



# Performance Management System

## Selecting Performance Measures

### Why Measure?

- The purpose of measurement is to learn. Period.
- Measurement exists to start a conversation. As long as that conversation is about why, not who, it can be valuable.

### Measurement Tips

- For measurement to be useful, we have to be comfortable being vulnerable. How we respond to bad results will shape the entire culture around measurement and performance.
- A system is finely tuned to give you the exact results you are getting. If you don't like the results, change the system.
- Setting stretch targets doesn't fix systems. Fixing systems fixes systems.

### Understanding Measurement

- The performance of any system varies around a mean. What goes up, must come down.
- Common cause is the typical, historical, quantifiable variation within a system. The variance is inside the system - there is no assignable cause.
- Special cause variations refer to the unusual anomalies that haven't been previously observed. Something outside the system caused the performance variance. It's a surprise.

Source: *We Don't Make Widgets*, Ken Miller

### Types of Measures

If you have worked with performance measures before, you have likely heard them referred to by many different names. The major types of performance measures are: input measures, output measures, process measures, and outcome measures. Other measures may track efficiency, quality, error rates, or compliance rates.

Lead and lag measures are another way to separate measures into different groups. **Leading measures are best** at showing you the most high-impact things your team must do to reach the goal. Leading measures are both predictive and can be influenced by the team members.

Lag measures will show what happened, such as customer satisfaction scores or health outcomes.

## Selecting Performance Measures

As a group, complete the matrix below to answer the following questions:

- How much do you do?
- How well do you do it?
- Is anyone better off?

	Quantity (#)	Quality (%)		
Effort	<p>How much did we do?</p> <p><i># customer served (by customer characteristics)</i></p> <p><i># of activities (by type of activity)</i></p>	<p>How well did we do it?</p> <p><i>% of staff fully trained</i></p> <p><i>% of customer satisfaction</i></p> <p><i>% of errors</i></p> <p><i>% of actions meeting standards</i></p>		
Effect	<p>Is anyone better off?</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none; vertical-align: top;"> <p><i># Behavior</i></p> <p><i># Attitude/Opinion</i></p> <p><i># Circumstance</i></p> <p><i># Skills/knowledge</i></p> </td> <td style="width: 50%; border: none; vertical-align: top;"> <p><i>% Behavior</i></p> <p><i>% Attitude/Opinion</i></p> <p><i>% Circumstance</i></p> <p><i>% Skills/knowledge</i></p> </td> </tr> </table>		<p><i># Behavior</i></p> <p><i># Attitude/Opinion</i></p> <p><i># Circumstance</i></p> <p><i># Skills/knowledge</i></p>	<p><i>% Behavior</i></p> <p><i>% Attitude/Opinion</i></p> <p><i>% Circumstance</i></p> <p><i>% Skills/knowledge</i></p>
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*Hint - Look at your current dashboard and other reports (ex. Funder reports) to see what you are currently measuring.*

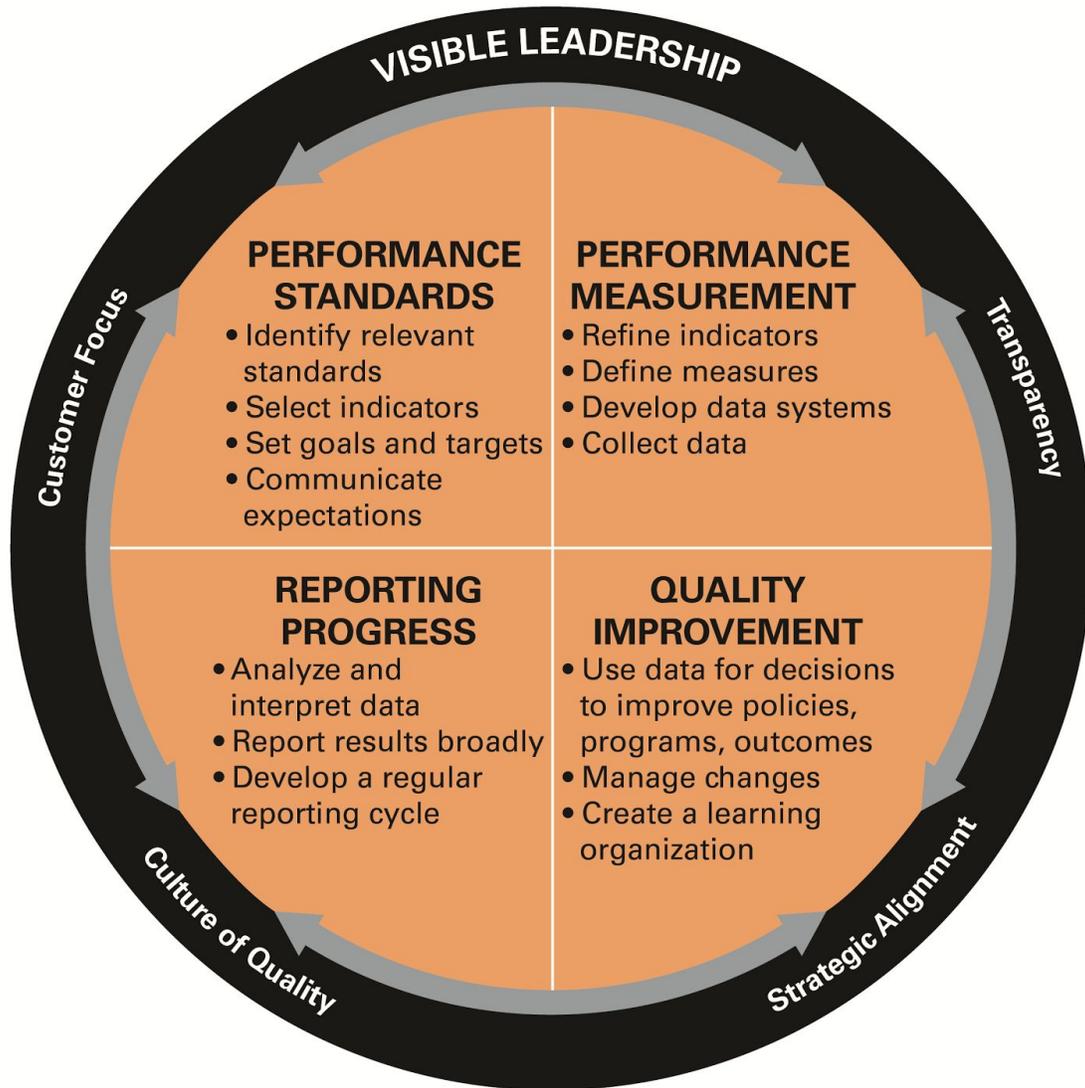
Select performance measures for your dashboard. To help select indicators:

- Discuss what is most meaningful for your program.
- Select a balanced mix of measures from different areas (such as customer/stakeholder/employee satisfaction, financial, efficiency, services, key objectives, etc.).

For each selected measure, determine the:

- Measure name
- Update frequency (monthly, quarterly, etc.)
- Target (per month/quarter)
- Location of the data
- Person assigned to update the data on the dashboard?

# Public Health Performance Management System Framework



Source: Public Health Foundation, Turning Point Performance Management National Excellence Collaborative