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 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 performance management 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 performance management system.

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![Public Health Performance Management Framework](image)

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 performance management 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 performance management develops over time. This has led us to articulating five progressive stages of performance management 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 performance management include:

1. Continuous staff training
2. A clear process to gather and analyze the data
3. A process for revising measures
4. Using the performance management system as a tool to strengthen alignment of agency plans (health assessment, health improvement plan, quality improvement (QI) plan, workforce development plan, strategic plan)
5. A trustworthy process for using measurement 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.
How to Use this Guide

Approaching the responsibility of leading and implementing agency performance management 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, performance management 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 performance management score; rather, it provides a framework for noticing and assessing agency characteristics, and then taking action to enable transition to the next stage of performance management practice.
Stage 1 – Minimal Awareness of Performance Management

Characteristics:
- Organization does not see the need for measurement data to make decisions
- Crisis management is the operation mode
- Programs function in silos
- Data are 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
- Emphasize Public Health Accreditation Board standards

Resources:
- Examples of other agency uses of performance management\(^3, 4, 5\)
- Public Health Performance Management System Framework\(^6\)
- Getting Started with Performance Management\(^7\)
Stage 2 – Awareness of the Need for Performance Management and Its Usefulness

Characteristics:

✦ Leadership wants to get out of the crisis mode of operation and begin making data-driven decisions
✦ Staff in leadership positions have attended local, tribal, state, or national conferences/trainings with a focus on performance management
✦ Performance management 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 Performance Management Self-Assessment\(^8\) to raise team members’ awareness about the complexity and elements of performance management, pockets of comparatively advanced performance management practice, as well as areas needing development
✦ Conduct a basic performance management 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]\(^9\)
✦ [Subscribe to the quarterly newsletter Performance Improvement Inside Track]\(^10\)
✦ [Join to the Public Health Performance Improvement Network]\(^11\)
Stage 3 – Limited Performance Management Deployment

Characteristics:

- Senior management and program level management use program data to drive selection of QI projects
- Performance management is a standing agenda item for 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 are collected on a regular schedule
- Data are 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 management 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^{12}
Stage 4 – Formal Agency-Wide Performance Management Process

Characteristics

- A formal council or leadership team meets to review the measures
- Leadership regularly reports on the performance management process through agency communications or all-staff meetings
- Performance management is a standing agenda item for senior leadership level meetings
- Measures have defined targets based in evidence or standards
- Measures are aligned with the agency strategic plan
- Data 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 these data drive QI project selection

Transition Strategies

- Use the results from the agency Performance Management Self-Assessment to build action plans
- Create and implement a performance management communications plan
- Dedicate adequate staff time to data management

Resources:

- Competencies for Performance Improvement Professionals in Public Health

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Stage 5 – Culture of Performance Management

Characteristics

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

Resources

- PHF Performance Management Toolkit
- NACCHO Guide to Communicating about Performance Improvement

Call to Action

Implementing a performance management system is fundamentally about closely examining the system and strategically redesigning 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 performance management system. This guide offers incremental transition strategies to help an organization move through these progressive stages toward a culture of performance management. Using this stages 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/resourcetools/Pages/Turning_Point_Project_Publications.aspx

3. PHF Examples of Performance Management in Practice:


5. ASTHO State PM Case Studies: http://www.astho.org/Programs/Accreditation-and-Performance/Resources-and-Tools/

6. Public Health Performance Management System Framework:
   http://www.phf.org/focusareas/performance management/toolkit/Pages/PM_Toolkit_About_the_Performance_Management_Framework.aspx

7. Getting Started with Performance Management:

8. Performance Management Self-Assessment:
   http://www.phf.org/focusareas/performance management/toolkit/Pages/PM_Toolkit_Self_Assessment.aspx

9. Getting Started with Performance Management:

10. PHF’s Performance Improvement Inside Track: www.phf.org/insidetrack


12. Performance Management and Cultural Transformation Using PDCA:
    http://www.phf.org/news/Pages/Performance_Management_and_Cultural_Transformation_Using_PDCA.aspx

13. Competencies for Performance Improvement Professionals in Public Health:
    http://www.phf.org/resourcetools/Pages/Performance_Improvement_Competencies.aspx
14. PHF Performance Management Toolkit:
   http://www.phf.org/focusareas/performancemanagement/toolkit/Pages/Performance_Management_Toolkit.aspx

15. NACCHO Guide to Communicating About Performance Improvement:
   http://toolbox.naccho.org/api/ToolBlob?blobKey=0045ca9d-53ee-4706-8fa3-f447ff4aa56c&fileName=Guide_to_Co