

Commonwealth of Virginia Executive Branch Strategic Planning, Service Area Planning, and Performance-Based Budgeting

Agency Strategic & Service Area Measures: Continuous Improvement

July 29, 30 and August 4, 2009



**Office of the Secretary of Finance
Department of Planning and Budget**

Opening Remarks

Jane Kusiak, Council on Virginia's Future (July 29, 30)

Wayne Turnage, Office of the Governor (August 4)

Facilitators

John Wheatley & Jacqueline Anderson

International Consulting Services, LLC (ICS)

Subject Matter Experts

Don Darr, DPB

Emily Ward, DPB

Constance Scott, VITA

Agenda

- **Introduction:** Opening Remarks, Learning Objectives, and Workshop Logistics
- **Measurement Issues and Challenges**
- **Refresher on Measures**
 - Evolution of measures
 - Administrative measures
 - Measures as a management tool
- **Improving Measures**
 - Measure components
 - Practice exercises
- **Evaluating and Improving Your Measures**
 - Analysis
 - Your game plan
- **Issues and Questions**
- **Strategic Planning/Budgeting for the 2010-2012 Biennium**
- **Review and Feedback**

Learning Objectives

At the end of today's session, you should be able to:

- List and explain the measurement requirements for agency strategic and service area plans.
- Evaluate and improve measures.
- Describe how to effectively use measures as a management tool.
- Describe changes in the strategic planning process for the next biennium.

Workshop Logistics

- Time: 9:30 a.m. – 4:30 p.m.
- Lunch: 45 minutes, starting around 11:45 a.m. or 12:00 p.m.
- Breaks will be woven into group activities.

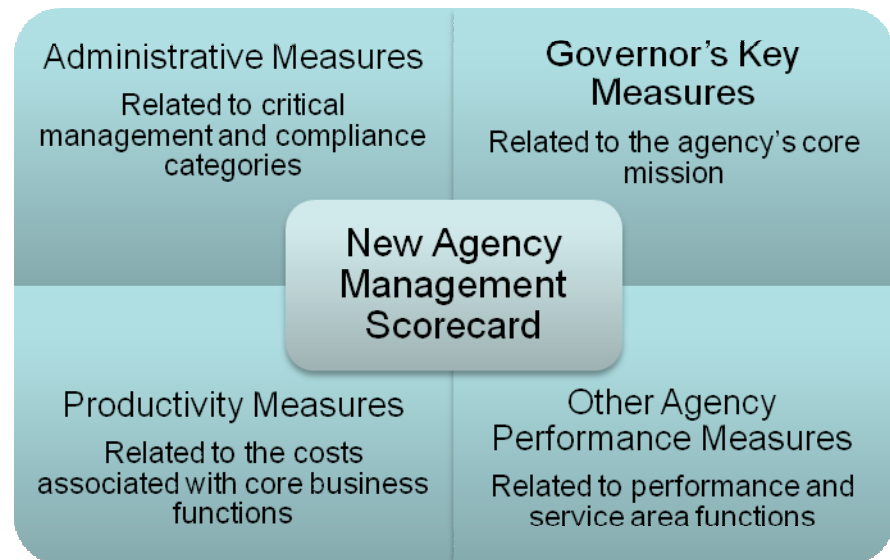
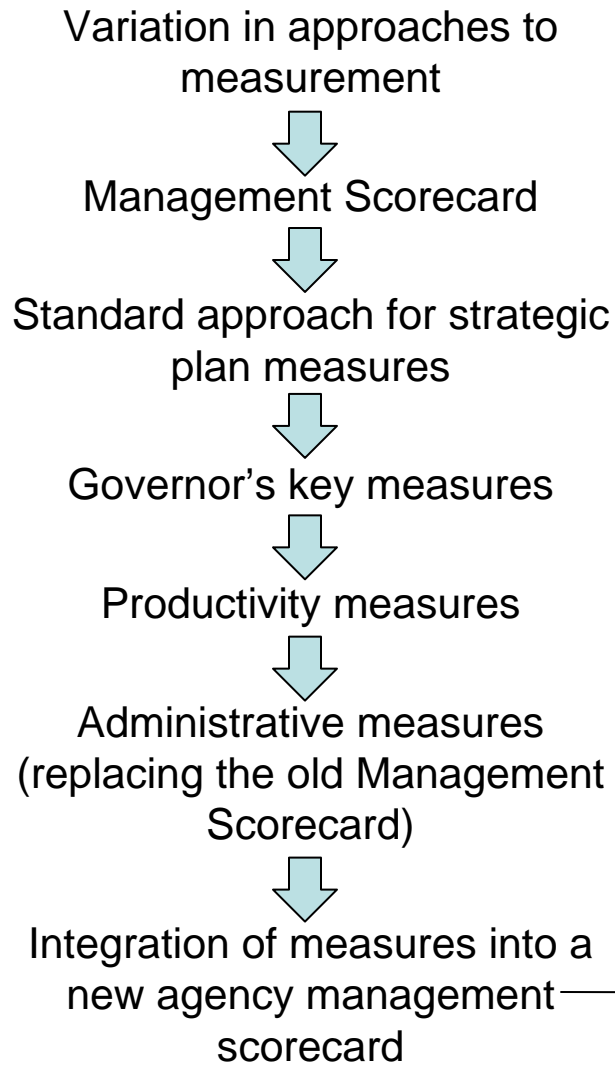
Topics for Today's Workshop Submitted Via E-Mail

- Budget development, reductions, expectations
- Schedules and deadlines
- Administrative measures
- Developing good measures and targets
- Strategic planning process and plan maintenance
- Agency-level measures vs. service area-level measures



What measurement challenges or issues would you like to discuss today?

The Evolution of Agency Measures



Management Scorecard Administrative Measures

Management Scorecard Review Team

Sara Wilson, DHRM

Pat Finnerty, DMAS

Carl Garrison, DOF

Barry Green, DJJ

Alex Nyerges, VMFA

Dave Paylor, DEQ

Bill Shelton, DHCD

Rich Sliwoski, DGS

D.B.Smit, DMV

Lem Stewart, VITA

David Von Moll, DOA

Administrative Measures Team Recommendations

Objectives – Recognize that there are multiple audiences, including the public and management.

Criteria – Use only criteria that apply to most agencies.

Measures – Be more specific and objective.

Frequency – Report in August with year-end information made public (deadline to be published in the Leadership Communiqué). Evaluate again in January to ensure you are on track to achieve targets.

New Administrative Measures

ADMINISTRATIVE MEASURES - FY 2009					
Goal	Measure	Red	Yellow	Green	
HUMAN RESOURCES					
HR 1	Talent Acquisition	Percent of hiring offers accepted Source: <i>DHRM HR-at-a-Glance</i>	0-74%	75-84%	85-100%
HR 2	Talent Management	Percent turnover excluding internal promotions and transfers Source: <i>DHRM HR-at-a-Glance</i>	25-100%	15-24%	0-14%
HR 3	Fairness and Equity	Percent rating in EEO Assessment report Source: <i>DHRM HR-At-A-Glance</i>	0-96%	97-99%	100%
HR 4	Telework	Percent of eligible employees that telework Source: <i>DHRM HR-At-A-Glance</i>	0-4%	5-19%	20-100%
FINANCIAL MANAGEMENT					
FM 1	Budget Plan	Percent of expenditures within budget plan Source: <i>CARS</i>	>100%	N/A	0-100%
FM 2	APA Audits	Number of recurring findings/material weaknesses Source: <i>Comptroller's Quarterly Report</i>	2+ recurring/ 1 material	1 recurring	0
FM 3	Prompt Pay	Percent of compliance with prompt pay act Source: <i>Comptroller's Quarterly Report</i>	0-94% last 2 Qtrs	0-94% last Quarter	95-100% last Quarter
FM 4	Internal Control	Percent of compliance with ARMICS Source: <i>Comptroller's Quarterly Report</i>	0-99%	N/A	100%
GOVERNMENT PROCUREMENT					
GP 1	eVA Usage	Percent of procurement transactions made through eVA Source: <i>DGS eVA Reports</i>	0-74%	75-94%	95-100%
GP 2	Small, Women & Minority Vendor Participation	Percent of SWaM agency goal achieved Source: <i>DMBE SWaM Dashboard</i>	0-89%	90-94%	95-100%
INFORMATION TECHNOLOGY					
IT 1	Information Security	Percent of compliance with information security standards Source: <i>VITA Information Security Report</i>	0-94%	95-97%	98-100%
IT 2	Accessibility	Percent of compliance with IT accessibility standards Source: <i>DRS Accessibility Report</i>	0-69%	70-89%	90-100%
Emergency Preparedness					
EP 1	Emergency Preparedness	Percent of recommended preparedness actions taken Source: <i>OCP Agency Preparedness Survey</i>	0-49%	50-74%	75-100%

New Administrative Measures – Data Entry

[Virginia.gov](#) | [Online Services](#) | [Help](#) | [Governor](#) | [General Assembly](#)
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Measuring what matters to Virginians



**VISION
FOCUS
RESULTS**

[Overview by secretariat](#) | [Select an agency](#)

[Agency Login](#) (password required)


Administrative Measure Details

Goal	Measure	Rating	Explanatory Note
Emergency Preparedness			
Emergency Preparedness	Percent of recommended preparedness actions taken	■ 75-100% ■ 50-74% ■ 0-49% ■ Unavailable	<i>Source:</i> OCP Agency Preparedness Survey
Financial Management			
APA Audits	Number of recurring findings/material weaknesses	■ 0 ■ 1 recurring ■ 2+ recurring or 1 material ■ Unavailable	<i>Source:</i> Comptroller's Quarterly Report
Budget Plan	Percent of expenditures within budget plan	■ 0-100% ■ N/A ■ >100% ■ Unavailable	<i>Source:</i> DPB Expenditure Variance Report - derived from CAPS

Changes in the 2010-2012 Planning & Budgeting Process

Agency Administration Objective

What stayed the same?

Wording of the objective

To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

Measure type - Outcome

Measure class – Agency Other

Target – To be developed by each agency

Strategy – To be developed by each agency

Changes for the 2010-2012 Planning & Budgeting Process

Agency Administration Objective

Changes

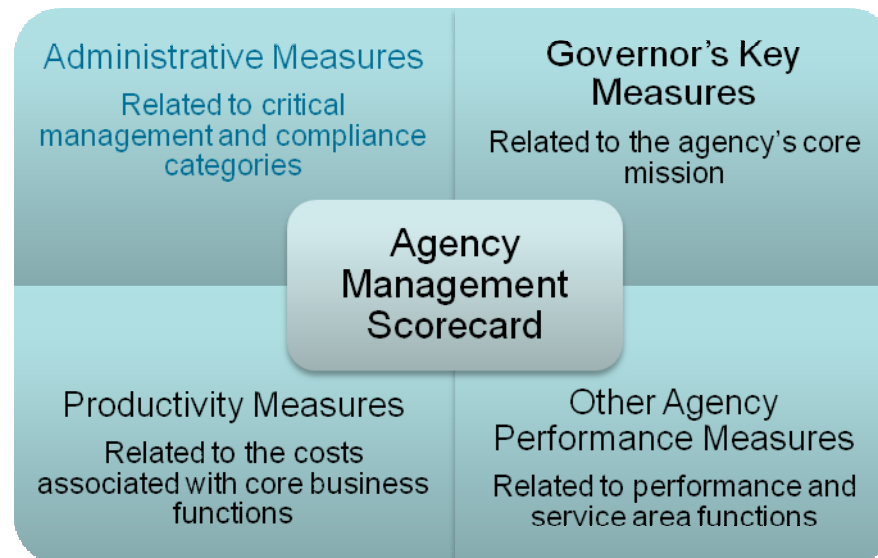
- Measure
 - Old: Percent of scorecard categories marked as “meets expectations” for the agency
 - New: Percent of administrative measures marked as “meets expectations” (green indicator) for the agency
- Measure Frequency
 - Old: Quarterly
 - New: Annually with a review in January
- Baseline
 - Old: FY 2007 agency results
 - New: FY 2009 agency results
- Data source and calculation

Other Classes of Measures

Key Measures – Approved by Chief of Staff

Productivity – Approved by Chief of Staff

Other Agency Performance Measures – Approved by Secretary



Things You Need to Know

Starting in 2008, APA audit exceptions to measures are appearing in agency-specific audits.

The appropriate time to propose changes to measures is during the 2010-2012 strategic planning cycle.

Measure Components Refresher

Measure

Class

Type

Frequency

Data Source & Calculation (Methodology)

Baseline

Target

Preferred Trend

Summary of APA Audit Findings

1. Data were generally accurate and reliable. 😊😊😊😊😊
 - “...Virginia Performs has undergone significant improvement in the overall completeness and accuracy of reported information since our first review.”
2. Measures were not as descriptive or clear as they should have been.
3. Targets were not specific enough, not within the biennium covered by the plan, or not revised.
4. Baselines were not specific enough.
5. Calculation methods were not clear or did not align to the measure.
6. Data sources were not clear.
7. Measure types were incorrect.

*We can make more
improvements!*

Exercise – Measure

What makes a measure clear and descriptive?

Measure – Format

Does not start with a verb.

Does not include a target.

Typical Format

Data form – Object – Modifier

Percentage of two-year-olds in FAMIS who are fully immunized

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graph TD; A["Data form – Object – Modifier"] --> B["Percentage of"]; A --> C["two-year-olds in FAMIS"]; A --> D["who are fully immunized"];
```

EFFECTIVE, HIGH-VALUE MEASURE

Clear alignment to the objective, goal, mission, vision

Focuses on something important

Addresses outcomes

Relates to something you control

Understandable

Provides useful input for decisions

Measure Types – Input, Output, and Outcome

Input Measure

Definition: Workload Measure

- ↳ Resources used
- ↳ Volume of incoming work
- ↳ Usually a single numeric value (e.g., \$2,000 spent on conference fees)

Examples:

- ↳ Number of license applications received
- ↳ Number of incoming phone calls to the customer service department
- ↳ Number of job applications received for open position

Output Measure

Definition: Workload Measure

- ↳ Amount of work completed or output produced
- ↳ Usually a single numeric value (e.g., 47 people trained)

Examples:

- ↳ Number of licenses issued
- ↳ Number of customer calls completed
- ↳ Number of interviews conducted for open position

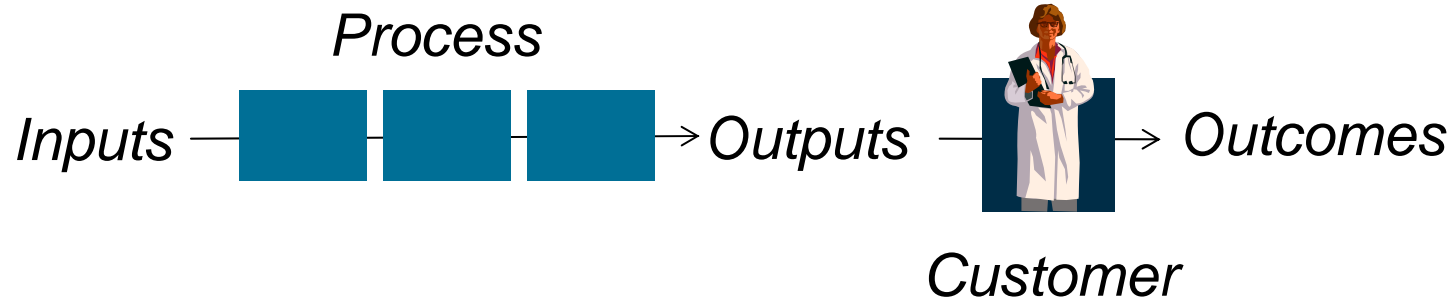
Outcome Measure

Definition:

- ↳ Results achieved by an activity compared to the activity's intended purpose
- ↳ Extent to which a service or activity has impacted its intended audience

Examples:

- ↳ % of hairdressers with valid licenses
- ↳ Customer satisfaction rate
- ↳ % of open positions filled with internal job candidates



Targets – Annual, Biennial and Long-range

Annual	Biennial	Long-range
Optional	Required	Required; applies only to key measures
End of first year of plan/budget biennium	End of plan/budget biennium	Exceeds plan/budget biennium
Use notes field	Field provided	Field provided

Key Objectives and Key Measures

- **Key objectives** - desired outcomes for an agency's major programs or activities, that reflect the agency's primary mission – "We will...."
- **Key measures** - indicators of how well an agency program is performing with respect to the key objectives – Report as a [key measure summary](#).

Measure - *Number of acres of farmland preserved by local purchase of development rights programs.*

Measure Target - *Value 32,000 acres preserved; Date 6/30/2010*



Key Measure Summary

We will preserve 32,000 acres of farmland by local purchase of development rights programs by 6/30/2010.

Planning & Budgeting Changes for 2010-2012 Biennium

PLANNING CALENDAR	
July 2009	<ul style="list-style-type: none"> ❑ LATE JULY: Training for agencies on developing effective measures and updating their strategic plans for the 2010-2012 biennium. ❑ LATE JULY: Instructions issued for 2010-2012 Strategic and Service Area Plans
August 2009	<ul style="list-style-type: none"> ❑ Agencies publish administrative measures results on Virginia Performs, if so directed by the Leadership Communiqué.
September 2009	<ul style="list-style-type: none"> ❑ SEPTEMBER 1: Agencies submit their strategic and service area plans for the 2010-2012 biennium. ❑ September 1: Agencies submit budget decision packages. ❑ SEPTEMBER 30: Pilot agencies submit executive progress reports. ❑ Agencies publish administrative measures results on Virginia Performs, if so directed by the Leadership Communiqué.
October 2009	<ul style="list-style-type: none"> ❑ MID OCTOBER: Agencies enter quarterly updates for all performance measures for the July-September 2009 quarter.
December 2009	<ul style="list-style-type: none"> ❑ DECEMBER 18: Governor releases budget.
January 2010	<ul style="list-style-type: none"> ❑ JANUARY 30: Agencies enter quarterly updates for all performance measures for the October-December 2009 quarter. ❑ Agencies review administrative measures and publish updates, if desired, in Virginia Performs.
May 2010	<ul style="list-style-type: none"> ❑ MAY 1: Agencies enter quarterly updates for all performance measures for the January-March 2010 quarter. ❑ General Assembly approves the biennial budget. ❑ Agencies update strategic and service area plans to align with finalized budget.

Planning & Budgeting Changes for 2010-2012 Biennium

Plan Submission Changes

Agency login

- Puts you in work area tables to make changes.
- Select plan year for the new biennium.
- Some fields will be populated.
- Can cut and paste from prior plan.

Changes not made public until DPB publishes them.

Planning & Budgeting Changes for 2010-2012 Biennium

Commonwealth Preparedness Objective

We will be prepared to act in the interest of the citizens of the Commonwealth and its infrastructure during emergency situations by actively planning and training both as an agency and as individuals.

Changes

- Measure: Agency Preparedness Assessment Score.
- Target: Minimum of 75%
- Data Source & Calculation: New wording
- Strategy: One-word change (from continuous to regular communication)

Planning & Budgeting Changes for 2010-2012 Biennium

Highlights of Changes to the Information Technology Summary Section & Appendix A: Information Technology Investments

- Agency head (or designee) must certify that the following are accurate and up-to-date:
 - IT Summary section
 - Appendix A
 - Application Portfolio
- CIO must approve ITSP prior to agencies obtaining planning approval for IT projects.
- Agencies must explain the business value of IT investments in the IT Summary Section.
 - Constituent service
 - Operational efficiency
 - Strategic alignment
- Agencies must relate IT investments to customers, partners, products, services or resources described in the plan.

Planning & Budgeting Changes for 2010-2012 Biennium

Highlights of Changes to the Information Technology Summary Section & Appendix A: Information Technology Investments

- Agencies should group agency lines of business into one of four categories:
 - Services for citizens
 - Mode of delivery
 - Support delivery of services
 - Management of agency resources
- CAO must review and approval all agency IT budgets.
- Agencies use standardized Agency IT staff cost table to estimate previous year costs.
- Agencies must enter into ProSight proposed investments associated with a grant at the time of the grant application.
- Agencies must include non-major IT projects <\$100,000 in their estimated budget, but not in Appendix A.

Planning Resources:

For detailed instructions on how to use the web-based tool and for access to the latest version of the agency planning handbook, go to www.DPB.virginia.gov.



If you have questions, call your DPB analyst.

Thank You
Let's Adjourn!