look at historical trends, performance against targets and standards – including benchmarked organizations

Make sure Abigail is prepared for management review sessions
What should Emily do?

- Take a look at the reports and look for explanations for variations in data.
- Keep Abigail updated on changes or trends as she notices them.
- Provide feedback on reports and analysis from the perspective of the customers she works with.
Solid Waste Department

Mission

Solid Waste maintains clean neighborhoods and protects public health by providing solid waste collection, transportation, disposal, compliance and education services at the lowest practical rate and the highest possible customer satisfaction.

Key services include:
- Provide weekly refuse/recycling and monthly brush/bulk collection to residents
- Provide commercial refuse collection 6 days a week to business and apartments

Expectations

#1 Department personnel must treat residents and businesses as customers
#2 Encourage residents and businesses to increase the amount of recycling
#3 Scheduled pick-ups must be adhered to in all possible circumstances
#4 The department must provide cost-effective services for the citizens

Goal 1

To provide the highest quality service at the lowest practical rate

Goal 2

Increase residential recycling diversion rate to 35% or greater by 2020

Goal 3

To reduce the number of missed collections by 40% by 2015

Goal 4

95% of residents will rate department personnel as “excellent” by 2015
## Performance Summary

<table>
<thead>
<tr>
<th>Measure</th>
<th>Input</th>
<th>Output</th>
<th>Efficiency</th>
<th>Effectiveness</th>
<th>Link to Goal</th>
<th>Link to Expectations</th>
</tr>
</thead>
<tbody>
<tr>
<td>124,000 tons of garbage collected annually</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>620 pounds of recyclable material collected per resident per year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$10.8 million expended for equipment and materials</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 commercial users reporting missing collections per 1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average monthly cost of $15.96 per customer for residential service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$6.2 million expended for labor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80,000 households and 1,500 commercial customers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 household reported missed collections per 10,000 collections</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17% diversion rate for material collected</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Questions for Discussion:

- What historical information would help you better evaluate these measures?
- What benchmark information would help the reader evaluate the information?
- How could this information be presented to the city council to be as effective as possible?
What are we asking you to do?

1. Review services to ensure they are aligned with strategic, council or general plan goals, make adjustments as needed

2. Review existing measures to ensure you are measuring the efficiency, effectiveness, and cost-effectiveness of services and create new measures, if needed

3. Identify standards and targets for each measure to ensure that you have context for evaluating success

4. When measures do not meet identified targets or standards, create and execute a plan to improve performance
Managing Organizational Performance

Brent Stockwell
Strategic Initiatives Director
Scottsdale City Manager’s Office
Bstockwell@ScottsdaleAZ.gov
480-312-7288