

Conveying Complex Data to Management, or: How I learned to stop worrying and love performance measures

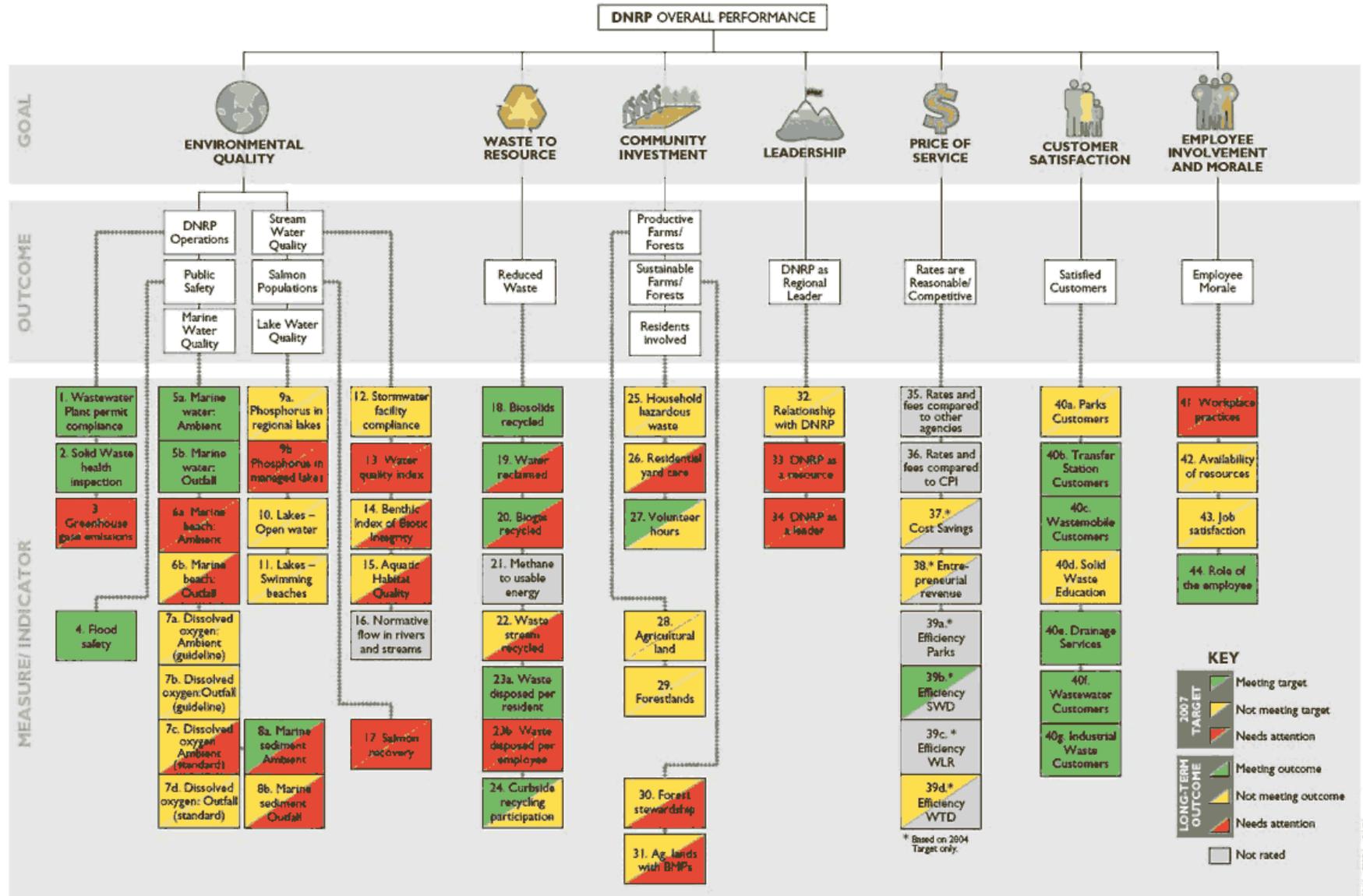
by Michael Jacobson

One of the challenges faced by everyone who works in the performance measurement field is how to present large amounts of complex information in a meaningful way and that can be easily digested by those needing the information. One dimension of this challenge is to “translate” technical data generated by staff into appropriate information for senior management. Additionally, although every how-to book on performance measures recommends focusing on the “critical few” metrics, in practice, we often find ourselves measuring a vast array of outcomes to ensure multiple objectives are being met. Particularly in the public sector, multiple layers of accountability from elected officials, stakeholders, and our own organization require a complex set of measures to accurately and effectively portray our work

In my agency, the Department of Natural Resources and Parks [DNRP], (focused on natural resources, waste management, and parks), the department director has repeatedly called for an “environmental Dow Jones,” that is, a single number that will tell her the status of environmental conditions that our agency is responsible for. We currently measure 44 separate measures and environmental indicators, some with several sub-parts. A single number may mask many important changes that a more complex set of data show; for example, using the Dow Jones metaphor, entire companies can go out of business and others can have a good day and the Dow Jones average remains unchanged. The financial metrics also have the luxury of having a relative overabundance of data; as opposed to performance measurement, which if focused on outcomes, has many fewer data due to the complexities and costs of data collection.

Our current compromise between showing lots of detailed information and a single number is the following graphic:

DNRP 2004 PERFORMANCE COMPARED TO 2007 TARGETS AND LONG-TERM OUTCOMES



Using our department's seven goals as an overarching structure, we then have identified specific outcomes, and even more specific measures that represent how we determine if we are meeting our strategic objectives. The graphic depends on having a specific target that we use as the basis for developing a standardized "indexed score" (*performance* divided by *target* out of a possible 100) which can then be further evaluated and rated with a color designation. Even if there isn't one specific "roll up" number, there isn't in fact even a single performance-related number on the entire chart (!), the reader can tell at a glance how a particular area is doing. We are currently assessing the value of creating outcome-related or even goal-related colors that would require some type of weighting of the measures (even if it is an equal weighting). Although the entire performance measure report presents many additional details on the 44 measures (and takes about 170 pages to do so), this single graphic serves as the key focus for discussion among management and program staff alike.

In the comments received by the Association of Government Accountants Service Efforts and Accomplishments Reporting review process the reviewers noted:

The summary on the inside back cover is extremely impressive in the extensiveness of information presented, the creative manner in which the information is presented, and the attractiveness of the presentation. Of particular note is the manner in which different types of performance measures are classified, labeled, and presented; and the use of color-coding to show status of performance relative to both near term and long-term targets.

Although no single number, or even a single graphic, can capture all of the information needed to assess performance, a well designed cohesive presentation of high level data can be a useful tool for initiating the dialogue about where to focus attention and future resources.

Michael Jacobson is the Performance Measure Lead for the King County Department of Natural Resources and Parks. His *Measuring for Results-2003* report received a "Certificate of Excellence in Service Efforts and Accomplishments Reporting" from AGA. The 2004 version of report is available at:
<http://dnr.metrokc.gov/dnrp/performance/index.htm>