

Memorandum



CITY OF DALLAS

Date June 1st, 2007
To Honorable Mayor and Members of the City Council
Subject Performance Measurement Briefing – FY 2006-07 Mid-Year Report

On Wednesday, June 6th, you will be briefed on a mid-year report of our performance measurement initiative. We are currently in our third year of data collection and continue to review and refine our measures. This system helps us examine how we deliver city services and discover areas of improvement. These measures are also a critical part of the Budgeting for Outcomes process and integral to Staff Accountability.

Attached to the briefing is one summary report that gives performance overview by Key Focus Area, Result, and Service. Additional reports can be found online at http://www.dallascityhall.com/scs/performance_measures.html. I would encourage you to visit the webpage to review more detailed information.

Should you have any questions, please let me know.

A handwritten signature in black ink, appearing to read 'M. Stihm'.

Mary K. Stihm
City Manager

c: Tom Perkins, City Attorney
Deborah Watkins, City Secretary
Craig Kinton, City Auditor
Judge Ray Robinson
Ryan S. Evans, First Assistant City Manager
Ramon F. Miguez, P.E., Assistant City Manager
Charles W. Daniels, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
A.C. Gonzalez, Assistant City Manager
Chandra Marshall-Henson, Assistant to City Manager



City of Dallas Performance Measurement

FY 2006-07 Mid-Year Report



Presented to the Dallas City Council
June 6, 2007



Purpose of this Briefing

Present the mid-year status of the FY 2006-07 citywide performance measures.



Why Measure Performance?

- ❑ **Strengthen departmental and individual accountability – what gets measured gets done**
- ❑ **Support strategic planning and goal-setting**
- ❑ **Address customer service through continuous improvement**
- ❑ **Enhance decision-making for effective resource allocation**
- ❑ **Identify opportunities for improvement or recognizing success**
- ❑ **Communicate performance information to stakeholders**



Background

- **In 2004, the City Manager began a citywide initiative to develop a performance measurement system that tracks progress over time by:**
 - **Identify areas for improvement**
 - **Evaluating business practices and processes**
 - **Recognizing and expanding best practices**



Background

- **Year 1 Activities – FY 2004-05**
 - Detailed and aligned city services with Council's priorities (Key Focus Areas)
 - Provided introductory performance measurement training to departments
 - Developed an initial set of goals and indicators for each City service
 - Implemented a prototype service indicator tracking system



Background

- **Year 2 Activities – FY 2005-06**
 - Updated services to reflect changes resulting from the FY2005-06 Budget development process
 - Provided coaching to departments for revising FY 2006-07 performance measures
 - Began refining performance indicators
 - Ensured each service contained at least one measure related to customer service for FY 2006-07.



Current Activities

- **Year 3 – FY 2006-07**
 - Further refinement of performance indicators
 - Providing formal performance measures training to staff
 - Beginning to associate expectations in performance plans to KFAs and performance measures
 - Developing reporting formats for multiple audiences
 - Reviewing performance measures for FY 2007-08 budget bids
 - Replacing the current performance measurement tracking software



What Is Tracked?

- **Priorities established by Council (KFA's)**
- **Results established by Council**
- **Services currently performed in support of Council priorities**
- **Performance measures or indicators developed by staff to track service performance**

5

9

368

2400+



Types of Indicators

- **Input**
 - **Resources used to provide the service, such as funding or FTEs**
- **Output**
 - **Services or products directly delivered, such as applications processed or potholes filled**



Types of Indicators (Cont.)

- **Efficiency**
 - City's view - Doing Things Right
 - Cost to the City in time and resources, or how well resources are used to deliver services
 - Cost per unit
 - FTE per unit
- **Effectiveness**
 - Customer's view - Doing the Right Things
 - Means to compare the intended and actual results
 - How the service meets the customer's needs or expectations
 - Number of days to complete a job
 - Customer satisfaction rates



Annual and Long Term Indicators

- **Service Target**
 - **Expected outcome for approved service or special focus for the fiscal year**
 - Reducing complaints by X%
 - Increasing output by X%
- **Community Indicator**
 - **Tracks progress toward a long-term goal or community condition related to Council's Key Focus Areas that benefits the community**
 - Crime rate (reduction)
 - Value of the property tax base (increase)



How Measures Are Set

- **Goals and acceptable variances are set based on desired level of performance and department's annual projections**
- **Small variances from the goal do not cause a measure status to change from green**
- **Variances between the acceptable variance and cautionary variance (usually +/- 5%, may indicate stretch goals) results in a yellow status**
- **Variances beyond the cautionary variance (usually +/- 10%) results in a red status**



Setting Goals

- **Stretch goals**
 - Objectives which are very ambitious
 - Gets staff to perform in ways they never imagined possible
 - Key to organizational improvement
- **Attention!**
 - GREEN may not always be good
 - YELLOW may not always be bad (stretch goal?)
 - RED needs evaluation



Example of a Measure

Output: Number of Permits Issued		
Goal (green status)	1000	951 permits and above
Acceptable Variance 5% to 9.9% (yellow status)	-5%	901 to 950 permits
Cautionary Variance 10% or greater (red status)	-10%	900 permits and below



Report Summary

- **Services on track (green), within acceptable variance (yellow), outside acceptable variance (red) with goals and no data**

	On Track	Within Acceptable Variance	Outside Acceptable Variance	No Data
All Key Focus Areas				
All services	84.17%	12.78%	0.83%	2.22%



Report Detail

- **The KFA Detail Report by Indicator includes**
 - **KFA**
 - **Service**
 - **Department**
 - **2006- 07 Goal**
 - **Result**
 - **Indicator**
 - **Type of indicator**
 - **2006- 07 Projected**

City Council Key Focus Area Detail Report by Indicator



4: Staff Accountability

Result / Service / Indicator	Department	Type	2006-2007 Goal	2006-2007 Projected
4.8: Government				
4.8V Employee Benefits Administrative Services				
Average enrollment time (in days) of new hires/retirees	Human Resources	Effectiveness	15	15
Cost per member	Human Resources	Efficiency	\$6.8	\$6.8
FTE's	Human Resources	Input	6	6
Funding	Human Resources	Input	\$1,475,932	\$1,519,008.21
Membership enrollment of Health Plan	Human Resources	Output	26,500	26,500



Economic Development

□ Status of Services by Result

	On Track	Within Acceptable Variance	Outside Acceptable Variance	No Data
1.1 Thriving Economy	87.8%	10.2%	0%	2.0%
1.2 Mobility	96.7%	3.3%	0%	0%
1.3 Natural Resources	66.7%	28.6%	0%	4.7%



Neighborhood Quality of Life

□ Status of Services by Result

	On Track	Within Acceptable Variance	Outside Acceptable Variance	No Data
2.4 Neighborhoods	80.8%	15.4%	0%	3.8%
2.5 Recreation, Culture, and Education	81.0%	19.0%	0%	0%
2.6 Health and Dignity	75.0%	20.0%	5.0%	0%



Public Safety, Staff Accountability, and Trinity River Corridor

□ Status of Services by Result

	On Track	Within Acceptable Variance	Outside Acceptable Variance	No Data
3.7 Public Safety	90.0%	6.7%	1.7%	1.6%
4.8 Government	83.2%	13.0%	0.8%	3.0%
5.9 Trinity River Corridor	50.0%	50.0%	0%	0%



RED Services

- Currently 3 of the City's 368 services are RED or outside the acceptable variance
 - **2.6.17 Senior Transportation Services (EHS)** – Timeline for beginning this program was pushed back until June 4, 2007 because the contractor changed.
 - **3.1.17 Fire and Rescue Training and Recruitment** – The target was 70 recruits, with 43 recently graduating from the academy. The second academy completion date has been pushed back until after the close of this fiscal year.
 - **4.8.32 Department Support – Code Compliance** – For two months, the number of overdue SRs was significantly higher than the goal. For the remaining months and currently, Code is close to meeting the goal.



General Comments

- **Developing a measurement system is a long-term process**
 - **Takes about six years to define, implement and refine to fully meet the organization's needs**
 - **We are about one-third of the way on that journey**
 - **Departments continue to refine their measures**
 - **Constantly evolves to reflect process improvement**



General Comments (Cont.)

- **Give attention to measures to ensure they are**
 - **Meaningful**
 - **Show context**
 - **Cost-effective**
 - **Customer or operations oriented**
 - **Actionable**
 - **Aligned with the City's strategies**



Summary

- **Continue to improve and mature into a powerful tool that can be used for**
 - **Strategy-level decision making**
 - **Process improvement**
 - **Management of operations**
 - **Front-line performance evaluations**
 - **Public assessment of City services**



Next Steps

- ❑ **Map service processes to ensure the “right” things are being measured**
- ❑ **Implement a reliable IT solution that is user friendly**
- ❑ **Develop citywide procedures for data collection, entry, analysis, corrective action and audience-specific reporting**
- ❑ **Begin to audit performance measures in FY 07/08 (new positions required)**



Questions

Additional reports can be found online:

http://www.dallascityhall.com/scs/performance_measures.html