



MANAGING FOR RESULTS: An Implementation Plan for the City of Portland

Office of Management and Finance
City Auditor's Office
Bureau of Planning
City of Portland, Oregon
June, 2003

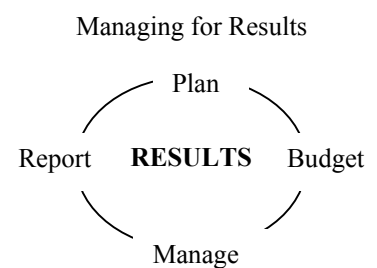


Table of contents

Introduction 1

Overview 1

Major milestones 3

Implementation timeline 5

Roles, task descriptions, and timing chart 6

Bureau roles in major implementation stages..... 10

Resources 11

Introduction

In December, 2002 the Auditor's Office, in partnership with the Office of Management and Finance, completed work on a special report that reviewed the status of the City's efforts toward setting goals and objectives, measuring performance, and using that information in decision-making. The report reviewed past and current efforts to determine what changes, if any, need to be made in our methods to plan and manage for results.

The report concluded that although the City has a strong foundation upon which to build a comprehensive system that focuses on results, there are many improvements that could be made. The report also concluded that these changes would not require the creation of a new bureaucracy, but could be accomplished by improving our current processes. The report recommended the City adopt an improved performance information system that could be more readily used in the decision-making process.

On February 19, 2003, the Council unanimously passed Resolution No. 36123, which accepted the Managing For Results report, and directed the Office of Management and Finance to develop an implementation plan for Managing for Results using the report as a general framework. In the resolution, the Council recognized that Managing for Results would help maximize the quantity and quality of City services, improve the efficiency of City programs and allocation of tax resources, help managers plan and implement programs with City priorities in mind, and improve public accountability and trust in government.

This document outlines the action steps we will take to implement the Managing for Results system.

Overview

The Office of Management and Finance will take the lead role in implementing Managing for Results. Their effort will be closely coordinated with staff from the Bureau of Planning and the City Auditor's Office. In addition, every City bureau will participate by upgrading their performance measures, and by reviewing and giving input on the City's strategic planning effort and the new program-based budget. Perhaps the most important role is played by City Council. City Council must provide the direction and the commitment to undertake this project which will improve our decision-making and public reporting processes.

Several key elements make up the implementation process:

- Strategic planning – This will provide the basis for city goals and objectives.
- Program-based budget – A revised budget format will be developed to closely link program performance and spending. Bureau goals and spending plans will be linked to higher-level City goals and priorities.
- Improved performance measures – Performance measures will be improved to reflect citywide and bureau goals. Measures will be more consistent and will be checked for accuracy by the Auditor's Office. Results will be available annually before the budget process begins.
- Improved public reporting – The SEA and budget document will be improved to show more closely the links between planned City and bureau goals, and their actual performance.

We anticipate the implementation phase of Managing for Results to be completed when the first completely program-based budget is published in June of 2005. Along the way, however, there will be many major milestones where improved performance data will be available.

When the project is fully implemented, the City Council, bureau managers, and the public will have better and more timely information upon which to base decisions. Data will be available for every program in the City, it will be checked for accuracy, and Bureaus will only have to enter performance data once each year. That data will go into a centralized database of performance information which will be accessible to a variety of users.

MAJOR MILESTONES

November 2003

- Annual Council Performance Retreat – At this retreat the City Council may begin defining citywide goals and strategic direction to be used as part of the Managing for Results effort.
 - The Bureau of Planning will present an update of their strategic planning efforts and a revised mission and vision statement for Council consideration.
 - The Office of Management and Finance will present a status report on redesigning the budget process and document to focus on program spending and performance.
 - The Auditor's Office will present the SEA report in a revised format that more closely fits the MFR model. This also represents an effort to publish the SEA document six weeks earlier than usual in order to provide more timely data for budget decision-making.

December 2003

- City Council annual development of budget priorities - City Council may develop budget priorities based on financial forecasts, performance trends reported via the strategic planning process, the SEA report, OMF analytical reports and recommendations, and other sources. These priorities will be communicated to the Bureaus during the budget process.

June 2004

- Adopted budget is presented in a revised format to reflect program spending and performance. The budget may only be in a prototype form at this point.

November 2004

- Annual Council Performance retreat – At this retreat the City Council may consider progress toward meeting citywide goals and bureau goals which were established during the previous year's work on the MFR project.
 - Bureau of Planning will present the first annual performance report on citywide goals and strategic issues.

- The Auditor's Office will present the SEA report.
- The Office of Management and Finance will present financial information relative to city performance.

December 2004

- City Council annual development of budget priorities - City Council may develop budget priorities based on financial forecasts, performance trends reported via the strategic planning process, the SEA report, OMF analytical reports and recommendations, and other sources. These priorities will be communicated to the Bureaus during the budget process.

April 2004

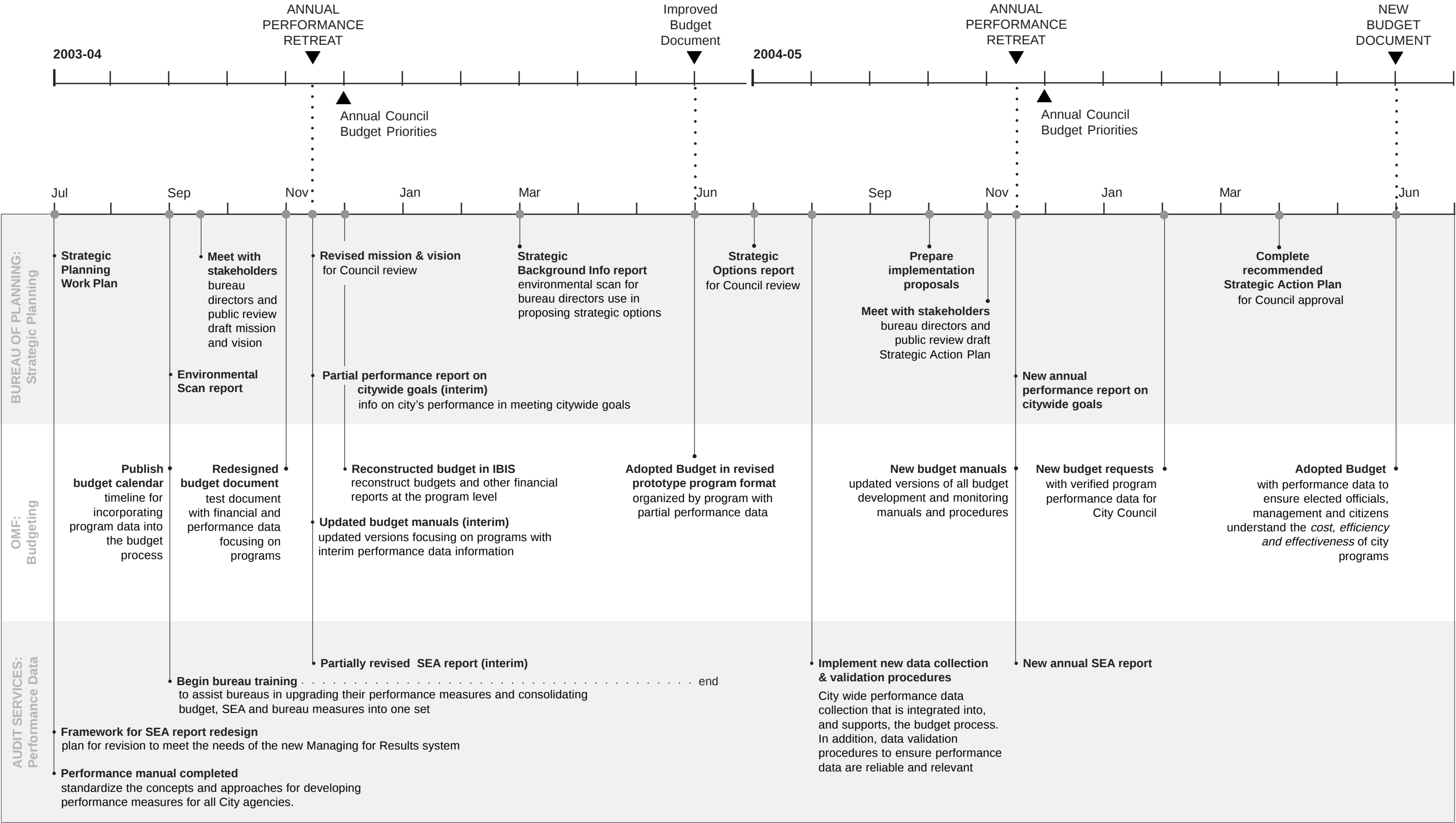
- Completed Strategic Plan for Council approval.

June 2004

- Adopted program-based budget in new format that closely links performance and spending.

MANAGING FOR RESULTS
Implementation Timeline

April 17, 2003



Roles, task descriptions and timing chart

FY 2003-04

	Planning Bureau	OMF	Auditor's Office
July 2003	Strategic Planning Work Plan. The Work Plan will detail steps to complete the entire Strategic Planning process, along with roles, responsibilities, and time frames.		Performance Manual. A manual that provides basic guidelines for the development and use of performance measures. It will standardize the concepts and approaches for developing performance measures for all City agencies. It will provide a framework for linking program performance measures to higher level bureau goals and to Citywide goals. It will also be consistent with program budget definitions and requirements. Complete new SEA framework. Redesign to meet the needs of the new Managing for Results system. Will provide performance information to identify key trends in City performance, and keep City managers, City Council, and the public focused on achieving goals.
Sept 2003	Environmental Scan Report. The Environmental Scan will examine regional and even national concerns that affect strategic issues, such as population growth, the economy, and mandates from other governments.	Budget calendar. A time line and calendar that incorporates recording and reporting of program data into the budget process. The reporting will provide context for Mayor and Council review and discussion of bureau financial forecasts, CIP plans and budget development.	Bureau training. Assist bureaus in upgrading their performance measures as well as their goals and objectives. Will use the framework for performance measurement adopted in the Performance Manual. We anticipate meeting with senior bureau managers and with those who will be performance measurement contacts in each bureau (these will not necessarily be the budget contacts). One-on-one help will be emphasized. Follow-up meetings may concentrate on integrating the performance measures seamlessly into the budget process. Continues through June, 2004.
Oct 2003	Meet with stakeholders/public to review the draft mission statement and organizational vision. (Will use documents previously approved by the Council in 2002.) Review should be limited in scope, and will be done with assistance of ONI staff. Based on input, Mission and Vision would be revised for adoption by Council.		

Roles, task descriptions and timing chart (cont.)

	Planning Bureau	OMF	Auditor's Office
Nov 2003	Prepare and present interim Performance report to Council. Report consists of 2 elements: info on defining citywide goals and strategic direction, plus annual SEA report (Auditor). Intended to be first of annual meetings to discuss Citywide performance. At presentation, identify additional analyses of interest to Council. The Council will discuss the implications of the performance report. The additional staff analysis would be completed to be available for the Council Budget Priorities discussion in December. The Bureau will present a revised City mission statement and vision for Council review.	Redesigned budget document. Will entail producing a test document prior to final implementation with financial and performance data focussing on programs. Updated budget manuals. Changes in data reporting and program budgeting will be incorporated into updated versions of all budget development and monitoring manuals and procedures. May not contain final procedures for performance data entry. These will be developed in coordination with the Auditor's Office.	Interim SEA. Partially redesigned.
Dec 2003		Reconstructed budget in IBIS. Bureaus not currently presenting financial info by program will need to reconstruct budgets and other financial reports at the program level. Most bureaus already do, and BFP has worked with bureaus to produce Program Survey report for Council.	
Jan 2004			

Roles, task descriptions and timing chart (cont.)

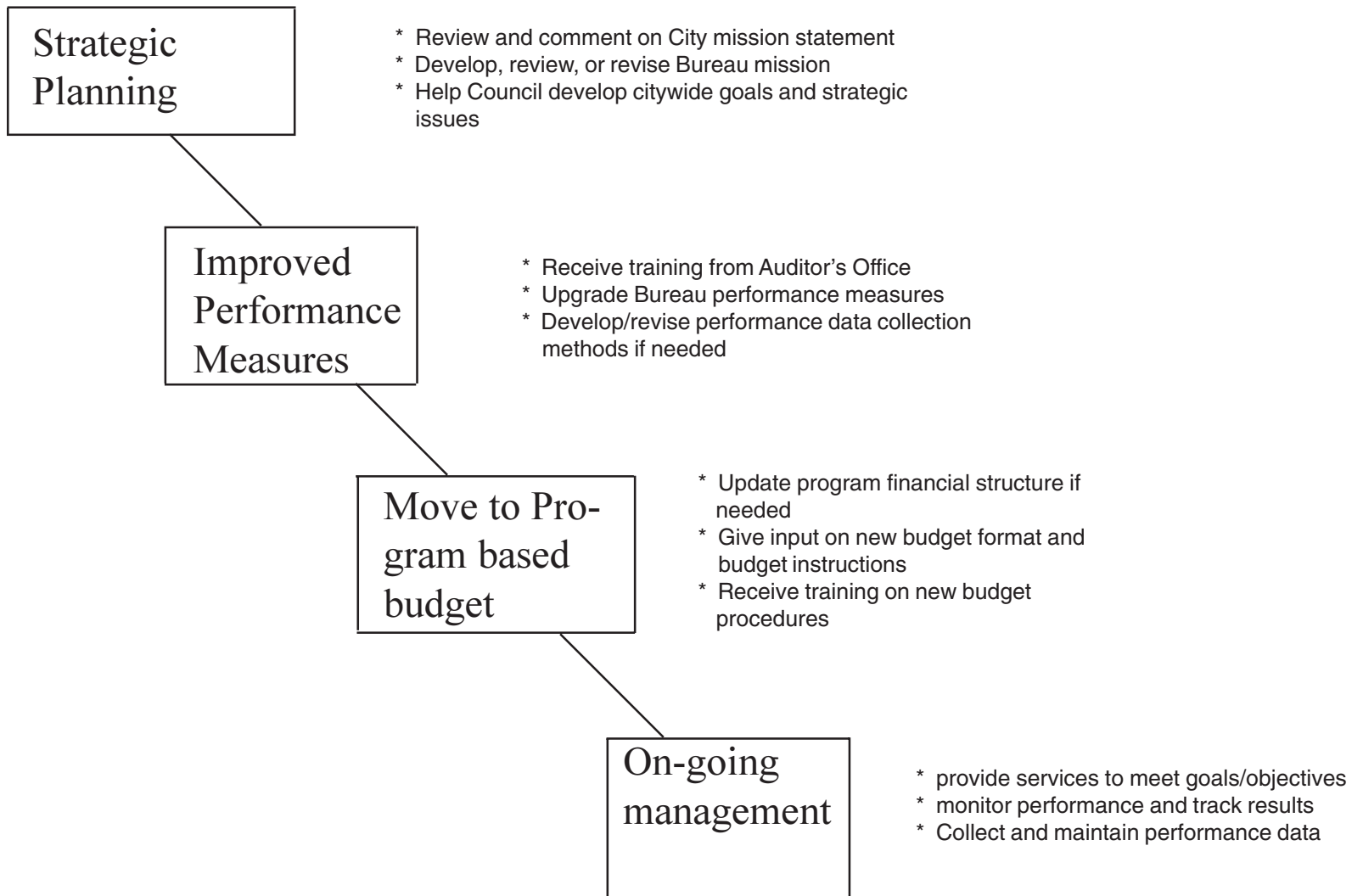
FY 2004-05

	Planning Bureau	OMF	Auditor's Office
Mar 2004	Prepare Strategic Background information report. The info will mainly be derived from the Planning Bureau scan and strategic plan documents done for the individual bureau strategic plans or other similar plans. The Bureau Directors will be the primary audience for this report.		
June 2004	Prepare Strategic Options report: Based on the Background report and the direction of the Bureau Directors group, prepare a report on strategic options for consideration by the council.	Adopted budget in revised prototype program format. Redesign of budget process & products to ensure information on performance is incorporated into a program performance perspective. May only have partial performance data at this point.	
July 2004	Strategic Options report: Review the Strategic Options with the Council		
Aug 2004			Implement new data collection & validation procedures. Citywide performance data collection that is integrated into, and supports, the budget process. In addition, data validation procedures to ensure performance data are reliable and relevant (working within the resources available).

Roles, task descriptions and timing chart (cont.)

	Planning Bureau	OMF	Auditor's Office
Oct 2004	Prepare implementation proposals. For the Council selected strategic directions, prepare a range of implementation actions. This work task will require major assistance from the individual bureau staffs as well as staff from OMF for financial implications. Depending on the strategic direction selected by Council, the assistance of other agencies in the region may also be needed. An initial draft of the actions would be reviewed by the Bureau Directors. Following their direction, a report for stakeholder/public review would be prepared.		
Nov 2004	Stakeholder review of Implementation proposals. The stakeholder evaluation will be conducted with the assistance of ONI. New annual performance report on citywide goals. First annual report on newly adopted City goals. Will include review of SEA report.	New budget manual. Final version of all procedures needed to produce a budget that incorporates both financial and performance data by program.	New annual SEA report.
Feb 2005		New budget request format containing verified program performance data for City Council.	
Apr 2005	Complete Recommended Strategic Action Plan for Council Approval: Based on this evaluation, prepare a recommended package of strategic direction.		
July 2005		New adopted budget with complete performance data and program format.	

BUREAU ROLES IN MAJOR IMPLEMENTATION STAGES



RESOURCES

Office of Management and Finance:

OMF will complete assigned tasks using existing staff from FPD and the CAO's office. Major tasks include updates to process maps, manuals and redesign of the budget document. FPD will assist with the development of bureau performance measures and will be responsible for compiling all data into a citywide database.

Bureau of Planning:

The Bureau of Planning will complete the assigned Strategic Plan with a combination of existing staff and a limited term additional staff position. The primary work associated with the Environmental Scan will be completed by existing staff as part of the Bureau's on-going work plan. The work related to the Mission statement and organizational vision, coordination with individual bureau strategic plans, the informational meetings with stakeholders and the preparation of the Strategic Options for consideration by the Directors and the Council will be completed by the limited term position.

Auditor's Office:

The Auditor's Office will complete assigned implementation tasks with existing staff. The major tasks include developing a performance measurement manual, redesigning the SEA report, helping bureaus upgrade their performance measures, and developing a new data collection and verification system. Future year review and verification of performance data will require additional resources. The amount of data verification that can be accomplished will depend directly upon the level of additional resources provided.