# Guide to the Stages of Performance Management



**People + Process = Progress**
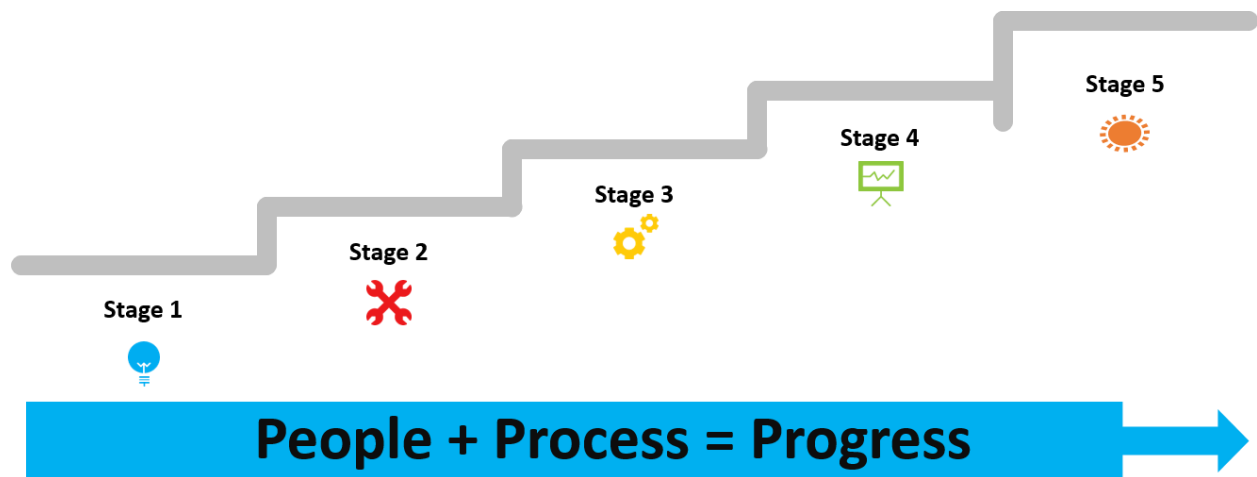
*A guide to help health departments make progress toward a culture of performance management*

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## Introduction

Organizations have long struggled with developing a performance management (PM) system to help understand, guide, and track operations. While many jurisdictions use some form of performance measurement, far fewer have successfully completed the transition to a PM system — integrating performance measurement into the ongoing management of the organization. This transition is much more difficult than the initial development of performance measures.[1]

The Public Health Performance Management Framework[2] shown in Figure 1 was developed specifically for public health. This conceptual model describes the essential elements of a PM system.

**PUBLIC HEALTH PERFORMANCE MANAGEMENT SYSTEM**

VISIBLE LEADERSHIP

Customer Focus

Transparency

**PERFORMANCE STANDARDS**
- Identify relevant standards
- Select indicators
- Set goals and targets
- Communicate expectations

**PERFORMANCE MEASUREMENT**
- Refine indicators
- Define measures
- Develop data systems
- Collect data

**REPORTING PROGRESS**
- Analyze and interpret data
- Report results broadly
- Develop a regular reporting cycle

**QUALITY IMPROVEMENT**
- Use data for decisions to improve policies, programs, outcomes
- Manage changes
- Create a learning organization

Culture of Quality

Strategic Alignment

Figure 1: Public Health Performance Management Framework
(adapted from the Turning Point Model)

This document supplements the Public Health Performance Management Framework by providing guidance about stages of PM practice. Specifically, this guide addresses:

- Selecting standards
- Measuring and determining the status of standards
- Reporting measurement data
- Prioritizing areas needing improvement
- Developing a system that helps improve the efficiency and effectiveness of the organization

Consulting with state, tribal, local, and territorial health departments has provided us with insight into how PM develops over time. This has led us to articulating five progressive stages of PM practice. We have described each phase, including general characteristics, guidance on how to transition to the next stage, and resources available to help in the transition. In addition to elements outlined in the Public Health Performance Management Framework, components of a fully integrated culture of PM system include:

1. Continuous staff training
2. A clear process to gather and analyze the data
3. A process for revising measures
4. Using the PM system as a tool to strengthen alignment of agency plans (health assessment, health improvement plans, QI plans, workforce development plans, strategic plan)
5. Continually build trust in the agency on how the measurement will be used to drive continuous improvement
6. Adequate staffing
7. Action based on results
8. Constant communication

Seeing the full progression helps a health department understand where it is starting from and strategies needed to transition to the next stage, as shown in Figure 2.
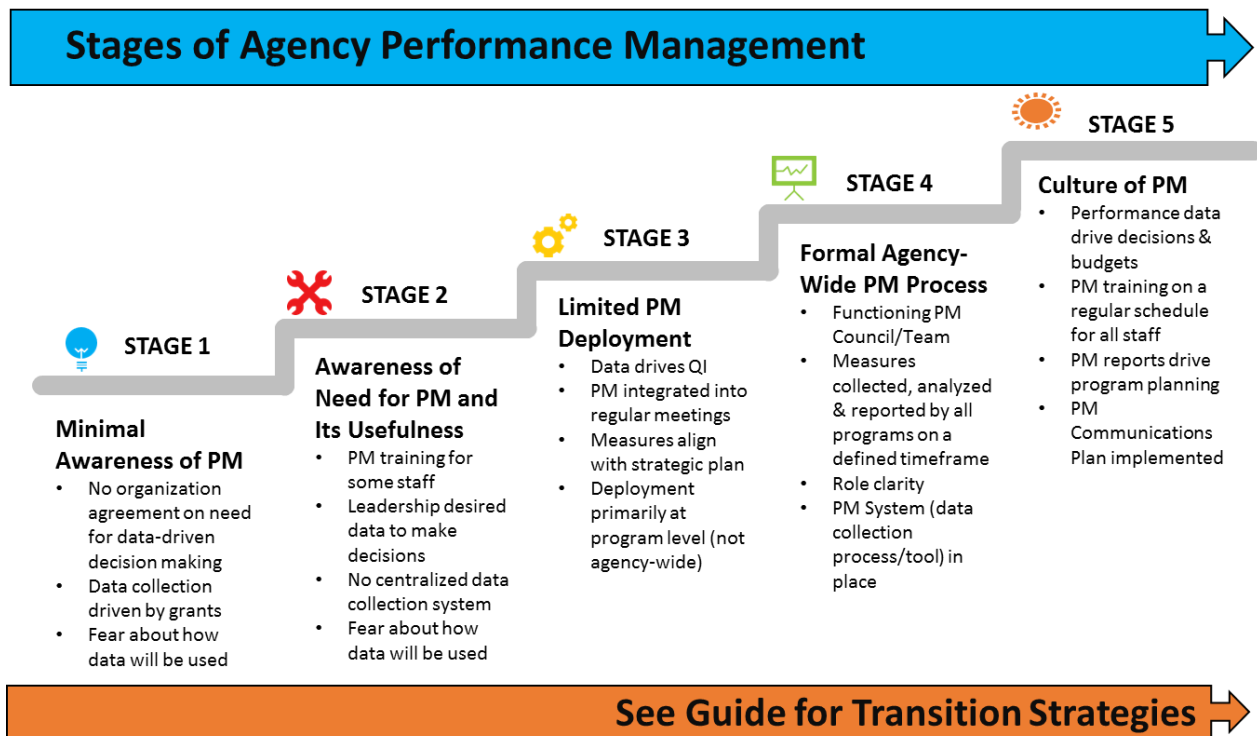
## Stages of Agency Performance Management

**STAGE 1**

**Minimal Awareness of PM**
- No organization agreement on need for data-driven decision making
- Data collection driven by grants
- Fear about how data will be used

**STAGE 2**

**Awareness of Need for PM and Its Usefulness**
- PM training for some staff
- Leadership desired data to make decisions
- No centralized data collection system
- Fear about how data will be used

**STAGE 3**

**Limited PM Deployment**
- Data drives QI
- PM integrated into regular meetings
- Measures align with strategic plan
- Deployment primarily at program level (not agency-wide)

**STAGE 4**

**Formal Agency-Wide PM Process**
- Functioning PM Council/Team
- Measures collected, analyzed & reported by all programs on a defined timeframe
- Role clarity
- PM System (data collection process/tool) in place

**STAGE 5**

**Culture of PM**
- Performance data drive decisions & budgets
- PM training on a regular schedule for all staff
- PM reports drive program planning
- PM Communications Plan implemented

**See Guide for Transition Strategies**

Figure 2: Stages of Agency Performance Management

## How to Use this Guide

Approaching the responsibility of leading and implementing agency PM can feel like learning to drive. Suddenly a simple idea – driving a car – demands a constant interplay of decisions, skills, rules, and coordination. Thankfully, driver training breaks this daunting challenge into more manageable tasks, starting with mirror and seat adjustments and calling attention to components one might not have considered before. Similarly, PM has subtle complexities that are hard to notice at the outset. An agency that has visible leadership and training systems in place may not have the process for managing and collecting the data; conversely, the best data collection system still breaks down if there is no leadership to do something with the information. This guide does not provide agencies with a PM score; rather, it provides a framework for noticing and assessing agency characteristics, and then taking action to enable transition to the next stage of PM practice.

## Stage 1 – Minimal Awareness of PM

**Characteristics:**

- Organization does not see the need for measurement data to make decisions
- Crises management is the operation mode
- Programs function in silos
- Data is collected primarily for grant reporting purposes
- Employees fear how management will use measurement data

**Transition Strategies:**

- Senior management education and training events
- Study examples of successful organizations
- Build trust in the process through team building exercises and continuous communication
- Emphasize PHAB Standards

**Resources:**

- Examples of other agency uses of PM[3, 4]
- Public Health Performance Management System Framework[5]
- Getting Started with Performance Management[6]

## Stage 2 – Awareness of the Need for PM and Its Usefulness

**Characteristics**:

- ✖ Leadership wants to get out of the crises mode of operation and begin making data-driven decisions
- ✖ Staff in leadership positions have attended local, state, or national conferences/trainings with a focus on PM
- ✖ PM has become a topic on intermittent leadership agendas
- ✖ Measures are primarily focused on grant requirements
- ✖ No centralized data collection system exists
- ✖ Employees still fear how measurement will be used

**Transition Strategies:**

- ✖ Conduct an agency PM self-assessment[7] to raise team members' awareness about the complexity and elements of PM, pockets of comparatively advanced PM practice, as well as areas needing development
- ✖ Conduct a basic PM training for leadership and start to sell the idea
- ✖ Develop a vocabulary of the most common data management terms
- ✖ Conduct training for measures design – Goals/Targets/Outcomes
- ✖ Adopt a simple process for managing data (spreadsheets, electronic dashboard, etc.)

**Resources:**

- ✖ Getting Started with Performance Management[8]
- ✖ Subscribe to the quarterly newsletter *Performance Improvement Inside Track*[9]
- ✖ Join to the Public Health Performance Improvement Network[10]

## Stage 3 – Limited PM Deployment

**Characteristics**:

- Senior management and program level management use program data to drive selection of QI projects
- PM is a standing agenda item for all program level meetings
- Programs have defined measures to assess progress aligned with strategic plan
- There is clear accountability for measures collection
- At the program level, data is collected on a regular schedule
- Data is analyzed to look for opportunities for improvement

**Transition Strategies:**

- Dedicate increased staff time (both a lead/coordinator and time at all programmatic levels) to develop measures and manage the data collection and analysis process
- Convene leadership team to review adoption of performance measurement and review among programs and identify gaps
- Conduct an inventory of measures being used across the agency; look for duplication; look for numbers of output, process and outcomes measures and their alignment
- Appoint and empower a data management coordinator
- Begin aligning program measures with agency strategic goals

**Resources:**

- *Performance Management and Cultural Transformation Using PDCA*[11]

## Stage 4 – Formal Agency-Wide PM Process

**Characteristics:**

- A formal council or leadership team meets to review the measures
- Leadership regularly reports on the PM process through agency communications or all-staff meetings
- PM is a standing agenda item for all senior leadership level meetings
- Measures have defined targets based in evidence or standards
- Measures are aligned with the agency strategic plan
- Measures are collected on a defined timeframe (monthly/quarterly etc.)
- Staff roles are clear regarding data collection and reporting
- There is a system --data collection tool-- in place (Excel spreadsheet on shared drive, electronic dashboard) and this data drives QI project selection

**Transition Strategies:**

- Use the results from the agency PM self-assessment to build action plans
- Create and implement a PM communications plan
- Adequate staff time is dedicated to data management

**Resources:**

- Competencies for Performance Improvement Professionals in Public Health[12]

## Stage 5 – Culture of PM

**Characteristics:**

- ☀ Performance data is used to make strategic decisions related to staffing, budgets or new initiatives
- ☀ Staff present the process or outcomes of agency performance improvement efforts at state, regional or national conferences
- ☀ Measures are visible throughout the agency
- ☀ Measure review and refinement occur regularly
- ☀ PM training occurs on a regular basis for all relevant staff positions
- ☀ Reports pulled from the system are a daily tool for programs
- ☀ The PM and QI process is detailed in a policy/procedure/plan

**Resources:**

- ☀ PHF's Performance Management Toolkit[13]
- ☀ NACCHO's Guide to Communicating about Performance Improvement[14]

## Call to Action

Implementing a PM system is fundamentally about closely examining the system, and strategically re-designing it to match the organization's mission and goals. Such redesigns and transitions are hard. The first step is to be clear about your purpose and intention; if you are reading this, then you already have an intention to strengthen the PM system. This guide offers incremental transition strategies to help an organization move through these progressive stages toward a culture of PM. Using this framework can help keep an organization's performance management practice evergreen and responsive to dynamic variables.

## Links to Resources

1. *Performance Management and Cultural Transformation Using PDCA*: http://www.phf.org/news/Pages/Performance_Management_and_Cultural_Transformation_Using_PDCA.aspx
2. Turning Point: Performance Management Project and Publications: http://www.phf.org/resourcestools/Pages/Turning_Point_Project_Publications.aspx
3. NACCHO Local Public Health PM Examples: https://www.naccho.org/programs/public-health-infrastructure/performance-improvement/performance-management
4. ASTHO State PM Case Studies: https://www.astho.org/topic/public-health-infrastructure/performance-management/
5. Public Health Performance Management Framework: http://www.phf.org/focusareas/performancemanagement/toolkit/Pages/PM_Toolkit_About_the_Performance_Management_Framework.aspx
6. Getting Started with Performance Management: http://www.phf.org/focusareas/performancemanagement/toolkit/Pages/PM_Toolkit_Getting_Started.aspx
7. Performance Management Self-Assessment: http://www.phf.org/focusareas/performancemanagement/toolkit/Pages/PM_Toolkit_Self_Assessment.aspx
8. Getting Started with Performance Management: http://www.phf.org/focusareas/performancemanagement/toolkit/Pages/PM_Toolkit_Getting_Started.aspx
9. *Performance Improvement Inside Track:* www.phf.org/insidetrack
10. Performance Improvement Network: https://nnphi.org/relatedarticle/public-health-performance-improvement-network-phpin/
11. *Performance Management and Cultural Transformation Using PDCA*: http://www.phf.org/news/Pages/Performance_Management_and_Cultural_Transformation_Using_PDCA.aspx
12. Competencies for Performance Improvement Professionals in Public Health: http://www.phf.org/programs/performanceimprovement/Pages/Performance_Improvement_Competencies_Public_Health.aspx
13. PHF Performance Management Toolkit: http://www.phf.org/focusareas/performancemanagement/toolkit/Pages/Performance_Management_Toolkit.aspx

14. NACCHO *Guide to Communicating About Performance Improvement*:
http://archived.naccho.org/topics/infrastructure/accreditation/picommunications.cfm