

# **Performance Measurement**

**Modernizing Financial Management for Hungarian Local Governments**

# **5**

## **TRAINING MANUAL**

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Principal Author: Ritu Nayyar-Stone  
Contributions by: Harry Hatry, Sharon Cooley, Andrea Tönkö, Orsolya Sebök,  
Scott Bryant, and Blue Wooldridge

## **Preface**

These manuals are based on a three-year training program, Modernizing Financial Management for Hungarian Local Governments, sponsored by USAID from 1996 to 1999 and executed by UI and MRI. The training consisted of six seminars each year, following the municipal budget cycle. The objective was to train municipal officials to improve financial management in their municipality via financial analysis, revenue alternatives, performance measurement, strategic planning, capital improvements programs, and program budgeting. The program was interactive and used Hungarian local consultants. It was refined annually based on feedback from municipal finance officers.

As a result of the program, thirty-five local governments have focused on improving financial management practices and enhancing transparency. Many municipalities found it beneficial to attend more than one series of seminars. Often municipalities sent larger teams to work in detail on reformed budgets for specific sectors. The modernization brought about by program budgeting has greatly improved municipal budgeting practices in Hungary.

# **How To Use This Manual**

This training manual, like other manuals in the series, can be used in many ways. It can be a guide for all individuals involved in bringing about financial reform in a municipality—mayors, finance officers, department heads, and your staff. It can also be a guide for trainers.

## **Practical Guide**

The first part of the training manual is intended for self-instruction. You can also use it as a basis to develop your own presentation on this topic. Throughout the practical guide you will find slide icons in the left-hand margin. These show that the topic has a corresponding slide in the second part of the training manual, which is the training guide.

## **Training Guide**

The second part of the training manual can be used by finance managers to train staff prior to initiating financial reform. Trainers can also use it in a training workshop for finance managers from different local governments. This section contains a training agenda, slides, exercises (where applicable), and a bibliography. You can either use the slides as they are, or you can enhance or change them based on your experience. Trainers may wish to rearrange or modify the materials to meet the objectives of a particular training situation.

# Practical Guide

## Overview

This training manual is designed for managers who are involved in providing services to the public. These include government officials (local or central), agency heads, and managers of private or nongovernmental organizations. This manual will help program managers develop high quality performance measurement systems or improve the ones already in place.

The manual will focus on the development of a performance measurement system. It will cover the identification of program goals and objectives; selection of performance indicators; data collection procedures; analysis and reporting of the information; and use of performance indicators.

Portions of this manual are based on Hatry and Kopczynski (1997).

## Objectives

- ◆ Understanding the importance of a performance measurement system for effective and efficient delivery of services.
- ◆ Linking performance measurement to goals and objectives.
- ◆ Identifying data sources.
- ◆ Designing a system that is useful and easy to implement.
- ◆ Analyzing performance indicators.
- ◆ Using performance information effectively.

## Topic Definition

Performance measurement means the regular measurement, and reporting, of the performance of public agency programs, organizations, or individuals. Performance measurement is based on two main principles. First, it concentrates on program outcomes, or actual results, rather than only on the quantity of service that an agency provides. Second, in defining outcomes, performance measurement focuses on the needs of the customers or citizens served.

Performance measurement, in the form of units of measurement called indicators, provides decision makers with better information. With this information they can make better decisions—and show why they made those decisions. Using performance measurement, local governments can demonstrate their commitment to providing quality service.

Performance measurement has many applications and can be used by different organizations and different levels of government. For example, the mayor may set the following goal for your municipality: “Create an environment that attracts maximum business and investment to the county.” This goal would involve setting objectives and identifying indicators across various sectors—secondary education, social sector job retraining, communal services. At a different level, the head of a home for the elderly may respond to a social sector goal of “providing a safe environment and high quality of life for all of the elderly citizens of the municipality” by examining the level of customer satisfaction with his or her service provision.

## Benefits of a Performance Measurement System

Performance measurement has five central benefits:

- ◆ Improving service quality and outcomes;
- ◆ Improving resource allocation and justifying agency budgets or service cuts;
- ◆ Making public agencies accountable for results to elected officials and the public;
- ◆ Increasing the citizens' trust in the local government; and
- ◆ Making work more interesting and satisfying for public employees because of its citizen focus.

In addition, performance indicators are useful in linking program targets to those in the strategic plan and/or annual budget.

## **Linking of Performance Indicators to Goals and Objectives**

Performance measurement can provide information on how well a program or organizational unit has met or will meet its objectives (sometimes referred to as targets). Municipal organizations should establish goals and objectives for each program and each organizational unit for which they have authorized spending. Goals are long term and depict a vision for the program. For example, the road maintenance program may set a goal "to provide safe, rideable roads to the citizens, by regular renovation and maintenance of existing roads and by upgrading of any unpaved roads in the municipality." This goal sets no specific target for service levels. As a result, it is difficult for you to determine whether the resources you have allocated to this service have been spent efficiently and effectively. Objectives are generally results oriented, measurable, and time bound. For example, one objective of the road maintenance program may be "to have fewer than X traffic injuries or deaths during the year 2000 by improving the condition and clarity of road signs." You can now develop performance indicators to measure whether the program has attained this objective.

## **Types of Performance Indicators**

Input, output, and efficiency indicators are relatively familiar to program managers. Governments regularly use them to track program expenditures and service provided. Indicators of outcomes are much rarer even though they are more helpful in determining the consequences or results of the program. Categories of performance indicators are described below, and examples are shown in Exhibit 1. It is important for you to recognize the differences between the following categories of information:

- ◆ **Inputs.** Input data indicate the amount of resources you applied in delivering a service.
- ◆ **Outputs.** Output data show the quantity of work activity completed. A program's outputs are expected to lead to desired outcomes, but outputs do not by themselves tell you anything about the outcomes of the work done. To help identify outcomes that you should track, you should ask yourself what result you expect from a program's outputs.
- ◆ **Outcomes.** Outcomes do not indicate the quantity of service provided, but the results and accomplishments of those services. Outcomes provide information on events, occurrences, conditions, or changes in attitudes and behavior that indicate progress toward achievement of the goals and objectives of the program. Outcomes happen to groups of customers (e.g., students or elderly persons) or to other organizations (e.g., individual schools and/or businesses) who are affected by the program or whose satisfaction the government wishes to attain.
- ◆ **Efficiency and Productivity.** These categories relate the amount of input to the amount of output (or outcome). Traditionally, the ratio of the amount of input to the amount of output (or outcome) is labeled "efficiency." The inverse, which is the ratio of the amount of output (or outcome) to the amount of input, is labeled "productivity." These are equivalent numbers.

**Exhibit 1**  
**Examples of Performance Indicators**

Input	Number of positions required for a program Cost Supplies used Equipment needed
Output	Number of classes Number of projects Number of people served Number of letters answered Number of applications processed Number of inspections made
Outcome	Crime rate Employment rate Average student test scores Number of graduates Number of successful rehabilitations
Efficiency	Cost per kilometer of road repaired (output based) Cost per million gallons of drinking water delivered to customers (output based) Forint per number of school buildings that were improved from "poor" to "good" condition (outcome based)

**The Difference Between Outputs and Outcomes**

An important element of performance measurement is that it differentiates between outputs and outcomes. In measuring what government does, the traditional focus has been on tracking expenditures, number of employees, and sometimes their physical outputs. The outcome focus of performance measurement connects performance indicators with specific government objectives. For example, performance measurement is not concerned with the number of teachers employed, but with the reduction in the dropout rate in secondary schools. Of course, focusing on outcomes does not mean that you neglect outputs. Instead, a focus on outcomes provides a framework for you to analyze outputs in a meaningful way. In our example, hiring more teachers or increasing the number of lessons taught does not necessarily reduce the number of students dropping out of school. It may mean that you need special programs to improve the quality of home life for students who are dropping out of school. Or you might set up a preventive counseling program to help those students who are the most likely to drop out. Measuring the performance of programs targeted at decreasing the dropout rate would then tell you how successful or unsuccessful these programs are.

Another example would be focusing on the percentage of your municipality's roads that are in good, rideable condition, rather than on the number of square meters of road maintained. Such a focus could help identify specific areas that need maintenance attention. Exhibit 2 contrasts output and outcome indicators.

**Exhibit 2**  
**Contrast Between Output and Outcome Indicators**

<b>Outputs</b>	<b>Outcomes</b>
----------------	-----------------

1. Number of clients served.	1. Clients whose situation improved.
2. Lane kilometers of road repaired.	2. Percentage of lane kilometers in good condition.
3. Number of training programs held.	3. Number of trainees who were helped by the program.
4. Number of crimes investigated.	4. Conviction rates of serious crimes.
5. Number of calls answered.	5. Number of calls that led to an adequate response.

## Performance Measurement in Hungary

Local governments in Hungary are still exploring the concepts of accountability and autonomy that fiscal decentralization implies. Performance measurement, especially measurement of outcome indicators, is a crucial element of Hungarian municipalities' attempts to make their service delivery more effective and responsive to the needs of their citizens. Recent budget documents reveal Hungarian municipalities' growing awareness that they need to institute some form of performance measurement, and several municipalities have already introduced relevant indicators into the budget planning process. These indicators do not constitute a formal performance measurement system, however. Municipal agencies are primarily using these indicators to decide whether to abandon a service or reduce staff in a particular service. Moreover, the data the municipal agencies are using to assess service quality are not part of any systematic method to track performance over time or to compare a service with that of previous times or other places.

Hungarian municipalities have faced certain challenges in their initial efforts to measure performance. In some cities beginning to experiment with performance measurement, local government staff have expressed that they have little or no role to play in defining objectives or redesigning programs to make them more effective, especially insofar as mandatory tasks are concerned. This perception may impede the shift from governance based on quantitative data—inputs and outputs—to more results-oriented and responsive governance. The introduction of performance measurement as a management tool that focuses on outcomes can help government officials realize the key benefits that decentralization can bring to service quality: revealing the extent to which a service is meeting its true objectives (e.g., a healthier elderly population, better educated children) with respect to the needs of a particular community.

Despite the challenges to introducing performance measurement, technical assistance programs in a select group of Hungarian municipalities are beginning to yield promising results. In the spring of 1999, six municipalities in Hungary took part in a household customer survey of multiple services (see Appendix A) as part of their attempts to employ performance measures in evaluating service delivery. The survey elicited citizen feedback on the quality of services, mainly in the communal and social sectors, to obtain data for a number of performance indicators. These indicators will help municipal officials identify particular problem areas and set targets for improvement in future years. Some municipalities have formed working groups to identify objectives, measures, and data collection techniques to better align municipal programs with community needs. These efforts have led one municipality, Szentes, to reorganize its entire social sector with the aim of setting objectives for existing programs and identifying potential new programs that make sense for its particular locale. The municipality is introducing performance measures for each program directly into the planning process, which will enable the municipality to better track its failures and successes.

## Steps in Developing a Performance Measurement System

### Step 1: Organize the System Development Process

The following preliminary steps can contribute to the successful development of a performance measurement system. Each municipality should determine a process that will work best for its particular circumstances and goals.

**Determine the Programmatic Scope.** You should identify and select the scope of program coverage to be included in the performance measurement process. For example, it may be desirable for indicators to focus on certain key program activities, such as elderly care in the social sector, and street cleanliness or parks in the communal sector. Usually, a performance measurement system is first initiated only on some segments of one program. For example, your pilot system might measure performance for some of the projects funded by the program; some of the locations that the program serves; only part of the year; or only indicators that are new or require substantial modifications to existing data collection procedures.

**Secure Top-level Office Support.** You need this support to obtain an adequate commitment of time and resources for the performance measurement system. While the primary support and expenditure in developing a performance measurement process will probably come from the program staff, you may need outside support, specifically for data collection, tabulation, and analysis. The encouragement and support of the mayor is necessary to ensure that help is available.

**Obtain Support from Department Heads and Institutions.** Department heads and institutions play a key role in collecting data for, and implementing, the performance measurement system. You can obtain their support for the system by emphasizing that performance measurement can be an important decision-making tool for them.

**Establish a Working Group to Oversee System Development.** The working group is a body of interested persons and representatives of groups that might be affected by or benefit from the performance measurement system (see Exhibit 3). It is helpful but not crucial to have such a group. The core working group should consist of the following persons: the program manager or department head, who will act as facilitator; members of the department; members from related program areas in the department; and a representative from the budget or financial department. In addition, you might invite other people to meetings of the working group—individuals who may have competing visions and hence alleviate future conflict or who may give fresh insight into service needs. The working group should have no more than eight to twelve members, but for small programs the working group could have as few as four members.

**Exhibit 3**  
**Szolnok's Working Group for**  
**Performance Measurement in the Education Sector**

The city of Szolnok has established a working group to map out a plan for improving its primary and secondary educational institutions. The working group manager is the head of human institutions. The members of the working group include local government representatives (head of the economic sector and head of the finance department) as well as four representatives of local schools.

Note: Other individuals that might be involved in the working group, depending on the objective, are parents, students, representatives of nongovernmental organizations working on issues specific to teenagers, staff members of day care centers, general assembly members, and/or representatives of the business community.

The following steps detail the activities you should undertake to implement a successful performance measurement system.

**Step 2: Identify the Program's Goals, Objectives, and Customers**

For each program, specify a goal and several objectives. These state the purpose of your program, or the results that you want the program to achieve.

**Prepare a Statement of Goals and Objectives.** The statement of goals and objectives identifies the outcomes and the specific performance indicators that you will measure.

Goals represent the ends that the program wants to attain. Goals are typically general in nature and define the desired outcome. Objectives specify what is to be accomplished, for whom, and by what date. A goal can be achieved through several objectives.

An example of a statement of goals and objectives for a road maintenance program is shown in Exhibit 4.

**Exhibit 4**  
**Example of a Goal and Objectives**  
**Road Maintenance Program**

**Goal:**

Provide safe, rideable roads to the citizens, by regular renovation and maintenance of existing roads and by upgrading of any unpaved roads in the municipality.

**Objectives:**

- (1) Ensure that 90 percent of the municipality's road surface is in good, better, or excellent condition by the year 2000 by paving 30 kilometers of road during 1999.
- (2) Have fewer than X traffic injuries or deaths during the year 2000 by improving the condition and clarity of road signs.

**Identify Categories of Customers.** The goal and objectives should identify your customers. The following questions will help you in the not-so-obvious cases:

- ◆ Who benefits from the program?
- ◆ Who might be hurt by program activities?

The questions below may also help identify unintended negative effects of a program, which you should specify in the statement of goals and objectives.

- ◆ What persons that the program does not directly target could be significantly affected by the program?
- ◆ Which particular demographic group is particularly affected by the program?
- ◆ Is the public-at-large likely to have a major interest in what the program accomplishes?

Examples of key customer groups in different programs are shown in Exhibit 5.

#### **Exhibit 5** **Examples of Key Customer Groups in Different Programs**

- ◆ For a road construction program the customers would be citizens as well as transportation companies.
- ◆ For a vocational school program the customers would be parents, children, and local businesses who recruit the school's graduates.
- ◆ A fitness room in a sports complex would have athletes and the general public as its customers.
- ◆ A municipal park can classify its customers in groups (e.g., adults, children, and senior citizens) according to their use of the park.

### **Step 3: Decide Which Outcomes To Measure**

The purpose of this step is to identify which outcomes or results you should measure. Sources that can help you decide which outcomes are important include:

- ◆ Legislation and regulations;
- ◆ Community policy statements contained in budget documents;
- ◆ Strategic plans;
- ◆ Program descriptions and annual reports;
- ◆ Discussions with upper level officials and their staff;
- ◆ Discussions with legislators and their staff;
- ◆ Discussions or meetings with customers and service providers;
- ◆ Input from program personnel;
- ◆ Customer complaint information; and
- ◆ Goal statements by other governments for similar programs.

In addition, you can obtain information on program results through meetings of customers (known as "focus groups"); meetings with program staff and local project staff; and meetings with other local government personnel.

You should answer the following questions before completing the identification of program results:

- ◆ Do the indicators cover each element identified in the statement of goals and objectives?
- ◆ What would be the positive and negative impact on customers if the program's budget were substantially cut or increased?
- ◆ Are there any negative effects that may arise from the program? You should minimize and monitor these. If you can track them on a regular basis, you should use them as indicators.
- ◆ What would customers consider as good or bad service of the program? You should include these characteristics in the list of indicators.

## Step 4: Select Performance Indicators

Not all outcomes of programs are measurable. You need to translate each outcome of the program into performance indicators that specify *what you will measure*.

Exhibit 6 presents some criteria for selecting performance indicators. Rate each indicator according to these criteria.

### Exhibit 6 Criteria for Selecting Performance Indicators

- ◆ **Relevance.** Choose indicators that are relevant to the goals and objectives of the program and to what they are supposed to measure.
- ◆ **Importance.** Select indicators that provide useful information on the program and that are critical to the accomplishment of the department's or program's goals.
- ◆ **Availability.** Choose indicators for which data are accurate and readily available.
- ◆ **Ease of Implementation.** Use indicators for which measurement is easy to design, conduct, analyze, and report.
- ◆ **Validity.** Select indicators that address the aspect of concern and for which changes in the value can be easily interpreted as desirable or undesirable and directly attributed to the program.
- ◆ **Uniqueness.** Use indicators that provide information not duplicated or overlapped by other indicators.
- ◆ **Timeliness.** Choose indicators for which you can collect and analyze data in time to make decisions.
- ◆ **Ease of Understanding.** Select indicators that the citizens and government officials can easily understand.
- ◆ **Costs of Data Collection.** Choose indicators for which the costs of data collection are reasonable.
- ◆ **Privacy and Confidentiality.** Select indicators without privacy or confidentiality concerns that would prevent analysts from obtaining the required information.

The overriding criterion for the selection of performance indicators is that they should significantly contribute to the effectiveness and efficiency of a program.

Exhibit 7 is an example of indicators that you could use as a starting point for two different programs.

**Exhibit 7**  
**Illustrative Performance Indicators**  
**City of Szentes**

<b>Street Sweeping</b>	<b>Road Maintenance</b>
<i>Input</i> Cost Staff Equipment (number of vehicles)	<i>Input</i> Cost Staff Materials, equipment
<i>Output</i> Kilometers of street cleaned Percentage of streets regularly swept Tons of refuse collected	<i>Output</i> Potholes patched Kilometers of road paved Kilometers of road maintained
<i>Outcome</i> Percentage of street sweeping not completed on schedule Average citizen satisfaction rating Percentage of streets rated acceptably clean	<i>Outcome</i> Customer rating of road condition Kilometers of road in satisfactory condition Kilometers of road in very bad condition Average reaction time on citizen complaints
<i>Efficiency</i> Cost per kilometer of street cleaned Cost per kilometer of refuse collected	<i>Efficiency</i> Cost per kilometer of road paved Cost per kilometer of potholes patched

**Step 5: Identify Data Sources and Collect the Data**

A major step is to identify data sources for each indicator and practical ways to collect the data. The major sources of data for performance indicators are:

- ◆ Your government's own records;
- ◆ Trained observer ratings; and
- ◆ Customer/citizen surveys.

The above sources and recommendations for their use are discussed below.

**Your Government's Own Records.** The following lists some examples of data that you may obtain from agency or program records:

- ◆ Incidence of illnesses and deaths in a hospital (outcome indicator);
- ◆ Results of test scores in schools (outcome indicator);
- ◆ Existing equipment for street cleaning (input indicator);
- ◆ Number of staff or personnel in primary schools (input indicator);
- ◆ Response time by the fire department to emergency calls (outcome indicator);
- ◆ Cost per kilometer of road maintained (efficiency indicator);
- ◆ Size of workload (which is used as the basis for calculating outcome and efficiency indicator values); and
- ◆ Demographic characteristics of customers (explanatory information).

The advantages of using government records as data sources are availability, low costs, and program personnel's familiarity with procedures for using them. The disadvantages of government records are:

- ◆ You may need to modify existing record collection processes to obtain performance data. For example, you may have to modify the collection of response time data for some programs. This will involve recording the time of receipt of a request for service; defining when "completion" of the response has occurred; recording the time of completion of the response; establishing data processing procedures to calculate and record the time between these two events; and establishing data processing procedures for aggregating the data on individual requests.
- ◆ Records alone seldom provide sufficient information on program quality and outcomes.
- ◆ For some indicators you may need to obtain information from records of other programs or agencies, and that can be difficult.

One particular type of record, client applications for a service, can be a source of data on need for a program, which you can use in developing indicators. For example, you can use the number of applications for a housing allowance or social subsidy program as a data source for an outcome indicator—decrease the number of applicants for a social subsidy program (by increasing employment opportunities). The applications will also provide explanatory data on demographics and income.

**Trained Observer Ratings.** The objective of this method is for different observers to rate a condition at different times. This can be a highly accurate and reliable procedure if you have a clearly-defined rating system, adequate training of the observers, adequate supervision of the rating process, and a procedure for periodically checking the quality of the ratings. Examples of applications are provided in Exhibit 8.

#### Exhibit 8 Applications of Trained Observer Ratings

- ◆ Condition of facilities such as school buildings or gymnasiums;
- ◆ Presence and use of exercise equipment in sports complexes;
- ◆ Condition of roads (potholes, sidewalks, paved area, etc.);
- ◆ Cleanliness of streets and condition of trash receptacles in public areas;
- ◆ Condition of safety equipment in buildings (fire extinguisher, hose, sprinklers);
- ◆ Cleanliness of public baths; and
- ◆ Ability of rehabilitation program clients to function independently.

The advantages of trained observer ratings are:

- ◆ They provide reliable, reasonably accurate ratings of conditions that are otherwise difficult to measure;
- ◆ If ratings are done several times a year, you can adjust allocation of program resources throughout the year; and
- ◆ You can present ratings in an easy-to-understand format to public officials and citizens.

The disadvantages of trained observer ratings are:

- ◆ They are sometimes a “labor intensive” method that requires time and training of observers;
- ◆ You need to check ratings periodically to ensure that the observers are adhering to procedures; and
- ◆ Program personnel may not feel comfortable with the procedures for trained observer ratings because they do not use them often.

Exhibit 9 shows examples of street rideability conditions. Visual ratings by trained observers should be based on a scale described both photographically and in writing. This reduces the subjectivity of the ratings so that different observers using the rating guidelines would give the same rating to similar street conditions. The exhibit shows photographs representing four levels of rating.

- ◆ Condition 1: Smooth. No noticeable defects or one or two minor defects such as a small, open crack.
- ◆ Condition 2: Slightly bumpy. Several minor defects or small potholes, but none severe, or a sizeable single bump or several minor bumps, or gravel or dirt road in good condition.
- ◆ Condition 3: Considerably bumpy. At least one section of the street is broken up or has easily visible bumps, but no single safety hazard is present.
- ◆ Condition 4: Potential safety hazard or cause of severe jolt. One or more large potholes, or other major defects three and a half inches high or deep. Types of hazards should be noted.

**Exhibit 9**  
**Sample Trained Observer Ratings: Street Rideability**

**Customer Surveys.** Customer surveys are an important source of information for performance indicators. You usually get survey data on customers only from agencies providing a service or directly from persons affected by a service.

Customer surveys are different from opinion polls in the following ways:

- ◆ Surveys measure specific objectives of the local government.
- ◆ Surveys ask respondents questions about the recent past, not their opinions about the future.
- ◆ Surveys are repeated in the future.
- ◆ Surveys focus on outcome indicators.

Exhibit 10 lists the various types of information that you can obtain from customer surveys.

#### **Exhibit 10** **Information Obtainable from Customer Surveys**

- ◆ Ratings of overall satisfaction with a service and of the results achieved,
- ◆ Ratings of specific service quality characteristics,
- ◆ Data on actual customer experiences and results of those experiences,
- ◆ Data on customer actions/behavior sought by the program's service,
- ◆ Extent of service use,
- ◆ Extent of awareness of services,
- ◆ Reasons for dissatisfaction or non-use of services,
- ◆ Demographic information about customers,
- ◆ Suggestions for improving the service.

Source: Hatry and Kopczynski (1997), p. 41.

The advantages of customer surveys are that they provide information not available from other sources and that they obtain information directly from program customers. The disadvantages of customer surveys are:

- ◆ They are unfamiliar to agency personnel and require special expertise or training;
- ◆ They can be costly; and
- ◆ They are based on respondents' perceptions and memory and are therefore subjective.

Appendix A is a random municipal customer survey based on a survey conducted in Nagykanizsa, Orosháza, Püspökladány, Szentés, Szolnok, and Tatabánya. A random sample of 400 households were surveyed in each municipality to investigate citizens' satisfaction with services provided by the local government.

### **Step 6: Organize the Data**

Once you collect the data you should transform them into useful indicators. You can do this using the following approaches:

- ◆ Breakouts (groupings) of the data for each indicator;
- ◆ Comparisons of the program's data to other benchmark data;
- ◆ Explanations of the resulting indicators; and
- ◆ Clear presentation of the indicators in understandable, useful formats.

Step 7 discusses which breakouts are likely to be useful for a program. Comparisons are discussed under Step 8. Steps 7 and 8 together comprise your analysis of a program's performance indicators. Report formats and presentations are discussed under Step 9, along with the results of the analysis.

## Step 7: Select Indicator Breakouts

Aggregated data provide only limited information for understanding program results. Breakouts permit comparisons among groups and distinguish groups of customers who may have substantially different outcomes from other groups. You should break data out into categories such as the following:

- ◆ **By geographical location.** Break out data by district, neighborhood, etc. The presentation of data by geographical area gives users information about where service outcomes are doing well and where they are not. Exhibit 11 shows the percentage of respondents who rated the cleanliness of their neighborhood in Püspökladány as very clean and somewhat clean. Overall (for the entire city), 45 percent of respondents stated their neighborhood was very clean or somewhat clean. However, when you break up responses geographically (by districts) you begin to see interesting variation. While most of the districts got a similar rating on neighborhood cleanliness, only 26 percent of respondents in district 1 rated their neighborhood as very clean or somewhat clean. This shows that district 1 is a problem area, and the city needs to examine why residents in that district rated cleanliness so low. (Note: The seven districts in the city were categorized based on socioeconomic conditions. Respondents were asked, "How would you rate the cleanliness of the neighborhood you reside in from 1 to 5, where 1 is very dirty, and 5 is very clean?").
- ◆ **By organizational unit/project.** Separate outcome information on individual supervisory units is much more useful than information on several projects lumped together. For example, it is useful for you to have separate performance information on each social welfare agency, not only for all the agencies together. Another example is breakouts by school district and by size, location, and demographic characteristics of schools. This would be useful information for schools that fall within various ranges of students eligible for subsidized school lunches.
- ◆ **By customer characteristics.** Breakouts by categories of customers (e.g., age, gender, education) can be very useful in highlighting categories of customer services that are or are not achieving desired outcomes. For example, if the library is primarily being used by customers who are over 40 years of age, the library should consider trying to increase usage by the younger population. Conversely, park staff may find that they have put too much effort into satisfying parents with children and that their parks are lacking facilities that the elderly can enjoy.
- ◆ **By degree of difficulty.** All programs have tasks that vary in difficulty. A more difficult program will have a harder time achieving the results you desire, and therefore distinguishing the degree of difficulty of a program will drastically change your perception of its outcomes. To show good performance an organization is sometimes tempted to attract easier-to-help customers, while discouraging service to more difficult (and more expensive) customers. Reporting breakouts by difficulty will eliminate this temptation. Exhibit 12 gives an example of considering the difficulty factor in presenting performance information.
- ◆ **By type of process or procedure you use to deliver the service.** Presenting performance information by the type and magnitude of activities or projects being supported by the program is very useful for you. For example, a street cleaning program can comprise sweepers, garbage cans and dumpsters, and garbage trucks. You should present data on each project in the program by (1) the type and amount of each activity; and (2) the indicators resulting from each project's efforts.

**Exhibit 11**

**Exhibit 12**  
**Workload (Client) Difficulty Breakout**

	<b>Unit #1</b>	<b>Unit #2</b>
Total Clients	500	500
Number Helped	300	235
Percent Helped	60%	47%
Difficult Cases	100	300
Number Helped	0	75
Percent Helped	0%	25%
Non-Difficult Cases	400	200
Number Helped	300	160
Percent Helped	75%	80%

Source: Hatry and Kopczynski (1997), p. 56.

Note: If you only looked at aggregate outcomes, you would unfairly evaluate Unit 2, which had a higher proportion of difficult cases.

You can use breakouts for purposes such as the following:

- ◆ To help pinpoint where problems exist as a first step toward identifying corrective action;
- ◆ As a starting point for identifying “best practices” that might be disseminated to other program areas, by identifying where especially good outcomes have been occurring; and
- ◆ As a way to assess the equity with which services have been serving specific population groups.

### **Step 8: Compare Findings to Benchmarks**

Once performance indicators for a particular time period are available, it is important to decide if the level of performance is good or bad. Therefore, comparing current data with a baseline (benchmark) is highly useful. The major types of benchmarks that performance measurement systems can take advantage of are as follows:

- ◆ **Previous performance.** Compare current performance to that of previous reporting periods. This is useful to see the improvement of the performance over time. As much as possible, report indicator performance data in a frequent and timely manner. For some agencies annual reports may be sufficient; however, others may need semiannual or quarterly reports.
- ◆ **Performance of similar organizational units in other local governments.** This involves comparisons with programs that provide essentially the same service to approximately the same type of customers. For meaningful comparisons, the goals of the programs should also be similar, and you should use the best performing program as a benchmark. For example, a recent survey conducted in six Hungarian municipalities has demonstrated that one municipality is performing significantly better in the area of street cleanliness. A poorly performing municipality can then look to the activity of the successful municipality and identify practices it may be lacking.

- ◆ **Different customer groups.** In Step 7, breakouts by various customer demographics were discussed. Once you break out the data, compare the categories to learn whether a program appears to be more or less successful with certain categories of customer/workload than others (such as males or females, different age groups, etc.).
- ◆ **Pre selected targets.** Set performance targets for each indicator at the beginning of the year and later report the actual values compared to the targets. If possible, set targets for each reporting period during the year, as well as long-term targets—perhaps for five years into the future. You can link these to targets stated in the strategic plan and annual budget (see training manuals on strategic planning and program budgeting).
- ◆ **Different service delivery practices.** Programs periodically consider new, alternative methods of delivering services. Use performance indicators to assess the results of the new practices. For example, you could introduce new operating procedures, technologies, staffing arrangements, policies, or providers (such as private contractors). You can change the amounts/levels of service provided to individual customers. You can also introduce the new practice for an entire program, or for only part of the program. Then use performance data to track changes in results before and after the introduction of the new practice.

## Step 9: Finish Your Analysis and Report the Indicators

Analysis of performance information starts by choosing breakouts and making comparisons. Your analysis should result in indicators that show that the program has done better or worse than anticipated. You should then attempt to explain why this has occurred. Sometimes the reasons for performance shortfall or better-than-anticipated results will be fairly obvious, and sometimes not. In either case you can do the following:

- ◆ Discuss the findings with key personnel in the program, agency, and field;
- ◆ Suggest corrective methods;
- ◆ Undertake evaluations to identify causes and what corrections could be made; or
- ◆ Wait until you have reviewed later performance reports to determine whether the problem is temporary or represents a trend.

**Reporting.** Select only a short list of indicators for external reporting, even though you may track a relatively large number of indicators for internal program use. You can construct a number of formats for performance reports, depending on the special needs of your program. You can use the following report formats for internal or external reporting of indicators.

- ◆ **Format #1, Exhibit 13. Actual Outcomes Versus Targets.** This format compares actual outcomes to targets for both the last and current reporting periods on each outcome indicator.
- ◆ **Format #2, Exhibit 14. Comparisons Across Geographical Locations.** This format is also useful for making comparisons across any breakout categories you have identified for the program.
- ◆ **Format #3, Exhibit 15. Outcomes by Individual Project, by Achievement Level.** This format is useful for displaying outcome data for one indicator broken out by one demographic or customer “difficulty” characteristic—displayed for each project (or quarter). This format is likely to be useful for internal reports to show how each project has performed relative to others. Displaying this information by key characteristics, such as difficulty of incoming workload, will make the comparisons more fair and informative.

- ◆ **Format #4, Exhibit 16. Breakouts of Responses to a Customer Survey.** This presents responses from a customer survey on a single outcome indicator—with responses broken out by respondent characteristics displayed on one page.

**Exhibit 13**  
**Illustrative Reporting Format #1. Actual Outcomes Versus Targets**

Outcome Indicator	Last Period			Current Period		
	Target	Actual	Difference	Target	Actual	Difference
Percentage of road kilometers with satisfactory rideability	75	65	-10	75	70	-5
Percentage of pavement kilometers at acceptable rating level	60	60	0	65	68	+3
Improvement in citizen perceptions of road conditions based on public surveys (percentage)	50	30	-20	50	35	-15

**Exhibit 14**  
**Reporting Format #2: Comparisons Across Geographical Locations**

Cleanliness by area <sup>a</sup>	Szolnok	Szentes	Püspök-ladány	Orosháza	Nagyka-nisza	Tatabánya
Inner city	30.1	19.2	13.8	6.1	7.8	11.0
Other public areas	41.6	24.8	21.6	11.1	8.3	28.8
Residential areas	14.3	8.4	9.3	10.1	1.0	4.5
Parks	28.4	8.2	8.3	8.3	20.3	17.5

Source: Urban Institute and Metropolitan Research Institute (1999).

<sup>a</sup>Percentage of those who gave a rating of 1 or 2 to the following areas (1=very dirty, 5=very clean).

**Exhibit 15**  
**Reporting Format #3: Outcomes by Individual Projects, by Achievement Level**

Beginning Achievement Level	Percentage of Students Whose Achievement Improved During the School Year			
	Project 1	Project 2	Project 3	Project 4
Low Achievement	58	69	61	63
Medium Achievement	35	30	54	39
High Achievement	52	35	56	47
Overall	48	44	57	50

Source: Hatry and Kopczynski (1997), p. 76.

**Exhibit 16**  
**Reporting Format #4: Breakouts of Responses to a Customer Survey**  
**by Demographic or Program Characteristics**

<b>Respondent Characteristics</b>		<b>Frequency of Use of City Parks in the Last 12 Months (%)</b>					<b>Total Responding</b>
		<b>Daily to Weekly</b>	<b>Bi-weekly to Monthly</b>	<b>Once or Twice Annually</b>	<b>Not at all</b>	<b>Don't Know</b>	
<b>Tatabánya City</b>							
Sex:	Male	14.9	31.9	26.0	27.2	0.0	188
	Female	14.8	28.7	29.2	26.8	0.5	209
Age:	18-30	17.0	36.0	35.0	12.0	0.0	100
	31-45	16.8	34.6	30.8	17.8	0.0	101
	46-60	15.5	27.5	23.8	32.2	0.0	109
	61 and over	8.2	20.9	20.9	48.8	1.2	86
District:	Central	13.5	36.9	26.4	22.6	0.6	155
	Suburb	4.6	19.5	34.1	41.8	0.0	67
	Housing Estates	17.7	31.1	26.4	24.8	0.0	177
Total # of Respondents		59.0	211.0	111.0	107.0	1.0	399
% of Total Respondents		14.8	30.3	27.8	26.8	0.3	100

Source: Urban Institute and Metropolitan Research Institute (1999).

Note: The district category has been grouped by population density.

**Exhibit 17**  
**Percentage of Respondents Who Made Contact with the Local Government**  
**over the Past Twelve Months and Were Dissatisfied with the Contact**

In addition to tables, you can also present performance information using:

- ◆ **Graphs.** This can be used for individual outcome indicators, to show the values of the indicator plotted against time, and is useful for showing trend results.
  
- ◆ **Bar Charts.** See Exhibit 17.
  
- ◆ **Maps.** This is a dramatic way to present geographic data (see Exhibit 11).

**Provide Explanatory Information.** You should also provide explanatory information with each indicator report. This enables you to explain significant program outcomes, such as indicator values that were worse than expected. Some suggestions on explanatory information are as follows:

- ◆ Provide qualitative or quantitative information, or a combination of the two.
- ◆ Provide explanatory information when comparisons show unexpected differences from the target or among operating units, categories of customers, or other workload units.
- ◆ Consider both internal and external explanatory factors.
- ◆ Summarize and highlight important performance information so that readers can focus on these findings.
- ◆ Examine responses from customer surveys where respondents explain their poor ratings of specific characteristics. (These are explanatory information.)
- ◆ Provide explanatory information from recent program evaluations.
- ◆ Keep explanatory information brief and to the point.

**Disseminate the Outcome Reports.** You should disseminate the indicator report—including data, explanatory information, and highlights or summaries—to all program personnel as well as high-level officials outside the program. You should also provide it to customers and private organizations participating in the delivery of services. Breakout data by unit/project are likely to be of major interest to customers and private organizations, encouraging them to focus on future performance improvements.

**Document the Performance Measurement Process.** Prepare a description of each indicator for program personnel and others outside the program. It is also useful to list the performance indicators grouped by data source (such as customer surveys or trained observer ratings).

Documentation of key procedures is useful for future collection of performance data. It helps you institutionalize the measurement process and enables you to train new program personnel in the procedures. Documentation will also increase the credibility of the data with persons outside the program who want assurance that you are using stable, systematic procedures.

## Step 10: Refine the Pilot Procedures

Before full implementation of the new performance measurement system, you should test the procedures. The working group should work with program and project personnel to identify and correct any problems discovered during the test period. The team responsible for the testing should look for the following problems:

- ◆ Definitions that personnel collecting the information consider unclear.
- ◆ Missing data. For example, if the list of persons qualifying for a specific welfare subsidy is incomplete, you cannot survey the persons missing from the list.

Resolving the above problems may involve deciding to delete a specific performance indicator or accepting less accuracy than you hoped.

## Step 11: Use Performance Information

This step suggests ways for making performance information more useful and also discusses a number of uses for performance information. Note that performance indicators only tell you whether a problem exists with service delivery. To solve the problem, you need to evaluate your program.

**Suggestions for Making Performance Information More Useful.** Transforming performance data into useful information for program managers has been discussed earlier: using breakouts (Step 7); comparing findings to benchmarks (Step 8); providing explanatory information (Step 9); and presenting the information in clear, understandable formats (Step 9). Additional suggestions on making the performance measurement system more useful are as follows:

- ◆ Use performance information to trigger in-depth examinations of: (1) why outcome problems exist, and (2) why the program appears successful in some situations and not in others.
- ◆ Hold program evaluation sessions after each performance report.
- ◆ Provide incentives for high program performance.

**Uses for Program Performance Information.** The primary objectives of performance information are to provide regular feedback to program personnel and citizens and encourage improvements in program performance. You can use performance information to help:

- ◆ Motivate employees to continuously improve services and their outcomes;
- ◆ Track whether actions taken in the past have led to improved outcomes;
- ◆ Identify where problems exist and where action is needed to improve performance;
- ◆ Communicate with and inform customers and citizens about the effectiveness of community services;
- ◆ Support annual and long-term planning;
- ◆ Prepare budgets and justify resource allocation;
- ◆ Set annual performance targets;
- ◆ Identify needs for technical assistance and training for program personnel;
- ◆ Determine a program's future evaluation schedule; and
- ◆ Use performance contracting, whereby grants or contracts must meet performance targets.

## Summary of Key Points

- ◆ Performance measurement means the regular measurement and reporting of the performance of public agency programs.
- ◆ Performance measurement improves service quality and outcomes, improves resource allocation decisions and justifies agency budgets or service cuts, increases accountability of public agencies, increases the trust of the public in their government, and makes work more interesting for public employees because of its customer focus.
- ◆ Performance indicators can provide information on how well the program or organizational unit has met or will meet its objectives.
- ◆ There exist four main types of performance indicators: input, output, outcome, and efficiency.
- ◆ Output indicators focus on the quantity of service provided, while outcome indicators show the results of the service.
- ◆ Hungarian municipalities' initial efforts to measure performance have faced some challenges but are beginning to yield promising results.

The steps in developing a performance measurement system are as follows:

- ◆ Organize the system development process.
- ◆ Identify the program's goals, objectives, and customers.
- ◆ Decide which outcomes to measure.
- ◆ Select performance indicators.
- ◆ Identify data sources and collect the data.
- ◆ Organize the data.
- ◆ Select indicator breakouts.
- ◆ Compare findings to benchmarks.
- ◆ Finish your analysis and report indicators.
- ◆ Refine the pilot procedures.
- ◆ Use performance information.

## Glossary

**Benchmarking** The process of measuring your program's or organization's performance against best-in-the-class organizations to improve services, operations, or cost efficiency.

**Data Processing** The process of taking raw data and entering, cleaning, and analyzing it.

**Efficiency Indicators** Cost per unit of output or outcome. Examples: cost per kilometer of road repaired; cost per million gallons of drinking water delivered to customers.

**Goal** A general and timeless statement of broad direction, purpose, or intent based on the needs of the community. Goals are founded on the community's vision and may involve coordination among several agencies with similar functions.

**Indicator** Any of a group of statistical values that when taken together indicate the performance of a project, organization, or group of people.

**Input Indicators** Resources used to carry out a program over a period of time. *Examples:* number of positions required over a period of time; cost; equipment needed.

**Objectives** Desired or planned accomplishments that are specific, well-defined, and measurable within a given time.

**Outcome Indicators** Quality of work accomplished or service provided. Examples: crime rate, employment rate, average student test scores, number of graduates.

**Output Indicators** Amount of work completed or service provided over a period of time. Examples: number of classes, number of projects, number of people served, number of letters answered.

**Performance Indicators** Measurements of the government's actions in achieving a given objective or goal. Performance indicators can generally be classified as input, output, outcome, or efficiency indicators.

**Performance Measurement System** A coordinated method or plan for determining how efficiently and effectively your local government is delivering services and meeting objectives.

**Program** A group of related activities performed by one or more organizational units to accomplish a function for which the government is responsible.

**Strategies** Methods to achieve goals and objectives. Formulated from goals and objectives, a strategy is the means of transforming input into outputs, and ultimately outcomes, with the best use of resources.

# Training Guide

## Training Outline

- ◆ Definitions
- ◆ Benefits of a performance measurement system
- ◆ Linking performance indicators and goals and objectives
- ◆ Types of performance indicators
- ◆ Output versus outcome indicators
- ◆ Structure of a performance measurement system

## Slides

The slides can be found at the end of this training guide.

## Exercises

### Development and Use of Performance Indicators in Big City

*The objective of this exercise is to develop performance indicators for a hypothetical city's strategic priorities and programs.*

Compared to other cities in southern Hungary, Big City is relatively atypical. The city reached 100,000 population in May 1996, and nearly 31 percent of its population is made up of residents aged 18 and younger. It boasts the highest percentage of family households in Békés county. In addition, the city's median annual household income (HUF 800,000) is ranked the highest among major cities in southeastern Hungary.

Big City is committed to becoming a high-performance municipal corporation, providing a full range of services through a 306-member city staff, partnerships with the private sector, and selected contractual agreements with the county government.

The city's combined annual budget (all funds) is HUF 62 billion. Its business tax revenue, which has declined over the last three consecutive years, is HUF 2.3 billion. The vision statement of the city is simple: "We want to be the premier city in Békés county in which to live, work, and raise a family."

**Overview/Context.** Since 1992, the city has identified four fundamental areas critical in transforming the city bureaucracy into a high-performing municipal corporation:

- ◆ **Changing the focus from an incremental to a strategic viewpoint.** Previously, the city's elected and appointed leadership only addressed the current crisis, without a view toward long-term solutions. This has changed.
- ◆ **Moving from an internally-focused to a customer-driven perspective.** To remain strong in a highly competitive environment and retain citizens' confidence, the city identified its customers' service needs and expectations. The city established policies that empowered employees to meet and exceed customers' expectations.

- ◆ **Modifying the organizational structure to cross organizational lines.** Customer requests often involve more than one organizational unit. Developing cross-functional teams and organizing employees around key business processes (in addition to their assigned agencies) allowed Big City to improve the processes used to meet customers' expectations.
  
- ◆ **Giving decision-making authority to employees.** Employees at all organizational levels were given training, access to resources, and management support to address customers' requests. The city allowed managers to create an environment that encouraged, supported, and rewarded employees who placed customer needs first.
  
- ◆ **Development of Performance Indicators.** The finance officer and management team recognized that developing performance indicators would be necessary to sustain the necessary political and administrative commitment. Currently, the city's performance indicators fall into two broad categories.

The first category is key intended outcomes (KIOs) for each of the city's four strategic priorities:

- ◆ Customer-focused government
- ◆ Neighborhood vitality
- ◆ Family, youth, and community values
- ◆ Financial health and economic development

Two examples of KIO indicators are provided for each of the above strategic priorities. Please fill in additional indicators for each priority along the lines of the example:

**Table 1**  
**Strategic Plan KIOs To Be Achieved by the Year 2000**

Strategic Priority	KIO
Customer-Focused Government	1) Increase the overall quality rating for city services from 72% to 74% 2) Increase the coverage of citizen services from 65% to 75% 3) 4)
Neighborhood Vitality	1) Increase the percentage of residents who have attended a Neighborhood Services Team meeting within the past year from 14% to 25% 2) Increase the cooperation between neighborhood groups and the government by 10% 3) 4)
Family, Youth, and Community Values	1) Increase the percentage of residents who feel that Big City has remained as safe or become a safer place to live or work from 49% to 51% 2) Increase the percentage of sports and recreation facilities in the city by 10% 3) 4)
Financial Health and Economic Development	1) Increase the percentage of residents who believe that they pay the right amount of taxes or receive more services for the taxes they pay to the city from 62% to 64% 2) Improve the public infrastructure in the city from 60% to 70% to attract new business 3) 4)

The second category is intended results for all 15 city operating departments addressing:

- ◆ Customer satisfaction
- ◆ Financial performance
- ◆ Operational performance
- ◆ Employee satisfaction

Please develop indicators addressing the above points for each of the following programs:

**Table 2A**

**Performance Indicators for the Education Department**

No.	Indicator

**Table 2B**

**Performance Indicators for the Social Services Sector**

No.	Indicator

**Table 2C**

**Performance Indicators for Road Maintenance**

No.	Indicator

**Baking a Cake**

*This exercise helps you think about the concept of performance measurement on a different scale. Your objective should be to identify four types of performance indicators as defined in the practical guide.*

1. What ingredients go into making a cake? How would you measure them as inputs?
2. What is it that comes out of the oven? How would you measure it in terms of outputs?
3. How would you measure the efficiency of your cake baking efforts?
4. How would you measure whether the cake you baked is a good cake?
5. If the purpose of baking the cake is to have a happy birthday, how do we know if we had a happy birthday?

Source: Adapted from an exercise by written by Mark Glover of the Innovations Group, Washington, DC.

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# Appendix A: Municipal Customer Survey

This municipal customer survey is based on a survey in six Hungarian cities (Nagykanizsa, Szolnok, Szentes, Orosháza, Püspökladány, and Tatabánya) funded by USAID and conducted by the Urban Institute and Metropolitan Research Institute in February 1999.

## NOTES FOR INTERVIEWER:

Name of the person conducting the survey:  
Date of the survey: ..... (month/day/year)

Name of the municipality:  
District of the municipality:  
Respondent's sex  
 Male  
 Female

Hello, my name is.....and I would like to speak to the eldest member of the household who happens to be at home. The city has asked us to conduct an independent survey of citizens to help it improve its services.

*Starting with the cleanliness of the city:*

### 1. How would you rate the cleanliness of the following areas of the city on a scale from 1 to 5 (1 being very dirty, and 5 being very clean)?

- Downtown area
- Public squares
- Family house areas
- Neighborhood in which you live

### 2. Are there some areas of the city that you feel are very dirty?

- Yes
- No
- Don't know

### 3. If yes, please identify up to three such areas:

- 
- 
- 

### 4. About how often during the past 12 months did you use the parks in the city?

- Never
- 1 or 2 times a month
- 1 or 2 times a week
- Several times a week
- Daily

**5. For what purposes do you use the park? (Do not read responses—check responses closest to what respondent says)**

- To take the children to the playground
- To walk the dog
- To relax
- To socialize
- To exercise
- Other.....

**6. How do you rate the condition of the parks in the city on a scale from 1 to 5 (1 for the worst condition and 5 for the best)?**

- Condition of the parks in general
- Cleanliness
- Condition of the equipment (e.g., benches and playground)
- Its overall appearance (aesthetic quality)
- The amount of equipment (e.g., benches and playground)
- Convenience to your home
- Condition of the grass
- Number of trees
- Number of trash bins
- Behavior of the people
- Safety of the children

**7. If you had a choice, what would you like to see more of in the city parks?**

- Benches
- Playground equipment
- Trash receptacles
- Designated dog runs
- Other.....

*Turning now to the roads in the city:*

**8. How would you rate the condition of the street and road surfaces in the downtown area?**

- Well-paved
- Slightly bumpy
- Very bumpy
- Potential safety hazard
- Don't know

**9. How would you rate the condition of the street and road surfaces in your neighborhood?**

- Well-paved
- Slightly bumpy
- Very bumpy
- Potential safety hazard
- Don't know

**10. How would you rate the adequacy of the street signs in the city?**

- Excellent
- Quite good
- Fair
- Poor
- Don't know

**11. About how often in the past 12 months did you notice that traffic lights were out?**

- Many times
- A few times
- Never
- Don't know

**12. Would you say that broken traffic lights are repaired in a timely fashion?**

- Usually not
- Sometimes
- Almost always
- Don't know

**13. Would you say there are enough pedestrian crossings in the city?**

- Yes, enough
- No, too few
- Don't know

**14. About how often in the past 12 months were you affected by traffic restrictions due to road work?**

- Many times
- A few times
- Never
- Don't know

**15. Was the road work completed in a timely fashion?**

- Usually yes
- Sometimes yes
- Usually not
- Don't know

**16. How would you rate the traffic flow in the downtown or on the main street?**

- Very congested
- Somewhat congested
- Okay
- Just fine

*And now a few questions concerning garbage collection, water supply, and public transport:*

**17. During the past three months, did the collectors ever...**

	Yes	No	How many times
Miss picking up your trash and garbage on the scheduled pick-up days around your house or in your neighborhood?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Spill or scatter trash or garbage?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Made so much noise that it bothered you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**18. During the past three months, have you noticed widespread odors from uncollected garbage?**

- Yes
- No

**19. How would you rate the quality of the drinking water in the city?**

- Poor
- Occasionally bad
- Generally good
- Good
- Don't know

**20. Have you had any problems with the drinking water in the last 12 months?**

- Yes
- No

**21. If yes, what kind of problem have you had?**

- Bad color
- Bad taste
- Dirty
- Don't know

**22. How would you rate the pressure of your water supply?**

- Poor
- Generally fair
- Poor in the summer
- Good
- Don't know

**23. In getting around town how often do you use the local bus service?**

- Almost daily
- Once or twice a week
- Once or twice a month
- Never

**24. How would you rate the quality of the local bus service on a scale from 1 to 5 (where 1 is the worst quality and 5 is the best)?**

- Frequency of the bus service
- Reliability of the schedule
- Accessibility of the information about public transport
- Politeness and helpfulness of the drivers
- Closeness of the bus stops to your home
- Condition of the bus stops
- Inside condition of the buses
- Price of the tickets

**25. Were the buses in which you have ridden in the past three months ever...**

	<b>Never</b>	<b>Sometimes</b>	<b>Often</b>	<b>Very frequently</b>
Dirty or smelly? ( )		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Driven in a reckless or rough way?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overly crowded?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**26. Have you driven an automobile in the city in the past three months?**

- Yes
- No

**27. When you drive downtown in the daytime would you say finding a satisfactory parking space is:**

- Hardly ever a problem
- Sometimes a problem
- Usually a problem
- Don't park downtown
- Don't know

**28. Do you think city traffic signs (including directional signs, stop signs, and so forth, but not street name signs) are usually easy to see and understand quickly, sometimes hard to see or understand quickly, or often hard to see or understand quickly?**

- Usually easy to see and understand quickly
- Sometimes hard to see or understand quickly
- Often hard to see or understand quickly
- Don't know

**29. What is the problem with the signs? (Do not read responses— check response closest to what respondent says)**

- Blocked from view
- Too small
- Not at the same place on each intersection
- Missing where they are needed
- Hard to understand
- Changed too often
- Too many signs in the same place
- Other.....

*Now I would like to turn to issues of public safety:*

**30. Are there some parts of the city where you do not feel safe?**

- Yes
- No
- Don't know

**31. Would you please name up to three of these areas?**

- A. ....
- B.....
- C.....

**32. Why do you feel unsafe in .....?**

**33. How safe do you feel walking alone in your neighborhood at night?**

- Very safe
- Reasonably safe
- Somewhat unsafe
- Very unsafe
- Don't know

Turning now to social services:

**34. Do you or any members of your family currently receive any of the following city social services? If yes, how would you rate the quality of the service?**

	Yes	No	Bad	Fair	Good	Excellent
1. Elderly care	( )	( )	( )	( )	( )	( )
2. Nursery care	( )	( )	( )	( )	( )	( )
3. Home care	( )	( )	( )	( )	( )	( )
4. Subsidized meals	( )	( )	( )	( )	( )	( )
5. Job training ( )	( )	( )	( )	( )	( )	( )
6. Care for people with disabilities	( )	( )	( )	( )	( )	( )
7. Drug and alcohol treatment ( )	( )	( )	( )	( )	( )	( )
8. Homeless shelter	( )	( )	( )	( )	( )	( )
9. Other.....	( )	( )	( )	( )	( )	( )

**35. Have you or any members of your family received any kind of social welfare allowance in cash during the past three years?**

- ( ) Yes
- ( ) No
- ( ) Don't know

**36. If yes, what kind?**

- ( ) Regular
- ( ) Occasional

**37. If you get regular social support, could you specify what type?**

- ( ) Regular social welfare
- ( ) Regular child care allowance
- ( ) Salary supplement allowance
- ( ) Housing allowance
- ( ) Medicaid
- ( ) Nursing care fee
- ( ) Occasional support for the elderly

**38. Why did you turn to the municipality for assistance?**

- ( ) Low income
- ( ) Personal reasons (e.g., divorce)
- ( ) Illness
- ( ) Unemployment
- ( ) Other.....

**39. What further assistance do you expect?**

- ( ) In-kind support
- ( ) Employment
- ( ) Counseling
- ( ) Cash assistance
- ( ) Other.....

**40. If you or any member of your household has not received social assistance from the city, do you have an opinion about the services?**

- ( ) I have a very bad opinion about social welfare services in the city
- ( ) I have heard favorable opinions
- ( ) I would rely on the service if I had to
- ( ) Other.....

*I would like to now ask you a few questions about contacts you may have had with the city.*

**41. During the past 12 months, did you ever contact any city employee to seek service or information?**

- Yes
- No
- Don't know or don't remember

**42. If yes, in what service area?**

- Social
- Tax
- Communal services (road, pavement, park, water, sewage, etc.)
- Construction
- Custodial services
- Education
- Other.....

**43. Whom did you contact initially regarding .....**

- Official of the relevant department
- Head of the relevant department
- Consulting office
- Official of the relevant institution
- Mayor's office
- Notary
- Council member
- Personal contact

**44. During the past 12 months, did you ever contact any city employee to complain about something like a poor city service or a rude employee?**

- Yes
- No
- Don't know or don't remember

**45. Please describe up to three of the most important or most significant complaints, starting with the most important one:**

- A.....
- B.....
- C.....

**46. Whom did you contact initially regarding the complaint about.....?**

- Official of the relevant department
- Head of the relevant department
- Consulting office
- Official of the relevant institution
- Mayor's office
- Notary
- Council member
- Personal contact

**47. How did you file the complaint about.....?**

- In person
- By telephone
- By mail
- By a toll-free number
- Other.....

**48. Were you generally satisfied with the city's response? If you were dissatisfied, what was the main thing or things you were dissatisfied with? (Do not read responses—check response closest to what respondent says)**

- Never corrected condition, or otherwise never provided the requested service or information
- Poor quality or incorrect response was provided
- Took too long to complete response, had to keep pressuring them to get results
- Too much run-around, red tape, etc.
- Personnel were discourteous, negative, etc.
- Other.....

**49. Thinking back over the past three months, were there any complaints that you would have liked to have made to city officials but didn't?**

- Yes
- No
- Don't know

**50. Please describe briefly the nature of those unreported complaints (list up to two only):**

- A.....
- B.....

**51. What was the main reason you did not make those complaints? (Do not read responses—check response closest to what respondent says)**

- Didn't think it would do any good
- Expected or had previously experienced delays, run-around, red tape, etc.
- Thought officials already knew about the problem or that someone else would report it
- The procedure seemed long and unclear
- Didn't know how or where to complain
- Could not get through to appropriate city official
- The situation can be unpleasant and humiliating
- Other.....
- Don't know

**52. During the past 12 months have you attended a public meeting about city issues?**

- Yes
- No
- Don't know or don't remember

**53. During the past 12 months, have you ever watched a city council meeting telecast?**

- Yes
- No
- Don't know or don't remember

**54. How informed do you feel about the activities and decisions of the local government?**

	<b>Very informed</b>	<b>Somewhat</b>	<b>Hardly</b>	<b>Not informed</b>
Municipal decisions	()	()	()	()
Municipal activities	()	()	()	()

**55. If very or somewhat informed, from what source do you get most of your information?**

- Local or county newspapers
- Local television
- Local radio
- Advertisement
- Personally at council meetings
- Other.....

**56. What do you feel is the most serious issue facing the city at this time? (Do not read responses—check response closest to what respondent says)**

- Shrinking revenues
- Operating institutions
- Bad drainage system
- Elderly care
- Housing
- Problems of young people
- Gradual aging of the population
- Migration from the city
- Canalization
- Public safety
- Social welfare system
- Job creation
- Unemployment
- Access to city
- Cost of living
- Level of services
- Cleanliness
- The inefficiency of the city leadership
- Lack of information
- Lack of the involvement of the population in the decisions
- People are indifferent

**57. In general, how good a job do you feel the city is doing in meeting your needs and the needs of your family in the following service areas (rate on a scale of 1 to 5, where 1 is bad and 5 is excellent):**

- Education
- Health care
- Cleanliness
- Social welfare
- Public safety
- Waste collection

Finally, a few questions about you and your family.

**58. What are the ages of all the members of this household, including children?**

Respondent's age..... Ages of all other members of household.....

Respondent's age

- 18-24
- 25-34
- 35-49
- 50-64
- 65 and over

**59. Family size:**

- 1
- 2
- 3
- 4
- 5
- 6
- 7 or more
- Won't say

**60. How many motor vehicles do you and members of your family own?**

- 1
- 2
- 3 or more
- None
- Don't know

**61. What is the last grade or class you completed in school? (Do not read responses—check response closest to what respondent says)**

- Grade 8 or less
- Secondary school, incomplete
- Secondary school, complete
- Vocational, trade or business school beyond secondary school training
- University, incomplete
- University, complete
- Refused to say

**62. Which type of home do you live in?**

- Single-family house
- Block of flats
- Rowhouse apartment

**63. Please give me the letter that comes closest to your total household income per month for last year:**

- ( ) A less than 20,000 HUF
- ( ) B 20,001–40,000 HUF
- ( ) C 40,001–60,000 HUF
- ( ) D 60,001–80,000 HUF
- ( ) E 80,001–100,000 HUF
- ( ) F 100,001–200,000 HUF
- ( ) G 200,001 HUF and above