



Why governments should focus on performance management



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Contents

- 01** Why governments should focus on performance management
- 02** Transforming government performance through effective KPIs
- 03** Creating an effective performance management system to improve service delivery and outcomes
- 04** Assess and take action





01

Why governments should focus on performance management

Improving government performance management can strengthen public trust and improve service delivery through data-driven decision-making.

In brief

- Governments are adopting performance management systems to better align services with strategic goals and public expectations.
- These systems support informed decision-making, optimize resource use and raise accountability.
- Leadership plays a critical role in fostering a culture of transparency, learning and continuous improvement.

After years of process-focused governance, public institutions are shifting toward results-oriented approaches. A major focus within this is government performance management and the ways that performance can be tracked, assessed and leveraged. By understanding the components and benefits of performance management, governments can increase efficiency while improving outcomes.

What is government performance management?

Performance management

is a structured approach that helps governments use data to evaluate performance, identify areas for improvement and make informed decisions. By aligning day-to-day operations with strategic goals, it enables more efficient processes, better service delivery and improved outcomes for the public.

Government performance management

has evolved from early efforts focused on efficiency and process improvements to a more sophisticated system emphasizing data-driven decision-making and outcomes. Milestones such as the federal Government Performance and Results Act (GPRA) of 1993 established frameworks for goal setting and accountability, while innovations such as “stat” programs in cities (e.g. New York and Baltimore) introduced real-time data analytics. Today, performance management continues to advance by integrating technology and cross-agency collaboration to improve public service effectiveness and transparency.¹

While performance management systems vary across governments, there are several key components that frequently appear:

Strategic alignment

The connection between performance measures and the government’s overall goals and priorities

Key performance indicators (KPIs)

Quantifiable measures used to assess the output, efficiency, effectiveness, outcomes and equity of government programs and services

Technology-enabled tracking systems

Digital platforms and tools for real-time data collection, monitoring and analysis

Transparent reporting

Regular, accessible publication of performance data for accountability to leadership and the public

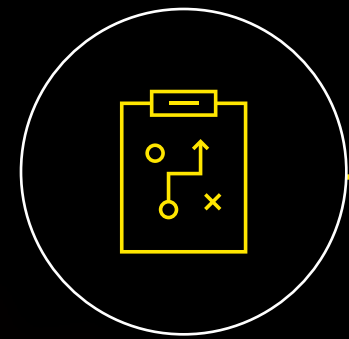
Leadership engagement

Active use of performance information by leaders at all levels to guide decision-making

Peer benchmarking

Comparative analysis with similar governments to identify performance gaps and leading practices

Key questions exist to assess the quality of your current performance management practices:



QUESTION #1

Are the service delivery KPIs aligned with your strategic goals?

- The best performance management frameworks should include a set of government-wide outcome indicators, “headline” department KPIs and KPIs for each program or service.



QUESTION #2

Are you telling the full performance story?

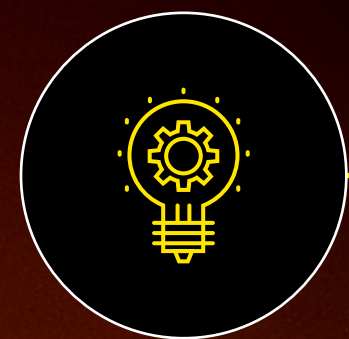
- Local governments should have the right mix of KPIs to measure all components of performance for key programs or services.
- Governments should be able to use performance data to explain how resources are being turned into results.



QUESTION #3

Is performance data centralized and easily accessible?

- Data collection should be reliable, centralized and automated to support real-time reporting.
- Performance data should be reported using widely accessible and interactive visualizations, including historical performance trends.



QUESTION #6

Are you promoting a culture of innovation?

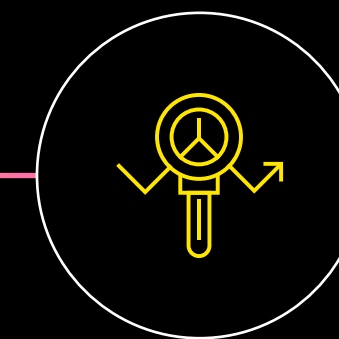
- Local governments should use performance data to help establish a culture of continuous improvement.
- Programs and departments should engage front line employees in performance improvement because they know the work best.



QUESTION #5

Have you identified the right partners to help improve performance?

- Governments should hold regular cross-departmental meetings and meetings with external partners to promote collaboration, break down silos and encourage coordinated problem solving.



QUESTION #4

Is the data being rigorously analyzed?

- Data should be analyzed and discussed to identify factors that are contributing to progress, as well as those that are hindering it.
- Performance data should be integrated into the budget process to align resources with the broader strategy.

Benefits of performance management

As governments invest more in performance management, there is a wide array of benefits for both the organization and its constituents, all centered around increasing efficiency while working toward better outcomes.

Greater strategic alignment

Performance management confirms that programs and services are directly tied to overarching government priorities. This alignment helps departments work toward common goals, reduces duplication of efforts and strengthens the overall effectiveness of policy implementation.

Case study: Louisville, KY

LouieStat

LouieStat connects departmental goals to citywide priorities, with regular leadership reviews to track progress. This verifies that all city functions stay aligned and coordinated.²

Informed decision-making

When performance data is readily accessible and integrated into planning processes, it allows policymakers and managers to make smarter, evidence-based decisions. This leads to more responsive governance, better risk management and improved outcomes for residents.

Case study: New Orleans, LA

NOLAytics

By utilizing data analytics, the New Orleans Fire Department identified neighborhoods with fewer smoke alarms and higher fatality risks and conducted a targeted door-to-door outreach campaign for free smoke alarm installations.³

More efficient resource allocation

It enables leaders to direct funding, staff and time toward the programs that deliver the greatest impact, reducing waste and inefficiency. In addition, when performance management is tied to the government budgeting process, resources can be shifted to the outcomes desired and what it takes to achieve them.

Case study: Baltimore, MD

Outcome budgeting

Baltimore aligns its resource utilization with desired results. Instead of beginning with the previous fiscal year's expenditures and adjusting allocations, the city focuses on service levels that correspond to its priority outcomes.⁴

Increased transparency and accountability

Clear performance metrics can be shared with the public and stakeholders, fostering trust and reinforcing responsibility for results. This can often take the form of publicly available reports or regularly updated dashboards showing the government's progress in accomplishing its strategic objectives.

Case study: Phoenix, AZ

Performance dashboard

Phoenix maintains a public dashboard with more than 165 KPIs across departments. Updating residents regularly, it gives residents clear insight into government performance and progress toward city goals.⁵

The role of leadership in performance management

Leadership plays a critical role in performance management by setting a strategic direction, aligning resources with priorities and fostering a culture that uses data to drive decisions and improve outcomes. There are several ways in which leaders can support effective performance management:

Strategy

- A strategic plan with government priorities and strategic objectives
- Embedding performance management into all government operations
- Full buy-in from government leadership on the commitment to measuring performance

Data

- A centralized system that holds performance management data across the government
- A process for government departments and units to collect and report their data to the centralized office
- IT systems capable of supporting the data collection and analysis processes needed for performance management

Resources

- A centralized office for performance management that reports to the government executive
- Dedicated staff focused on analyzing and reporting performance management insights
- Funding set aside for performance management functions

Culture

- A government-wide commitment to transparency, accountability and continuous improvement
- Encouragement of collaboration across departments to share leading practices and drive innovation
- A safe environment for learning from failure and using performance results to inform change, not punish mistakes

How governments can improve performance management

For governments to successfully implement and expand their performance management systems, it will require a government-wide effort that consists of two main focuses:

- 1

A strong set of KPIs

Governments should develop a comprehensive set of KPIs that include outputs, efficiency, outcomes and equity to fully assess program effectiveness. These KPIs should be tied to community priorities; answer core performance questions (e.g., how much is being done, how well and who is benefiting;), and be regularly evaluated for clarity, relevance and data quality. Setting realistic, data-informed targets and benchmarking against peer cities further enhances their value.
- 2

An effective performance management system

Implemented government-wide, a strong system aligns program-level metrics with strategic goals and embeds performance data into everyday decision-making. This includes investing in technology infrastructure, promoting data literacy across staff and fostering a culture of learning through regular performance reviews. Making data transparent both internally and externally and using it to guide budgeting and improvement plans help drive accountability and results.

Conclusion

As governments continue to navigate complex demands with limited resources, performance management has emerged as a powerful tool to drive efficiency, accountability and better outcomes for the public. By aligning strategy, resources and data, governments can make informed decisions, optimize service delivery and build public trust.

To further support governments in strengthening their performance practices, the next two sections will offer deeper guidance. One will focus on how to design and implement strong, outcome-oriented KPIs at the department and program level, and the other will explore how to build an effective, government-wide performance management system that promotes transparency, data literacy and strategic alignment. Together, these resources will help public leaders move from theory to action in advancing performance-driven governance.



02

Transforming government performance through effective KPIs

Developing effective performance indicators enables governments to better understand their current state, benchmark performance against peers and improve service delivery and outcomes.

As governments seek to enhance transparency and effectiveness, the focus is increasingly shifting toward measurable results. At the heart of this shift is the development and use of KPIs, which offer a structured way to evaluate outputs, efficiency and outcomes. By establishing and systematically assessing high-quality KPIs, governments can gain a clearer understanding of their current performance, compare themselves with peers and identify areas for improvement.

Using performance metrics to measure progress

When developing KPIs, it's important to align them with the government's key priorities and strategic objectives, as illustrated below.



Governments will often develop a strategic plan that:

Aligns around government-wide goals

Government leadership should define clear key priorities and strategic objectives that reflect community needs, values and aspirations and set the direction for all departments.

Uses community indicators to track long-term progress

Government leadership should select indicators that help track community-level conditions and wellbeing across various dimensions, such as housing, economic mobility, safety, health and education. These indicators should help measure progress against the government-wide goals.

Links departmental efforts to community outcomes

Departments should identify how their services help influence community indicators and focus on outcomes they are positioned to impact.

Builds robust department and program-level KPIs

Programs are groupings of related government services aimed at accomplishing a shared outcome. Each department should develop a complete set of KPIs for each of their programs that helps answer the following questions: How much did we do (output)? How well did we do it (efficiency and effectiveness)? Is anyone better off (outcome), and is everyone better off (equity)?

How to develop community indicators

Community indicators should track progress in priority areas important to residents, such as the economy, infrastructure, housing, public safety, fiscal responsibility, health and education. These indicators should be focused on measuring outcomes.

For example, if the government’s strategic goal is economic growth, it could track the new business licenses rate as a community indicator. Furthermore, if another goal is to increase affordable housing availability, it could track the percentage of renters who are cost burdened. Finally, if the goal is to help ensure public safety, the government might decide to track violent and property crime rates per 100,000 people as a relevant indicator.

How to develop a complete set of program-level KPIs

Each program (or service) should have a comprehensive set of KPIs to measure the different aspects of performance, as illustrated below.

Output

- How much did we do?
- Amount of service delivered
- Example KPIs: number of maintenance work orders completed, lane miles resurfaced, 911 calls dispatched

Efficiency

- How well did we do it?
- Cost (in dollars or time) per unit of output or outcome
- Example KPIs: number of daily building inspections per inspector, average number of business days to review and permit

Effectiveness

- How well did we do it?
- How the service meets standards based on customer expectations
- Example KPIs: curbside recycling on-time collection rate, customer satisfaction score

Outcome

- Is anyone better off?
- Amount of the intended results that is produced or changes in conditions or behaviors
- Example KPIs: percent of anti-gang program youth who reoffend, percent of participants with a passing grade on early childhood literacy assessments

Equity

- Is everyone better off?
- For example, percent of Black and Hispanic job training graduates who get and keep a job for six months

In addition to developing a comprehensive set of KPIs for each program, departments are encouraged to identify approximately five departmental “headline” KPIs. These headline KPIs should focus on the department’s most significant challenges or priorities and, unlike program-level KPIs, are not required to capture all aspects of performance but should largely emphasize outcomes. For example, headline KPIs may relate to the workforce (e.g., retention rates) or financial management (e.g., overtime expenses).

How to draft effective KPIs

Ambiguous or poorly written KPI statements can lead to misinterpretation, while irrelevant KPIs can waste resources and distract from priorities. Hence, a good KPI statement should be well written, as defined below.

1

- KPIs are measures.
- KPIs are not goal statements, strategies or slogans.

2

- A KPI typically starts with a unit of measure, such as a number, a percent or a rate.

3

- A KPI helps quantify the achievement of a result for the community, client or customer.
- The result should be stated specifically.

Also, as a leading practice, departments and programs should avoid starting a KPI statement with a directional word (e.g., increase, maintain) and including target amounts in the KPI statement itself. Additionally, a good KPI should have strong communication power, proxy power and data power, as illustrated below.

Communication power

Refers to the effectiveness of information dissemination and engaging stakeholders

Key criteria include:

- **Clarity:** well defined and easily understood by all stakeholders
- **Accessibility:** easily accessible by all stakeholders
- **Timeliness:** reported in a manner that reflects current performance levels

Proxy power

Refers to the ability of the KPI to accurately represent the performance it's intended to measure

Key criteria include:

- **Relevance:** aligned with the city's strategic goals and objectives
- **Validity:** accurate in measuring what it's supposed to measure
- **Comparability:** comparable over time and across departments, if relevant

Data power

Refers to the robustness and integrity of the data behind the KPI

Key criteria include:

- **Measurability:** accurately and consistently quantifiable
- **Feasibility:** easy-to-measure and readily available data
- **Reliability:** consistent and dependable collection methods

Listed below are examples of KPIs that should be reworded or revised to improve communication power, proxy power or data power.

EXAMPLE 1

Animal shelter live release rate

The term "live release rate" may be less familiar to individuals who do not work in animal shelters. For clearer communication, this KPI could be revised to "animal shelter adoption rate," which is likely to be more widely understood.

EXAMPLE 2

Percentage of babies born healthy

Newborn health involves several factors, so tracking a proxy such as birth weight may be more effective. As such, the KPI could be revised to "percentage of babies born within a healthy birth weight range."

EXAMPLE 3

"Cleanliness of the city"

As with the previous KPI, there are several factors involved. The KPI could be revised to assess one or more proxies. For any proxy selected, it is important for the government to have access to reliable data, which may include "number of illegal dumping cases" or "air quality index."

Drafting a good KPI statement is just the first step. Governments must also regularly evaluate and adjust KPI targets based on historical data and realistic expectations to promote continuous improvement. Realistic, flexible targets motivate staff and foster accountability, while static or unattainable targets can hinder progress. Routinely reviewing performance data allows for targets to be adjusted to reflect current trends and changing circumstances.

How to use community indicators and KPIs to benchmark performance

One of the benefits of tracking community indicators and KPIs is that they can be compared against peer cities and counties, thereby identifying potential areas for improvement. Extensive data resources, such as federal databases, industry reports, government budgets and strategic planning documents, provide valuable data for assessing performance relative to peers. This approach offers analysis that goes beyond simply evaluating historical performance trends.

Note that benchmarking is nuanced due to each location's own unique circumstances. Thus, a peer benchmark analysis should be viewed as a directional analysis aimed at highlighting potential areas for improvement.



When completing a benchmark analysis, governments should complete the following steps:

Select peers

Choose peers with similar characteristics to help establish relevant and actionable results. As a starting point, we usually look at four major categories when selecting peers: population, employment, socioeconomic indicators and government structure.

Further assess areas of underperformance

For underperforming metrics, look at historical performance trends and break out data (by neighborhood, race, age group, etc.) to identify trends that may be impacting performance. Identifying leading practices and case studies from peers may provide some ideas as to what the government can do to improve performance and outcomes.

Benchmark and compare community indicators and KPIs

A good source for benchmarking community indicators is the American Community Survey (ACS), which has detailed information on more than 40 topics, including education, employment, income, housing and transportation. Similarly, for benchmarking program-level KPIs, governments should look at annual reports, budget files, industry-wide reports or performance dashboards.

Balance context and performance

Use benchmarking to understand both the macroeconomic and socioeconomic environment of the locality and to assess how government actions can boost overall performance. Some metrics will be more about developing a current state of broader macroeconomic issues (Gini index of inequality), while others will be directly tied to government performance (average permit turnaround time).

Conclusion

Local governments across the country are facing an inflection point, as they must continue providing high-quality services to their communities despite reduced funding and higher expenses. Therefore, transparency, accountability and effectiveness are essential. To be able to achieve this, local governments need to improve their performance management programs, starting with the development and use of robust KPIs to better measure results.

Currently, many local governments are not measuring what really matters, so they do not have a detailed understanding of performance and the relationship between resources and results. Clear and relevant KPIs can help better track performance, while highlighting areas of underperformance, “bright spots” of good performance to scale or emulate, and opportunities for improvement.





03

Creating an effective performance management system to improve service delivery and outcomes

A robust performance management system empowers governments to deliver better outcomes through strategic alignment, data-driven decisions and a culture of accountability and innovation.

Governments today face increasingly complex issues and rising expectations from residents. To meet these demands, governments must evolve to a more results-oriented performance management system.

A well-designed performance management system enables governments to use metrics to monitor and evaluate the delivery of services, identify areas for improvement and make data-driven decisions to enhance overall governance, as illustrated in the performance management system framework below.

A local government should:

Make it visible

- Create widely accessible and interactive visualizations where staff can provide real-time feedback on progress vs. target
- Continuously benchmark performance against peers and industry standards to identify areas for opportunity

Talk about it

- Schedule recurring performance management meetings to promote collaboration between departments, help break down silos and encourage coordinated problem solving:
 - During these meetings, staff should review performance data, determine root causes and develop action plans.
 - Leaders should promote a learning culture that encourages dialogue about problems, welcomes dissenting opinions and rewards risk-taking.

Innovate

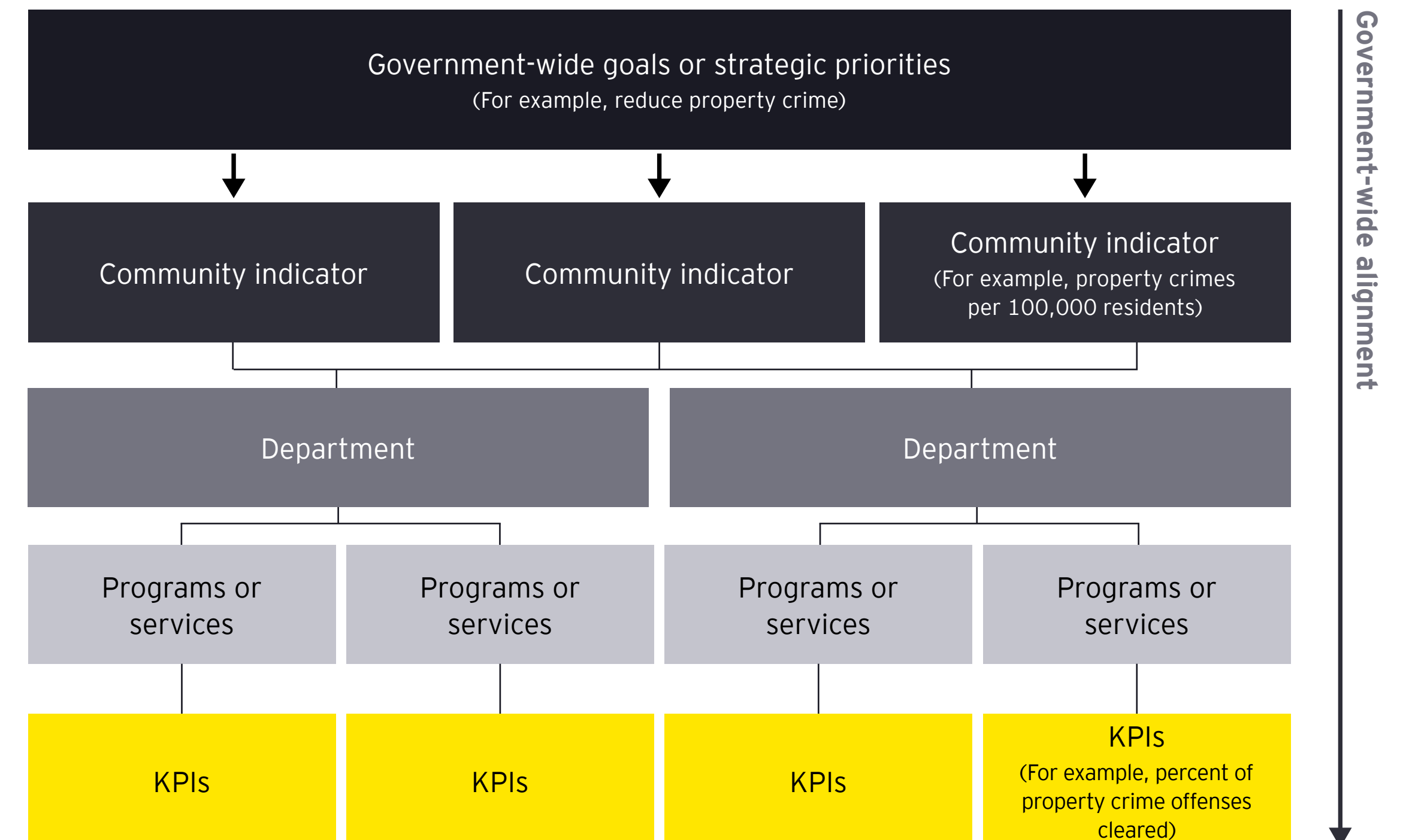
- Establish a continuous improvement mindset and give employees training, tools and incentives for developing new ideas to improve results
- Drive efficiency through process improvement, competition, experimentation and innovation

In brief

- Building data literacy skills across the organization and investing in data infrastructure are foundational to support a robust performance management system.
- Discussing performance data regularly fosters accountability, learning and continuous improvement.
- Leveraging performance data for decision-making enables governments to enhance budgeting processes and optimize resource allocation and outcomes.

Align the performance management system to broader strategic efforts

An effective system begins with clarity of purpose. Governments must define strategic goals that reflect community needs and values. These goals should guide all departments and programs so that performance measures are not isolated but integrated into a broader vision. As illustrated below, it is important for program-level KPIs to be aligned with community indicators, which should themselves align with government-wide goals or strategic priorities. This topic is explored in more detail in the previous section.



Build data literacy skills across the organization to support a culture of performance

Data literacy empowers employees to interpret KPIs, identify performance trends and take action to address the root causes of underperformance. Training programs should be tailored to different roles so that everyone – from frontline staff to senior leaders – can engage with performance data meaningfully.

San Francisco has established itself as a national leader in improving public employee skills in data utilization, management and process improvement through its innovative Data Academy.⁶

The program was developed around three core principles:

1

Utilizing in-house staff as primary instructors

2

Maintaining efficiency with concise workshops lasting two to three hours

3

Testing the waters with a few classes before scaling it up according to demand

San Francisco employed both reactive and proactive strategies to determine course offerings, including deploying an annual survey across city analysts to assess training needs and proactively identifying key areas for employee development to support effective data-driven decision-making.

Governments could also consider using real-world case studies to further develop data literacy skills. Hands-on workshops in a collaborative environment empower staff to work directly with real data to identify performance trends and discuss potential approaches. For example, staff can analyze public health data to identify pockets of the population where certain health disparities are more prevalent, or they can analyze crime data to inform the expansion or deployment of targeted preventive programs to high-risk individuals or neighborhoods. Using practical case studies makes learning more relevant and applicable.



Invest in technology and data infrastructure to track and report performance data

A robust data infrastructure is critical. Governments should deploy dashboards and automation tools to streamline data collection and reporting to enhance visibility, reduce administrative burden and support real-time reporting.

A strong dashboard should provide timely information on the government services that matter most to the different stakeholders, including the public.



A dashboard should:

- | | |
|---|--|
| 1 Provide a description of the KPIs or indicators being tracked, including why these metrics are important | 4 Show performance status using traffic light color indicators |
| 2 Present performance data using accessible and interactive visualizations and graphs | 5 Include a five-year historical trend, if available, to illustrate performance over time |
| 3 Compare real-time progress to target levels or industry standards | 6 Explain how performance data is measured, specifying data sources and any relevant notes or disclaimers |

Performance data should be made accessible to internal and external stakeholders. Governments can achieve this by developing internal- and external-facing dashboards. This transparency encourages civic engagement, supports oversight, builds trust and reinforces the legitimacy of public institutions.

The city of Phoenix and the city and county of San Francisco have established leading practice performance reporting frameworks, using public-facing dashboards to communicate progress toward goals and community outcomes.

Regularly talk about performance data in a way that promotes learning and positive accountability

The goal of performance management systems is to improve outcomes. Therefore, governments should talk about performance in a way that is proactive and promotes positive accountability. Regular performance meetings can help identify areas for improvement, question status quo assumptions and practices, engage leadership support, clarify action steps, and maintain momentum toward better results.

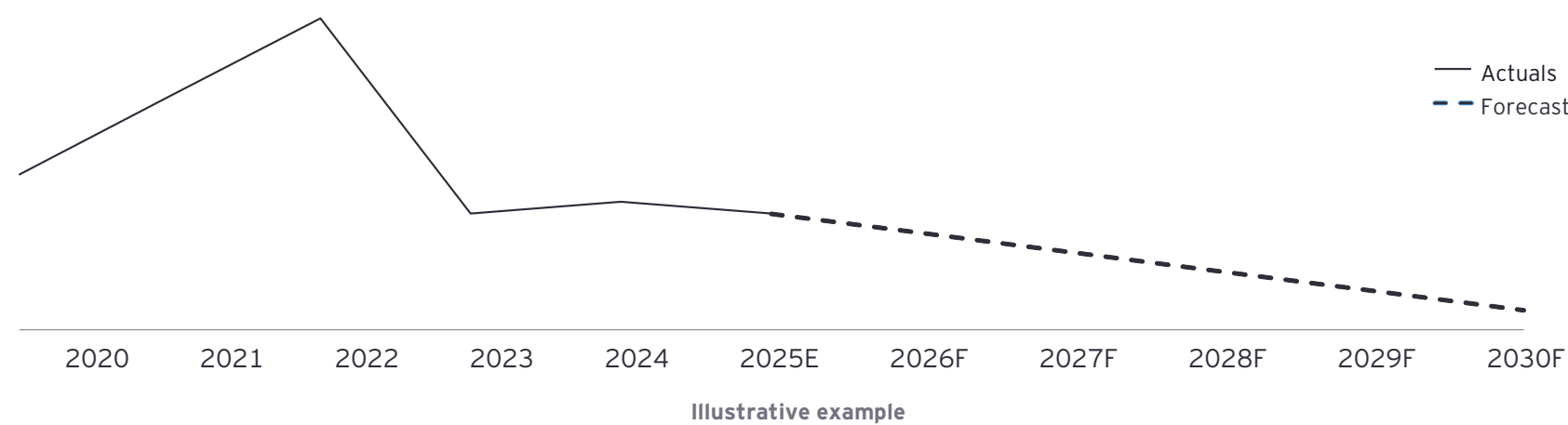
One proven framework for improving performance in relation to community indicators or program-level KPIs is “Turn the Curve” thinking.⁷ This framework, as detailed below, can help guide performance discussions, as it allows governments to address challenges and answer complex questions in a structured and effective way.

1 What is the “end”?

Choose an indicator or program-level KPI.

2 How are we doing?

Graph the historic baseline and forecast what would happen if nothing changes.



3 What is the story behind the curve of the baseline?

Briefly explain the story behind the baseline: the factors (positive and negative; internal and external) that are strongly influencing the curve of the baseline.

4 Who are the partners who have a role to play in turning the curve?

Identify partners who might have a role to play in turning the curve of the baseline.

5 What works to turn the curve?

Determine what would work to turn the curve of the baseline; include no-cost and low-cost, evidence-based, and “blue sky” strategies.

6 What do we propose to do to turn the curve?

Determine what you and your partners propose to do to turn the curve of the baseline.

Use performance data to inform budget decisions

Performance data should be central to budgeting, as is the case with outcome-based budgeting (OBB). In OBB, governments align resources with results and allocate funds where they will have the greatest impact. By putting a premium on data and evidence, OBB funds services based on their alignment with goals and performance in delivering results. By linking funding to measurable results, governments can improve transparency and accountability and optimize resource use.

Additionally, OBB allows governments to set measurable goals when building their budgets, break down their budgets to gain insights about the value of each program or service, engage with community voices and make informed choices that align spending with desired outcomes. Overall, OBB helps drive value and promotes a better performing government.

The city of Baltimore was an early adopter of outcome budgeting, starting in 2010, with the goal of focusing resources on the most effective programs to meet the city's needs. Rather than forcing across-the-board cuts to reach a balanced budget, Baltimore leaders instead asked two basic questions about each service: **Does it align with our strategic priorities? Does it demonstrate results?** Adopting OBB enabled Baltimore to further invest in high-priority programs and identify low-performing programs. Shining a light on these issues empowers the city to provide additional support and funding, where warranted, or cut unnecessary spending. OBB has been adopted by several local governments around the country.⁸

Establish tools and resources to support innovation

To support continuous improvement and innovation, governments should establish tools and resources to promote streamlining (through Lean methods, such as process mapping and bottleneck analyses) and experimentation.

Governments should encourage all employees to think outside the box and brainstorm opportunities for improvement. Cities such as Los Angeles and Baltimore promote experimentation through an Innovation Fund, which provides seed money for one time investments that will lead to improved results, increased revenue and/or reduced ongoing operating costs for government services. In Baltimore, for example, the city funded a **\$381,000** project to revitalize several underutilized surface parking lots by re-striping and repaving the lots, installing "smart" meters, improving lighting and landscaping, and offering monthly parking contracts to regular parkers, which resulted in nearly **\$2.2 million** of additional revenue over five years.

Finally, governments can explore opportunities to establish a gain-sharing framework. Under this framework, a percentage of cost savings achieved via operational efficiencies would be shared with government employees based on negotiated terms. All gain sharing would be based on team results, not individual performance, and it would closely track performance metrics to help verify that outcomes remain strong and in line with targets or industry standards.

Conclusion

Making performance data visible – both internally and externally – enhances transparency and accountability. Additionally, regular conversations about performance – backed by performance data – promote learning and positive accountability, shifting the focus from blame to improvement. Ultimately, linking performance data to budget, policy and program-level decisions allows governments to improve service delivery and outcomes in a measurable, sustainable way.



04

Assess and take action

Assess where your organization is on the maturity scale

Initial	Developing	Established	Advanced	Optimized
▪ Well-defined government-wide strategic goals have not been developed. ▪ Programs (or services) have not been well defined. ▪ Community indicators, department-level KPIs and program-level KPIs are limited (or non existent). ▪ Performance data is sparsely captured and not actively analyzed. ▪ Data is not centralized or accessible to all relevant stakeholders (including front line workers, elected officials and residents). ▪ There is little to no collaboration across different departments and external stakeholders. ▪ There is little to no culture of learning, innovation and continuous improvement.	▪ Strategic goals are established but not properly communicated within the organization. ▪ Program breakdown is limited and does not fully reflect the services the departments offer. ▪ Community indicators and department-level KPIs are limited (or non existent). ▪ Program-level KPIs are mostly measuring just one component of performance (likely outputs). ▪ Targets are static and are not continuously revised to reflect current performance trends. ▪ Performance data is captured across separate platforms and analysis is limited. ▪ Data is difficult to access for all relevant stakeholders. ▪ Collaboration with internal and external partners is limited. ▪ There is a limited culture of learning, innovation and continuous improvement.	▪ Strategic goals are established and properly communicated within the organization. ▪ Programs are well defined and accurately reflect the services the departments offer. ▪ Community indicators and department-level KPIs are limited (or non-existent). ▪ Program-level KPIs are loosely aligned with strategic goals. ▪ Program-level KPIs are measuring more than one component of performance. ▪ Targets are revised but are not ambitious enough to promote continuous improvement. ▪ Data tracking is increasingly structured and centralized. ▪ Basic performance data dashboards exist, but access may be limited. ▪ Some collaboration with internal and external partners is ongoing. ▪ There is a limited culture of learning, innovation and continuous improvement.	▪ A robust set of community indicators and department-level KPIs exists. ▪ Program-level KPIs are very well aligned with strategic goals. ▪ Each program has the right mix of KPIs to measure all components of performance. ▪ Targets are ambitious but attainable and are continuously revised to reflect current performance trends. ▪ Data tracking is structured and consistent across the organization. ▪ Robust performance data dashboards are accessible by multiple stakeholders. ▪ Analysis of performance data is ongoing but tends to be more reactive vs. proactive. ▪ Strong collaboration occurs with internal and external partners. ▪ A culture of learning, innovation and continuous improvement is supported by trainings and tools. ▪ Success stories are being properly communicated.	▪ A robust set of community indicators and department-level KPIs exists. ▪ Program-level KPIs are very well aligned with strategic goals. ▪ Each program has the right mix of KPIs. ▪ Targets are ambitious and continuously revised. ▪ Data tracking is structured and consistent across the organization. ▪ Robust performance data dashboards are accessible by multiple stakeholders. ▪ Data is proactively and continuously analyzed for decision-making purposes and to understand the root causes of performance trends. ▪ Performance data is integrated with the budget process, and it is used to inform strategic investments. ▪ Strong collaboration occurs with internal and external partners. ▪ A culture of learning is supported by tailored, effective learning opportunities and tools. ▪ Employees are incentivized to think creatively, innovate and propose new ideas to improve performance. ▪ Success stories are being properly communicated.

Identify next steps to improve your performance management practices

If you are in the Initial stage, you should focus on:

- Establishing a small set of clear, government-wide strategic goals
- Defining core programs (or services) in a consistent way across departments
- Starting with a limited number of robust KPIs and community indicators
- Defining a performance data collection and reporting protocol
- Centralizing basic performance data in one place, even if reporting is manual
- Setting expectations for cross-department collaboration, accountability and continuous improvement

If you are in the Developing stage, you should focus on:

- Clarifying and socializing strategic priorities across the organization
- Refining the program inventory to better reflect how the department delivers its services
- Expanding KPIs beyond outputs to include efficiency, effectiveness, outcomes and equity
- Introducing routine performance reviews and updating targets periodically
- Reducing data silos and improving stakeholder access to performance information

If you are in the Established stage, you should focus on:

- Strengthening alignment between strategic goals, programs and KPIs
- Confirming that each program has a balanced set of performance measures to measure all components of performance
- Setting more ambitious, improvement-oriented performance targets
- Expanding access to dashboards and using them consistently in decision-making
- Formalizing recurring performance discussions across departments to support improvement

If you are in the Advanced stage, you should focus on:

- Shifting from reactive reporting to proactive performance analysis
- Using performance data to diagnose root causes and drive service improvements
- More tightly integrating performance insights into budgeting and investment decisions
- Investing in training and tools to strengthen analytical capacity
- Institutionalizing continuous improvement practices across departments
- Reinforcing learning and innovation through incentives and shared success stories

If you are in the Optimized stage, you should focus on:

- Sustaining momentum by refining KPIs and targets to reflect changing priorities and conditions
- Embedding performance management deeply into strategic planning and budgeting
- Scaling successful practices across departments and programs
- Actively incentivizing innovation and cross-department problem solving
- Sharing success stories internally and externally to reinforce a performance culture
- Positioning performance management as a core capability of government leadership

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