

Oregon's Key Performance Measurement (KPM) System

Transitions and Innovations

Prepared for the Interim Joint Ways
and Means Committee
September 18, 2008

Presentation Overview

- Evolution of the System
 - ❖ Progress Board Focus for KPMs
 - ❖ KPM System Snapshot
- BAM and LFO Focus for KPMs
 - ❖ System in Transition
 - ❖ New KPM Definitions
 - ❖ System Innovations
- Multiple System Users
 - ❖ Progress Board
- Future Trainings



Progress Board Focus For KPMs

The Progress Board created KPMs to:

- Link government results to Oregon Shines goals and benchmarks
- Better report government results *externally* to citizens and legislators
- Foster broader use of performance measures



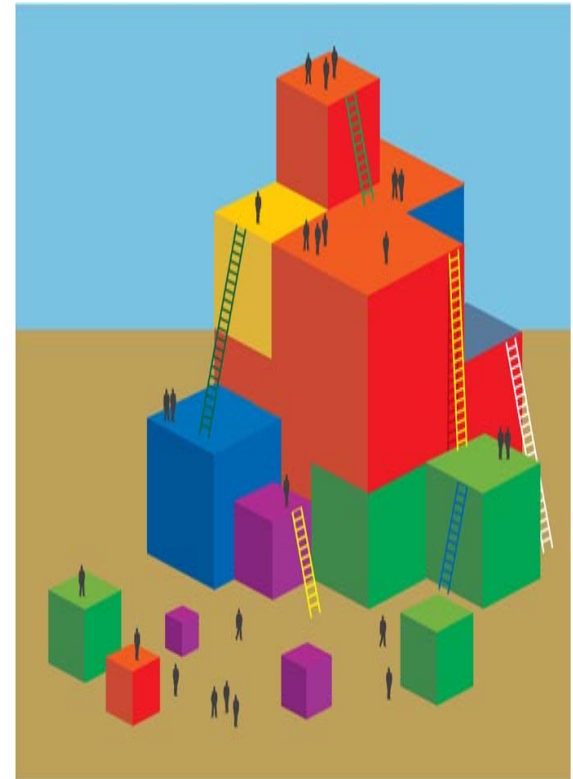
KPM System Snapshot



- KPMs are included in the budget development
 - ❖ Budget request includes 2007-09 KPM report and 2009-11 proposed KPMs
 - ❖ The Legislature approves KPMs
- KPMs
 - ❖ Link to Benchmarks, where appropriate
 - ❖ Conform with GASB standards; reported annually
 - ❖ Are posted on agency web-sites
 - ❖ Inform the budget process (policy option packages)

BAM and LFO KPM Focus For KPMs

- One System – collaboration
- Expand Budget Analyst's use of performance measures
- Shift the focus from reporting performance to managing performance and continuous improvement



A System in Transition

Compliance with
Requirement



Commitment to
Measurement

One Size
Fits All



Appropriate
Customization

Reporting
Focused



Improvement
Focused

Transition Examples

From Compliance
to Commitment



Department of
Revenue

From One-size to
Customization



Simplification;
Types of KPMs

From Reporting to
Improvement



Analysis of Data;
Next Steps

New KPM Definitions

Type of KPM

Reporting Measures

*(Crash Fatalities,
Water Quality Index)*

Agency Performance
Measures

*(Customer Satisfaction,
Appeals Upheld)*

Agency Efficiency
Measures

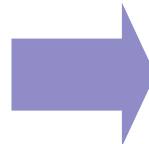
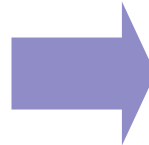
(Processing Times)

Information Uses

Policy and Strategy
Evaluation

Agency Program
Evaluation

Agency Operational
Efficiency and
Effectiveness



System Innovations: This Interim

- Budget Alignment
- System Automation
- Training and Technical Assistance
- Licensing Boards Internship Project
- KPM Data Reviews



System Innovations: The Future

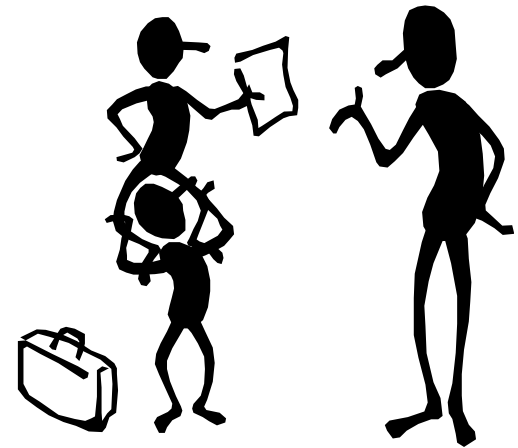
- Shared System Measures
- Organizational Health Indicator
- Structured Process Improvement Efforts
- Training



Multiple System Users

Understanding Interests and Contributions

- Oregon Progress Board
- Others:
 - ❖ Budget Analysts
 - ❖ State Agencies
 - ❖ Oregon Legislature
 - ❖ Committee on Performance Excellence
 - ❖ Citizens and Interest Groups



Core Function of the Progress Board

- Oregon Shines
- Oregon Benchmarks



What is Oregon Shines?

20-year plan to accelerate progress in areas that matter to all Oregonians...

- **ECONOMY:** Quality Jobs for All
- **COMMUNITY:** Engaged, Caring, Safe Communities
- **ENVIRONMENT:** Healthy, Sustainable Surroundings

...sustainably!





Why is Oregon Shines important?

Oregon Shines asserts our state's capacity and will to shape and manage our destiny.

- Oregon Shines, 1989

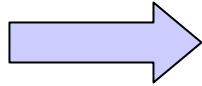
91 Oregon Benchmarks Measure Progress Toward the Goals

Economy



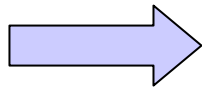
- Economy (17)
- Education (12)

Community



- Civic Engagement (9)
- Social Support (23)
- Public Safety (6)

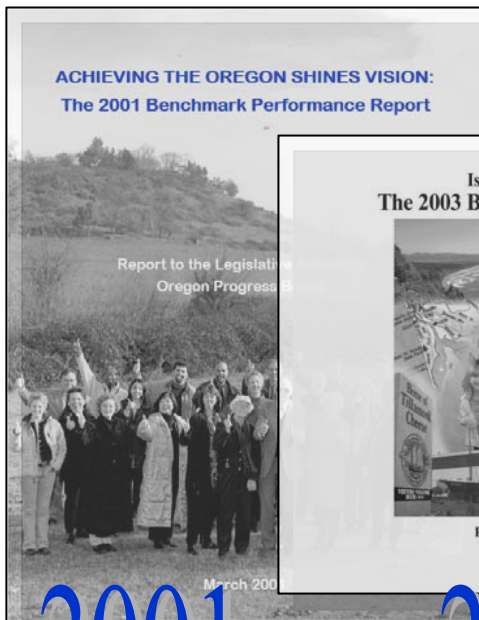
Environment



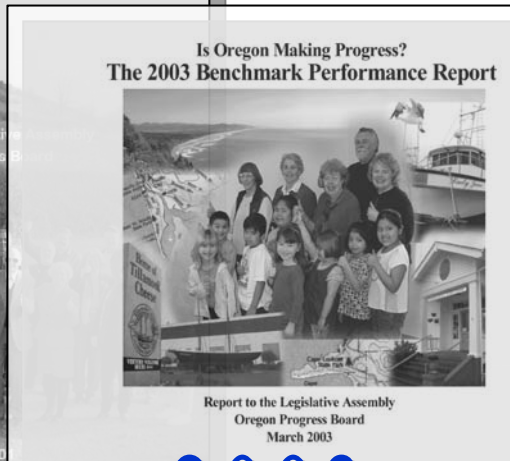
- Built Environment(7)
- Natural Environment (17)

benchmarks.oregon.gov

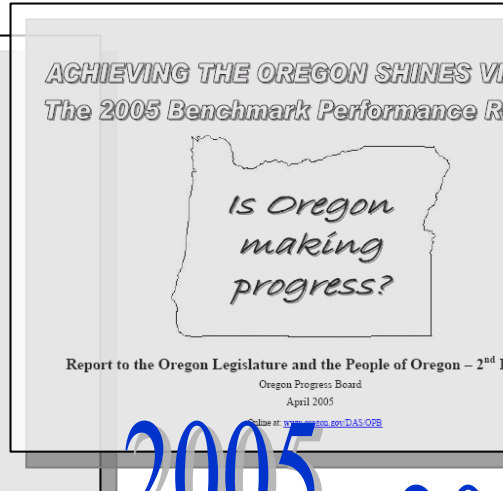
The Board Reports on Benchmarks Biennially



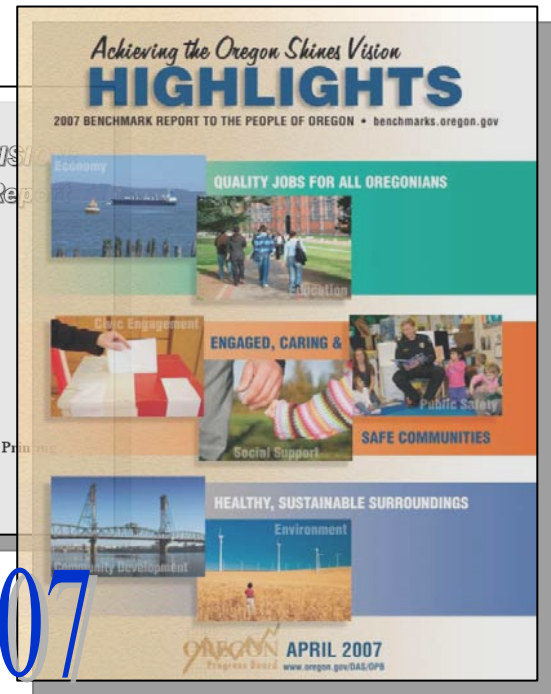
2001



2003

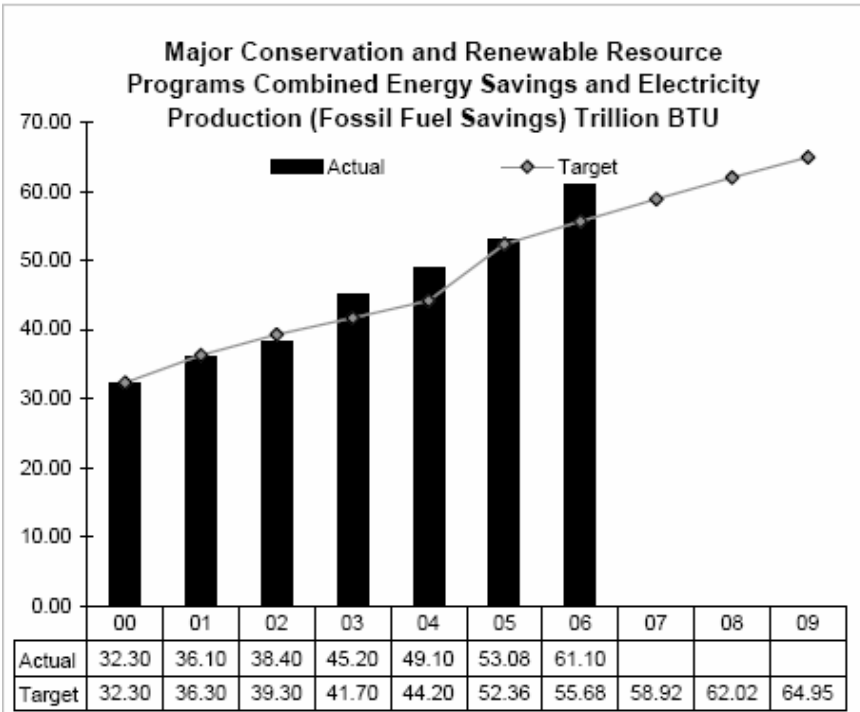


2005

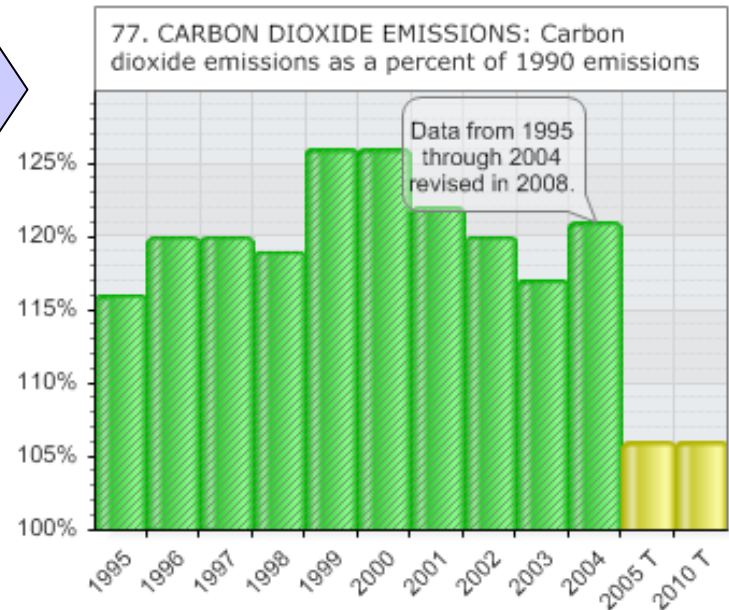
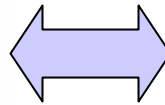


2007

Good State Government Supports Improved Benchmark Results



KPMs link state performance to Benchmarks



Example: Department of Energy self-links its fossil fuel KPM to Benchmark #77, CO2 emissions

Why are the benchmarks important?

Benchmarks...

- Quantify the high-level results
- Inspire debate
- Foster collaboration across silos
- Provide a way to explore state government's contributions to societal well-being



Progress Board's Current Focus

- Updating the state plan (Oregon Shines III)
 - ❖ Commitment to a more integrated approach
 - ❖ New focus on rural and community engagement and learning from local benchmark successes
- Improving benchmark processes, products and services to better meet user needs





Presentation Messages

- Oregon's KPM foundation is being preserved.
- BAM and LFO are expanding the KPM system focus to support performance management and continuous improvement.
- There are multiple system users whose interests and unique contributions need to be recognized and supported for the system to continue to evolve.

Looking Ahead to Future Trainings

- What are the Joint Committee on Ways and Means interests and contributions to the system?
- How might the Committee use KPMs during the budget development process?
- What direction might be given to agencies to help them prepare for more effective KPM dialogue with the Legislature?



QUESTIONS

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