MARICOPA COUNTY

MANAGING FOR RESULTS

What we are doing today contributes to our strategic direction.

We know what we have done has been effective.

We know how much it costs to deliver our programs efficiently.

Maricopa County

Managing for Results

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Acknowledgements

The Resource Guide for Strategic Planning was developed in the summer of 2000 through a collaborative process between Maricopa County and Weidner Consulting of Austin, Texas. The express purpose of the Resource Guide is to document Maricopa County's Strategic Planning process and provide an overview of the County's approach to Managing for Results. The Guide, as well as the Strategic Planning process, is a result of the blending of the County's innovations and efforts with the methodologies and processes introduced by Weidner Consulting.

Maricopa County's
Managing for Results System

Introduction/Overview

Background

Maricopa County's efforts in Managing for Results have established a foundation on which to build a highly integrated management system focused on results for customers. The County's "Resource Accountability Project (RAP)," has prepared the County well for such an effort, in terms of the organizational culture and appropriate resource materials. With RAP, the County infused its Managing for Results initiative with exceptional executive leadership, dedicated and talented staff, and substantial written materials. As a result, there is a leadership culture very excited about and committed to Managing for Results.

Central to the County's approach to Managing for Results has been the efforts of six departments, which piloted performance measurement. Their groundbreaking efforts generated significant momentum and learning, which have positioned the County to move forward in Managing for Results. Now, because of the significant leadership commitment made by David Smith, County Administrative Officer, his staff and the Department Leaders, it is possible to create an integrated management system focused on results for the customers, ultimately Maricopa County taxpayers.

Strategic Planning Effort - 2000

Now in 2000, Maricopa County is ready to Manage for Results developing Strategic Plans that integrate planning with budgeting and performance measurement. This effort will create powerful tools for making good business decisions and achieving department/agency and corporate goals and priorities.

The Resource Guide for Strategic Planning developed by the County, along with the training that staff have or will receive provides the resources and tools needed to develop high quality Strategic Plans that managers can use to manage. Of importance, the Guide will provide information and timelines on how the County will move toward Performance-Based Budgeting and the integration of results-oriented performance information in every employee's appraisal.

The Resource Guide also provides the methodology for creating alignment of the people, resources and systems of each Department/Agency. This makes it possible for each employee to know how his or her job contributes at every level of the organization.

It is important to note that County Strategic Plans are focused on the near future, typically a two to five-year horizon, and are always linked directly with operations, performance and budget of the Department/Agency.

Why Are We Doing This?

Strategic Plans are developed to support:

- Good Management Practice by:
  - Providing the right information to make good decisions
  - Aligning every employee to organizational success
- Information needed to tell customers what they are getting for their investment (taxes).

What we hope to accomplish with this new management system is that employees in Maricopa County can make these three statements.

1. What we are doing today contributes to our strategic direction. (Every department has a strategic plan linked to their operational plan and every employee's performance plan.)
2. We know what we have done has been effective. (Performance measures are identified and managed by every activity demonstrating the results produced.)
3. We know how much it costs to deliver our programs efficiently. (All human and financial resources are tied to the services delivered and we can tell how much it cost and how efficient we are in the delivery.

Managing for Results System

Planning for Results

A well-executed plan promotes a common understanding of the department's/agency's overall direction and purpose so that individuals/employees can readily determine how their work, actions and behaviors support the strategic direction and business success. In Planning for Results, current and future trends

are examined in terms of how they may affect the business, and strategic goals and operational results are developed to best manage anticipated challenges. Results are projected based on demand and internal capacity.

Budgeting for Results

Maricopa County is committed to developing a budget system that provides financial and performance information to help decision makers make good business decisions that achieve results. The County will use the operational structure developed in the Strategic Plan to structure financial planning and reporting for each Department. This ensures that the budget is driven by policy and customers' needs. Integrating Budgeting for Results with Strategic Planning is critical to creating an integrated management system where financial resources, policy, department operations and County staff are all aligned to achieve results.

Reporting Results

The County wants to be accountable to its residents by being able and willing to communicate what is and is not being achieved. The Strategic Plans, and the information generated by the Performance Measures, will make this possible. Information about results that are meaningful to residents will be in Department/Agency reports. The Activity Alignment Worksheet depicts the information that will be submitted annually with measures updated quarterly.

Maricopa County – Managing for Results
Strategic Planning Results

_____Department_____ Date_____
Number Name

ALIGNMENT WORKSHEET BY ACTIVITY	
Strategic Plan Element	**Results**
Maricopa County Mission	*Citizens serving citizens by working collaboratively, efficiently and innovatively. We will be responsible for our customers while being fiscally prudent.*
Maricopa County Vision	*To provide regional public services, seeking excellence in the most fiscally responsible manner.*
Department Vision	
Department Mission	
Department Strategic Goals	
Program	
Program Purpose Statement	
Program Outcome (Key Activity Results)	
Activity	
Activity Purpose Statement	
Services that Comprise the Activity	
Activity Performance Measures (Measure & Target)	Results: Outputs: Demand: Efficiency:
Responsible Employee	
Budget (Input)	To be added in the future

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Evaluating Results

The integrity of the process and the information produced by the planning and budgeting systems are critical to the County's efforts in Managing for Results and to sustaining public support. The County is committed to building a system founded on accurate information.

Additional accountability and credibility is achieved by involving the Internal Audit Office in performance audits of Programs and Activities managed by Departments/Agencies. This involvement will speed the learning process and help Departments make adjustments accordingly.

One of the most powerful tools available to high performing organizations is the employee Performance Management System. Maricopa County uses this system to make it possible for employees to see how they contribute at the operational, departmental, and corporate levels. Performance Measures for Activities will be used to develop the performance standards for individual employees.

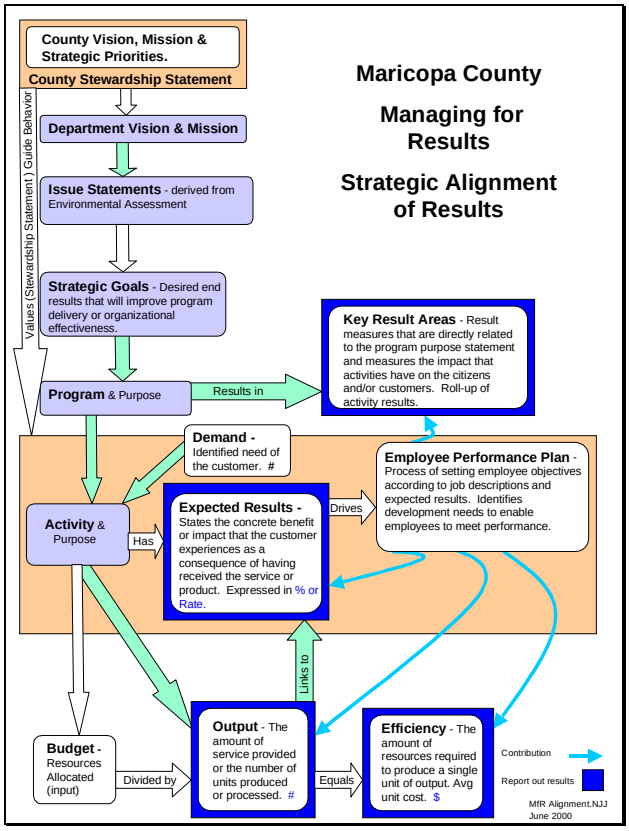
Accountability and credibility are motivators for Departments and Agencies to survey customers to identify whether their needs are being met. This endeavor has become a part of the County's management ethic and will continue to be expanded and enhanced in the future.

Decision Making

The County is committed to planning ahead to make the best business decisions possible concerning future use of its resources. This means making decisions that produce results that make a difference in people’s lives and give taxpayers value for their money.

In order to make the best business decisions, citizens and County government need the highest quality of performance information available. The County's Resource Guide for Strategic Planning provides standardization for all departments and agencies to use in developing performance information that is clear and consistent for decision-makers and the public. Department Strategic Plans will provide the essential information for making policy and budget decisions that produce a high return on taxpayer dollars.

Strategic Alignment of Results



In Managing for Results Strategic Plan includes three strategic elements, with a fourth one, the Vision Statement being optional.

- Environmental Assessment & Issue Statements--reviews emerging issues and trends that will impact the Department and its customers over the next two to five years, and summarizes those into concise statements called Issue Statements.
- Mission Statement--a statement of purpose for the entire Department.
- Strategic Goals--represent the other strategic element and are defined as measurable results achieved for the community over the next two to five years.
- (Optional): Vision Statement--describes what the future would look like if the Department achieved its Strategic Goals and fulfilled its Mission.

Operationally, the Strategic Plan organizes how the Department/Agency will deliver results into three levels:

- Services - are the deliverables or products that the customer receives. Services are described as nouns, not verbs, thus defining services in terms of what the customer gets rather than in terms of what the department does.
- Activities – A set of Services grouped together around a common purpose or result. Performance Measures are developed at this level. A Family of Measures is developed for each Activity. Performance Measures for employees are derived from these measures.

- Programs - are defined as a set of Activities that have a common purpose or result. Key result measures for operations and performance for strategic decision making reside at the Program level.

These elements, or levels of operations, are defined by grouping Services by common purpose and desired result into Activities, and Activities are grouped by common purpose and desired result into Programs. Defining these three levels of operations in this way makes it possible to demonstrate how each level of operations contributes to results at the next higher level, creating an aligned organization.

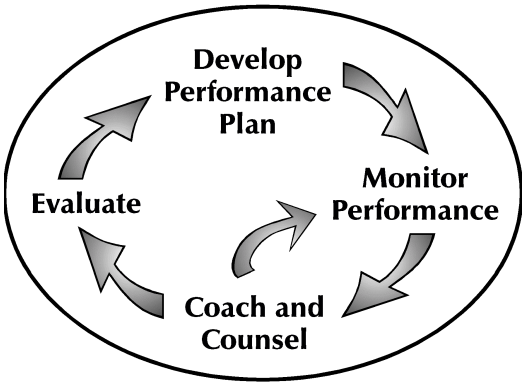
Activities and Programs have a Purpose Statement that readily identifies the customer and the intended results or impact for that customer. Therefore, managers are able to make day-to-day decisions about resource allocation and service improvements in ways that align with the next higher level of results, as well as align with the Department's/Agency's Mission and Goals.

A family of Performance Measures is developed at the Activity level. These include outcomes (results), outputs, demand and efficiency measures. Performance Measures generate information managers need to make day-to-day decisions and provide information to policy makers as they make resource and policy decisions.

Strategic Plans organize how Departments/Agencies will tell their stories of challenges and achievements. The Plan also provides a way to tell stakeholders what the Department/Agency will be accountable for achieving.

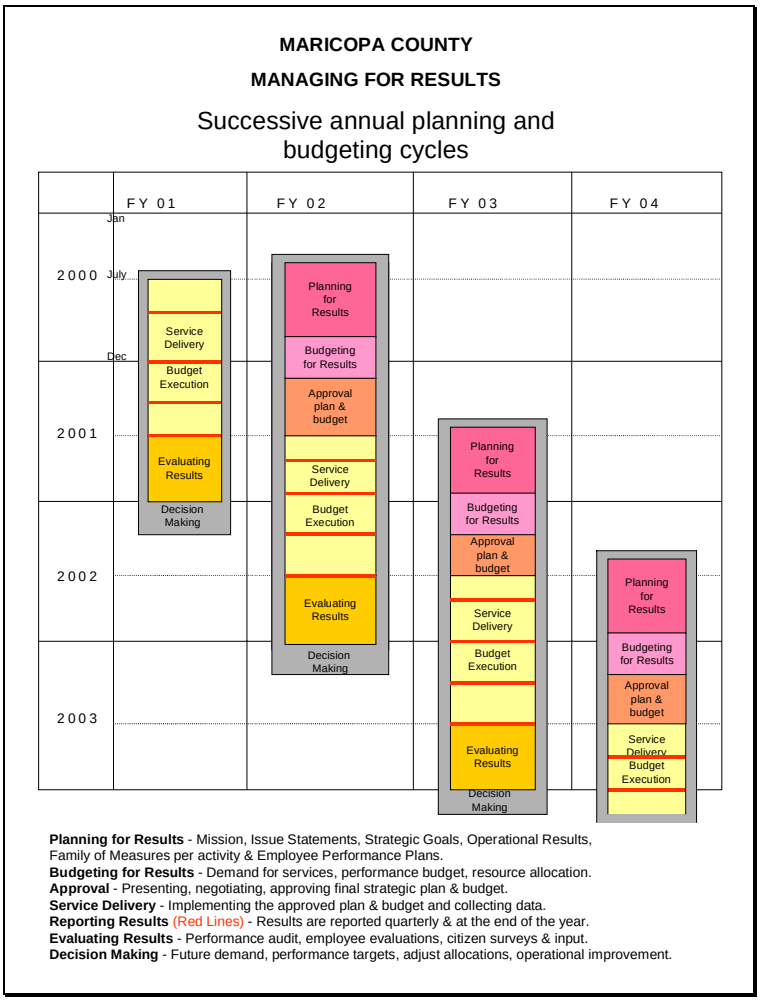
Strategic Plans provide the capacity for linking individual employee performance to their department's/agency's performance through the Employee Performance Management System.

Performance Management Cycle



Planning and Implementing

- The Managing for Results system challenges the ability to manage many tasks and functions simultaneously across multi fiscal years. The following graph depicts the different elements applicable to different fiscal years that are happening concurrently.



For example if we look at July 1, 2001 and follow it across the graph we would see:

- that we just completed FY01 service deliver budget execution and that a 4th quarter review is due as we begin to evaluate the results,
- but at the same time we have begun FY 02 service delivery and budget execution
- also are in the beginning stages of planning for FY 03, and
- decision making may be happening in all three fiscal years, building on what we know, what we are learning and how we might improve our operations and processes.

Maricopa County tells its story

Every department and agency is held to the same high standards and expectations. This is demonstrated through the County's Strategic Fitness program. All departments and agencies receive the Strategic Fitness Criteria and Expectations. Each has the responsibility to assign and develop a staff member to be its Strategic Coordinator. Strategic Coordinators have the responsibility to coordinate the Managing for Results system. The annual report and quarterly updates of each department/agency are then added to the Strategic Fitness Report Card. The Report Card is on-line to share with other departments and agencies, County Leadership, and its customers.

Strategic Fitness Criteria and Expectations

Strategic Plan

Element	*Criteria*
Values	Describes concepts, attitudes and beliefs. Provides direction for behavior.
Vision (Optional)	Statement of what the future would look like if the department achieved its Strategic Goals and fulfilled its Mission.
	Inspires action.
Mission	Describes the business.
	Customers are identified.
	Includes community impact.
Issue Statements	Summarizes the issues and trends that will have a major impact on the department.
Goals	Describes responses to issue statement.
	Describes a measurable result expected to be achieved in the next 2 - 5 years.
	Describes a result that will be achieve through 1 or more programs.
	No more than 1 goal focused on building internal capacity.
Strategic	Basis for evaluating department as a whole.
Operational	Family of Measures derived from Activity Purpose statement.
Results	Activities and Family of Measures drive the development of Employee Performance Plans.
	Describes benefit to the customer.

Performance-Based Budgeting

Element	*Criteria*
Financial Structure	Operational levels identified and aligned with proposed accounting string.
Budget	Detail budget presented at activity level (FY 2003).
	Administrative costs identified according to County plan.
	Demand for Activities identified with a plan to manage the resources.

Program Structure

Element	*Criteria*
Programs	Identified.
	Purpose statement.
Activities	Identified.
	Purpose statement.
	Family of measures included.
Services	Inventoried for entire Department.
	Expressed as nouns.

Performance Measures

Element	*Criteria*
Results (per activity) **& Key Results** (per program)	Indicator reflects customer benefit or impact on the customer.
	i.e. County Customer Satisfaction Survey.
	Expressed as a % or rate.
Demand Products & Services.	Expected service needs identified.
	Expressed as a #.
Outputs Workload Indicators	Amount of service.
	# units produced or processed.
Efficiency	Inputs ÷ Outputs.
	Expressed as $ per.
Inputs (Budget) Resources Consumed	FTE's & Financial.
Benchmarks	Comparisons to prior year/quarter.
	Comparisons to similar operations (future).
Data Considerations (Performance Audit will verify)	Collection methods described.
	Analysis methods described.
	Graphical display format stated.
	Target audience(s) identified.
	Value to audience(s) described.

Performance Management

Element	*Criteria*
Training	All managers/supervisors have received training in M.C. Performance Management System.
Employee Plans	Aligned with strategic plan (Activity, Performance Measures).
	Developed in partnership (mgr & ee).
	Signed by employee and manager.
	Reviewed quarterly.
Employee Development Plan	Component of written ee performance plan.
	Describes specific action ee & mgr will take now.
	Tuition reimbursement was discussed & made available.
Ongoing Coaching	Provides support and reinforces positive performance.
	Uses corrective action plan when needed.
Annual Reviews	Formal reviews every 12 mths. Filed in employee personal file. Incentive for performance award.

Reporting and Decision Making

Element	*Criteria*
Reporting	Reports performance data on a quarterly basis.
	Tells a story of performance to the customer.
Decision Making	Managers use performance data to guide decision-making, celebrate success, improve operations.

July 2000.checklist.NJJ

Maricopa County's

Managing for Results

Common Definitions

Accountability – County Government is willing and able to tell taxpayers what they are getting for their money in terms of results for customers.

Activity – A set of Services grouped together around a common purpose or result.

Baseline – Established level of previous or current performance that could be used to set improvement goals and provide a comparison for assessing future progress.

Benchmarking – The continuous process of collecting information on internal or external standards, processes, and/or best practices, evaluating why they are successful and applying what is learned.

Budgeting for Results – Budget decisions are based on or informed by performance information that describes the cost or efficiency of producing an Activity and the results achieved for customers. This is accomplished by structuring the accounting and budgeting systems according to the structure of Departments' Strategic Plans.

Business Plan (Strategies 2000) – The County's annual plan detailing how the County will be fiscally accountable.

Consensus – A group-based decision in which every member agrees to support the decision, even though it may not be first choice of every member of the group.

Customer – Anyone whose best interests are served by or who receives or uses the products or services of an agency or program.

Demand – The number of total units of service or product anticipated to be demanded or needed by the customer.

Efficiency Measure – Average Activity cost per Output or Result.

Employee Performance Plan – Process of setting employee objectives according to job descriptions and expected results. The plan identifies development needs to enable employees to meet performance.

Environmental Assessment – An analysis of the internal and external trends and issues that will have a major impact on the department and its customers over the next 2-5 years. Issue Statements will summarize the trends and the impact on the department. The Environmental Assessment is based on common sense, data, and information that describes changes anticipated both from inside and outside the department.

Family of Measures – The Family of Measures refers to the four categories of Performance Measures that will be used to measure the performance of an Activity. They include Results, Outputs, Demand, and Efficiency Measures. The reason they are referred to as a Family is that they are developed and used in relationship to one another. They tell this story for each Activity: "We will produce this Result for this customer by producing this Output(s), against this Demand for those Outputs (Services), at this cost (Efficiency)."

Input – Inputs are the volume of resources used to provide an Activity and are important to the Budget process. Inputs are typically stated in terms of dollars or hours, but are sometimes stated in terms of people or material resources. Input information is maintained internally, but is not reflected in the Strategic Plan.

Issues – In Strategic Planning this refers to a circumstance that will have a major impact on the County, e.g. a specific Department and its customers.

Issue Statements – Summarizes the issues and trends the will have a major impact on the department and its customers over the next 2-5 years. Issue Statements include what that impact will be. Issue Statements are not statements of need nor do they describe actions to bed taken. Issue Statements are the products of the Environmental Assessment.

Key Result Measure – A performance measure that is directly related to the Program Purpose Statement and measures the impact that Program have on citizens/customers. They are comprised of one Result Measure from each Activity in that Program.

Managing for Results – Managing for Results means that an entire organization, its management system, the people who work there and the organizational culture (beliefs, behavior and language) are focused on the achieving results for the customer. Managing for Results makes it possible to make good business decisions based on performance and makes it possible for a department to demonstrate accountability for results.

Mandate – A constitutional, statutory or court-ordered requirement from either Federal, State or County entities that results in the establishment of a program.

Mission – The department's Mission is a clear, concise statement of purpose for the entire department. The Mission focuses on the broad, yet distinct, results the department will achieve for its customers.

Output Measure – A performance measure that measures the amount of service provided or number of units produced or processed. Outputs are expressed as a number.

Performance Management – The practice of writing employee performance plans, providing coaching and counseling, and conducting employee appraisals in a way that measures performance in terms of results that align with Activity results.

Performance Measures – Performance Measures describe the information managers and other decision-makers need in order to make good business decisions. Maricopa County uses a Family of Measures that include results, outputs, demand, and efficiency.

Program – Programs are defined as a set of Activities that have a common purpose or result. Programs provide operational and performance information for strategic decision making.

Result Measure – A performance measure that measures the impact or benefit that customers get because they received the department's services.

Retreat – Strategic Planning meetings in which the elements are developed or confirmed. The Department Strategic Planning Retreats will consist of a one-half day orientation immediately followed by two consecutive days of meetings, followed then by the Interim of 4-6 weeks during which there is a Review meeting, and a final day. The Retreat is outlined in the Strategic Planning Agenda Template found in the Resource Guide.

Services – Services are the deliverables or products that the customer receives. Services are described as nouns, not verbs, thus defining services in terms of what the customer gets rather than in terms of what the department does.

Stakeholder – Any person or group with a vested interest in or with expectations of performance from an agency or Activity.

Strategic Coordinator – Coordinates, implements and manages the Managing for Results process and reports for the assigned department/agency.

Strategic Fitness Report Card – A department/agency status report of work completed in the Managing for Results system.

Strategic Goal – Strategic Goals translate resources into significant Results to be achieved over the next 2-5 years, providing the basis for evaluating the department as a whole.

Strategic Plan – A Strategic Plan sets forth the purpose, strategic goals, operational organization and performance expectations for a department. The Strategic Plan provides information to department staff, corporate decision makers, the Board and the public about how the department is organized to deliver results and what results the department is accountable for achieving. The Plan provides the opportunity for all department staff to see how they contribute at all levels in the organization.

Team – A small number of people with complementary skill who are committed to a common purpose, set of performance goals, and approach for which they hold themselves mutually accountable.

Trend – In data analysis, a trend refers to the documented recurrence over time of a measurable event or circumstance that is increasing, decreasing or even staying the same. The size of the number of occurrences often determines whether the recurrences constitute a trend. If the number of recurrences is very small, such as number of floods in a year, it may take a number of years to document a trend in one direction or another. While a large number of events or occurrences, such as the number of court cases of a particular type, may reveal a trend within months or a few of years.

Values – Values describe those concepts, attitudes, and beliefs that are most important. Collectively held values define an organization and help to distinguish some choices, goals, or hopes or the future as being more appropriate or correct than others. Value statements guide behavior in the workplace.

Vision Statement – Describes what the future would look like if the Department achieved its Strategic Goals and fulfilled its Mission. The Vision should inspire action and be connected to operations.

Decision Making

- Future Demand
- Performance Targets
- Adjust Allocations If Required
- Operational/Process Improvement

Planning for Results

- Vision & Mission
- Strategic - Goals
- Operational - Results
- Family of Measures per Activity
- Employee Performance Plans

Evaluating Results

- Performance Audit
- Employee Evaluations
- Resources Consumed
- Citizen Survey & Input

Managing for Results

Reporting Results

- Data Verified
- Actuals vs. Forecasts
- Baselines & Benchmarks
- All Customers Included

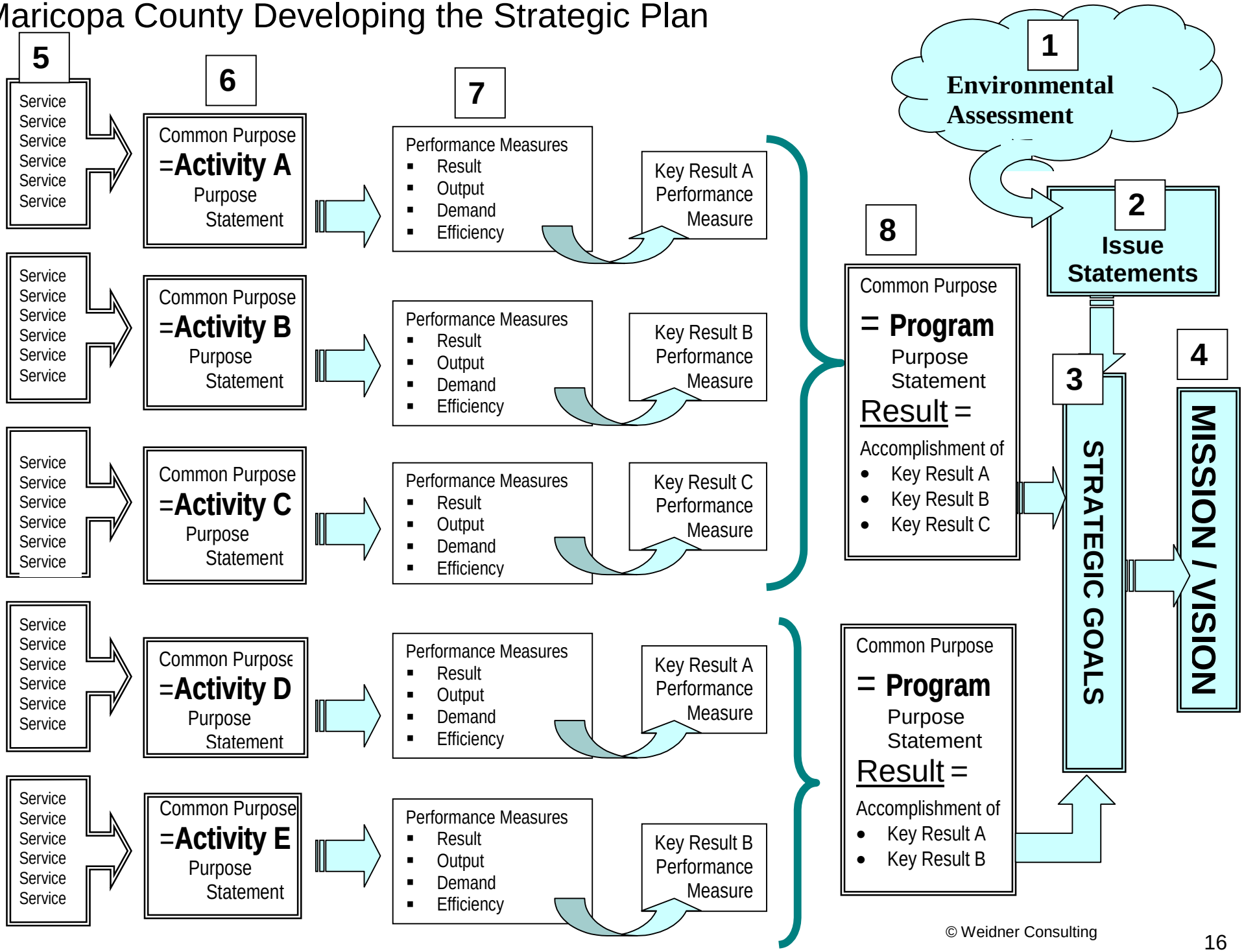
Deliver Services

Collect Data

Budgeting for Results

- Demand for Services
- Performance Budget
- Resource Allocation

Maricopa County Developing the Strategic Plan



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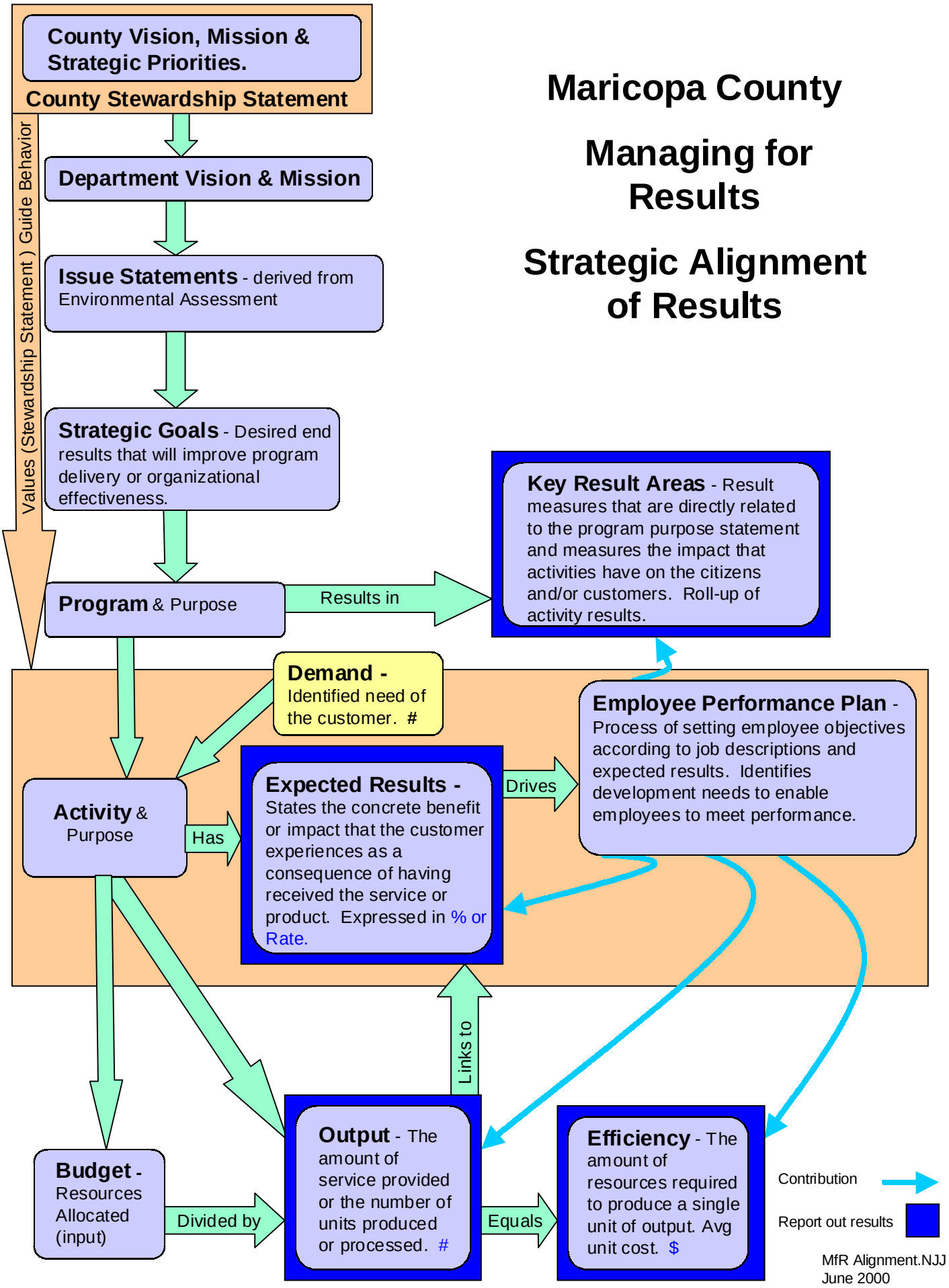
Maricopa County

Managing for Results

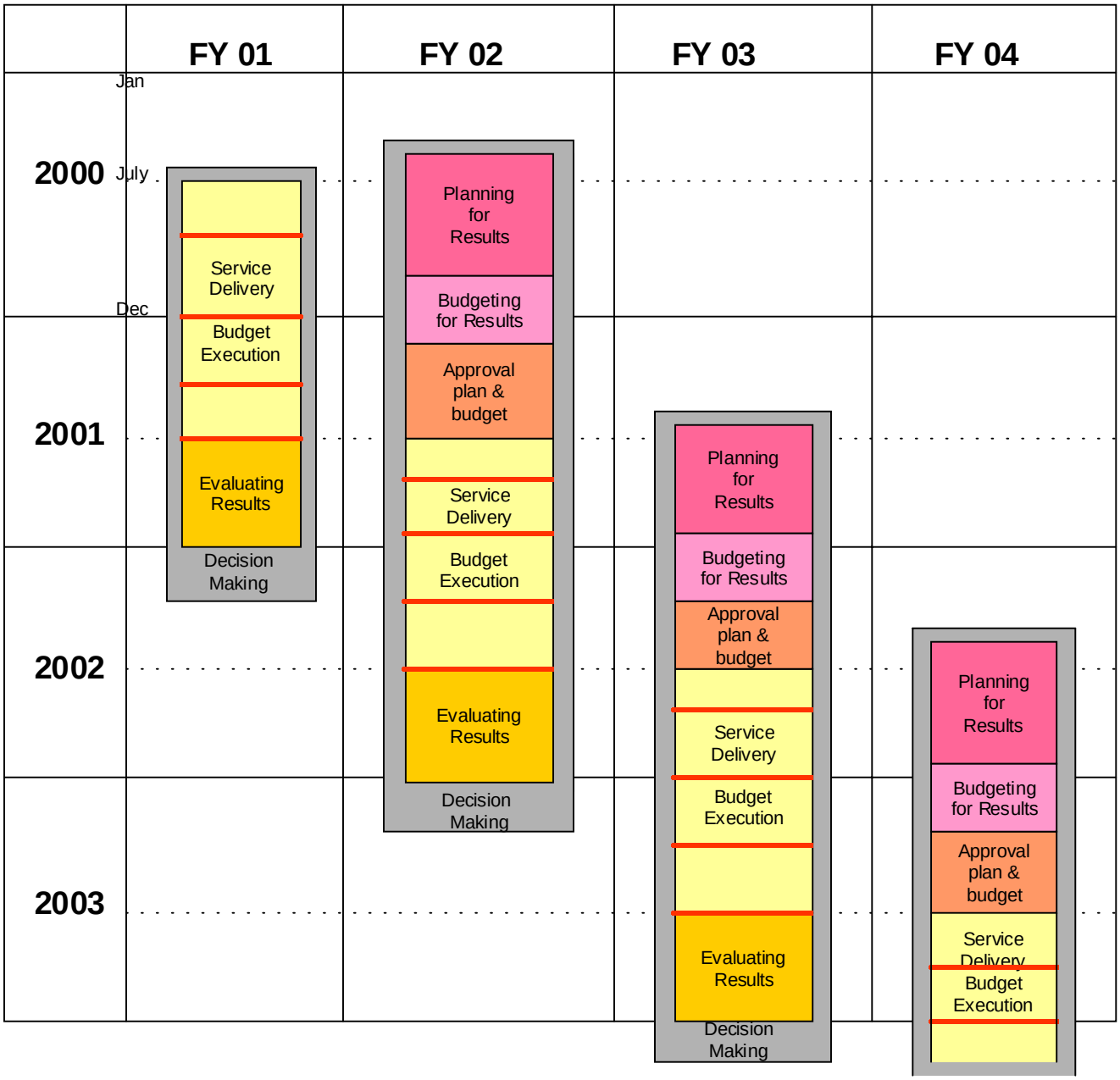
Strategic Alignment of Results



MARICOPA COUNTY

MANAGING FOR RESULTS

Successive annual planning and budgeting cycles



Planning for Results - Mission, Issue Statements, Strategic Goals, Operational Results, Family of Measures per activity & Employee Performance Plans.
Budgeting for Results - Demand for services, performance budget, resource allocation.
Approval - Presenting, negotiating, approving final strategic plan & budget.
Service Delivery - Implementing the approved plan & budget and collecting data.
Reporting Results (Red Lines) - Results are reported quarterly & at the end of the year.
Evaluating Results - Performance audit, employee evaluations, citizen surveys & input.
Decision Making - Future demand, performance targets, adjust allocations, operational improvement.