Federal CIO Council Community of Practice for IT Performance Management

How Are Things Measuring Up?

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What's in a name?

- Performance management vs performance measurement

    – Management – performance improvement
    – Measurement – deciding what to measure and how

- Currently: More focus on measurement

Reality on the Ground

- Most people spend only a little time studying the organization and performance

- Possible reasons:

    – Mixed motivation: Urgent vs. Important

    – Lack understanding of measurement

    – Attitude/Belief: Things won't change anyway!

    – See measurement as a reporting exercise – burdensome!

    – Measures not related - measurement reporting stovepipes

Facts about PM CoP

- Dates:
  - Aug. 2000 - First Meeting
  - Nov. 2000 – Trained 65 Feds
  - FY 2001 - Conducted 2 Pilots
    - Veterans Affairs: Information Security Program (AIE)
    - USDA: Food Commodity Program (BSC)
- Published 3 Reports: See www.cio.gov
- Other:
  - Meetings: Bi-monthly
  - Membership: Open to Feds and Gov't contractors
  - Mailing list: 100

PM CoP – Past Agenda

- How to Measure the Immeasurable
- Balanced Scorecard
- Integration of PM with:
  - Strategic planning
  - Enterprise Architecture (Bob Haycock)
  - Capital Planning
- Performance Reference Model
- Service Level Agreements
- Measurement Fundamentals
- Completing Exhibit 300 Performance Goal tables
- OMB Perspectives (Dick Burk, Lauren Uhr)

Multiple Performance Dimensions

Mission Impact (Process Improvements)	Delivery of Services Operating Costs (Program Delivery) Productivity/Efficiency Accuracy

System, Data, & Service Quality **Usage**	Systems/Network Availability Response Time, User Satisfaction Help Desk Operation & Maintenance Costs (IT) Service Level Agreements (SLAs)

Development/Maintenance	Function Points per FTE Number of Defects per 100 SLOC

Project Management	Milestones Cost & Schedule Earned Value Management

Measurement Best Practices

- Methodologies are helpful but require great commitment
- Keep it simple – use logic models, e.g. PRM
- Focus on the performance not the measures

Goals → Measures → Data → Data Sources

- Focus on the top three priorities
- Methodologies
  - Balanced Scorecard
  - Applied Information Economics
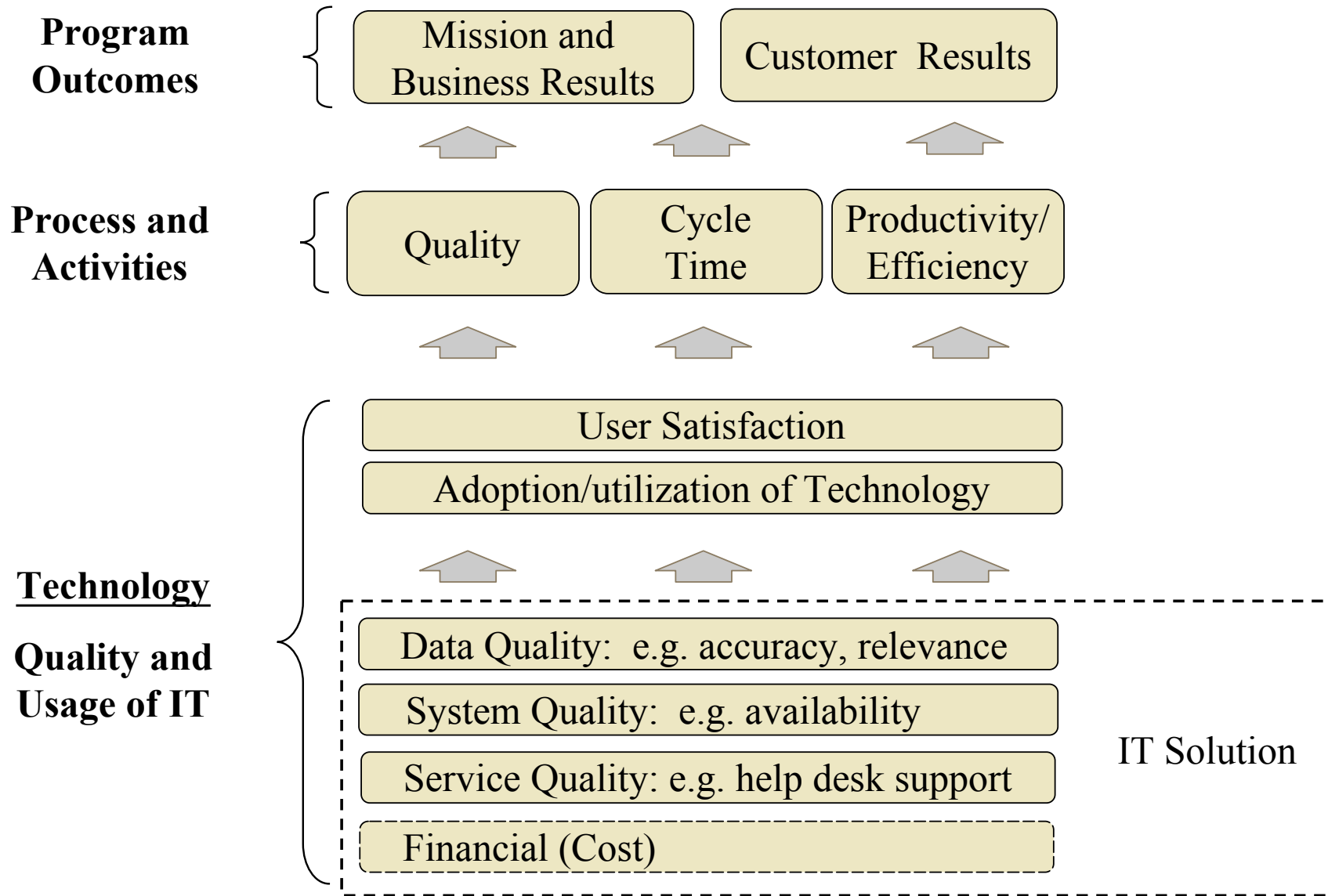 - Logic Models

Measurement Fundamentals

- A measurement is an observation
  - It is not an answer
  - It is not an exact number
  - There always is an error

- Most things appear immeasurable because they have not been adequately defined, e.g.
  - Improved decision making
  - Improved coordination
  - Improved interoperability
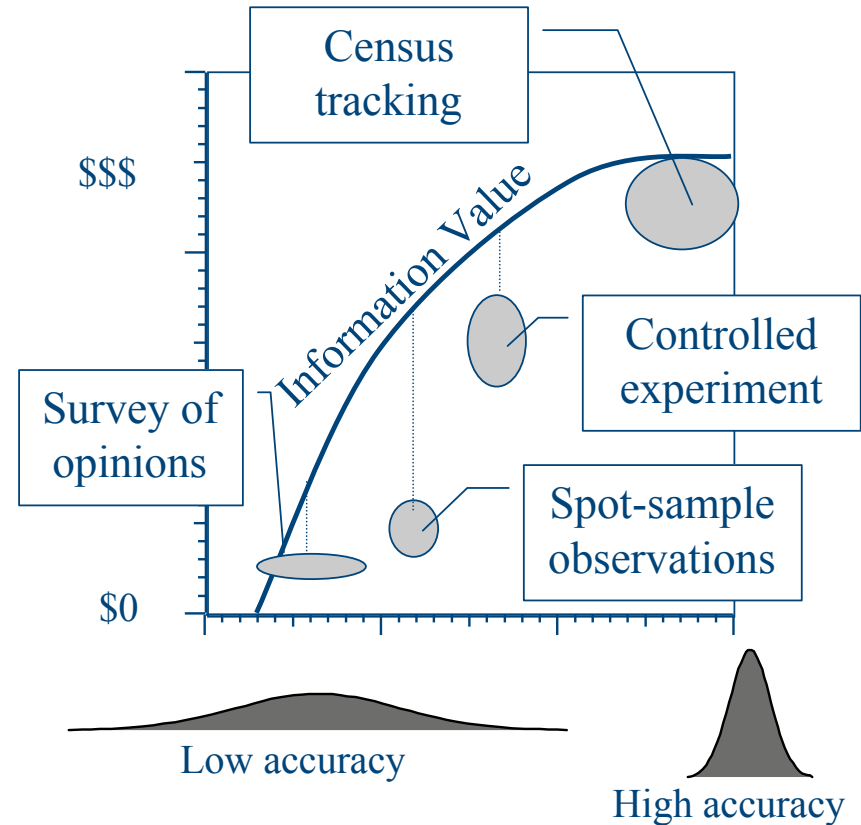
Example

"Customer Satisfaction" could mean:

❑ Increased % of potential public users that use a new system

❑ Reduced number of complaints received per month

❑ Increased % of users who report they are satisfied on a user survey
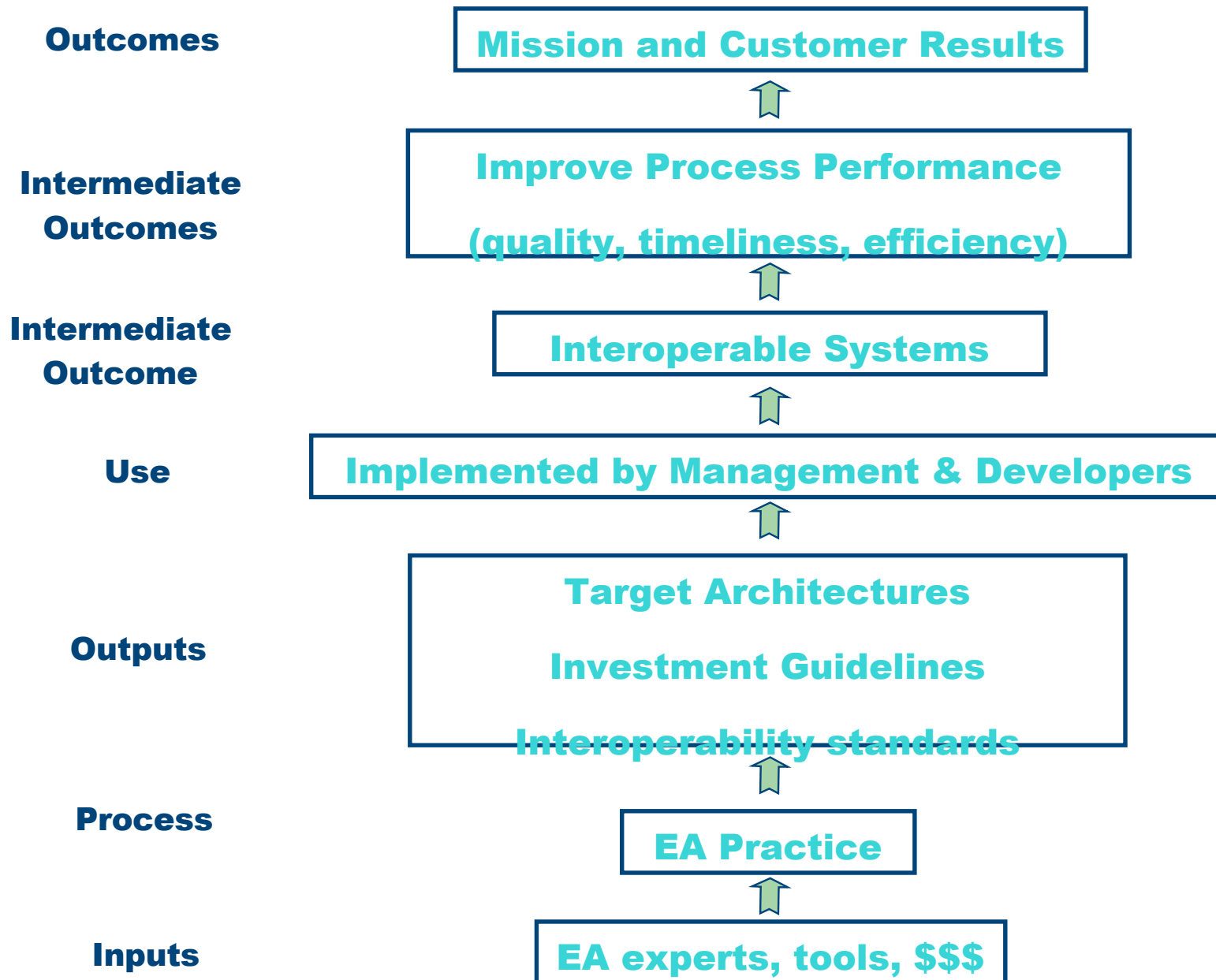
Contribution of IT to HUD Mission

Program Outcomes

Mission and Business Results	Customer Results

Process and Activities

Quality	Cycle Time	Productivity/ Efficiency

Technology

Quality and Usage of IT

User Satisfaction

Adoption/utilization of Technology

Data Quality: e.g. accuracy, relevance

System Quality: e.g. availability

Service Quality: e.g. help desk support

Financial (Cost)

IT Solution

Philosophy of Measurements

- Each metric has multiple measurement options

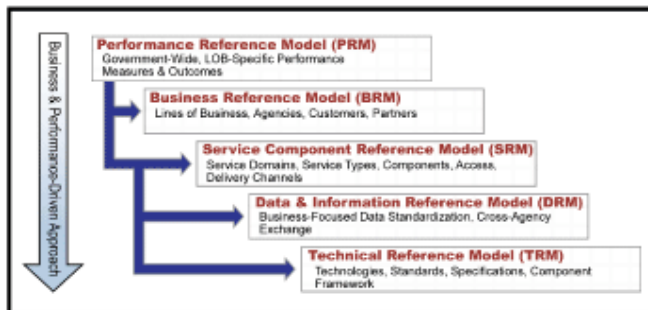- Select metrics based upon a balance of accuracy and costs
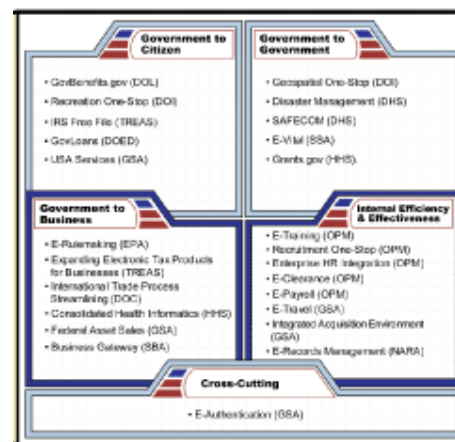
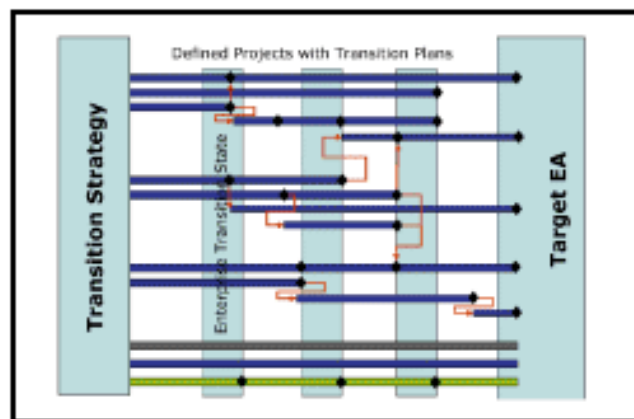# Example Logic Model for EA Practice

Outcomes — Mission and Customer Results

⬆

Intermediate Outcomes — Improve Process Performance (quality, timeliness, efficiency)

⬆

Intermediate Outcome — Interoperable Systems

⬆

Use — Implemented by Management & Developers

⬆

Outputs —
Target Architectures

Investment Guidelines

Interoperability standards

⬆

Process — EA Practice

⬆

Inputs — EA experts, tools, $$$

Focus on Results

Federal Enterprise Architecture

PART

EA Assessments and Transition Planning

PMA Scorecard

GPRA & PART: Components

- GPRA
  - Strategic Plan
  - Annual Performance Plans
    - Major Programs
    - Means and Strategies (Processes & IT investments)
  - Results and Accountability Report

- PART (Program Assessment Rating Tool)
  - Program purpose and design
  - Strategic planning
  - Program management
  - Program results and accountability
  - Ratings: Effective, Moderately Effective, Adequate, Ineffective, or Results Not Demonstrated

- Focus is clearly on the programs – rarely mentions IT or processes

PRM – Performance Reference Model

E·GOV

- **Performance Reference Model (PRM)**
  - Focused on assessing initiative/ investment level performance
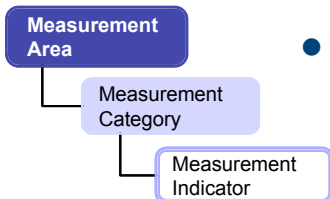 - Addresses consistency in measuring performance via:
    - Inputs -> Outputs -> Outcomes
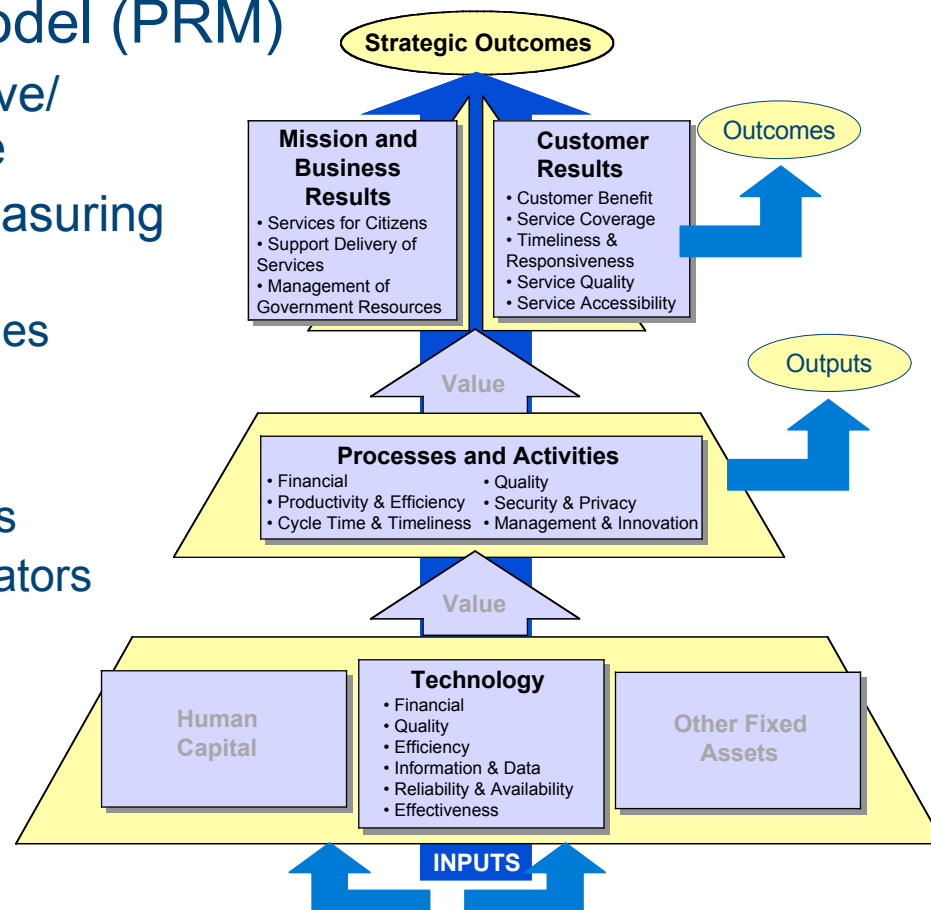 - Structured around:
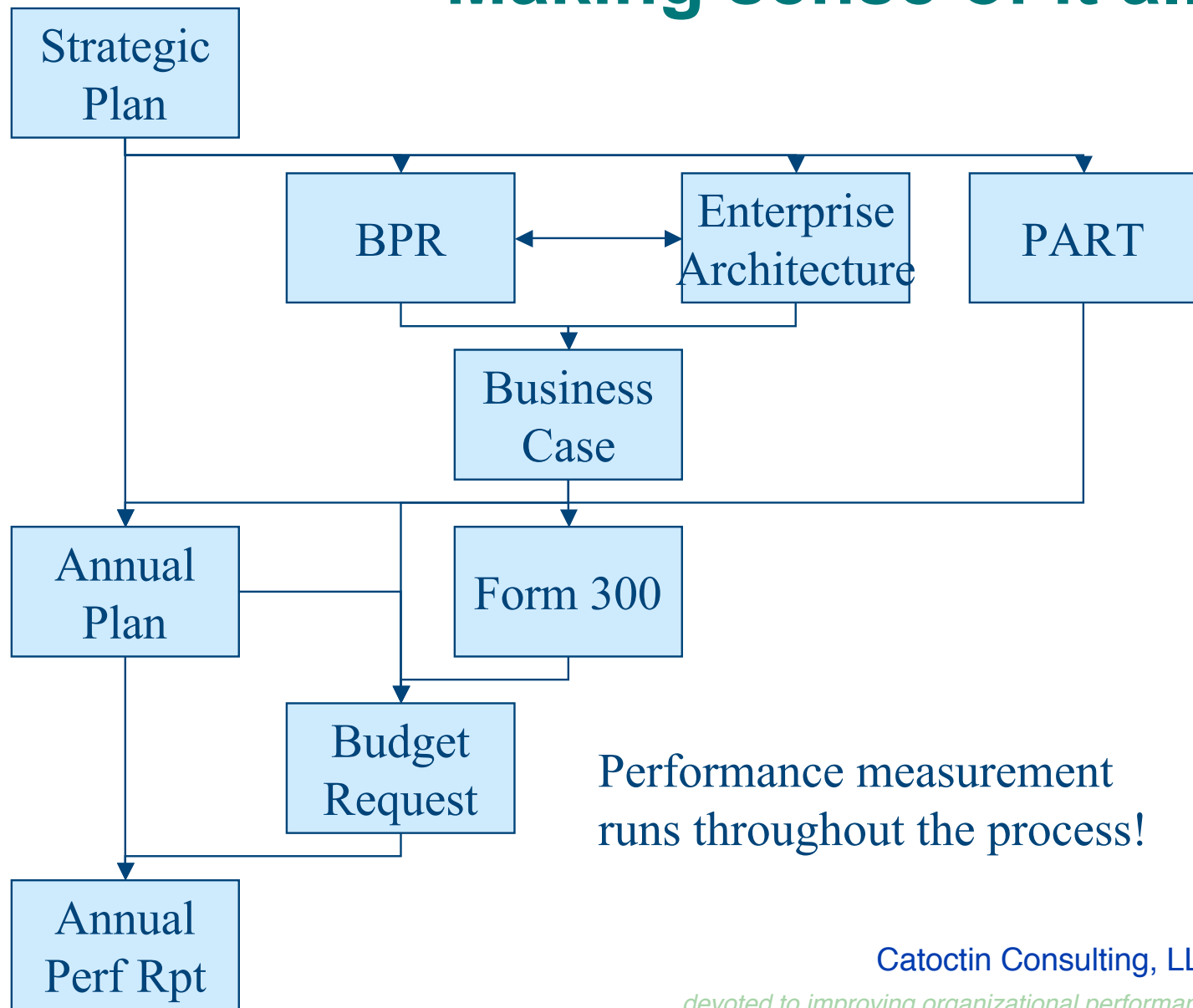   - Measurement areas
      - Measurement categories
        - Measurement indicators

Measurement Area
  Measurement Category
    Measurement Indicator

  - Information captured via the OMB Exhibit 300

Strategic Outcomes

Outcomes

Mission and Business Results
- Services for Citizens
- Support Delivery of Services
- Management of Government Resources

Customer Results
- Customer Benefit
- Service Coverage
- Timeliness & Responsiveness
- Service Quality
- Service Accessibility

Value

Outputs

Processes and Activities
- Financial
- Productivity & Efficiency
- Cycle Time & Timeliness
- Quality
- Security & Privacy
- Management & Innovation

Value

Human Capital

Technology
- Financial
- Quality
- Efficiency
- Information & Data
- Reliability & Availability
- Effectiveness

Other Fixed Assets

INPUTS

Making sense of it all

Strategic Plan

BPR ←→ Enterprise Architecture

PART

Business Case

Annual Plan

Form 300

Budget Request

Performance measurement runs throughout the process!

Annual Perf Rpt

What you need to measure

Achievement of mission, strategic goals

Strategic Plan

PART

Better ability to achieve strategic goals

BPR

Inputs Outputs Outcomes

Enterprise Architecture

Achievement of mission

Contribution to mission, strategic goals

Business Case

Annual Plan

Progress toward strategic goals

Budget Request

Contribution to mission, strategic goals

Form 300

Funds needed to deliver results

It's about strategic alignment!

Annual Report

Progress toward strategic goals

Catoctin Consulting, LLC

devoted to improving organizational performance

Current Challenges

- Challenges exist in the current Federal Performance Management (PM) environment:
  - Various methods capture performance measurement information
    (PMA Scorecard, GPRA, PART, & PRM)
  - OMB is studying the linkage between the performance of programs (PART) and the performance of the supporting investments (PRM).
  - Potential disconnect:
    - IT/EA community primarily utilizes the PRM
    - Program/business community relies on PART
  - Exhibit 300 captures performance information only about "major" investments versus entire IT portfolio
  - Differences among methods:
    - Metrics structure, terminology, and what is being measured

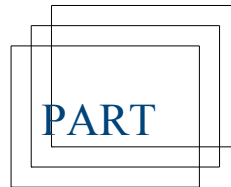# Different People- Different Interests

- GPRA
  - Planning (50%)
  - CFO (50%)
- PMA – Admin
- Exhibit 300 PRM – IT project managers
- PART – Program personnel
- Process – program area personnel

Systems with Measurement Info

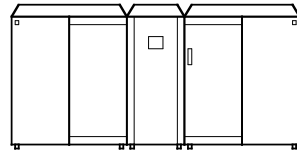eCPIC

Server

PART

Spreadsheets

Workstation

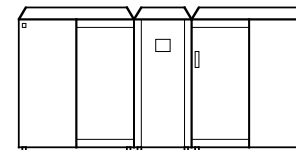EA Mgmt System ??

Mainframe

CFO Systems

Computer

Cuff Systems

Server

Org Mgmt System

Mainframe

Mission Systems

What's Needed?

- Unified Field Theory of Performance Measurement
  - Align all measurement processes
    - Reduce redundancies and burden
    - Make them useful
  - Require programs to do a PRM
  - Expand PART to include PRM
- How?
  - Understand performance management best practices
  - Agency leadership
  - Policies
  - Semantic technologies?
- Mission performance drive EA development

What If…

- Performance data was readily available
- No measurement silos
- More focused on results
- More informed decisions
  - Based upon performance info
- Coordinated performance improvement initiatives
  - IT
  - Training
  - Reorganization
- Would performance improve?

Contact Info

To receive notices of PM CoP activities, send email to:

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