



8.0 PERFORMANCE MANAGEMENT

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8.1 METRICS

Performance metrics enable leadership to see how well each investment is delivering on its mission and business goals and achieve insight into where operations can be improved or resources redirected to deliver better value to citizens. There are typically three layers of performance measures: outcomes, outputs, and inputs. Outcome measures are the most important, as they measure how well we are accomplishing our mission. However, measuring the inputs to and outputs from our processes and activities is also vitally important to provide managers with the information they need to make decisions about how to improve the outcome measures.

8.1.1 OUTCOMES (MISSION AND BUSINESS RESULTS, CUSTOMER RESULTS)

Outcome measures tell us how we are Hawaii ing: how well we are meeting our mission goals of protecting the environment, preserving our cultural heritage, and providing recreation opportunities to citizens. The point of every tax dollar we spend is to deliver on our mission. It is critical that our leaders and managers understand not only how well we are accomplishing that mission, but what impact investment decisions have on improving our mission performance.

8.1.2 OUTPUTS (PROCESSES AND ACTIVITIES)

Outputs are the measures that managers can use to determine whether the processes and activities of the enterprise are being efficient and effective. We look at five categories of output measurements:

- Financial
- Productivity
- Cycle time and timeliness
- Quality
- Security and privacy

8.1.3 INPUTS (HUMAN CAPITAL, TECHNOLOGY, OTHER FIXED ASSETS)

The last type of measure is the inputs or resources we use to achieve our desired outcomes. Improving outcomes would be easy if we had unlimited resources. In a resource-constrained world, however, we need to make the best use of the resources we have. Therefore, our performance is measured not only by the outcomes we achieve, but also by the amount of resources we have.

While all resources can ultimately be described in terms of dollars, the input measures we use fall into three basic types: human capital, technology, and other fixed assets. This categorization is used because dollars allocated to one of these categories are not easily converted to another category, so it is more useful to see what the funding was spent on than just the total amount spent.