

AGENDA ITEM #: \_\_\_\_\_

DATE: October 17, 2016

COAC #: 16-5888ws

**CITY OF GOODYEAR  
CITY COUNCIL ACTION FORM**

---

**SUBJECT:** Performance Management Program

**STAFF PRESENTER:** Pam Weir, Assistant to the City Manager; Christian Williams, Executive Management Assistant; Mario Saldamando, Executive Management Assistant

**COMPANY**

**CONTACT:**

---

**RECOMMENDATION:**

Provide Council with an update on the components of the Performance Management Program including: Strategic Action Plan next steps, Performance Measures, Priority Based Budgeting (PBB), Envisio, and Lean implementation.

**PURPOSE:**

The purpose of this presentation is to provide Council with an update on the Performance Management Program including: Strategic Action Plan next steps, Performance Measures, Priority Based Budgeting (PBB), Envisio, and Lean implementation. (Pam Weir, Assistant to the City Manager; Christian Williams, Executive Management Assistant; Mario Saldamando, Executive Management)

**BACKGROUND AND COMMUNITY BENEFIT:**

**Introduction to Performance Management**

Following Council adoption of Goodyear's first Strategic Action Plan in April 2013, the city has developed a more comprehensive Performance Management Program to align resources towards achieving the goals and objectives of the city. Performance Management encompasses the lifecycle of city services and activities including: developing plans, implementing projects, assessing results, and identifying necessary performance improvements. At each stage of the life cycle the city employs various tools to achieve continuous improvement. As a result of this program we are becoming a more data driven organization, more customer focused and better prepared to strategically achieve the goals and initiatives of the city.

Many initiatives contribute toward strategic management of the city's performance, including: Goodyear's General Plan, the Strategic Action Plan, Department Operating Plans, Performance Measures (Citystat), Priority Based Budgeting, and Lean. In addition, during FY17, Goodyear is participating in a pilot project of a performance management database called Envisio, as an effort to bring all of the tools and initiatives together in one place.

**Strategic Action Plan**

Staff presented a draft Strategic Action Plan update to Council during the July 18, 2016 work session. The discussion led to a postponement of a formal plan update until after the upcoming Council retreat on October 21 and 22.

As a result of the discussion, staff will be seeking direction during the Council Retreat. There will not be formal progress updates presented at that time in order to allow for more Council discussion regarding updates to the plan itself and identifying priorities for the next three years. Feedback will be requested in three parts:

Seek consensus regarding:

1. Action items that are ‘complete’ and recommended for removal from the Plan even though they will remain a part of department operations.
2. The continuation of current ‘in progress’ items in the Plan.
3. The addition of new Plan Goals and Actions.

### **Performance Measures**

Performance Measures, more commonly known as the Citystat Program, is an initiative that Council requested in the summer of 2012. Since that time, staff has reported back on the progress of this program: first on April 15, 2013 then again on October 6, 2014, March 30, 2015, and October 19, 2015.

Tracking of Performance Measures through these methodologies began on July 1, 2013 and we are now in our fourth full year of tracking (FY17). These measures are analyzed quarterly and any anomalies are discussed and commented on by the Citystat team members and department directors. Performance Measures have also been integrated into the budget and supplemental process.

The goal of the program is to continually assess our performance measures and the services we provide in a manner that allows us to meet the current and future needs of our community while maximizing resource utilization. The Citystat team continues to evaluate the quality and value of our performance to ensure we are measuring relevant outcomes. The next evolution of this program will be to strengthen integration with Strategic Action Plan Goals and Actions.

The city has been enrolled in the International City/County Manager’s Association (ICMA) Center for Performance Measures “CPM101” and “ICMA Insights” programs starting in 2012. Through this program, several city departments submitted and received survey data annually from ICMA for the areas of Facilities Management, Fire and EMS, Fleet Management, Highways and Road Maintenance, Human Resources, Information Technology, Parks & Recreation, Permits, Land Use and Plan Review, Police, Procurement, Risk Management, and Solid Waste. These measures had been integrated into past Citystat reports. Recently, the city became aware that ICMA will be discontinuing the program this fiscal year, however, Goodyear will be able to retain all past data sets collected through the program.

The city is also a member of the Valley Benchmark Cities (VBC), which is a collaborative consortium amongst the eleven largest communities in the Phoenix Metropolitan Area, Arizona

State University, the Alliance for Innovation, International City and County Management Association (ICMA) and Maricopa Association of Governments (MAG). Cities involved in this initiative (in descending order of population) are: Phoenix, Mesa, Chandler, Gilbert, Glendale, Scottsdale, Tempe, Peoria, Surprise, Avondale and Goodyear. This consortium was initiated in order to improve local government performance.

VBC meets monthly with staff from the various communities and organizations to discuss topics primarily centered on performance measures, performance management, and benchmarking. Comparing our performance with peer jurisdictions on an “apples-to-apples” basis helps us understand what we do, track our progress, and provide accurate information about service delivery.

The emphasis for meetings in FY14/15 had been to capture and benchmark data that was of particular interest to the eleven cities and produce a citizen focused report. The group examined the following areas and began to collect data from the most recently completed fiscal year, at the time, (FY13/14): Public Safety; Library services; Parks and Recreation; Streets and Transportation; Water, Sewer, and Trash; and Finance and Administration.

As a result of this VBC report being published, Goodyear’s first step was to share the final report with directors and staff from all city departments. It is now a resource that departments can utilize when researching or analyzing how Goodyear compares amongst our other local peer cities. We then provided an update to Council last year during our Performance Management Program update.

For this recently completed fiscal year (FY15/16) one of the goals of VBC was to do a more comprehensive dive into certain service areas. As a VBC team, we are in the process of updating measures from the last report that we found to be most beneficial and customer focused. Goodyear was interested in looking into the Public Safety areas, so we worked with our public safety leaders, here in the city, as well as in three other jurisdictions to determine which measures would be beneficial to the city, VBC, and the public at-large. VBC also wanted to more deeply explore Parks and Recreation, Staffing, and Economic Development. The current plan is to release the complete FY14/15 report and begin work on a FY15/16 report. This consortium has been extremely beneficial considering the recent announcement that ICMA Insights will be discontinuing.

### **Programs/Assessment**

At the City Council Worksession on September 16, 2013, The Center for Priority Based Budgeting, along with the executive management team, presented the program to the City Council. At that time, City Council requested that staff make an additional presentation to Council in order to allow them to provide feedback regarding the assessment tools “Attributes” and “Results Maps”. On October 7, 2013 staff provided a work session presentation to City Council to review the “Results Maps” and “Attributes” criteria. At that meeting Council made some suggestions regarding the criteria, which staff incorporated into the final version of the scoring tool.

During FY14 Council was provided with monthly data reports focused on policy questions such as: mandate level, influence on Economic Vitality, portion of community served, influence on Sense of Community, and influence on Safe Community.

The goal of the PBB program is to continually assess the current 865 city programs in a manner that allows us to meet the current and future needs of our community while maximizing resource utilization. As of the FY16 model provided to the city in March 2016, approximately 3/4ths of our total estimated budget fell within either Quartile 1 or Quartile 2, highly relevant to the results defined by Council; this is consistent with the results from FY14 and FY15.

The city of Goodyear was selected, by the Alliance for Innovation, to pilot a new system called Envisio. Envisio is an online tool that allows the organization to easily track, report, visualize, and pull analytics on how we are meeting Council and Department Goals and Actions through the work we do (Planned Activities). One of the goals, in utilizing Envisio, is to simplify the time and effort it takes to report on progress made towards meeting Council Goals and Actions, report consistent information, and organize our work in a user-focused dashboard. Envisio also adds the new ability for us to directly input performance measures and align them with the Goals and Actions of Council, department leaders.

The pilot officially began in April 2016 and will conclude on April 2017. As of October 2016, we have trained staff on the system and launched the tool within the organization; we plan to begin producing Executive level reports in February 2017.

## **Lean**

We believe that we will achieve our ambitious vision, by having a culture of engaged and empowered team members that deliver the highest quality services constantly focusing on radical continuous improvement. Lean thinking is identified as a way to provide tools that allow us to focus on continuous improvement, creating value for our customers, and provide a common way for all team members to approach identifying and implementing efficiencies. Lean thinking gives structure to the way we evaluate our work processes and implement improvements ensuring that we are spending time and money on what is of value to our customers (both internal as well as external).

This approach supports our customer focus values of empathy, integrity, optimism, initiative, and innovation. Based on best practices for local government, the city developed an Introduction to Lean Training which was delivered across the organization in 2015 and continues to be conducted for all new employees. To date, more than 90% of all city employees have now completed the training.

City departments have improved a number of city services based on Lean practices. The presentation tonight is an opportunity to highlight where the city has improved services and share lessons learned. This continuous improvement strategy will support our efforts to maximize our performance and achieve the city's Strategic Action Plan Goals.

## **Next Steps**

Council retreat October 21 and 22, 2016

Council approval of Strategic Action Plan update TBD

Executive Level Envisio report to Council February 2017

**PREVIOUS ACTIONS AND DISCUSSION:**

Specific Council discussions on the performance management program components noted above. The implementation of a city-wide performance measurement program was added to the City Strategic Action Plan as part of the Council's "Fiscal and Resource Management" focus area. The establishment of a priority-based budgeting program was added to the City Strategic Action plan as part of the Council's "Fiscal and Resources Management" focus area.

**FISCAL ANALYSIS:**

There is no Fiscal Impact at this time. This presentation is to inform City Council on the progress made with in the Performance Management Program.

**ATTACHMENTS:**

Staff Presentation