

Introduction to Performance Measurement

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Attachment 1

Good government is not possible without an effective accountability system—citizens need performance reporting to hold their government accountable. Report cards, results, and benchmarks are all part of performance reporting.

Performance information can also be used by lawmakers in making policy and budget decisions, by program officials to monitor government programs in a systematic way, and evaluators to assess efficiency and effectiveness of government policies and programs.

Clarify Policy Intent, Goals, and Performance Expectations

Policymakers' intent for a public policy is not always clear in the authorizing legislation. Often multiple interpretations of the policy intent exist among legislators, program officials, and stakeholders. In a worst-case scenario, these interpretations are distinctly different. For effective implementation of a public policy, the desired scenario would be to have one single interpretation of the intent.

Incorporating performance measurement concepts into the policymaking process can help clarify legislative intent of a policy before its implementation. Once the intent is clarified, the next step is to discuss policy goals and performance expectations. Both policymakers and those responsible for implementing the policy should have a common understanding of what is doable, what is not, and at what cost.

House Bill 300 (2005 Legislative Session)

Following the release of our 2004 report *Strategic Planning and Performance Measurement*, the Legislature revised the state's process for reporting performance information by unanimously passing House Bill 300, which became law on July 1, 2005 (Idaho Code § 67-1901 to 1903). The legislation strengthened Idaho's performance reporting process by requiring state agencies to do the following:

- Submit an agency profile, which includes an overview, core statutory functions, key services provided, and performance highlights
- Submit accurate and meaningful performance information, which contains key indicators, benchmarks, and explanations
- Present (orally) performance information to germane committees each year

In addition, the revised process provides a formal opportunity for policymakers and program officials to engage in an ongoing dialogue with each other to clarify policy intent, goals, and performance expectations. Policymakers can also let program officials know whether the performance information is useful for accountability and policymaking purposes.

“Top Ten List” for Effective Performance Measurement

1. Know that performance measurement is inherently a political process—include stakeholders, define what would constitute program success, and agree on the cost of measuring success
2. Keep the performance measurement process simple, understandable, accessible, and affordable
3. Use performance data, along with other information, to make policy, budget, and program decisions
4. Use performance measurement to trigger questions, not necessarily to find all of the answers
5. Set multi-year performance goals and targets
6. Provide context to performance data
7. For external reporting, use a few select measures that reflect program efforts and accomplishments relating to legislative intent
8. For internal reporting, use measures that help program managers systematically monitor the program’s progress
9. Review and question the quality of information reported
10. Provide training on reporting and using performance information

Suggested Reading

Chavers, M. “Yardsticks of Success: States Use Performance Measurement to Improve Programs.” The Council of State Governments, *State News*, Vol. 52, No. 5, May 2009, 23-26.

Mohan, R., Tikoo, M., Capela, S., and Bernstein, D. “Increasing Evaluation Use Among Policymakers Through Performance Measurement.” In R. Mohan and K. Sullivan (editors), *Promoting the Use of Government Evaluations in Policymaking*, New Directions for Evaluation, vol. 112, 2006.

National Conference of State Legislatures. *Legislating for Results*, 2003, <http://www.ncsl.org/Default.aspx?TabId=12672>.