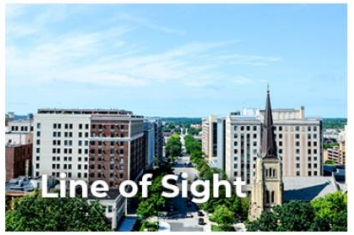
RESULTS MADISON UPDATE

FINANCE COMMITTEE BRIEFING

MAY 10, 2021

MADISON'S INITIATIVES



What is Performance Excellence?

When our City performs with excellence, we establish and nurture a culture where people thrive. Our aim is to focus our resources on improving the quality of our services for our residents and employees.

Performance excellence gives us the tools we need to think strategically about our work and align our work to our City's vision.

We have an ever-increasing amount of work as our City changes and grows. City of Madison staff have contributed to many different initiatives over the past several years, including:

- Employee Engagement
- Racial Equity & Social Justice
- Neighborhood Resource Teams
- Guidance Teams
- Data Management Team
- Results Madison, led by finance staff
- Imagine Madison Comprehensive Plan, led by planning staff

PERFORMANCE EXCELLENCE AND RESULTS MADISON

Performance Excellence

- **Vision** – Our Madison—Inclusive, Innovative, and Thriving
- **Mission** – Provide highest quality service for the common good of residents and visitors
- **Values** – Equity, Civic Engagement, Wellbeing, Shared Prosperity, Stewardship
- **Service promise** – kind and friendly, listen, communicate clearly, involve those impacted in decisions, collaborate, treat as others want to be treated

Results Madison

- Citywide Elements
- Outcomes and Indicators
- Strategies
- Services
- Performance Measures

Connect City's services to City's strategic framework

PERFORMANCE EXCELLENCE AND RESULTS MADISON

- **Question:** How do we know that we're achieving our vision, mission, values, and service promise?

- **Answer:** Results Madison

PERFORMANCE EXCELLENCE AND RESULTS MADISON

- Results Madison
  - Seven citywide elements, as defined by Imagine Madison, are the backbone of Madison's vision.
  - If we improve upon any of these elements, we move closer to fully realizing our vision, mission, values, and service promise.

Elements: broad, high-level priority areas identified by feedback from:

- City residents
- City managers and staff
- Common Council

PERFORMANCE EXCELLENCE AND RESULTS MADISON

Cc Culture & Character

Eg Effective Government

Eo Economy & Opportunity

Gr Green & Resilient

Hs Health & Safety

Nh Neighborhoods & Housing

Lt Land Use & Transportation

Outcomes

Individual Outcomes strengthen one or more of the Citywide Elements. Example: Have safe, clean water.

Indicators

Indicators are used to measu progress against Citywide Outcomes. Example: Water quality of Madison's groundwater.

Strategies

Agencies work individually or together with others to develop Strategies that will help achieve the City's desired Outcomes. Example: Reduce the use of road salt to prevent groundwater contamination.

Services

Services are discrete sets of activities each Agency provides on behalf of City residents; they are the means by which Strategies are constructed and Outcomes are achieved. Example: Streets - Snow & Ice Removal.

Performance Measures

Agencies use Performance Measures to gauge how well they are performing their Services. Targets should be set for Performance Measures to ensure progress and improvement Example: Tonnage of salt used by Streets Division per snow event per route.

PERFORMANCE EXCELLENCE AND RESULTS MADISON

- **Element:** Green and Resilient
  - What outcome could tell us that Madison is green and resilient?
    - **Outcome:** safe, clean water
      - How do we know we have safe, clean water?
        - **Indicator:** water quality of Madison's groundwater
          - What strategy can be implemented to improve the groundwater quality?
            - **Strategy:** reduce the use of road salt to prevent groundwater contamination
              - What service(s) controls the use of road salt?
                - **Service:** Streets—Snow and Ice Removal
                - What measure(s) can be used to determine road salt is being optimized?
                - **Performance Measure:** tonnage of salt used by Streets Division per snow event per route

RESULTS-ORIENTED / SERVICE-LEVEL BUDGETING

OLD WAY	NEW WAY
STARTING POINT Last year's spending	**STARTING POINT** Next year's goals
FUNDING TARGETS By agency	**FUNDING TARGETS** By element
AGENCY REQUEST How allocation will be spent	**AGENCY REQUEST** How results will be achieved
BUDGET DISCUSSION What to cut (what we like, what we don't like)	**BUDGET DISCUSSION** What to keep (what works, what doesn't work)

PERFORMANCE EXCELLENCE AND RESULTS MADISON

- Results Madison
  - Three-step engagement designed to help agencies connect their services to the City's Strategic Framework
  - When complete across the City, all services will be connected to the Elements of a Great City, as determined by Imagine Madison

1. **Service Inventory:** Define services in a way that is consistent with how residents interact with them.
2. **Performance Measures:** Define how much are we doing with each service, how well are we doing it, and if anyone is better off.
3. **Data Action Plans:** Identify the data sources and variables necessary to monitor performance measures and develop customized management tools.

RESULTS MADISON—WHERE WE'RE AT

- As of year-end 2019, all City agencies have completed their three-step engagement where they have
  - Defined their services
  - Identified performance measures for those services
  - Developed data action plans to support the performance measures

RESULTS MADISON—WHERE WE NEED TO GO

Measurement

- Define the desirable outcomes and outcome indicators for all citywide elements
- Utilize performance measures and data action plans to develop a performance measurement system for each service
- Test the validity and reliability of the performance measurement system
- Incorporate the measurement system into agency service budgets

Service Level Budgeting

- Develop agency budgets with the newly defined services
- Present the budget book with a clear connection between levels of funding, service delivery, performance measures, outcomes, and elements

Technical Solutions

- Incorporate the newly defined services into the agency's chart of accounts
- Develop a data warehouse with integrated data analytics platform to support performance measures

RESULTS MADISON—HOW WE GET THERE

- 2021 to 2026 phase-in to transition all agencies from old services to new services
  - Re-engage agencies in 2021
  - Pilot one agency in 2022
  - Chart of accounts updates for one-third of agencies each year
  - Migrate one-third of agencies to new services for each budget, starting with 2024 budget
  - Fully implemented for 2027 budget (results-oriented / service level budgeting)

RESULTS MADISON 2021—CHANGE MANAGEMENT

- Start marketing Results Madison again to be get agencies back to thinking about it and how it actually folds into the City's initiatives and operations
  - Remarketing campaign for Results Madison (Q2 start)
  - Finalize outcomes and indicators for all citywide elements (Q2 start)
  - Review service inventory, performance measures, and data action plans with opportunity to make updates (Q2 start)
  - Implement performance measurement system for 1 pilot agency (Q3 start)
  - Migrate 1 pilot agency to new chart of accounts in Munis for 2023 budget (Q4 start)