

Orland Park Performance Management Program

2014 Report

Overview

- ▶ Strategic Plan
- ▶ ICMA and Performance Management
- ▶ Performance Measures and Key Performance Indicators (KPI)
- ▶ Benchmarking Study
- ▶ Examples of Core Measures/ KPI's
- ▶ Looking ahead to 2015
- ▶ Questions/Discussion

2013-2016 Strategic Plan

- ▶ Village Board chose three strategic initiatives to guide the Village's activities through 2016. The three areas chosen include:
 - ▶ 1. Economic development
 - ▶ 2. Downtown development
 - ▶ 3. Quality of life
- ▶ Village staff has focused on the key objectives required to meet the strategic pillars determined by the Village Board, leaving operational objectives at the staff level.
- ▶ "Quality of life" is a broad term - categorized it into functional areas including:
 - ▶ Enhancing core services
 - ▶ Maintaining and improving parks
 - ▶ Facilities and open lands
 - ▶ Maintaining or enhancing intra-Orland transportation
 - ▶ Enhancing two-way communication with the community and
 - ▶ Improving public safety
- ▶ Strategic pillars create the framework for the Village's performance management program

ICMA Center for Performance Analytics

- ▶ As part of the Village's continuous efforts and participation in the 2nd year in an organization-wide performance management program, a system is required for collecting, measuring and reporting performance information, as well as improving local services.
- ▶ In March 2014, the International City/County Management Association (ICMA) partnered with the leading developer of performance analytics software, SAS® to launch an updated performance management and analytics software platform called ICMA Insights™.
- ▶ ICMA's Center for Performance Analytics brings together a customized product designed to meet the unique needs of municipalities and the very latest technology used by Fortune 500s across the world.



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Why Performance Management?

- ▶ Municipalities at all levels have relied heavily on **tactical** performance measurements, such as number of permits issued, number of projects etc. It assists with:
 - ▶ The specification of clear and measurable organizational objectives.
 - ▶ The systematic use of performance indicators to assess organizational output.
 - ▶ The application of performance appraisal of individual employees to reward exceptional personal efforts toward organizational objectives.
 - ▶ Only small % of a workforce tends to understand their organization's strategy.
 - ▶ The Village has become more "strategically focused" over since the recent development of Strategic Plan.

The Context of Measurement

- ▶ **Performance Measurement** is a process by which an agency objectively assesses and evaluates the extent to which it is accomplishing a specific objective, goal, or mission. It is the regular measurement and analysis of the results, outcomes, and efficiency of services and programs.
- ▶ Performance measurement provides more direct control over setting priorities and allocating resources, while providing greater transparency and stronger accountability to the community that we serve.
- ▶ A best practice recognized by public administration and finance professionals as a critical component to improving service delivery.
- ▶ Performance measurement alone is insufficient.

Performance Measures and KPI's

- ▶ **Performance measures** are derived from the programmatic levels of service sought by an agency and selected as broad classifications of desired programmatic outcomes required by the community. Performance measures serve several purposes:
 - ▶ part of each department's strategic plan, indicating how progress toward the village mission and department goals and objectives is measured.
 - ▶ intended to help focus department efforts on achieving priority goals and to inform the public about the efforts of their government.
 - ▶ monitoring tools to help guide government and make it accountable to the taxpayer.
- ▶ **Key performance indicators (KPI):** are more specific milestones in or components of performance measures that serve as precursors to indicate progress toward the eventual achievement of the desired performance
 - ▶ typically include elements such as: project benchmarks, targets, milestone dates, numbers, percentages, variances, distributions, rates, time, cost, indexes, ratios, survey data, and report data.
 - ▶ useful in understanding the results of and conclusions on the information gathered from a study.
 - ▶ Based on strategic themes

Performance Management: Some Basic Principles

- ▶ Performance Management is a systemic link between strategy, investments, and processes. Performance Management is a comprehensive management process.
- ▶ Quantifies the Village's Strategy in measurable terms.
- ▶ Critical Components include:
 - ▶ Measurements
 - ▶ Targets
 - ▶ Initiatives
- ▶ Everything must be linked: Goals to Objectives, Objectives to Measurements, Measurements to Targets.
- ▶ Regular review at the end of each budget/planning cycle of the extent to which goals have been achieved and the reasons for performance that is better or worse than planned.

How is Information Gathered?

- ▶ Purpose: improve effectiveness & efficiency..
- ▶ Through the collection, analysis and broad-based application of performance information for managerial and organizational leadership. Steps:
 - ▶ Defining indicators
 - ▶ Collecting comparative data
 - ▶ Ensuring consistent set of data
 - ▶ Employing rigorous data cleaning
 - ▶ Providing citizen surveys
 - ▶ Annual data report



What is Benchmarking?

- ▶ Data analysis provides a picture of results in management and changes in service delivery. Local peer comparable – Is data collected from governments within our region that have similar characteristics such as demographics or organizational structure which influence the benchmark you are trying to measure.
- ▶ Benchmarking can help Village:
 - ▶ identify “problem” areas in an organization
 - ▶ determine best practices and potential process improvements in a particular area
 - ▶ track and manage data over time and in comparison with other participating jurisdictions
 - ▶ streamline processes, realign organizational structure, and create a culture that will help them reduce costs and improve services.

What is not Benchmarking?

- ▶ Not just compare and contrast
- ▶ Not just analysis of similarity and difference
- ▶ To raise questions?
- ▶ How is my performance compared against previous years?
- ▶ To provide answers?
- ▶ Indicative or conclusive?
- ▶ Data Limitations



A Closer Look at How Things Link

Economic Development Performance Indicator



Benchmarking Study Criteria

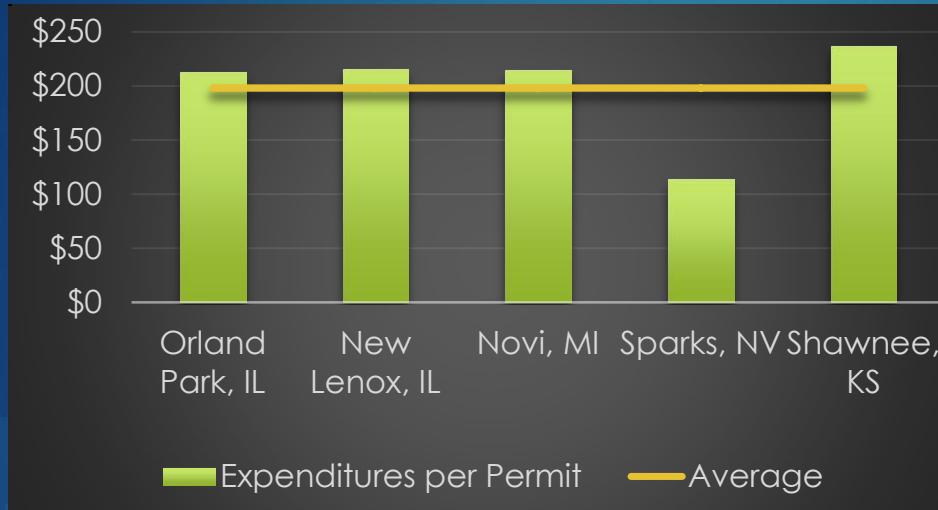
- ▶ Population range 25-100,000
- ▶ Median Household Income 33K-119K
- ▶ EAV (2012) \$690M-\$22B
- ▶ Comparable Org's. including Orland Park 14
 - ▶ Illinois 3
 - ▶ Midwest 6
 - ▶ West 4

Benchmarking Study

Communities

Jurisdiction	Residential Population	Square miles of area served	Total taxable EAV (2012)	Median household income (2010)
Orland Park, IL	56,767	22	2,162,169,011	\$ 74,338
Novi, MI	55,374	31	3,063,923,000	\$ 78,151
Sparks, NV	90,214	36	2,164,372,497	\$ 50,568
Tracy, CA	84,060	23	5,701,107,764	\$ 62,794
Sioux City, IA	82,684	59	3,852,268,301	\$ 39,575
Bloomington, IL	76,610	27	1,761,704,565	\$ 61,171
Oshkosh, WI	66,653	27	3,448,756,562	\$ 45,587
Palo Alto, CA	66,363	26	22,334,464,145	\$ 119,046
Woodbury, MN	64,350	36	5,976,028,900	\$ 76,109
Shawnee, KS	64,170	43	686,743,405	\$ 71,705
Bowling Green, KY	60,600	39	4,725,859,276	\$ 33,362
Auburn, AL	56,908	59	797,584,460	\$ 39,204
Illinois - Less than 50,000				
Algonquin, IL	30,046	12	887,200,696	\$ 79,730
New Lenox, IL	24,394	15	794,966,104	\$ 85,870

Core Measure Examples

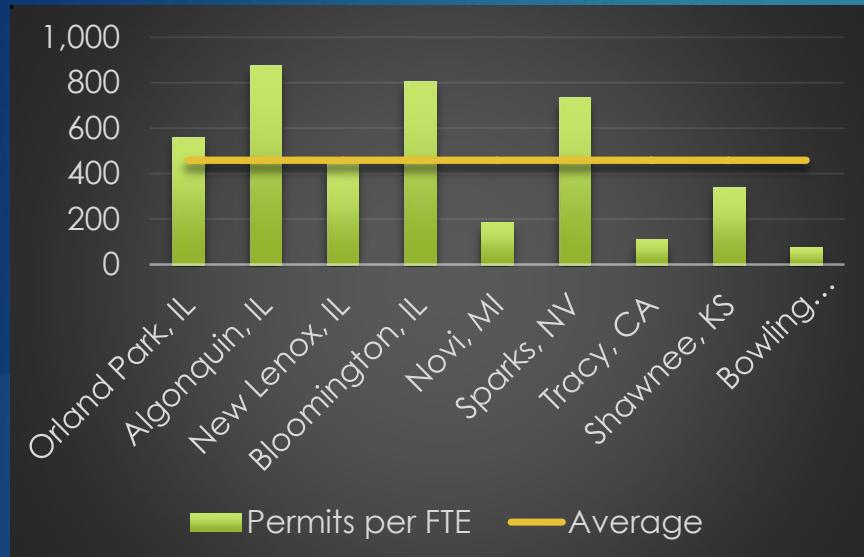


Description of Measure: Total expenditures per permit is the calculation of 2013 permitting expenditures over the total number of permits issued. The total number of general building permits issued in the reporting period. One building permit may contain a residential permit, a plumbing permit, and an electrical permit. The average is the benchmarked average between identified comparable communities which participated in the ICMA Center for Performance Analytics 2013 study and submitted their data for this measure.

STRATEGIC PILLAR: ECONOMIC DEVELOPMENT

Strategic Objective 1B: Develop program for the recruitment of targeted professional services, restaurants, and entertainment businesses in the Village of Orland Park

Core Measure Examples

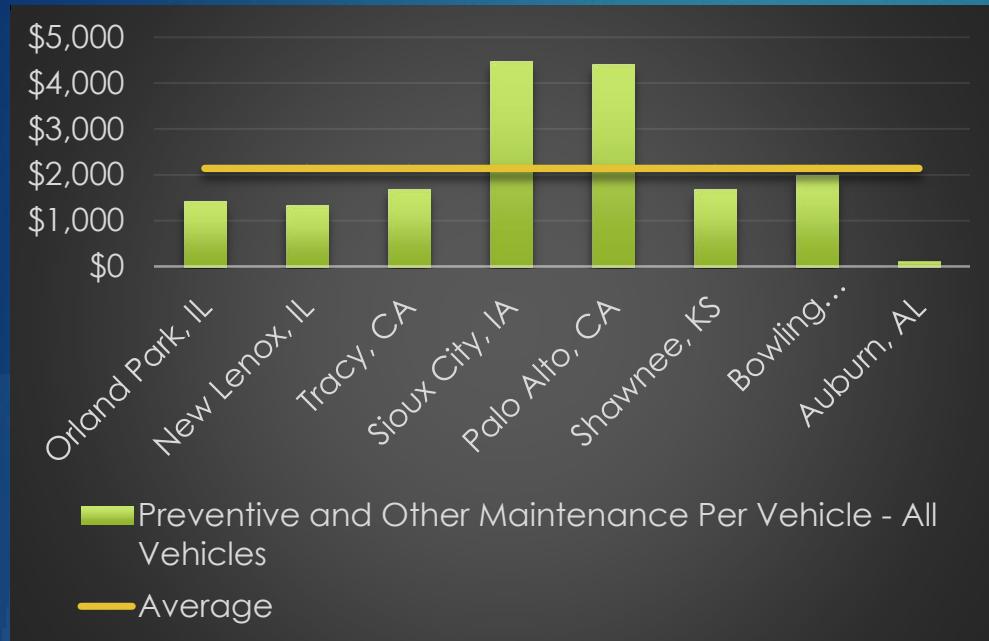


Description of Measure: Total permits per FTE is the calculation of 2013 total number of permits issued over the number of Full Time Equivalent Employees. The FTE calculation is derived from total hours paid for permitting, inspections, and plan review services, regardless of what department or division the staff who perform these services are located in. The average is derived from identified comparable communities which participated in the ICMA Center for Performance Analytics 2013 study and submitted their data for this measure.

STRATEGIC PILLAR: DOWNTOWN DEVELOPMENT

Strategic Objective 2A and 3A: Provide analysis of development-specific financial effects on the Village's infrastructure demands, tax base, and operating budget; Enhance core services

Core Measure Examples

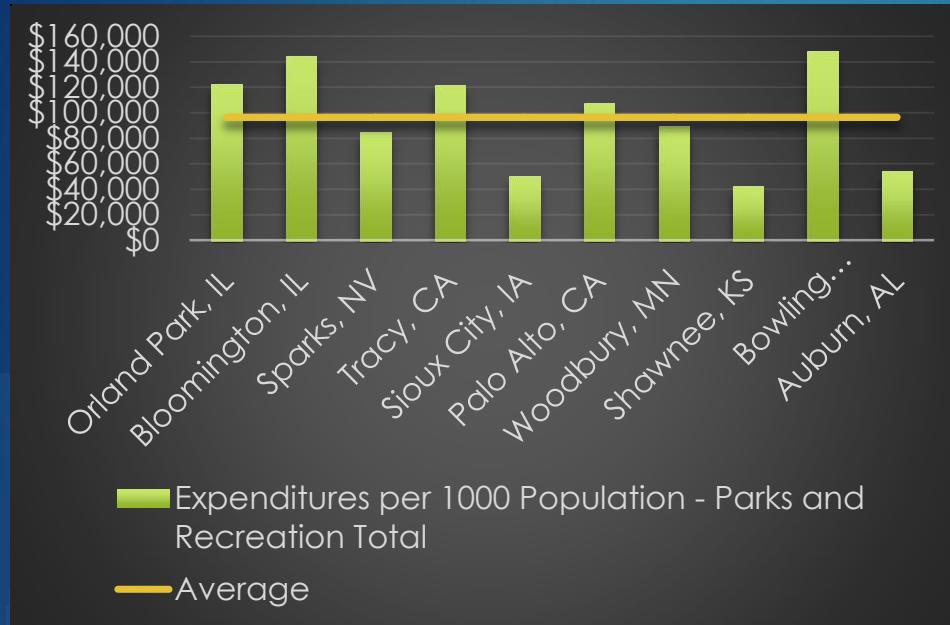


Description: Preventive and other maintenance per vehicle is the calculation of total maintenance expenditures over the total number of vehicles for year 2013. The average is derived from identified comparable communities which participated in the ICMA Center for Performance Analytics 2013 study and submitted their data for this measure.

STRATEGIC PILLAR: QUALITY OF LIFE

Strategic Objective 3A: Complete an annual analysis of fees and charges for services to ensure that they are affordable while at the same time providing revenue levels that are sufficient to provide quality levels of service.

Core Measure Examples



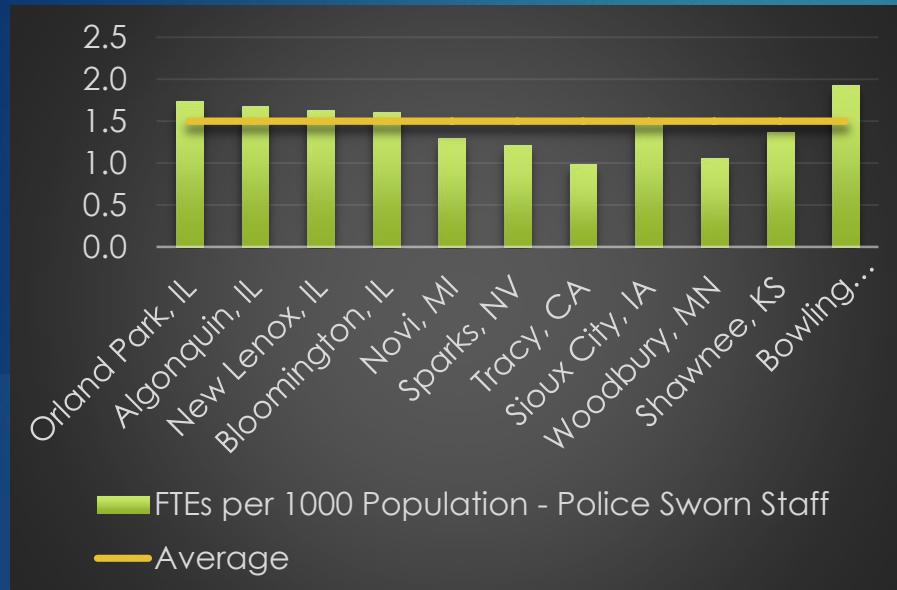
Description: Parks and Recreation expenditures per 1000 population (based on 2010 Census: 56,767) for year 2013. Total expenditures include: actual expenditures for park maintenance and operations (not budgeted amounts); salaries and fringe benefits staff recreation staff, coaches, etc., and for the operation of recreation programs, expenditures contractor/consultants, supplies, materials, and parts; expenditures for jurisdiction tree maintenance; expenditures related to lakes, beaches, and watersheds; as well as all expenditures that meet these definitions, regardless of the funding source. The average is derived from identified comparable communities which participated in the ICMA Center for Performance Analytics 2013 study and submitted their data for this measure.

STRATEGIC PILLAR: QUALITY OF LIFE

Strategic Objective 3A Enhance Core Services: Critically review all recreation offerings, policies and events to ensure that they are desirable, diverse and meeting the needs of the community. Complete two to three surveys each quarter to obtain feedback.

OBJECTIVE 3B Maintain and Improve Parks, Facilities and Open Lands

Core Measure Examples



Description: This measure entails the calculation of Full Time Equivalent Employees per 1000 population (based on 2010 Census: 56,767) for year 2013. Sworn staff includes: sworn staff with general arrest powers; hours paid for police services, including at special events, regardless of what division the staff who perform these services are located in; Recruits; Supervisory, non-supervisory, and direct administrative or clerical staff; full-time and part-time staff, regardless of funding source; All types of hours paid: regular, overtime, sick, vacation, and other paid leave, and any other hours paid. The average is derived from identified comparable communities which participated in the ICMA CPM study.

STRATEGIC PILLAR: QUALITY OF LIFE

Strategic Objective 3E: Plan, publicize and execute two roadside safety checks that will focus on enforcement of DUI, passenger restraint and distracted driving violations.; Conduct uniformed police officer foot patrols and the initiative known as “Retail Detail” throughout the retail establishments with particular focusing during the holiday shopping season.

Core Measure Examples



Description: This measure is the calculation of total police expenditures per 1000 population (based on 2010 Census: 56,767) for year 2013. Sworn staff includes: salaries, benefits, overtime expenditures for police staff; non-personnel operating expenditures- directly and non- directly related police activities expenditures. The average is derived from identified comparable communities which participated in the ICMA Center for Performance Analytics 2013 study and submitted their data for this measure.

STRATEGIC PILLAR: QUALITY OF LIFE

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Notes on Data

- ▶ Data is available only for FY 2013 period as we began participating in the ICMA Center for Performance Analytics program.
- ▶ The data that was reported from other municipal organizations is believed to reflect similar data sources for all organizations.
- ▶ Normally, collected performance results data should be compared to at least the prior period to ascertain whether performance is improving or at least remaining stable; declining a minimal, but acceptable amount; or declining more than an acceptable amount. Budget reviews and deliberations considering the performance targets and results.
- ▶ In 2015, data for each performance measure will be regularly collected during the year so the data can be analyzed and adjustments can be made to enable the programs to continue to perform as expected. This way, the establishment of targets and the achievement of results can be used to guide budget decisions.
- ▶ Quantity does not equal quality
- ▶ Measure what's most important

Looking ahead to 2015

New ICMA Insights™ platform

- ▶ Core set of well-defined and comparable measures built on a dynamic, world-class performance management and analytics where communities can easily collect, report, benchmark, and analyze their data.
- ▶ Includes 900 key input, output and outcome measures centered on seven service clusters.
 1. Community Attributes
 2. Culture and Leisure ~ Parks and Recreation
 3. Internal Services ~ General Government ~ HR ~ IT ~ Procurement ~ Risk Management
 4. Neighborhood Services ~ Code Enforcement ~ Permitting, Land Use, and Plan Review
 5. Public Safety ~ Police Services ~ Fire & EMS
 6. Public Works ~ Facilities Management ~ Fleet Management~ Highway and Road Maintenance ~ Solid Waste
 7. Social Services ~ Housing ~ Obesity Prevention~ Youth Services

ICMA Insights Package

- ▶ Over 250 participating jurisdictions (cities and counties)
- ▶ All sizes (urban, suburban, rural)
- ▶ 30+ users for population group 50-99,999
- ▶ **'Comprehensive' to 'Explore'**
 - ▶ Annual reporting to monthly, quarterly, or annual data collection
 - ▶ Excel based collection to online data collection
 - ▶ Data report to custom reporting tool
- ▶ ICMA Insights "Explore" Tier includes:
 - ▶ Annual reporting option
 - ▶ Summary data report
 - ▶ Predefined graphs & tables
 - ▶ Monthly or quarterly reporting option
 - ▶ Custom reporting tool

Without Measuring, Decision Makers Have No Basis For:

- ✓ Identifying performance gaps that should be analyzed and eliminated
- ✓ Providing feedback that compares performance to a standard
- ✓ Effectively making and supporting decisions regarding Investments, plans, policies, schedules, and structure
- ✓ Specifically communicating performance expectations to subordinates
- ✓ Identifying performance that could be rewarded

Consider Developing Strategic Themes

- ▶ Themes describe an overall strategic direction
- ▶ Can improve the communication effectiveness of the Strategic Plan
- ▶ Examples of themes:
 - ▶ Innovative Services
 - ▶ Adaptive Organization
 - ▶ Realign our Core Competencies
 - ▶ Lean Processes
 - ▶ Reach the Resident
- ▶ Group common set of objectives around a theme

Questions & Discussion

