



# Oregon's Key Performance Measurement (KPM) System

## *Transitions and Innovations*

Prepared for the Interim Joint Ways and Means Committee  
September 2008

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## Presentation Overview

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



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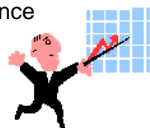
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## Evolution: Progress Board Focus For KPMs

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



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## KPM System Snapshot

- KPMs are included in the budget development
  - ❖ Budget request includes 2007-09 KPM report and 2009-11 Proposed KPM
  - ❖ 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)

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## 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



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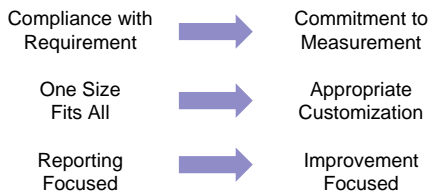
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## A System in Transition



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## Some 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

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## New Definitions: KPM Categories

### Type of KPM

Reporting Measures  
*(Crash Fatalities,  
Water Quality Index)*



### Information Uses

Policy and Strategy Evaluation

Agency Performance Measures  
*(Customer Satisfaction,  
Appeals Upheld)*



Agency Program Evaluation

Agency Efficiency Measures  
*(Processing Times)*



Agency Operational Efficiency and Effectiveness

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## System Innovations: This Interim

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



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## System Innovations: The Future

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



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## 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



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## Progress Board's Interests and Contributions

- Oregon Shines III
- Oregon Benchmarks



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## What is Oregon Shines?

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

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



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## Why is Oregon Shines important?

“Oregon Shines asserts our state’s capacity and will to shape and manage our destiny.”

- Oregon Shines, 1989

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## Oregon Benchmarks Measure Progress Toward Oregon Shines

**Economy**



- Economy
- Education

**Community**



- Civic Engagement
- Social Support
- Public Safety

**Environment**



- Community Development
- Environment

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## 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




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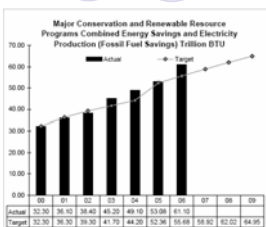
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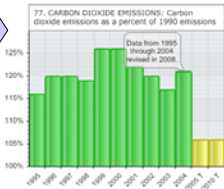
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## Good State Government Supports Improved Benchmark Results



KPMs link state performance to Benchmark

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




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## The Board Reports on Benchmarks Biennially

- <http://benchmarks.oregon.gov>




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## 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
- Modifying benchmark processes, products and services to better meet user needs



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## 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 interest and unique contributions need to be recognized and supported for the system to continue to evolve.

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## Looking Ahead to Future Trainings

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

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# QUESTIONS



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