



Monterey County

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Board Report

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Matter Type: General Agenda Item

- a. Receive and approve the Board of Supervisors Strategic Initiatives (SI) Fiscal Year (FY) 2016-17 Annual Report with the Managing for Results (MFR) FY 2016-17 Addendum Report; Provide direction regarding possible updates to the Strategic Initiative Policy Area Milestones and Performance Measures for FY 2017-18;
- b. Provide direction on MFR Department Performance Measure improvements and to include Targets, where feasible; and
- c. Provide direction to staff as appropriate.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive and approve the Board of Supervisors Strategic Initiatives (SI) Fiscal Year (FY) 2016-17 Annual Report with the Managing for Results (MFR) FY 2016-17 Addendum Report; Provide direction regarding possible updates to the Strategic Initiative Policy Area Milestones and Performance Measures for FY 2017-18;
- b. Provide direction on MFR Department Performance Measure improvements and to include Targets, where feasible; and
- c. Provide direction to staff as appropriate.

SUMMARY:

The Board of Supervisors institutionalized a continuous cycle of visionary goals when they developed and approved the 2009 Board of Supervisors Strategic Initiatives. The initiatives and key objectives focus on the county's highest priority goals. This is Monterey County's "policy roadmap" and focuses the County organization on a single vision and mission toward accomplishing specific key objectives.

Every year, directed by the Board of Supervisors, various Department heads or their designees, meet to review the Policy Area Key Objectives and refine or develop new Milestones. Milestones are the 'things we do' to achieve the Strategic Initiative Policy Key Objectives. The FY 2016-17 Milestone Update describes work completed through accomplishments and/or challenges faced in the year which may have caused delays or suspended actions. The timeline represents the estimated completion date as proposed by the responsible County departments. Many of the timelines are stated as ongoing which implies that the effort is an activity with no specific completion date.

The Managing for Results (MFR) Countywide Performance Measurement Program continues to develop the organization's culture to become performance based. A performance based organization is a management unit with a strong desire to manage for results. It aligns the Mission Statement with Strategic Initiatives tied to Department Operational Goals and Department Performance Measures. The MFR Program continues to work with departments and build this cooperation in the Monterey

County organization.

A performance measure is a numeric description that measures progress toward a goal, outcome, or objective. Departments continue to improve and refine their performance measures to create ones that are relevant, understandable, consistent, timely and reliable. A performance measurement target is a value that is assigned to a performance measure that gives the organization a clear sense of what they should be aiming for.

The full benefit of performance information is realized when Department management uses it to manage department operations. Some departments have implemented regularly scheduled meetings with mid-management staff to review performance measures, performance results, discuss variations in performance, recommend further analysis of processes, and ensure the performance measurement target is practical and obtainable.

DISCUSSION:

Guided by the County Mission Statement, the Board of Supervisors Strategic Initiatives address five broad policy areas: Economic Development, Administration, Health & Human Services, Infrastructure, and Public Safety. The Policy Areas have been branded with the following:

- Economic Development: Enhancing the well-being and prosperity of Monterey County Residents
- Administration: Efficient and Effective Government Operations
- Health and Human Services: Health and Wellness for Monterey County Residents
- Infrastructure: Meeting our Facilities, Water, Technology and Transportation Needs
- Public Safety: Creating Safe Communities

Each Policy Area contains Key Objectives and Milestones. The Key Objectives set the stage for results the County aims to achieve. The Milestones are the actions or events that mark a significant change in reaching the Key Objectives. To understand and apply the Policy Areas, Key Objectives, and Milestones in a meaningful manner to County staff, it requires leadership to:

- interpret the Strategic Initiatives and relate their importance to operational work by keeping the message simple and relevant
- inspire, educate, and reinforce focus of the County's intentions
- make the time to relay the message in operational work stories that describe how it is relevant to our job duties and expected outcomes.

Recently, the MFR Program piloted a short overview of the BOS Strategic Initiatives with one department. The Department head facilitated the overview by communicating the meaning of the initiatives and told the story through their operational work. The mid-management audience was expected to deliver the same message to line staff. This is the initial process of communicating the Board of Supervisors Strategic Initiatives strategy to department staff. Additional departments will be requested to participate during FY 2017-18.

The Board of Supervisors Strategic Initiatives FY 2016-17 Annual Report shares outcomes of the five

policy areas through 58 Milestones and 23 Performance Measures. The “Milestone Update” detail the work that was accomplished during the fiscal year with explanations of variation and challenges.

Representatives from each Policy Area will provide a high-level overview of last fiscal year’s work.

The MFR Program continues to become integrated into the Monterey County organizational culture through development and implementation of the program. There is staffing consistency with the MFR Department Contacts who are the Department Champions and chaperone the program into each department organization. Monterey County Executive leadership and Department head support is critical to the success of the MFR Program. With time, we are seeing performance measures used as part of the same department toolkit to better understand the programs and services we provide to our constituents and to keep track of our accomplishments and challenges.

During FY 2016-17, MFR Program staff worked with departments to continue efforts to align the County Mission Statement to the Board of Supervisors Strategic Initiatives and create a relevant connection to Department Operational Goals and Department Performance Measures. The County Recommended Budget Book historically published “Budget Year Goals” at the Department and Unit level which resulted in a vast number of goals to manage. The MFR Program worked with departments to refine these goals renaming them as “Department Operational Goals.” Department Operational Goals give a broader department vision and are strategic in nature. In the FY 2016-17 Recommend Budget Book, departments reported 668 Budget Year Goals. In the FY 2017-18 Recommended Budget Book, departments reported 210 Department Operational Goals. The reduced number resulted in goals written at a higher level providing fewer and more understandable goals to manage. This effort demonstrates the desire to continue to build an organization that is efficient and performance based.

The MFR FY 2016-17 Annual Addendum Report shares 194 performance measures from 24 departments. Performance measures are:

- a method of measuring the progress of programs, services, or activities
- data collection to understand and analyze to achieve the results that are constituents expect
- a continuous improvement effort to streamline our process
- a process to achieve efficiencies

In addition, some departments have used a Performance Measurement Target (PMT) which are numerical values that are based on historical data and the departments best estimation of what can be achieved in a given time period. PMT’s:

- monitor progress towards what was achieved versus what was expected
- clearly state expectations specifically to staff
- assist in continuous improvement efforts to identify variations in what we expected to achieve or when we exceed our expectations

Of the 194 performance measures, there are 35 performance measures from nine departments that have a Performance Measurement Target. Staff recommends that Performance Measurement Targets

be applied to department performance measures, where applicable. The targets will provide a quick snapshot and a better evaluation tool to determine if a change in protocol or process is needed. Departments which schedule regular meetings to discuss their performance measures, outcomes and PMT's are maximizing the use of performance measurement data collection. To that end, these departments are better equipped to understand daily operational activities and not react to variations but use this tool to utilize the management philosophy of "Plan, Do, Act, and Check."

As a next step, the MFR Program will continue to work with the MFR Department Contacts in ensuring the Department Operational Goals and Department Performance are in alignment with the Board of Supervisor Strategic Initiatives. And, work with departments to observe and understand how they use their performance measurement data in daily operations to drive efficiencies and cost savings.

OTHER AGENCY INVOLVEMENT:

The Board of Supervisors Budget Committee is the designated MFR Program Oversight Committee. The MFR Addendum was presented and approved by the Budget Committee on September 27, 2017. All County departments have been involved in the process of developing and providing narratives, performance measures, and outcome data for inclusion in the Strategic Initiatives Annual Report and Addendum Report.

FINANCING:

Monterey County's MFR Program is funded in County Administrative Office - Department 1050, Intergovernmental & Legislative Affairs Division - Unit 8054. Approval of this recommendation will not result in additional general fund contributions.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Board of Supervisors Strategic Initiatives and Managing for Results Countywide Program directly relate to the goals of continuous improvement and to become a performance based organization.

Mark a check to the related Board of Supervisors Strategic Initiatives

- X Economic Development
- X Administration
- X Health & Human Services
- X Infrastructure
- X Public Safety

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Attachments:

- A: Board of Supervisors FY 2016-17 Strategic Initiatives Annual Report
- B: Managing for Results FY 2016-17 Addendum

