IBM Cognos Performance Blueprints
Municipal Performance Management

**PLANNING FOR
LIVEABLE CITIES**

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By 2030, the UN predicts, two-thirds of the world's population will be living in urban areas. Even now, municipalities are challenged to respond to multiple agendas with scarce funds. With more and more residents, these decisions only get harder.

Local governments have a variety of commitments and obligations to their citizens. They need to keep the city safe. They need to create a thriving cityscape and foster economic development. They need to provide quality education and help people in need. They now need to do all of this in the greenest way possible, all while ensuring residents benefit from ready access to such city services as garbage collection, business permits, sports facilities, and road repair. How can city and county governments balance service offering against cost, improve quality of life without onerous tax increases, and make their cities liveable for future population growth?

This issue paper presents a framework that can help cities use meaningful information about municipal performance to address the challenges of creating a liveable city.

Making a change

Citizens elect a municipal government to effect the changes they consider top priority. The elected administration strives to complete that mandate before its term is out.

The only way for political leaders to do this over such a short period of time is to set a clear strategic direction and ensure all employees are working toward it. The key mechanism is to plan budget priorities and measure and manage performance against those priorities.

But cities are often hard pressed to quantify even the most basic answers to performance questions. How many contracts are currently open? What percentage of the fleet can be considered fuel-efficient? In this context, fulfilling the electoral mandate in three or four years seems out of reach.

The lack of a consistent view for measuring performance plagues city managers. It results in reactive management driven by unwanted events, rather than performance management based on real data. In most organizations, local governments included, information tends to be anecdotal and only uncovered hastily in reaction to public scrutiny or bad press. City managers need to get on top of the data in their systems and put it to use for strategic performance management rather than simply survival.

Municipal performance management

Municipal performance management starts with the mayor's strategy map, the articulation of the strategy developed by the executive management team and the mayor's office. The map establishes the focal point for achieving overall performance in each department or agency of a local government. The mayor's mission usually reflects both an electoral platform and a more persistent agenda.

Each of the bubbles in the strategy map represents a high-level goal that drives priorities in the affected departments. The goals in a strategy map are interrelated and largely hierarchical. Underlying each goal are specific metrics that track performance. Combined, these metrics show how the objective is doing: improving, declining, or remaining constant.

In the map, one of the three main priorities, ensuring a safe city, largely applies to the municipal police force. This goal is the link between the mayor's strategy map and that of the police force.

But other departments can also support this goal. In education, tracking unruly conduct and safe school audit results can contribute to the safe city goal. Similarly, the parks department may track the number of unruly incidents across all parks in support of its management objective of providing well-used parks.
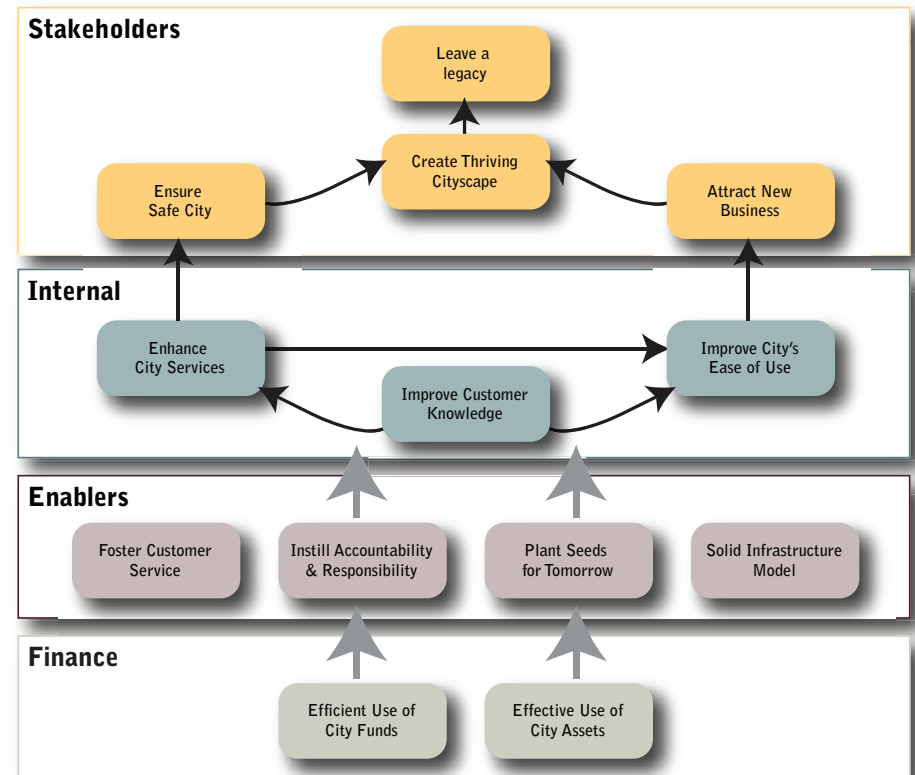
Three main priorities support the mayor's mission of leaving a legacy by fulfilling the citizens' mandate.

It is easy to see how such a strategic framework spanning all departments can provide a consistent view of each department's performance and alignment with the mayor's mission.

IBM Cognos Municipal Performance Management Blueprint

Performance management software from Cognos, an IBM company, gives you access to the critical information in your operational systems so that you can set goals and targets, get everyone working towards them, and analyze and report on your performance against them.

As a head start, Cognos has created the Municipal Performance Management Blueprint. This blueprint gives you a strategic framework for managing performance consistently and effectively across a municipal government—including planning, metrics, and reporting.

Police: Municipal Performance Management
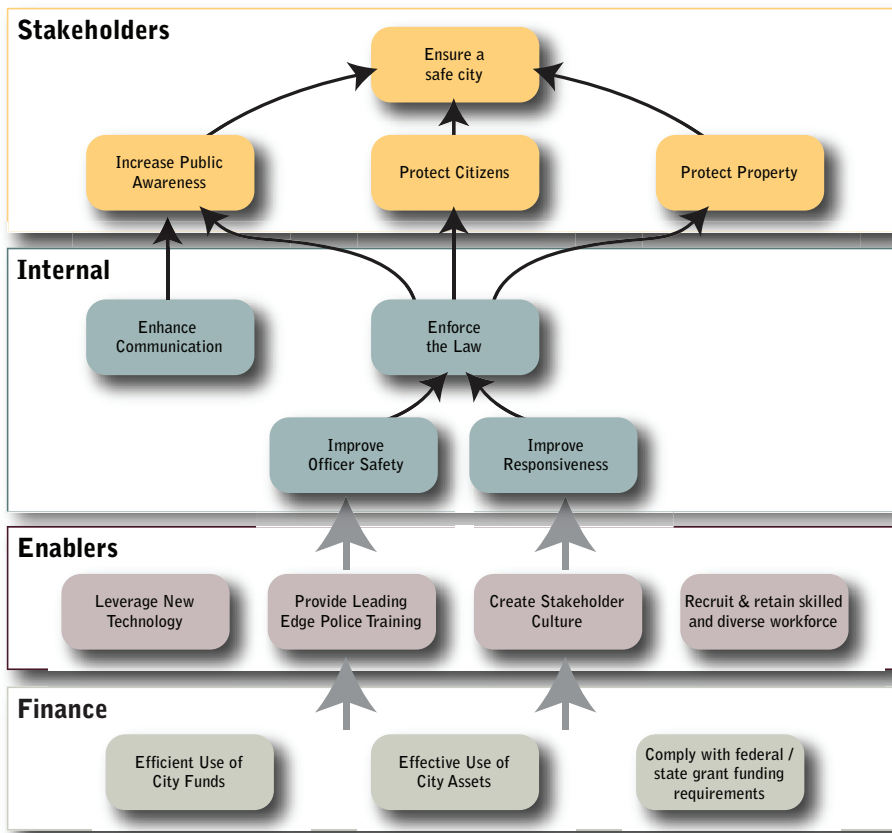
City police support one of the mayor's three priorities: ensuring a safe city. This strategy map shows the hierarchy of supporting objectives.

The blueprint helps you set up a framework of linked strategy maps with the underlying metrics to help each department manage its performance effectively and consistently. An agency may decide to follow any number of metrics, including:

- **Police:** Crime rates, service performance metrics such as conviction rate or percentage of emergency calls responded to within five minutes
- **Parks:** Cost of creating, maintaining, and operating a park per acre or per citizen, facility use metrics, program customer satisfaction scores
- **Education:** Test scores, safe school audit scores, drop out rate, unexcused absences, and percentage of students tracking towards additional education
- **Human services:** Number of children discharged from foster care to family, average time from eligibility to first service, number of reports received but not investigated

The IBM Cognos Municipal Performance Management Blueprint helps you align agency performance with the overall mission of the mayor's strategy map. The consistency drives accountability and good governance throughout the city.

Barriers to municipal performance management

A number of organizational and operational barriers hold back municipal governments from improving efficiency and effectiveness.

Organizational barriers

A primary problem can be a lack of priority-setting direction from the mayor's office. But even in the presence of a mayoral strategy, it is often difficult for departments to determine their contribution to top priority goals. They may also resist the direction because of disagreement on priorities or simple resistance to change.

Municipal governments may also lack a consistent view across agencies of what good performance looks like. And finally, many cities have little idea of how to begin to tackle the problem.

Operational barriers

Many cities are ill equipped operationally to monitor and manager performance. They may lack systems or suffer a proliferation of multiple systems among business units.

But the problem may also lie within processes. Municipalities often measure the easy metric instead of the right metric. They may measure the number of calls answered instead of call center wait times and satisfaction rating. They may fail to interpret the data correctly, to understand the trend or cyclicality of the numbers. They may communicate the information inappropriately: showing the same information to all audiences instead of telling a specific story to the right audience.

Cognos professional services routinely help municipalities overcome both organizational and operational hurdles to effective information use.

Strategies for performance management success

In any level of government, a performance management project must be hardy enough to withstand the changing of the guard. New administrations mean new priorities, and performance management projects can fall by the wayside if they haven't proven their worth. There are a number of ways to ensure your performance management project succeeds.

Start small and grow

Early evidence of value in at least a narrow realm can be the silver bullet for performance management projects. It shows that this is not just a project but a process whose value increases over time. When early information needs are too big, the project can collapse under its own weight. Start simply and grow as your performance management culture matures. An ideal place to start is with the mayor or governor's strategy. This represents the public's choice of what's important, and what's not important.

Executive sponsorship

In both the private and public sectors, it is often the IT department that leads performance management projects. However, these projects have more staying power if led by the mayor's office, with IT as a key member of the team.

Involve the entire organization

Departmental targets and core processes must flow from the mayoral strategy. Many cities weight departmental goals to show people what matters. Departmental supervisors need to own metrics and take on the responsibility for meeting the targets. Communicating the strategy throughout the organization is critical to success.

Build in review

As the project proceeds, central business functions and departmental supervisors must meet regularly to review performance against strategic goals. Check on the process periodically to make sure it's working. And have patience—becoming a performance management organization takes time.

Towards liveable cities

The IBM Cognos Municipal Performance Management Blueprint provides a strategic framework for managing performance across city hall. It lets you follow the important metrics laid out in your mayor's strategy map. It lets you refine your direction as you proceed, on the basis of the outcomes of early focus areas.

Setting and following a strategic direction is only possible when all aspects of a city's operations are working together. Cognos performance management helps cities coordinate the efforts of multiple departments by accessing data from all major sources and consolidating it into a single, consistent platform for strategy management. Cognos blueprints and professional services can speed the creation of your strategic framework. Municipalities looking to increase their liveability in the face of ongoing urbanization will find this strategy management platform invaluable.

About Cognos, an IBM company

Cognos, an IBM company, is the world leader in business intelligence and performance management solutions. It provides world-class enterprise planning and BI software and services to help companies plan, understand and manage financial and operational performance. Cognos was acquired by IBM in February 2008. For more information, visit www.cognos.com.

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