

MODULE 7 – Performance Measures

This module is designed to enhance the section on performance measures in the Service Plan Guidelines. What follows is a list of attributes performance measures should adhere to, as well information on how to use performance measures effectively. Examples are provided at the end of the section.

Performance measures should meet criteria that test their relevance and suitability. This will ensure that the measures are useful for the organization in terms of internal planning and external understanding. Performance measures should be:

- Able to withstand public scrutiny. Measures should be able to withstand public scrutiny by key stakeholders and the public. Clearly defined measures can be defended from various perspectives. Therefore, measures and targets must be based on reliable data; if any issues exist around the reliability of the data, they must be addressed;
- Clear, accurate, and consistent. Performance measures should be clearly defined and accurate to ensure that the employees responsible for gathering data know precisely what to do. Consistency should guide information gathering for measures, which can be more important than accuracy;
- Cost-effective. Creating measures should be cost-effective. That is, organizations should garner information to create measures from previously collected data. If this is not possible, an organization should try to identify measures that do not create immense measurement challenges;
- Clear interpretation. Measures should provide pertinent and vital information about performance of the organization through clear interpretation. An organization needs to ask itself “if a measure changes, is the corresponding objective being or not being achieved?”;
- Appropriate and relevant. Measures should be appropriate and relevant (demonstrate the organization’s performance) and relate to other measures in terms of the organization’s overall performance;
- Outcome focused. Measures should focus on outcomes, that is, they should measure the *expected results* of the strategy.
- Flexible. Measures should not be static. Measures should be modified or eliminated if they do not meet the criteria or are no longer relevant. Measures should exist in the context of goals, objectives, strategies, and targets. Organizations should, however, provide explanatory information if any changes are made or the given measure is eliminated;
- Easily understandable. Measures should be clear and easily understandable so that the reader is able to see how the performance is being assessed. Again, explanatory information should be provided when technical measures are used;
- Time-sensitive. Measures should be done in time for planning and decision-making; and

- **Balanced.** Measures should be complete and balanced so that the reader is provided with all the necessary information. Organizations should remember that different users will require differing amounts of information (e.g., program managers and the public).^{1 2}

Using Performance Measures Effectively

- ***Performance measures on their own are best when used in planning and monitoring activities. It is not advised to use performance measures for evaluation;***
- ***Performance measures are more appropriate for some activities than for others. In the Limitations section in Module 6, it was noted that prevention is difficult to measure. Again, organizations must take care when measuring opposite trends to provide insight as to the particular prevention measure. It may be more appropriate to find another way to gauge the outcome, such as customer satisfaction surveys;***
- ***Ensure that measurements are at the appropriate level. Again, logic models are extremely useful tools for identifying what forms of outcomes may be realistic given the circumstances and context of the line of business/ program;***
- ***Test measures in advance; and***
- ***Involve all staff, managers, and other stakeholders in developing, reviewing, and modifying measures. This will encourage consistency, ownership, and accuracy in measurement and relevancy of the measures.***³

Examples of performance measures:

• Environmental Regulatory Compliance (incidents)	(BC Hydro)
• Percentage of Basin residents informed about Columbia Basin Trust (CBT) and provided feedback to CBT.	(Columbia Basin Trust)
• Business tools available to PBC and its clients	(Partnerships BC)

¹ Auditor General of British Columbia and the Deputy Ministers' Council. (1996). Enhancing Accountability for Performance: A Framework and Implementation Plan. A Second Joint Report.

² University of California, Office of the President, Partnership for Performance. (1997). Measurement Handbook. <http://www.ucop.edu/ucophome/businit/hdbkcontents.html> .

³ Perrin. B. (Fall 1998). Effective Use and Misuse of Performance Measurement. American Journal of Program Evaluation. 19 (3). [Online] EBSCO Publishing.