KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

October 10, 2006

Motion 12363

Proposed No. 2006-0443.2 **Sponsors** Gossett

A MOTION relating to developing a countywide strategic planning, performance measurement and management system.

WHEREAS, performance measurement can be an effective tool that may be used by county residents, elected leaders and policy makers to prioritize county goals and align public services to those goals, and

WHEREAS, county citizens should be engaged in establishing priorities for their government and county performance on how well it is meeting its goals should be publicly reported to residents, and

WHEREAS, performance measurement should be directly linked to resource allocation decisions, and

WHEREAS, performance measurement may also be used by managers for strategic planning, program evaluation and budgeting, and

WHEREAS, in October 2002, the metropolitan King County council adopted Motion 11561, which encouraged the executive to broaden and deepen the use of

18 performance measurement throughout county government as a way of enhancing
19 management of scarce resources and demonstrating accountability, and
20 WHEREAS, in June 2003, the metropolitan King County council passed Motion
21 11739, which created a collaborative performance measurement work group to advise the
22 county auditor and requested the executive to participate, and
23 WHEREAS, in a September 14, 2004, memorandum from the county auditor to
24 the chair of the labor, operations and technology committee the auditor recommended
25 that the metropolitan King County council:
26 1. Continue the performance measurement work group and expand its
27 membership to include representatives of agencies headed by separately elected county
28 officials;
29 2. Empower the performance measurement work group to develop a work plan to
30 determine feasible next steps such as developing legislation revising King County Code
31 provisions on performance measurement to promote a uniform, countywide performance
32 measurement and reporting system; and
33 3. Establish countywide goals for pursuing a countywide strategic performance
34 measurement and reporting system, and
35 WHEREAS, in September 2004, the metropolitan King County council passed
36 Motion 12005, to implement the county auditor's recommendations and expanded the
37 collaborative performance measurement work group to include all branches of county
38 government, and
39 WHEREAS, the executive is developing a performance measurement system
40 known as KingStat to assist executive department directors in managing their operations,

41 to improve decision making at all levels and to ensure that departments stay focused on
42 top priorities, and
43 WHEREAS, in July 2005, the metropolitan King County council passed Motion
44 12161, which called for the work group to develop a plan with feasible next steps for
45 establishing a countywide system of strategic performance measurement and reporting
46 that is directly linked to resource allocation decisions and is publicly reported, and
47 WHEREAS, on May 23, 2006 the county auditor briefed the labor, operations and
48 technology committee on the Work Plan for Developing a Countywide Strategic
49 Planning, Performance Measurement and Management System;
50 NOW, THEREFORE, BE IT MOVED by the Council of King County:
51 The Work Plan for Developing a Countywide Strategic Planning, Performance
52 Measurement and Management System is adopted.
53 The county auditor is directed to include in the auditor's 2007 work program the
54 continued development of a performance measurement and management system. This
55 effort shall continue the performance measurement work group that is advisory to the
56 county auditor. The work group shall consist of participants from the office of
57 management and budget, executive departments, the King County auditor's office and the
58 metropolitan King County council, the assessor's office, the sheriff's office, the
59 prosecuting attorney's office, the district court and the superior court. The work group
60 shall advise on implementation of phases one and two of the Work Plan for Developing a
61 Countywide Strategic Planning, Performance Measurement and Management System to
62 expand on ongoing improvements in strategic planning and performance measurement
63 and scope the long-term effort and resource requirements needed. The system shall be

64 directly linked to resource allocation decisions and shall engage the public. The
65 countywide performance measurement and management system shall also include close
66 coordination with the executive's performance measurement systems, including the
67 KingStat program.

68 The King County executive, assessor, sheriff, prosecuting attorney, presiding
69 judge of district court and presiding judge of superior court are requested to continue to
70 participate in an advisory performance measurement work group.

71 The county auditor may pursue other means beyond the work group to advance

72 countywide performance measurement and reporting.

73

Motion 12363 was introduced on 9/25/2006 and passed by the Metropolitan King County Council on 10/9/2006, by the following vote:

Yes: 6 - Mr. Phillips, Ms. Lambert, Mr. Ferguson, Mr. Gossett, Mr. Constantine and Ms. Patterson
No: 0
Excused: 3 - Mr. von Reichbauer, Mr. Dunn and Ms. Hague

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Larry Phillips, Chair

ATTEST:

Anne Noris, Clerk of the Council

Attachments A. A Work Plan for Developing a Countywide Strategic Planning, Performance Measurement and Management System, dated April 6, 2006

12363

A Work Plan for Developing a Countywide Strategic Planning, Performance Measurement and Management System

King County

Developed by the King County Performance Measurement Work Group

April 6, 2006

A Work Plan for Developing a Countywide Strategic Planning, Performance Measurement and Management System

Introduction

In this document, the King County Performance Measurement Work Group has drafted a work plan to take the county from the current state to the future vision of performance measurement and performance-based decision-making as directed by the King County Council.

The proposed performance measurement system builds upon and aligns effective planning tools, performance measures, reports, and systems that are currently in place and under development such as strategic business plans, operational master plans, the County Executive's Budget Priorities, and Kingstat (Performance Measurement Program). Moreover, the strategic planning, performance measurement and management system will encompass and link all of these effective tools into a coordinated system of planning, managing, measuring, and reporting that promotes improved performance, communication, and resource allocation.

The work group believes that the steps recommended in the work plan will build on the fine work the county has already accomplished and will help the county move towards the preferred vision of performance management in a cohesive and efficient manner. It also recognizes the diversity and needs of different branches of government and the independence of county separately elected officials.

The work plan presented here is a high level first draft of steps we think the county needs to take over a course of many years to move towards the strategic planning and performance measurement system vision. The work plan is a dynamic document that will change based on the outcomes of each phase and accommodate the impacts of changes in the internal and external environment of county government.

The vision for the future and the work plan for developing a Countywide Strategic Planning, Performance Measurement and Reporting System are summarized below. Background information about the county's current status, recent activities, and accomplishments in strategic planning and performance measurement are summarized in the appendix of this document.

Mission Statement

King County will develop an effective system of countywide strategic planning, performance measurement and management designed to enhance government accountability, service performance, and resource allocation.

Vision for the Future

The following bullets describe the preferred vision for King County strategic planning, performance measurement and management in the future:

- There is consensus among county leadership that the strategic planning, performance measurement and management system effectively aligns collaborative efforts towards common county goals while respecting the needs of individual agencies to pursue organization goals, and separately elected officials' obligation to deliver on their commitments to the citizenry.

- Building on current efforts and with input from citizens, elected leaders and policy-makers develop countywide prioritized goals and align services to those goals.
- Performance measures inform and are linked to policy and resource allocation decisions.
- County publicly reports to citizens how well it is meeting its performance goals and engages the citizenry in the countywide performance management program.
- Performance measurement is used by managers for strategic planning, program evaluation, operational improvements, and budgeting.
- Performance measures are not used in a punitive manner but are used to support organizational learning in collaboration with the workforce.

Work Plan for Attaining the Strategic Planning, Performance Measurement and Management Vision

The work plan outlines the basic activities that should be completed for King County to progress from the current state of performance measurement to the future vision of a countywide system that encompasses strategic planning, performance measurement, reporting, and managing for improved performance. It should be noted that efforts to improve current strategic planning, performance measurement, reporting tools and outputs should continue while the multi-year effort to design and implement a countywide system is underway. As consensus around the countywide system is developed, effective existing tools and processes will be aligned with the countywide system.

The work plan can be segmented in four sequential phases:

I. Continue ongoing improvements in planning and performance measurement.

II. Scope the long-term effort and resource requirements needed to meet the vision for a strategic planning, performance measurement and management system.

III. Detailed design of the strategic planning, performance measurement and management system.

IV. Implementation of the strategic planning, performance measurement and management system.

Each subsequent phase builds on the outcomes of the prior phase. The work plan must be continually evaluated and revised to accommodate environmental change, take advantage of opportunities, and mitigate barriers to progress that present themselves over time.

The major phases of the work plan are described in greater detail below:

I. Expand on Ongoing Improvements in Strategic Planning and Performance Measurement

I.a Request all entities in all branches of county government to submit annual business plans as part of the county budgeting process. Business plans should adhere to the Strategic Planning and Performance Measurement Guidelines that were developed by the Performance Measurement Work Group and used as reference material in the 2005-06 and 2006-07 budget process. The Office of Management and Budget (OMB) also includes annual budget instructions relating to the preparation of annual business plans.

I.b Provide timely training and advisory services to the preparers of the business plans to build the county's business planning and performance measurement capabilities.

I.c Provide training and support to promote a culture of performance management.

I.d Prepare initial revisions to county code to promote compliance with planning and performance measurement requirements.

Outcomes:

- Continued improvement in the consistency and quality of county strategic plans and performance measures.
- Continued building of a culture of performance management in the county.

II. Scope the Long-term Effort and Resource Requirements Needed to Meet the Vision for a Strategic Planning, Performance Measurement and Management System

II.a Study model efforts by other jurisdictions in establishing similar systems.

II.b Define a high-level framework that clarifies the purpose and content of planning tools and performance measurement reports. The framework will:

- Describe the general structure for a hierarchy of measures that are linked to county goals.
- Outline a process for linking strategic planning, performance measures, and budgeting to countywide priorities.
- Determine how citizens and stakeholders could be involved in designing and participating in a performance reporting system.
- Identify potential incentives that will provide management recognition and flexibility in becoming more performance-based.

II.c Develop a range of options for implementing the strategic planning, performance measurement and management framework. Identify the investments in infrastructure (software/tools, expertise, training, and staff time) that would be necessary to support the framework under each option.

II.d Seek consensus among county leadership to ensure that the strategic planning, performance measurement and management framework design option selected meets the needs of the citizens, the county, individual agencies, and separately elected officials.

Outcomes:

- Consensus is reached on an overall approach to strategic planning, performance measurement and management in the county.
- Commit the resources necessary to develop a detailed plan for implementing the vision for countywide strategic planning and performance measurement.

III. Detailed Design of the Strategic Planning, Performance Measurement and Management System

III.a Define and document the framework that clarifies the purpose and content of planning tools and performance measurement reports. The framework will:

- Build on current tools in place.
- Eliminate redundancy and maximize synergies among reporting methods and formats.
- Emphasize ease of use and practicality.

- Seek best practices in performance measurement and planning from other jurisdictions and apply lessons learned.
- Clarify the purpose and relationship of various planning and performance reporting tools such as KingStat and King County Benchmark Report; coordinate with the establishment of useful and relevant performance measures for the Accountable Business Transformation (ABT) Program and other county technology plans and projects; and establish the linkages to regional human services policies.
- Describe how a hierarchy of measures should be linked and designed for specific audiences. Identify performance reporting needs of various stakeholder groups: the public, councilmembers and staff, and all levels of county management.
- Describe a countywide process for linking strategic planning, performance management, and budgeting and include using performance measures as input for resource allocation decisions.
- Involve the intended audiences of performance reports in the development of the report designs.
    - Define the purpose, audience, and timing of performance reports.
    - Define the key components of the countywide strategic plan and performance report. (Follow, as applicable, Government Accounting Standards Board Service Efforts and Accomplishments guidelines, *Suggested Criteria for Effective Communication*).
    - Determine who will publish reports. Promote a joint effort.

III.b Develop measures of success for the performance management system effort that not only address outputs, such as producing required deliverables but also outcomes in terms of:

- Demonstration of desired performance management practices at all supervisory levels.
- Measurement of employee awareness of organization strategy and their role in achieving those strategies.
- Measurable improvements in organizational performance.
- Improved returns on resource decisions.

III.c Develop ongoing method for evaluating and updating strategic planning and performance measurement practices and tools, and reporting to key policy-makers.

III.d Identify appropriate performance measurement software, including existing programs already in use. Estimate licensing and/or procurement costs. Develop a training program for users.

III.e Conduct a detailed assessment of the county's education and cultural change requirements. Develop a training, communication, and change management plan that will:

- Educate county personnel on the concepts of strategic planning and performance measurements.
- Design training programs that are appropriate and relevant to staff and management.

  - Educate all county participants in the planning and performance measurement process, including; council, council staff, auditor staff, department/organization leadership, department/organization management and analysts, and staff involved in budget preparation.
  - Train supervisory personnel on the concepts of performance management and how to integrate performance measurement into daily management practices.
- Provide incentives to give management and staff flexibility in the use of performance measurement to promote positive change.
- Organize ongoing forums for personnel involved in the strategic planning and performance measurement process to share best practices, resources, and lessons learned.

III.f Develop a detailed implementation plan, with roles and responsibilities, and a schedule.

III.g Draft further refinements of county code.

Outcomes:

- A detailed performance management system design and implementation plan is developed and adopted by county leadership.

- Clear responsibility and accountability for implementation is assigned and understood. Incentives exist to promote implementation.

IV. Implementation of the Strategic Planning, Performance Measurement and Management System

IV.a Position for implementation.

- Obtain support of key stakeholders for the work plan and its outcomes. Recognize the diversity and individual needs among county agencies and elected officials.
- Establish a project management implementation structure that provides for authority and accountability for implementing performance management throughout the county.
- Update the communication plan to ensure the performance measurement system is sustainable and becomes integrated into the management processes and culture of King County.
- Develop a standard protocol for addressing issues and changes to the performance measurement system to ensure that the effort remains aligned and benefits from innovations.
- Commit resources to implementation via the budget.

IV.b Implement the required infrastructure.

- Implement performance management software and train users.
- Implement training and communication and change management programs.
- Ensure that sufficient incentives exist to promote implementation.

IV.c Develop countywide priorities, policy, and budget.

- Develop countywide priorities by broad subject or public policy areas (e.g., criminal justice and public safety, environment; public satisfaction with county government).
- Determine what to report for countywide, macro-level measures.
- Develop and implement a countywide communication plan to keep county staff and other county stakeholders informed of project status and outcomes and invite input, including citizen engagement, throughout the performance measurement system development and implementation process.
- Develop strategies for linking priorities to budget.

IV.d Align agency strategic plans and measures with county priorities.

- Develop strategic plans according to the guidance of the Framework for Strategic Planning and Performance Measurement.
- Identify existing or develop key department measures that are aligned to countywide macro-measures. Educate staff as necessary to accomplish this.

IV.e Publish performance reports.

IV.f Assess and give recognition to actual performance of the strategic planning and performance measurement system relative to program goals.

- Evaluate and update performance management practices and tools, and reporting to key policy-makers.
- Provide for recognition of achievements and challenges addressed for county collaborative efforts to promote performance measurement and management.

Outcomes:

- Making progress towards the vision for strategic planning and performance measurement. The process will evolve over time and benefit from lessons learned and a developing performance management culture.
- Documenting results of performance measurement efforts.

Appendix - Background Information

King County's current status, recent activities, and accomplishments in strategic planning and performance measurement

Brief Summary of Performance Measurement Activities Since 2002

2002

- A February 2002 *Governing Magazine* article that gave King County a C score on managing for results led to council actions that year.
- A motion in October encouraged countywide use of performance measurement and requested the executive to submit business plans as part of the annual budget process.
- The council required, per budget proviso that the executive submit, by motion, a work plan and implementation schedule for a performance measurement program.
- Council also approved a term-limited temporary position in the office of management and budget to staff the executive's performance measurement program full-time.

2003

- Council created a performance measurement work group and requested the executive to participate.
- The executive was also requested to submit executive departments' missions, goals, objectives, core business outcome and efficiency measures, performance targets, and historical data on each performance measure for 2004 to council.

2004

- The Auditor's Office convened the work group consisting of representatives from the council, county auditor, Office of Management and Budget and four executive departments.
- The work group developed guidelines for reviewing business plans and performance measures at a high level. These guidelines were published with the executive's 2005 budget instructions.
- The work group established a common vision among council and executive staff for how business plans and performance measures could be designed to meet the needs of policy-makers. It also made recommendations for next steps.
- The Auditor's Office made three recommendations to carry forward county performance measurement efforts:
  1. Continue the performance measurement work group and expand its membership to include representatives of agencies headed by separately elected county officials.
  2. Empower the work group to develop a work plan to determine feasible next steps, including development of legislation revising county code provisions on performance measurement to promote a uniform, countywide performance measurement and reporting system.
  3. Establish countywide goals for pursuing a countywide strategic performance measurement and reporting system.
- The council adopted a motion to implement the auditor's recommendations.
- *Executive Performance Measurement Initiative* measures published.
- Council staff trained in performance measurement.

2005

- The work group, expanded to include representatives from the courts and other offices headed by separately elected officials, reviewed four agency business plans and revised the guidelines.
- The work group drafted a work plan to move toward implementation of a countywide reporting of priorities and measures.
- The work group reviewed how to incorporate and coordinate county performance measurement programs such as KingStat into its overall effort.
- The executive accepted a proposal to implement KingStat, an operational performance measurement system for executive departments.

- Office of Management and Budget staff were trained in performance measurement.
- Department of Natural Resources and Parks *Measuring for Results* report received an award from the Association of Government Accountants for excellence in performance measurement reporting.
- The council adopted a motion calling for the work group to develop a plan with feasible next steps for establishing a countywide system of strategic performance measurement and reporting that is directly linked to resource allocation decisions and is publicly reported.
    - The plan shall include a review of how KingStat, Accountable Business Transformation (ABT) Program and any other county performance measurement initiatives will be coordinated with this countywide effort.
    - The motion also tasks the work group to develop ideas for revising county code requirements for planning and performance measurement.

2006

- In the 2006 budget, the council approved funding for performance management staff in the executive branch and for the development of a KingStat data system to collect and report performance measures.
- KingStat pilot was successfully executed using DNRP measures.
- During the 2006 budget review process, under the theme of "Measuring Up," the council conducted a high-level assessment of agency strategic business plans and performance measures and used the work group's and auditor's office materials for technical information/advice.
- The council will review selected strategic business plans and provide feedback to agencies regarding the appropriateness of goals, objectives, strategies and performance measures.
- The council will continue the performance measurement advisory group process with the other branches of county government to determine feasible next steps in establishing a countywide system of strategic performance measurement and reporting.
- The executive hired a Performance Management Director and commenced implementation of the KingStat program.

The Current State of Performance Measurement in King County

The description of the current state of performance measurement was derived from the King County Performance Measurement Work Group members' experiences, work group discussions and reviews of several business plans over the past two years, and county reports.

A brief summary of the current status of performance measurement practices in the county appears below.

At the County Level

- The county does not have countywide prioritized goals. The county executive's budget priorities provide guidance for the executive departments in the budget process.
- Executive departments report performance measures quarterly. The executive publishes a performance measurement report (the *Executive Performance Measurement Initiative or PMP*) which is submitted with the annual budget proposal.

- Periodically, the council will ask a county organization to develop an Operational Master Plan (OMP). The OMPs grew out of capital planning processes. Similar to a strategic plan, over the years the purpose of OMPs seems to have expanded to developing a comprehensive plan for an organization to address specific issues or challenges.
- The Performance Measurement Work Group was established in 2004 as a forum for improving the county's business planning and performance measurement capabilities and developing a common language and guidelines for the county. The Work Group has analyzed the business plans and performance measures of six county organizations. The Work Group currently includes representatives from all three branches of county government.
- There is a set of business plan and performance measure guidelines that were developed by the Performance Measurement Work Group made up of representatives from the county council, Office of Management and Budget, the auditor's office and executive departments. The guidelines were referenced in the 2005 and 2006 Business and Budget Planning Guidelines issued by the Office of Management and Budget.
- The county executive's office is in the process of hiring a Performance Management Director. In 2002, the council funded a performance measurement position in OMB.
- The county executive is implementing the "KingStat" system of operational management measures that is part of the executive's efforts to promote a culture of performance management.
- The standard county supervisory training curriculum does not include courses in strategic planning and performance measurement.
- The county does not currently offer any training courses on performance measurement.
- Informal networking and knowledge sharing is increasing among department analysts. Yet, there is no regular forum for analysts involved with performance measurement to share ideas and knowledge.

At the Department/Agency Level

- All county departments and agencies participate in the budget process.
- Executive departments are required to submit a business plan and performance measures with their budgets.
- County government organizations' business planning, performance measurement, and budgeting systems and capabilities span the full range of the spectrum. Some have very highly developed integrated business planning, performance measurement, and budgeting processes while others prepare the minimum documentation required for the budget process. The majority of the King County government organizations' capabilities are partially developed and have the following characteristics:
    - The organization has some type of business plan submitted during the county budget process.
    - Typically, the goals, change dynamics, strategies and performance measures are not specifically linked.
    - Few organizations have a well rounded mix of performance measures that describe end outcomes, outputs, efficiency, and other qualitative attributes such as timeliness.

- Some organizations have a large number of workload measures describing units of service provided.
- Few departments have performance targets.
- Few departments discuss actual performance relative to targets.
- Few departments benchmark performance relative to department history or external benchmarks.
- Typically the strategic plan and performance measures have not been integrated into daily management practices at all levels of the organization.
- Most departments struggle with performance measurement data collection, evaluation, and reporting.

Assessment of the Current Status

Current Achievements	Areas for Improvement
The executive provides budget priorities to help align executive departments' business plans.	Council and the executive have not collectively articulated countywide priorities that are tied to performance measures, targets, and agency goals. Policies generally pertain to an individual agency or group of agencies. Some regional policies exist, but they are not readily linked to agency strategic/business plans.
Much progress has been made. Each year department plans and measures improve. A great deal of time and effort has already been contributed to the effort. A performance measures report accompanies the executive's annual budget submittal.	Departments need help in understanding how the vision, mission, goals, strategies and performance measures should be linked. Departments could generally use more support in developing strategic planning and performance measurement capacity.
County council adopted legislation in support of performance measurement, and most recently, a motion to develop a work plan for feasible next steps toward establishment of a countywide system of strategic performance measurement and reporting that is linked to resource decisions and is publicly reported.	The council and oversight stakeholders need better tools for making resource decisions that align with county priorities.
2006 budget provides funding for performance management staff and data system for executive's KingStat program	Hiring a director is a priority. Additional program staffing may warrant full-time permanent staff for sustainability. KingStat data system needs to link to a countywide strategic planning effort and resource allocation decisions. Data should be reported to the public and county decision-makers.
The Performance Measures Work Group has developed a common language for business planning and performance measurement.	More work needs to be done to build awareness, understanding and application of the Work Group's guidelines.
Council staff review business plans as part of the budget process. KCAO evaluates strategic plans and performance measures during the course of most performance audits.	Analysts that help prepare business plans and performance measures are just beginning to receive standard training and opportunities to share knowledge among their peers.
Policymakers have expressed support for county government becoming more performance-based.	Performance management is not generally part of the culture or daily management processes of many King County entities.
	Line supervisors do not receive training in strategic planning and performance measurement as part of standard supervisory curriculum.

Current Achievements	Areas for Improvement
	Business planning, performance measurement, and budget processes need to be coordinated to ensure the entire system is integrated and efficient.
	Departments struggle with data collection and reporting of performance measures and having the resources to do so.
	Citizen input is limited (including no linkage to community indicators).