



Office of
Financial Management
STATE OF WASHINGTON

Activity Inventory Performance Measure Assessment

Transportation Improvement Board (TIB)

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Office of Financial Management Assessor:

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Agency Participants:

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Based on a review of the following: OFM Performance Measure Tracking System, agency 407; Transportation Improvement Board (TIB), *Strategic Plan, 2007-2015*; TIB's web site and performance dashboard <http://www.tib.wa.gov/Performance/Performance.htm>;
Priorities of Government (POG) *Mobility Strategy Map* (Sept. 2006), <http://www.ofm.wa.gov/budget/pog/strategymap6.pdf>

Current Strengths and Good Practices

- The Transportation Improvement Board (TIB) is a model for using performance data to manage operations and improve performance.
- TIB's Executive Director actively monitors agency performance data through a “dashboard” of key measures drawn from an outstanding data collection and presentation system.
- TIB's dashboard of performance measures is highly visible to the public on its web site, as well as a Balanced Scorecard format presentation of measures.

Comments About the Budget Activity Measures

- TIB has seven Activities in OFM's Performance Measure Tracking system (PMT), but only three measures. This is particularly striking given the wealth of strategic planning and performance measures used within the agency.
- TIB's Activities line up quite well with the Priorities of Government (POG) strategies to improve mobility, e.g., reduce congestion, improve safety, and improve alternate transportation modes (see slide 7 below). However, the performance measures do not show progress toward these objectives.
- Measures in OFM's system only have one or two data points.

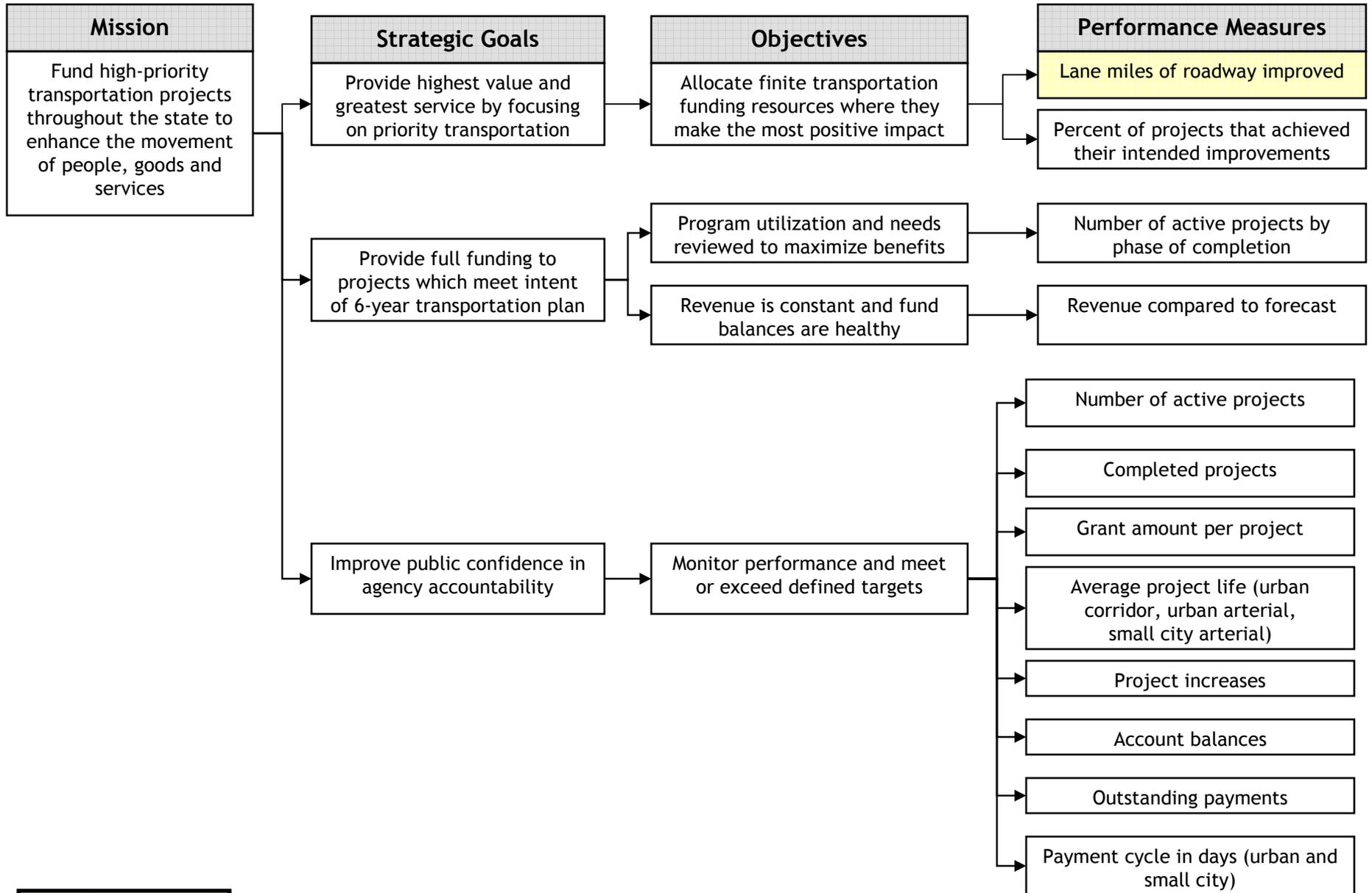
Potential Improvements

- TIB should, in consultation with the OFM Budget Analyst, decide on meaningful performance measures to replace or supplement current ones in PMT. Some criteria for choosing useful measures could include:
 - The measure is already gathered and used by TIB.
 - The measure tells a story about TIB's work and products (i.e. its "widget" of deciding on and funding transportation projects by local governments) of each of its major activities.
 - The measure tells a story about TIB's contribution to strategies for this statewide result area: Improving the mobility of people, goods and services (see slide 7, below).
- TIB should update the information in PMT on a regular basis.

Agency Comments and Future Actions

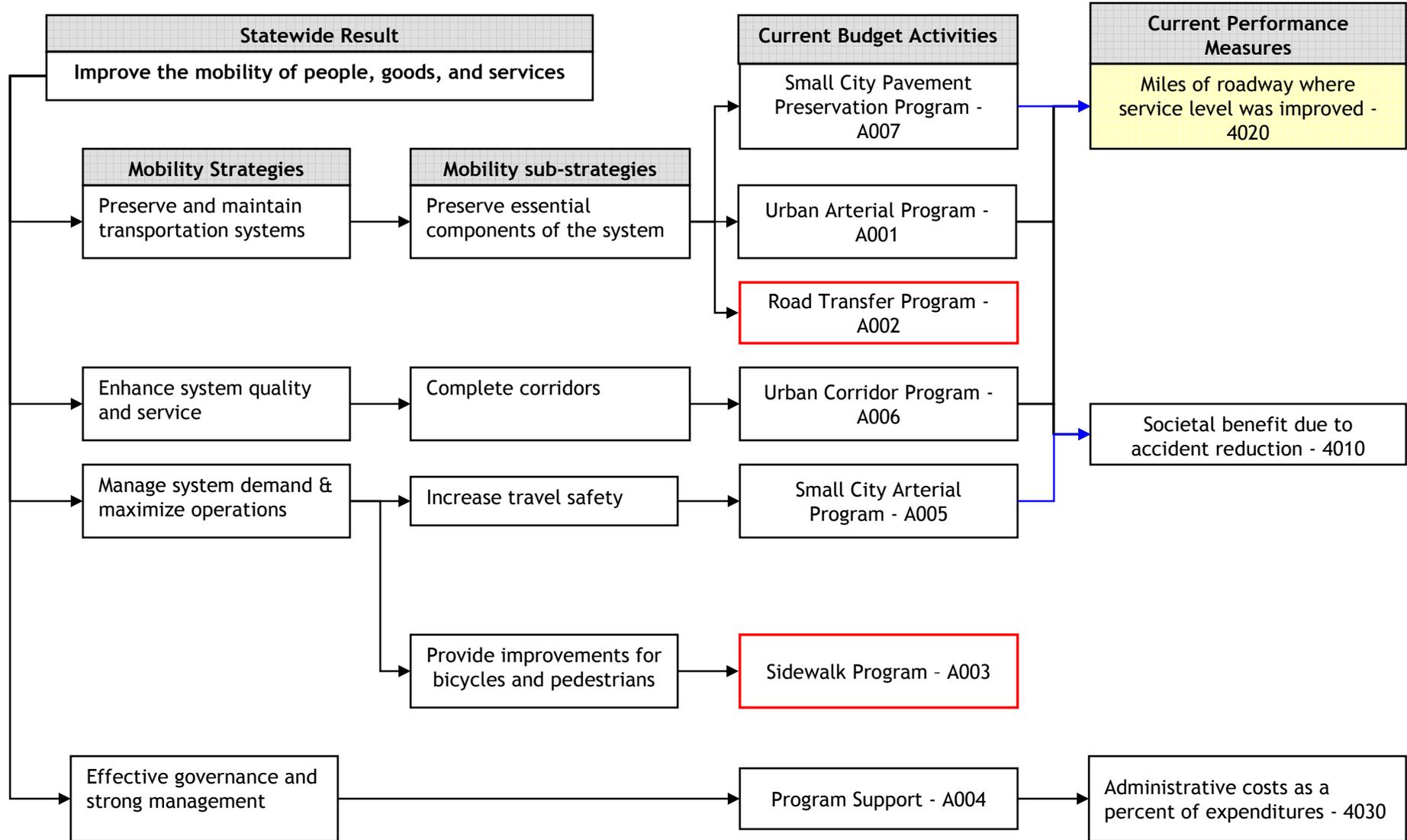
- Current OFM performance measures for TIB predate existing management.
- TIB management does not view current measures as representative, or informative, of our work and progress.
- TIB has very good performance data and would prefer to provide more current and representative metrics.
- TIB will work with OFM to propose new metrics.

Overview of Strategic Planning & Performance Measure Alignment



Also Current Budget Activity Measures

Links: Statewide Results and Strategies with Budget Activities & Measures



Legend

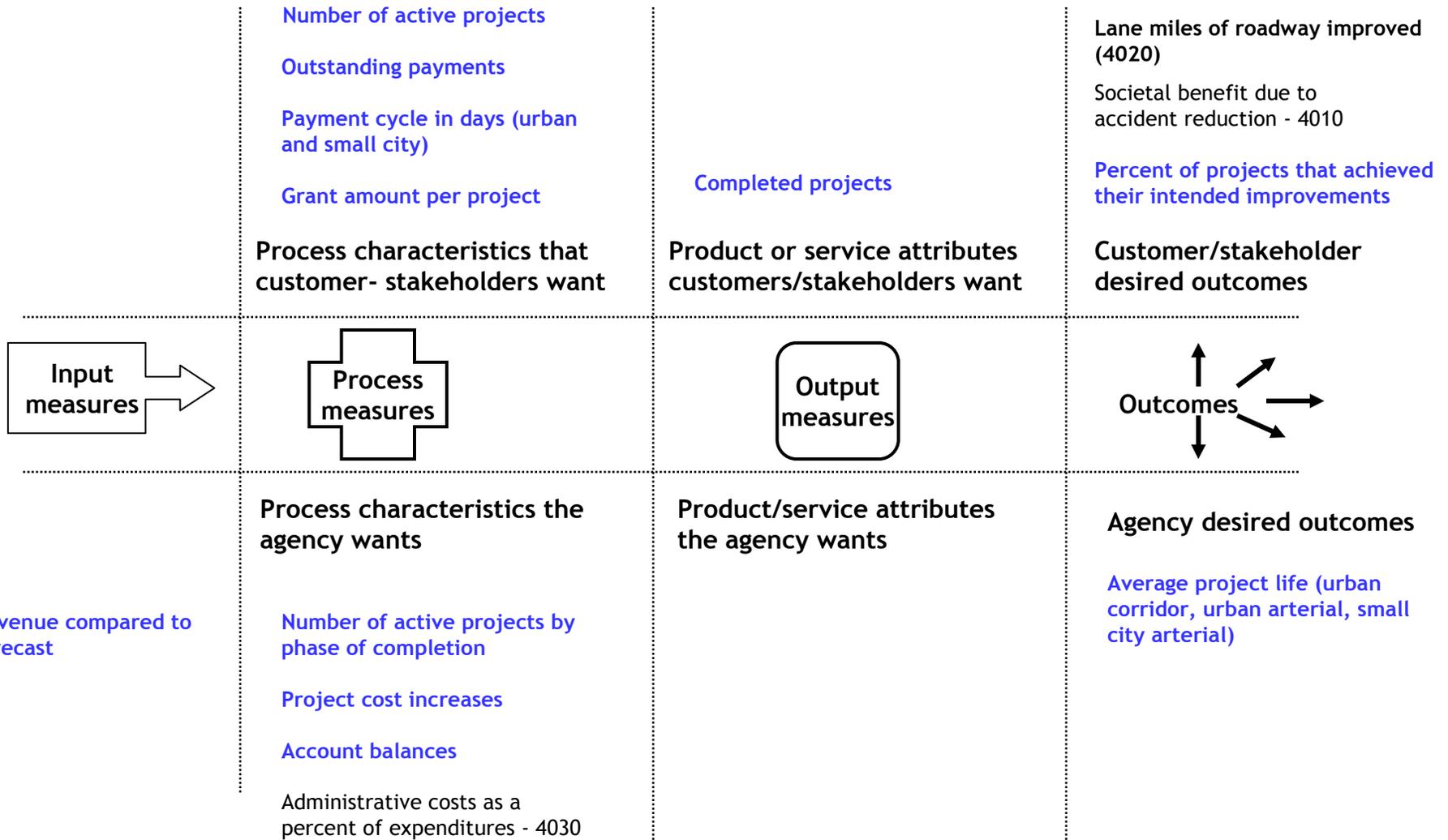
Budget Activity linked to a Performance Measure

Also current Strategic Plan measure

Budget Activity with no Performance Measure

Activity linked to only a single measure

Activity Measure Perspectives



Legend

Budget Activity Measure

Strategic Plan Measure

Strategic Plan and Budget Activity Measure

Activity Measure Assessment - Societal benefit from fewer accidents

<p>Performance Measure Description: Estimated annual societal benefit due to accident reduction for urban arterials (in millions of dollars) (4010)</p>	<p style="text-align: center;">Annual societal benefit from urban arterial accident reduction (\$ millions)</p> <table border="1" style="margin-top: 10px;"> <caption>Estimated Annual Societal Benefit from Urban Arterial Accident Reduction (\$ millions)</caption> <thead> <tr> <th>Quarter</th> <th>Year</th> <th>Benefit (\$ millions)</th> </tr> </thead> <tbody> <tr> <td>Q2</td> <td>2005-07</td> <td>18</td> </tr> <tr> <td>Q3</td> <td>2005-07</td> <td>18</td> </tr> <tr> <td>Q6</td> <td>2005-07</td> <td>17</td> </tr> <tr> <td>Q7</td> <td>2005-07</td> <td>15</td> </tr> </tbody> </table>	Quarter	Year	Benefit (\$ millions)	Q2	2005-07	18	Q3	2005-07	18	Q6	2005-07	17	Q7	2005-07	15
Quarter		Year	Benefit (\$ millions)													
Q2		2005-07	18													
Q3		2005-07	18													
Q6		2005-07	17													
Q7	2005-07	15														
<p>Budget Activity Links: Urban Arterial Program (A001); Urban Corridor Program (A006); Small City Arterial Program (A005)</p>																
<p>Category of Measure: Fewer accidents because of TIB investments is an ultimate outcome or result.</p>																
<p>Analysis of Variation: Not enough data to judge.</p>																
<p>Analysis of Targeted vs. Actual Performance: Performance has exceeded the target for two periods.</p>																

Comments About Desirable Characteristics		General Comments & Explanations:
<p>Relevance: Reducing accidents by improving roads is an outcome of TIB's work, although not the only result.</p>	<p>Timeliness: The measure speaks of annual benefit, yet data is provided in consecutive quarters, and varies by \$100,000.</p>	<p>• This seems like less of a measure, and more of an indicator, for the following reasons:</p> <ul style="list-style-type: none"> • It relates more to a broad result (i.e. reducing accidents is an ultimate result of investments in roads) than to specific agency work. • It is an estimate based on a number of assumptions rather than an observation about what actually occurred.
<p>Understandability: Any avoided costs calculation, such as this one, rests on a number of assumptions that are not provided here.</p>	<p>Comparability: Rests on assumptions that are not provided here.</p>	
<p>Reliability: An estimate such as this depends on assumptions that are not provided here.</p>	<p>Cost Effectiveness: Does not seem to be used by TIB in its strategic planning.</p>	

Activity Measure Assessment - Miles of improved urban arterials

<p>Performance Measure Description: Miles of urban arterial roadway where the service level was improved to adopted service level or better (4020)</p>	<div style="text-align: center;"> <p>Miles of urban arterial roads improved</p> <table border="1" style="margin-top: 10px;"> <caption>Data from Chart: Miles of urban arterial roads improved</caption> <thead> <tr> <th>Quarter</th> <th>Miles Improved</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Q2 2005-07</td> <td>~31</td> <td>~23</td> </tr> <tr> <td>Q6 2005-07</td> <td>0</td> <td>~23</td> </tr> </tbody> </table> </div>	Quarter	Miles Improved	Target	Q2 2005-07	~31	~23	Q6 2005-07	0	~23
Quarter		Miles Improved	Target							
Q2 2005-07		~31	~23							
Q6 2005-07		0	~23							
<p>Budget Activity Links: Urban Arterial Program - A001; Urban Corridor Program - A006; Small City Pavement Preservation Program - A007</p>										
<p>Category of Measure: Miles of road improved is an output of TIB's work.</p>										
<p>Analysis of Variation: Not enough data to judge.</p>										
<p>Analysis of Targeted vs. Actual Performance:</p>										

Comments About Desirable Characteristics		General Comments & Explanations:
<p>Relevance: Improving arterial roads is very relevant to TIB's work.</p>	<p>Timeliness: Only one data point is not particularly timely.</p>	<ul style="list-style-type: none"> • TIB's strategic plan mentions a measure of lane miles improved. It's not clear if this measure lane-miles or linear miles, or if this is the same measure. • The footnote to the measure says, "TIB measures benefits of newly selected projects." The meaning of the phrase "newly selected" is not clear: <ul style="list-style-type: none"> • Does it mean that TIB calculates the miles of improved road at the time that it selects projects, rather than at the conclusion of the project (which is implied by the description language "was improved")? • Does it mean that TIB only measures selected projects, rather than all projects?
<p>Understandability: It's not clear if this represents all TIB projects, or just those with a service level improvement.</p>	<p>Comparability: It's not clear if this is lane miles or another measure.</p>	
<p>Reliability: If TIB is selecting only certain projects, the reliability of this measure could be called into question. See General Comments.</p>	<p>Cost Effectiveness: TIB's strategic plan uses a similar, but it's not clear if they are the same. See General Comments.</p>	

Activity Measure Assessment - Administrative costs

<p>Performance Measure Description: Administrative costs as a percentage of total expenditures for urban arterial improvements (4030)</p>	<p>TIB administrative costs as percent of total expenditures for urban arterial improvements</p> <table border="1" style="margin: 10px auto;"> <caption>Chart Data</caption> <thead> <tr> <th>Period</th> <th>Percent</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Q2 2005-07</td> <td>1.6</td> <td>1.75</td> </tr> <tr> <td>Q6 2005-07</td> <td>0.0</td> <td>1.75</td> </tr> </tbody> </table>	Period	Percent	Target	Q2 2005-07	1.6	1.75	Q6 2005-07	0.0	1.75
Period		Percent	Target							
Q2 2005-07		1.6	1.75							
Q6 2005-07		0.0	1.75							
<p>Budget Activity Links: Program Support - A004</p>										
<p>Category of Measure: Process measure.</p>										
<p>Analysis of Variation: Not enough data to judge</p>										
<p>Analysis of Targeted vs. Actual Performance: Assuming lower costs are better, TIB exceeded the target.</p>										

Comments About Desirable Characteristics		<p>General Comments & Explanations:</p> <ul style="list-style-type: none"> Several other project-management agencies use administrative cost as a performance measure. It would be interesting to compare the cost allocation assumptions among these agencies. It's not clear what's included in administrative costs, or if this only applies to one part of TIB work (i.e. Urban Arterial).
<p>Relevance: Low overhead is relevant to any administrative activity.</p>	<p>Timeliness:</p>	
<p>Understandability: It's not clear if this applies to all TIB expenditures, or to a limited subset of them (i.e. just for urban arterials).</p>	<p>Comparability: Depends on what categories of costs and expenditures are included in the measure calculation.</p>	
<p>Reliability: See Understandability, above. This is based on assumptions about what is included in Administrative costs, and these assumptions aren't provided in the measure notes.</p>	<p>Cost Effectiveness: This is not used by TIB as a strategic plan measure.</p>	