
Are We There Yet?



The other day I was on the phone with a local WIA Executive Director talking about WIA performance management. To protect this person's identity, I'll just call him Ralph.

The conversation was a typical workforce development performance management back-and-forth. We touched on the complexities of WIA performance measures, including the latest Lit/Numeracy changes, Common Measures waivers, tackling WIRED regional performance measures, etc. We hit the latest high points as we caught up with each other.

Ralph took a moment and explained his Board's performance management committee where two board members participate with two committee staff members to provide the occasional series of performance reports to the entire board. He said there's been an ongoing exchange of performance information among key program managers as well as part of their efforts to keep tabs on metrics. Overall, he seemed confident in his performance management processes.

Is Ralph a member of the performance management culture? Has his local area evolved to the point beyond mere data collection and reporting up the chain? Could this be a sign that the performance management culture is maturing in the workforce development community? As I hung up the phone, I wondered.

Ralph seemed a bit worn down during our conversation. But exhaustion makes sense when performance management is the topic du jour. Performance Management in workforce has been quite the roller coaster ride over the past 7 years, a ride I call the "Mind-Numb-er." If you've had to wrangle an understanding of the changes in measure definitions, performance negotiations,

the regression model debate, EMILE, WISPR, WIASRD updates, common measures, defining a participant...a credential, then you know why "Mind-Numb-er" is an appropriate name. And while riding this coaster of change, workforce professionals have been trying to adopt a "management by performance culture" within their agencies in order to grow and maintain a focus on continuous improvement as called for by WIA. Doing so has not been easy, but it has been, and continues to be, necessary. Remember? The GAO tagged performance management as a "high-stakes game".

I recall back in 2000, when WIA implementation was in full swing. Performance management was on everyone's mind. There was a mad scramble to get MIS systems properly configured to meet DOL's dataset requirements for reporting, everyone was trying to digest the 17 measures and bring everyone in the system up to speed on what it all meant, and paranoia reigned supreme with the threat of sanctions looming, particularly since data availability for determining baseline targets for measures was thin. Everyone just wanted to be able to report some numbers up the chain...to meet requirements and meet those targets. Manage by performance? A culture of performance management? "Well, maybe next year, let's just get our system in place," that was the mantra for 2000, and it continued for some years thereafter.

Today, there are Performance Summits, WIB performance committees, a WIA performance guru on staff rosters and much more dialogue about performance metrics and how they translate to the effectiveness of programs and success for customers. These are indicators that we are moving in the right direction toward a performance management culture—a move that ultimately can lead programs to higher levels of success and better communities for us all.

In addition, we have updated MIS systems to handle the new requirements and many local areas and states have implemented performance management systems to track and analyze their metrics. Some have even gone beyond the mandatory requirements and have introduced Balanced Scorecards, Performance Dashboards and locally defined measures to give them a more complete workforce development story to inform policy decision-making. More workforce professionals are certainly speaking the performance management lingo more fluently, with greater confidence. I've even seen more use of the term, "Workforce Intelligence," a term



that arose naturally as the workforce development community became more adept at performance management practices. More good signs.

Are we there yet? Have all of us embraced a performance management culture? Ralph might be. I was curious to find out, but first, let's define what we mean by a performance management culture, so we're all on the same page.

What is a performance management culture?

Culture: the sum total of an organization's ways of operating and working together... the shared beliefs and the written and unwritten policies and procedures that determine the ways in which the organization and its people behave and solve problems. ¹

Culture impacts the way people relate to each other and ultimately influences what an agency can achieve. This holds true for any organization, public or private.

WIA directs us to move toward a more performance-oriented culture by setting our focus on continuous improvement. When the agency's attention includes developing and using performance management systems to support effective decision-making, they've evolved to a performance management culture. Here are some characteristics of an agency with a performance culture: ²

1. **Customer Focus:** improved outcomes are considered at all stages of performance management. Is this policy going to help our customers achieve greater wages?
2. **'Can-do' attitudes:** people feel empowered and supported to innovate and take responsibility without fear of being blamed for failures. A failing measure isn't good, but it isn't bad either, it's informative. What can be learned so we can improve? Not, who is to blame?
3. **Learning:** feedback from staff, customers and performance monitoring inform plans for improvement. What are we doing? What are the outcomes? What stories can our data tell us?
4. **Performance management as a tool:** rather than being seen as a form-filling exercise or something that needs to be done to satisfy someone else (state, DOL, Board) What do we want to know? Why do we want to know it? How can we use the information to help us improve?

A workforce development agency that has adopted a performance management culture is one that focuses on upgrading a customer's situation, one that understands

¹ "Performance Management: A Cultural Revolution," PMMI Project, January 2006

² *ibid.*

"benchmarking" as an opportunity to learn from others – to uncover best practices, one that sees a metric as an indicator of change to evaluate policy impact, and one that understands that sharing experience and information will lift the whole organization. It is an organization that understands that better day-to-day decisions quickly lead to an organization that excels, and that widely accessible performance data will inform these decisions.

Later that week, I called Ralph back to probe a bit deeper. I was excited to get confirmation that his agency had successfully made the cultural shift to a performance management culture and to learn more about its success. Here's an excerpt:

Me: Do you have a performance management system in place to provide your team and the WIB performance committee with the information they need?

Ralph: Yes, of course. Our case management system allows us to generate required reports.

First sign of trouble: Ralph believes his case management system is doubling as a performance management system. Case management systems are designed for collecting data and providing reports for validation, audit and status; they typically are not dynamic or interactive enough for performance management purposes, nor should they be.

Me: Required reports? What do you mean, "required?"

Ralph: We have a series of canned reports that show the metrics required by labor, plus we include some flow data to show the number of participants for the various funding streams. We provide these quarterly to the board.

Me: Does the committee request any further details about the data they see in these reports? Let me rephrase that...do they ever request specific reports to dig into the data a bit...to learn more about what might be behind a number in any of the reports? You know, to help them get to the bottom of a failing measure...to learn more?

Ralph: Yes. We try to give them what they want, but we don't have the ability sometimes to create the reports, at least in a timely manner. We are limited in what we can pull as a report from our case management system. But the system has the base reports we need so we meet requirements.



Second sign of trouble: Uh-Oh...so, "... we meet requirements" is code for saying, "It's a pass/fail world, and we pass."

Me: That must be frustrating. Did you know that there are systems that exist to help you mine the case management data for reporting and analysis? They can keep your team informed and allow them to dig into data very quickly to help get at more detailed answers. Have you investigated this?

Ralph: Yes, we have, but to be honest, we just want to report our data up to the state, that's it.

Me: (long pause as I picked my chin off my desk)

I'll stop there. I think you can imagine the rest. We did continue to talk, but it was more about the importance for his agency to adopt a more performance-oriented culture and how that type of change is only realistic with the advocacy of top-level management.

I was bit disappointed when the conversation digressed back to the old days of reporting for reporting's sake. I was hoping he'd seen the big picture by now, that he had made the management transformation and that he and his agency were in the throws of this important cultural shift. Perhaps the "Mind-Numb-er" had been too much to handle or perhaps he's just plain worn out. Maybe next year will be the year.

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FutureWork Systems has been providing web-based performance management decision support technology and technical assistance to states and local areas since 2000. FutureWork Systems is considered the leader in WIA workforce performance management tools and services. www.futureworksystems.com 