

Performance Measures

Annual Report Training
Series

Pierce County Funders
Group



Purpose of Training

- Build capacity to write annual OBE report
- Give opportunity to broaden questions about your program and teach you how to use performance measures/data to answer them
- Promote LEARNING!
 - Ongoing, repetitive process
 - Important at all levels (funders and programs)
 - Transfer ownership to programs

Training Objectives

- 1) Understand how to develop effective performance measures.
 - Purpose and definition of performance measures
 - How to select performance measures for your program
 - Characteristics of good performance measures
- 2) Understand that outcomes are only one type of performance measure
 - Other measures include:
 - Outputs
 - Financial information
 - Staffing levels
 - Demographics
 - Client or program characteristics over time

Purpose of performance measures

- To yield measurements (numerical values) of the performance of some key aspect of a program, product, or service
- To improve strategic and operational work
 - Strategic: work done to prepare for the future
 - Operational: work done to deliver the services to the current clientele (present-focused)

Why do we need them?

- Monitor current performance (outputs, outcomes, expenses vs. income)
- Tell us something we do not already know
- Confirm what we think we know
- Provide a basis for taking action on the future (enhance decision making)
- Comply with regulatory requirements

Performance Measures Defined

- Definition: A *quantifiable indicator that documents change in a specific condition or attribute*
 - Measured over time to help answer whether the condition (of a client, program, or agency) is getting better, staying the same, or getting worse
- Examples
 - *Output*: # of students per class
 - *Financial*: hourly cost of staff
 - *Program characteristic*: staff to student ratio
 - *Outcome*: Improved academic performance

Selecting performance measures

- Dependent on the question(s) you have about your program
 - What do you want to know about the health or impact of your program?
 - Are your outcomes capturing all of the change that is taking place with your clients?
 - What information is missing that would help you assess the effectiveness of your program?
 - Think outside the box!

Considerations for Measures

- Measure what is important, not just what is easy or has been historically measured
 - * *What do you want to learn?*
- Don't use measures in isolation—need to link them with program objectives, planning, and management in order for them to improve decision making

Writing Performance Measures

- Once you know what question you want to answer, identify what pieces of information you'll need to answer it
- Follow process:
 - Identify “what” is to be measured
 - Determine the unit of measurement (i.e. per year, per month, etc—usually related to time)
 - Express the performance measure as a statement that combines the what and the unit of measurement (i.e. # of youth with mentors *per year*, cost of program *per bednight*)

CLASS EXERCISE

“Developing Performance Measures”

See blue handout

Characteristics of Good Measures

- RELEVANT TO AUDIENCE
- ALIGNED WITH PROGRAM MISSION/GOALS
- CLEARLY DEFINED

Characteristics of Good Measures (cont.)

- Comparable
- Timely
- Reliable
- Limited
- Avoid unintended consequences
- Cost effective
- Sufficient

Telling Your Story

- **Know your audience**
 - Internal versus external stakeholders
 - What is important is often a matter of perspective
 - Different performance measures communicate different information to different audiences
- **Examples of key customers:**
 - Program clients
 - Donors
 - Volunteers
 - Funders
 - Board of directors

Telling Your Story (cont.)

- Develop a portfolio of performance measures, including:
 - Effectiveness measures (outcomes)
 - Productivity measures (outputs)
 - Efficiency measures (cost per unit)
 - Customer service (quality, timeliness)

Telling Your Story (cont.)

- Three-legged stool of information
 - 1) Price/cost of service—ratio of amount paid to perceived value (cost/benefit analysis)
 - 2) Customer service—level of attentiveness to the expectations of clients
 - 3) Quality—degree to which characteristics of the program measure up to what was intended (i.e. fidelity to program model) or accomplish intended outcomes (are effective)

CLASS EXERCISE

“Identifying Key Customers”

See purple handout

Aligning Measures

- The **logic model** is the perfect place to begin identifying key questions about your program and identifying potential performance measures (i.e. resources, outputs, outcomes)
- **Horizontal alignment**—an assessment of whether there is a natural or logical connection between program resources/activities and the achievement of identified outputs/outcomes

Aligning Measures (cont.)

- **Vertical alignment** is an assessment of whether the processes and operations at the lowest subdivision of the program work with and support the higher level goals of the program and organization as a whole.

Questions to ask yourself:

- Are the performance measures in different parts of the agency working to tell the story, not only of individual program components, but of the whole organization?
- Will the information collected help the program understand whether resources are being deployed in a manner that is consistent with the overall program or agency goals?

CLASS EXERCISE

“Connect to the Mission”

See green handout

Operational Definitions

- Important to know the operational definition of terms used in performance measures
- Everyone involved in the measure (collecting, recording, analyzing, and interpreting the data) should have a common understanding of the items

CLASS EXERCISE

“Counting Cookies!”

See pink handout

CLASS EXERCISE

“Defining Your Measures”

See white handout

Wrap-Up

- Q & A
- Evaluation (brown handout)

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