



Federal Accounting Standards Advisory Board

September 30, 2016

Memorandum

To: Members of the Board

From: Wendy M. Payne, Executive Director

Subj: Local Experience with Performance Reporting - **Tab 4**¹

MEMBER ACTIONS REQUESTED:

- This is an educational session. If you have questions before the meeting, please let me know.

MEETING OBJECTIVES

To obtain perspectives from a local government representative regarding performance reporting.

BACKGROUND

Mr. Michael Jacobson will join us to share his thoughts regarding performance reporting and management.

Mr. Jacobson is the Deputy Director - Performance and Strategy King County Office of Performance, Strategy and Budget. His bio is presented as Attachment 1. A recent article published in the PA Times (a publication of the American Society of Public Administration) is provided at Attachment 2.

Please contact me before the meeting regarding any questions.

¹ The staff prepares Board meeting materials to facilitate discussion of issues at the Board meeting. This material is presented for discussion purposes only; it is not intended to reflect authoritative views of the FASAB or its staff. Official positions of the FASAB are determined only after extensive due process and deliberations.



Michael Jacobson

Deputy Director - Performance and Strategy
King County Office of Performance, Strategy and Budget

Michael Jacobson serves as the deputy director for performance and strategy in King County's Office of Performance, Strategy and Budget. During his tenure, Michael has led the development of key elements of the county's performance management system including King County's [first countywide strategic plan](#), public [performance reporting](#), Executive performance review sessions, and [employee](#) and community surveys.

Michael is responsible for the measurement framework associated with the King County Strategic Plan and wrote the county's guidelines on [Measuring Customer Satisfaction](#). He is currently working to integrate continuous improvement/Lean concepts, cascade measures in the organization, and build cross-agency collaboration on community outcomes.

His significant contributions to the field were recently recognized with the American Society for Public Administration (ASPA)'s *Harry Hatry Distinguished Performance Measurement Practice Award*, which is presented to an individual whose outstanding teaching, education, training and consultation in performance measurement has made a significant contribution to the practice of public administration. He currently serves as the Vice-Chair of ASPA's Center for Accountability and Performance, as Editorial Board member of *Public Administration Review*, and recently created an Emerging Leader award to recognize younger performance management professionals.

Michael previously developed the [AIMs High](#) Web site, which was used as a case study by the U.S. Government Accountability Office and was called "best in class" by researchers from the IBM Center for the Business of Government for linking community condition indicators with agency performance measures. AIMS High has also won recognition (five times) by receiving the prestigious national "Certificate of Excellence in Service Efforts and Accomplishments Reporting" from the Association of Government Accountants (AGA).

Michael's expertise, creativity, and speaking skills are requested by many local and national organizations to develop performance management systems (Puget Sound Partnership, Washington State Transportation Performance Audit Board, King County Committee to End Homelessness), serve on technical committees for national projects (Global City Indicators Facility, National Partnership for Public Service, ICLEI's STAR Communities), organize and participating in national conferences (ASPA, Association of Government Accountants, Government Finance Officers Association, U.S. EPA Evaluation Support Division), serve on Boards/Steering/Advisory Committees (ASPA Center for Accountability and Performance, Municipal Research and Services Center, Rutgers' Public Performance Measurement and Reporting Network, Global City Indicators Facility), providing training (University of Washington Evans School and Cascade Center, Performance Institute, Government Finance Officers Association, Consortium for Advanced Management – International) and provide formal comments on national programs and grant proposals (National Performance Management Commission, Governmental Accounting Standards Board, and Alfred P. Sloan Foundation).

Michael previously worked as a program evaluation consultant to the philanthropic community, in particular the David and Lucille Packard Foundation's Conservation Program, and has done formal program evaluations of the United Nations Environment Program's Regional Seas Programme and the U.S. Department of Energy's Office of Science and Technology.

Michael has a B.S. in Biology and Environmental Studies from Trinity College in Hartford, CT and an M.M.A. (Marine Affairs) and M.A.I.S. (International Studies) from the School of Marine Affairs and Henry M. Jackson School of International Studies at the University of Washington. He also studied Mandarin Chinese in Beijing, China and at the Inter-University Program for Chinese Language Studies (IUP), formerly known as the "Stanford Center" in Taipei, Taiwan.

Whose Data?

PA Times

The views expressed are those of the author and do not necessarily reflect the views of ASPA as an organization.

By Michael Jacobson
July 28, 2015

Among performance management practitioners, it is well-known that the pursuit of performance information can be perceived as threatening, risky or even scary. These fears vary from politicians not wanting their opponents to get their hands on “dirty laundry,” to public employees concerned about data being used against them by elected officials, the budget office or the media. I clearly remember the time a co-worker turned and scurried the other way when they saw me coming to discuss their program’s performance measures!

But whose data is it? Is it reasonable for public entities to “manage” the availability of their data? How do the “big data” and “open data” trends impact our openness? What role does performance management as a practice have in either raising the stakes or in helping to increase transparency, accountability and trust in government? What type of a culture should we be helping to build in terms of learning, accountability and transparency?

There has been a long-term, general trend toward more transparent and accountable reporting for the public sector, starting with open records and the Freedom of Information Act in 1967, financial reporting for public sector organizations via the creation of the Governmental Standards Accounting Board in 1984, and performance reporting in the 1990s-2000s. Increased accountability for private sector financial reporting and the growth of sustainability and corporate responsibility reporting have seen parallel trends.

A significant and related trend that is increasingly in conflict with government openness and transparency is the proliferation of data and data systems. Fortunately, we are far away from Richard Nixon’s secret use of tape recorders in the Oval Office (although supporters of Edward Snowden may disagree). But I am pretty sure prior legislators could not imagine a future where body cameras are on every police officer and serve as an official “record” subject to storage, retrieval and availability upon request by the public!

Increasingly, governments see the promise of harnessing data to manage and improve their services. Even though requirements to provide all available records would seem to increase accountability (or the stakes, depending on your perspective) to public sector entities, it seems a natural concern that the capture and use of performance data carries with it political, bureaucratic and budgetary risks.

What is the role of the performance management practitioner and leader in mitigating these risks?

Ideally, good performance management and leadership helps to create a safe space for improvement, supports a culture of learning and provides an environment of shared accountability so that staff and organizational leaders share in the benefits/risks/rewards of trying a new strategy and

potentially “failing” or not meeting expectations. This is much easier to say than do, especially in today’s high-stakes, anti-government political culture.

But data are at the core of this conundrum. Although the promise of “big data” seems a little premature to me (especially given the difficulty we find in just capturing, reporting and analyzing existing “small data”), open data seems to be a reasonable place for many government entities to start.

The feds have gone in big and many states and local governments are getting onboard. Cool apps are starting to harvest the data and make them usable to the public. The media have even been outmaneuvering government with open data-informed reporting by the New York Times and others.

Despite these signs of hope and innovation, there remains evidence that too many governments are not willing to share their performance and budget data openly and in easily understandable and digestible ways. What was the last budget document that you read? Could you explain it to your neighbor? Could you explain it to yourself?

But government data are paid for by the public and therefore belong to the people. It is our general professional obligation to make data easier for the public to see, have it be meaningful, have it be used for decision-making, and have it positively affect their lives. Open data as a strategy has to evolve to make actual information understandable and practical. Government leaders need to make sure employees are sharing the very data that make them vulnerable and help the public understand what is at stake when government performs well, or not.

Performance management practitioners can support their organizations and leaders in understanding their performance data, evaluating their existing performance vulnerabilities and working with the programs, communications and leadership to address these issues. This isn’t necessarily an inherently “virtuous cycle” in that poor performance issues are not treated kindly by the media or the public. However, open and straightforward communication about problems is perceived better than obfuscation, denial or delay. Only by showing we know our issues and we are ready to confront them will we promote stronger management, more open communications and improved transparency and trust.

Author: Michael Jacobson is the deputy director for performance and strategy for King County’s Office of Performance, Strategy and Budget. He was the 2013 winner of the ASPA Center for Accountability and Performance’s Harry Hatry Distinguished Performance Measurement and Management Practice Award.