

Thursday December 3, 2015 1:00-2:30PM

**Performance Management Presentation**

Edmund Henschel, AECOM & RW Management Group;

Mark Rohloff, City of Oshkosh

1  **PERFORMANCE MANAGEMENT  
AND  
BENCHMARKING**

Edmund M. Henschel – Former Executive Director Wisconsin  
Management Association

City/County

Mark Rohloff – Oshkosh City Manager

2  **What is Performance Management?**

▶ In its simplest form it's the measuring of "stuff".

▶ But...

▶ Can require a lot of time

▶ Can require a lot of data

▶

▶ Even though there has been a push for increased use since the 1940's, few have embraced it in a meaningful way.

3  **Performance Management Defined:**

▶ Demand Measures – The quantity of "stuff" per time period (week, month, year)

▶ Inputs – The amount of resources provided.

▶ Outcomes – The measure of the quantity of "stuff" completed.

▶ Efficiency – The cost per outcome.

▶ Effectiveness – The amount of time to get stuff done per resources expended.

▶ Satisfaction – Customer response to services provided.

4  **Let's take simple Police Activity as an example:**

▶ Demand Measure –

▶ The annual number of robberies that occur.

▶ Inputs –

▶ The dollars/staff/equipment dedicated to the detective bureau.

▶ Outcomes –

▶ The number of robberies solved annually.

▶ Efficiency –

▶ The average cost per robbery solved (i.e. budget divided by number of robberies solved).

▶ Effectiveness –

▶ The average amount of time it takes to solve a robbery.

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5  **EXAMPLES OF OUTPUTS**

**(Finance Dept.)**

- ▶ Average time necessary to balance receipts
- ▶ Collection rates – accounts receivable
- ▶ Number and percent of time the bank deposit and bank credit agree
- ▶ Percent of accounts payable processed within “X” days
- ▶ Percent of delinquent accounts collected
- ▶ Percent of invoices paid within 30 days
- ▶
- ▶ Note: These are all activities that are numerically measurable.

**6  Why Isn't Performance Measurement Used More?**

- ▶ It takes time
- ▶ It takes money
- ▶ It takes resources away from other activities
- ▶ It can be threatening to a department director

**7  How can Performance Measures be used better?**

- ▶ First don't try to implement from above and create a list of “stuff” to be measured. Involve the impacted department and staff.
- ▶ Second decide what's really important to the organization.
- ▶ Third determine what's most easily measurable (you can get more sophisticated as time goes on).
- ▶ Fourth begin by measuring activities that have data readily available.
- ▶ Fifth measure activities that are repetitive.
- ▶ Sixth focus on activities that are truly useful.

**8  Real life examples from Oshkosh**

- ▶ Oshkosh Building Inspections Division
- ▶ In a 2009 survey/performance review:
  - 59.4% of citizens rated Building Inspection service as Fair or Poor.
  - Building Permits issued on first visit 35% of the time.
- ▶ Implemented Process Improvement Program.
- ▶ Monitored progress annually in budget.
- ▶ As of 2013, building permits issued on first visit 85% of time.
- ▶ In 2015 survey, Fair/Poor Rating reduced to 29.5%.

**9  Real life examples from Oshkosh****10  Real life examples from Oshkosh****11  Performance Management has been created...Now what????**

- ▶ The data must be used.
  - ▶ Helps determine appropriate staffing

- ▶ Helps develop meaningful budgets
- ▶ Helps reflect true needs
- ▶ Helps identify efficiencies (or inefficiencies)
- ▶
- ▶

12  **QUESTIONS?????????**

- ▶ REMEMBER-
- ▶ If Performance Management was easy, everyone would have been doing it long ago.
- ▶
- ▶ But the results are well worth the effort.