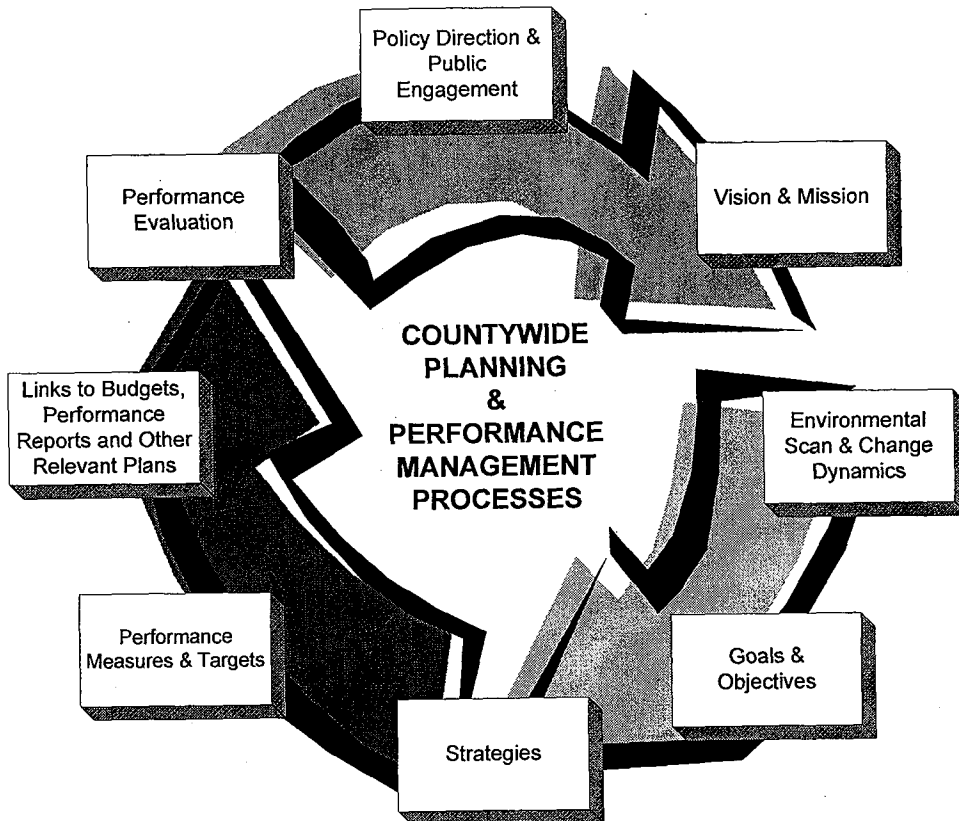


Countywide Performance Management Program Report for 2008

February 25, 2009



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Introduction

Recent council enactments have brought King County closer to reaching the goal of implementing a countywide performance management system. Council actions have been supported by the combined efforts of the county's elected officials and the Performance Management Work Group. This report reviews a brief history of the work that lead up to the 2008 landmark legislation and recent accomplishments in performance management achieved by King County government. It also highlights some of the next steps in the process to be taken in 2009.

Landmark Legislation

In 2008, the Metropolitan King County Council enacted two important ordinances relating to strategic planning and performance management.

The Performance and Accountability Act that passed in July 2008 marked a significant milestone in King County's journey to attain the vision of a countywide system of performance management, measurement, and reporting. Another ordinance created an Office of Strategic Planning and Performance Management within the County Executive's Office. This new office will lead and coordinate efforts in the development of the first countywide strategic plan and performance report.

These achievements occurred largely through the ongoing efforts of a countywide Performance Management Work Group, facilitated by the King County Auditor's Office and with active participation from all branches of King County government.

The Performance and Accountability Act places King County among only a handful of jurisdictions in the country that mandates a countywide performance management system. The performance management system is designed to enhance the county's ability to manage for results and maximize the return on resources expended. As the county proceeds with implementation, operational performance will be monitored to measure the benefits gained from the performance management program.

Work Leading Up to the Legislation

Since the early nineties, King County's performance measurement capabilities have been evolving. Early efforts to develop performance measures were typically undertaken by individual agencies, or to address a particular issue such as redesigning the juvenile justice system to reduce costs, offender population and recidivism (JJOMP). While all of these efforts were certainly worthwhile, the county as a whole had difficulty gaining momentum to effectively develop a sustainable performance measurement system that supported ongoing performance improvements countywide.

In February 2002 *Governing Magazine* graded local governments across the nation on their ability to manage for results. The article gave King County a "C" score on managing for results. That score lead the County Council to take actions later that year that set in motion a chain of events that has dramatically improved the coordination and use of performance measures in the county since that date.

Council Action Launches Collaborative Efforts

In order to jumpstart the county's managing for results capabilities, the County Council passed a motion to encourage countywide use of performance measurement and requested the executive to submit business plans as part of the annual budget process. 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. Since 2002, the executive branch's performance measurement capabilities have grown steadily under this centralized program. Since 2002, many agencies with elected officials also adopted various forms of business plans and performance measures in individual efforts.

In addition to enlisting the executive's help in promoting performance measurement in the Executive Branch, council also requested that a performance measurement work group be convened to increase coordination and enhance collaboration of performance measurement initiatives. The auditor's office was charged with convening a work group in 2003. The initial work group included participants from the County Council, the Executive Branch, and the auditor's office.

A year later, participation in the work group expanded to include all three branches of county government and all offices headed by separately elected county officials.

Early in the process, the auditor's office, through a competitive solicitation process, selected SMG/Columbia Consulting Group to support the work group, which it will continue to do so in 2009. SMG/Columbia contributes expertise in training, team facilitation, strategic planning, and performance measurement and management to help the work group develop and accomplish annual work plans that meet council's objectives. The auditor and the work group determine their own direction. It is SMG/Columbia's role to assist the work group in successfully attaining the goals they set for themselves.

As the work group evolved since 2003, it has maintained a constant purpose to provide a forum where representatives from all organizations in the county can freely discuss and come to consensus on how the county as a whole can benefit from developing a sustainable strategic planning and performance management system.

Vision Statement and Work Plan

Initially, the work group focused on learning more about how the county could benefit from the effective use of performance measures. Resulting from this process the work group developed guidelines for agency business plans and performance measures and adopted a vision statement that called for the development of a countywide system of performance measurement, management, and reporting. A key milestone for reaching this vision was the

preparation of a work plan which was submitted for council review and approval in 2006.

Countywide Framework and Recommendations for Code

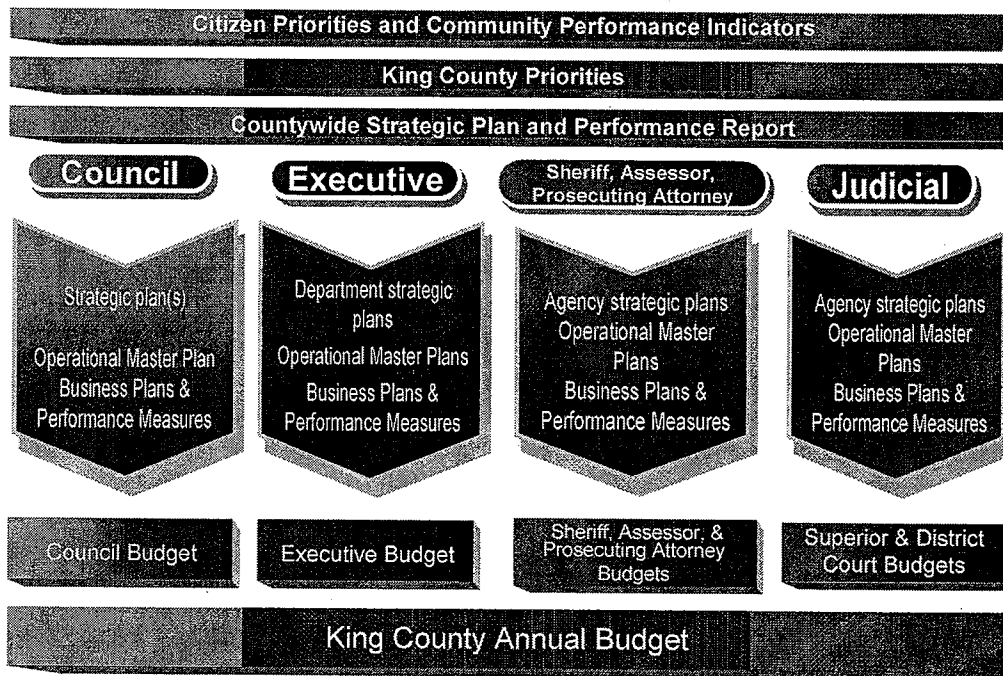
In 2007 the work group built on the high-level concepts they had developed to suggest a tangible countywide framework for strategic planning and performance management. The framework illustrates:

- How existing planning and performance measurement reporting tools and deliverables could be integrated into a cohesive countywide system, and
- Linkages that relate citizen priorities, community indicators and high level countywide priorities to agency strategic plans, business plans and performance measures to annual budget decisions.

The graphic in Exhibit A below provides an illustration of the work group's suggested Strategic Planning and Performance Management Framework that was adopted by council in 2008. The complete work group deliverable to council in July 2007 is available on the Auditor's web site (<http://www.kingcounty.gov/operations/auditor/~media/operations/auditor/documents/perfmeasure/GGLRmemo72407.ashx>).

Exhibit A

Proposed Framework for Countywide Strategic Planning, Performance Management and Reporting



Also in the report to council the work group suggested changes to county code that would facilitate transition to the new model. Best practices research has demonstrated that formal policy decisions and codified directives were consistent drivers in implementing successful strategic planning and performance measurement systems in many other jurisdictions.

The work group proposed the following recommendations for council consideration, and requested that they be enacted into county code:

1. Agencies and departments should continue ongoing efforts to develop and improve planning, performance measurement, and reporting. All agencies and departments will submit annual business plans as part of the budget process.
2. All agencies and departments will develop a strategic plan every 3-5 years.
3. The county should publish an annual countywide performance report to the public
4. The county should implement a countywide citizen engagement process.
5. The county should prepare a countywide strategic plan every 3-5 years.

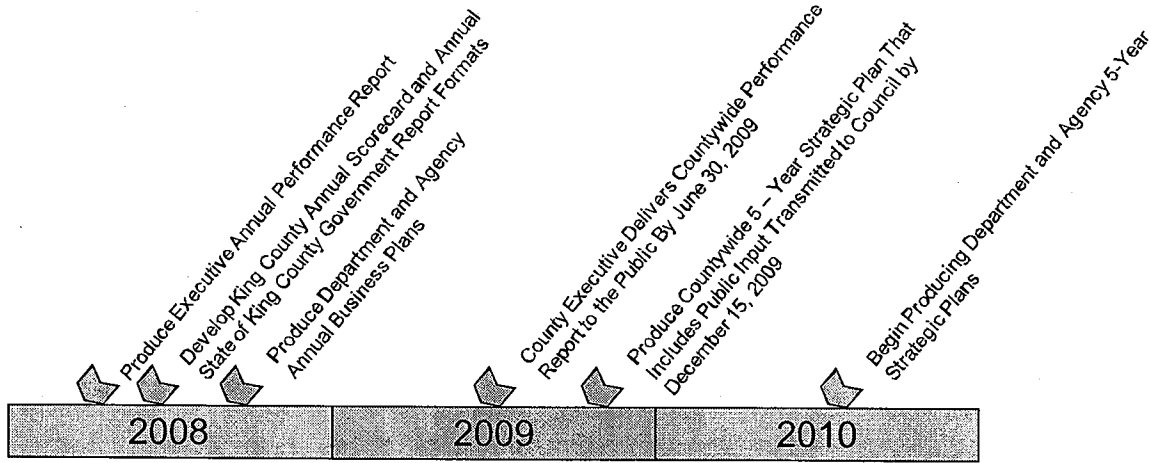
Performance and Accountability Act Mandates

Since 2003, the council has annually renewed support for the Performance Management Work Group. Annual work group reports were well received by the council and resulted in requests that work group continue to collaborate and develop the performance management capabilities of the county.

In 2008 the county achieved a major milestone when the County Council passed the Performance Management and Accountability Ordinance in July, 2008. The ordinance codifies the 2007 work group recommendations for code necessary to implement the framework for countywide strategic planning and performance management defined in 2007. The ordinance mandates the phased implementation of a comprehensive countywide strategic planning and performance management system over the next three years. Details of this legislation can be found on the auditor's Web site (<http://www.kingcounty.gov/operations/auditor/~media/operations/auditor/documents/perfmeasure/Ordinance16202.ashx>). The timeline for major implementation milestone appears in Exhibit B below.

Exhibit B

Performance and Accountability Act Mandated Timeline of Events



In addition to mandating the implementation of a countywide strategic planning and performance management system, the legislation requested the executive to define appropriate centralized county resources to oversee implementation of the system. Near the end of 2008, the executive proposed the Office of Strategic Planning and Performance Management (OSPPM) as the organization that will oversee coordination of the countywide system as well as other functions that were formerly housed in other county entities. The ordinance forming the OSPPM passed on November 24, 2008.

In addition to the performance management legislation, the council also made progress on public reporting and transparency when they passed Motion 12791 in June, 2008. The motion requests the County Executive to prepare a format for annual county performance scorecard and for an annual state of King County government report.

Recent Performance Management Accomplishments

There are currently many efforts underway to improve the County's ability to manage for results. Each effort has momentum and all participants are working together in a spirit of collaboration and support. In this section we briefly mention some of the county's most recent performance management endeavors.

Performance Management Work Group Accomplishments

Once the vision and framework for the Countywide Strategic Planning, Performance Management and Reporting was developed, the work group focused efforts on developing an approach for implementing the vision.

In 2008 the work group convened four subcommittees to work towards the implementation of key elements of the Strategic Planning, Performance Management and Reporting Framework. The subcommittees addressed the following topics:

- Strategic Planning
- Performance Reporting
- Citizen Engagement
- Countywide Coordination

Each subcommittee drafted guidelines for implementing a key aspect of the Strategic Planning and Performance Management framework. The guidelines drafted by each subcommittee were reviewed and refined by the full work group. The final guidelines received the support of the full work group, which means that the guidelines were acceptable to representatives from all branches of King County government. The guidelines produced by each of these subcommittees can be found on the Auditor's website (<http://www.kingcounty.gov/operations/auditor/~media/operations/auditor/documents/perfmeasure/StrategicBusinessPlan81008.ashx>).

In addition to developing the guidelines in 2008, the work group also prepared a response to the *Government Accounting Standards Board (GASB) Request for Response for the Suggested Guidelines for Voluntary Reporting of SEA Performance Information*. (SEA is an abbreviation for "service efforts and accomplishments.") Given that the work group has developed guidelines for agency business planning and performance measurement that have been used by county agencies since 2005, the work group had some very practical comments to pass along to the GASB.

Executive Accomplishments

Since 2006, the Executive Branch has made significant progress in developing key elements of a model performance management system. The most notable accomplishments included producing the annual *Executive's AIMS High Performance Report* that has been awarded the Association of Government Accountants (AGA) prestigious Certificate of Excellence in Service Efforts and Accomplishments for the past two years. Also the executive developed a four-page performance scorecard and AIMS High Web site for the public (<http://your.kingcounty.gov/aimshigh>), made the KingStat performance management system operational, and designed of a two-part performance management training curriculum for county employees. In addition, the Executive Branch was selected as a "Trailblazer" grantee by the National Center for Civic Innovation and used the grant funds to hold focus groups to collect citizen input on the executive's performance reporting efforts.

Members of the work group were included in the design committee for the performance management curricula and participated as observers during the public engagement focus group sessions.

Accomplishments by the County's Separately Elected Officials

In addition to participating in the countywide performance management work group, most of the agencies headed by separately elected officials prepare annual business plans and have made progress in developing performance measures for their respective offices. For example, the Sheriff's Office has prepared a strategic plan and the District and Superior courts are using the nationally recognized "CourTools" model as the framework for their performance measures.

Public Engagement through Council and Citizen Forums

In 2006, the County Council established "Priorities for People," which articulated priorities for the development of the 2007 county budget. Subsequently, the council hosted workshops and meetings for collecting citizen input on county priorities, and these formed the basis for preparing the 2008 county budget. Since then, the council has established a new approach to engaging citizens.

Countywide Community Forums is an innovative public engagement program mandated by county ordinance. It is based in the auditor's office and managed by citizen volunteers. It organizes countywide discussions on a policy-relevant topic with the goal of improving citizen participation, civic engagement, and citizenship education. Participants learn about the policy implications and multiple facets of an issue, structure their views during a discussion with fellow citizens, and fill out a comprehensive survey to inform the county about their views.

Fifteen hundred people are currently registered as citizen councilors that represent all areas of King County and diverse demographic populations. The first round of forums took place in June and July 2008 and resulted in 114 forums attended by 549 people. The second round of forums will be in February and March 2009. Now that the framework for this program is in place, citizen forums can be integrated as needed to support the public engagement needs of the county.

Recommendations for Next Steps

The Performance Management and Accountability Act of 2008 outlines a rather aggressive timeline for implementing the countywide framework for Strategic Planning and Performance Measurement. There are two major milestones scheduled in 2009 that include:

1. Publishing the first Countywide Performance Report by June 30, 2009.
2. Development of the first Countywide Strategic Plan by December 31, 2009.

In 2009 the Performance Management Work Group will focus efforts on assisting with the implementation of these important countywide deliverables.

With these milestones in the very near future it will be critical for the county to move forward in an efficient and coordinated fashion with the OSPPM leading the effort. While forming the OSPPM is a very important step towards implementing a Countywide

Performance Management System, there is much more infrastructure that needs to be developed in very short order. The newly formed OSPPM is in the process of developing an approach for creating the 2009 King County Performance Report and Strategic Plan.

To support development of an approach for the 2009 strategic plan, OSPPM researched examples of planning efforts in other jurisdictions and presented the research to the work group in December 2008. The work group discussed the research and offered some issues and suggestions for the OSPPM to consider when they draft a planning approach. Some common themes voiced by the work group are summarized below:

Public Engagement

- Carefully consider the level of public engagement that is included in the planning process. "Involving" offers more valuable feedback than random sample surveys.
- How can citizen desires be meshed with our mandates and financial constraints? Not all services can be modified to meet citizen input.

Involvement

- How will the elected officials be involved in defining the strategic planning process?
- How will county employees be involved in the planning process?
- Countywide strategic planning should create a culture change in the county. We need to start thinking as a county – not as individual agencies. We must find ways to deal with the change and use the strategic planning process to create a cohesive county.

Coordination

- How will the countywide strategic plan be coordinated with agency strategic plans that already exist or are in development? How do we work with other jurisdictions in the region with goals that might overlap with ours? How does the county plan fit into regional planning efforts?
- How can we build on strategic planning, public outreach and reporting efforts that are already in place, rather than replacing them?

In this discussion the work group recognized that there are other aspects of performance management system development that will need to be defined. For example, the county will need to determine how to integrate planning and performance measurement into the budget process and determine how to evaluate the success of these initial efforts. The work group is eager to support the county's implementation effort and contribute its countywide perspective to developing processes that are practical and effective.

Using input from many sources, the OSPPM will draft an approach to accomplishing the 2009 countywide performance management milestones. In February, the OSPPM and the work group will discuss the proposed approach and work on defining roles and responsibilities to ensure that OSPPM, the auditor, Performance Management Work Group, council and other county resources continue to build on current momentum and maximize the efficiency and effectiveness of the reporting and planning process.

Once the work group's role is defined, it will develop a work plan for 2009 that will support the completion of the countywide performance report and strategic plan. The work group expects to utilize subcommittees and full work group meetings to expedite progress and also continue to develop countywide consensus on strategic planning and performance management processes and deliverables.