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Antecedents to Municipal Performance Measurement Implementation: A Case Study of Two New Jersey Municipalities

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Abstract

Throughout the past three decades much research and study of performance measurements has been conducted (Hatry, 1972; Melkers & Willoughby, 2005). And complementing this work, municipal performance measurement systems have been established and utilized by many cities and towns: small, medium, and large. This descriptive study brings together the research with the application in an examination of two small townships in New Jersey who have agreed to test, through real-time application, uniformed performance measures. We seek, in this article, to identify the antecedents to successful implementation of performance measures. This study defines the implementation expectations prior to the participating municipalities’ engagement in testing the reliability and usability of performance measures in an effort to achieve their goals. The township’s goals are to improve taxpayer satisfaction, to enhance efficiencies, and to strengthen operations. The results of this examination establish a baseline of expectations, goals, and processes in which the outcomes of the beta group application can be evaluated.

It is clear, based on the elite interviews of the participating beta group town managers that leadership support, managers with past experience using performance measures, clear expectations, a desire to learn from other townships, and the allocation of resources are the antecedents for successful implementation. What remains to be examined are the results of this beta group test. This will be the focus of a follow-up paper.
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Introduction

Performance measurement has been studied and determined to be of value by many forms of governments. And while many local municipalities have adopted some form of performance measurement few have incorporated a performance-measurement management strategy that is consistent with and linked to the strategic goals of the municipality (Hatry et al., 1990; Hatry, 2002; Perrin, 1998). To be of value, performance measurement as a system for effectively evaluating the delivery of public services (Hatry 2002) must be configured in a way that not only measures individual municipal performance but offers a benchmarking utility for comparative analysis and decision making (De Lancer Julnes and Holzer 2001). With the growth of the use of performance measures, some researchers sense an emergent public skepticism regarding the effectiveness of performance measurement systems (Hatry 2002; Melkers and Willoughby 2005). The crux of this growing skepticism appears to be in the area of a lack of unified measures, consistent application, linkage to strategic goals, and methods for evaluating the cost effectiveness of performance measurement systems (Hatry 2002; Melkers and Willoughby 2005; Sanger 2008). By utilizing a consistent application of unified performance standards across key performance areas within like-sized municipalities and focusing on pre-implementation expectations and goals, this criticism may abate.

The need for benchmarking among like-sized municipalities has also been sourced and studied. Ammons (1996) argued that performance information would be useless if it appears in the form of an isolated, abstract number; becoming useful only when the comparison with a relevant peg is possible.
Previous research has centered on the importance of performance measurement in terms of improvement in service delivery, accountability and transparency. Studies have also focused on the motivations for and uses of performance measurement systems. Those inquirers have included case studies of state governments or state agencies, and a few involving city and county governments where the adoption of performance measurement systems was legally mandated or where existing technology and expertise in performance measurement was in place. Few studies addressing these topics have involved small local governments such as townships. And even fewer studies have examined pre-implementation expectations and goals (the antecedents) that are necessary to understand the effectiveness of the performance measurement system.

Recently, the School of Public Affairs and Administration of Rutgers University, Newark, NJ created the Municipal Performance Measurement System (MPMS). MPMS aims to collect performance measures in a standardized and consistent way, generating performance measurement results automatically so that administrators can have data on their municipalities and with standardized reporting of performance information to stakeholders. The beta testing of the Rutgers MPMS seeks to understand whether or not the consistent application of unified performance measures supported by clear strategic goals and expectations will contribute to the debate with regard to the skepticism surrounding the use of performance measurement systems and its impact on improving the effectiveness of local government management. Two of the five New Jersey townships participating in the beta group where interview. These interviews revealed that when it comes to smaller local governments, they have unique expectations for the performance measurement system and unique motives influencing their adoption of the performance measurement system.
The Research Question

Throughout the examination of these townships; this descriptive study sought to identify the leading factors for adoption of performance measures in these jurisdictions, the obstacles in the process of implementing performance measures, and the results expected to achieve by using performance measures. We attempted to expand the current knowledge base of performance measurement in local government by studying smaller local governments and the possible factors that need to be in place to implement the performance measurement system effectively.

This study will be succeeded by a future study which will examine the complete implementation process of the MPMS with the five beta participants in the future by studying the effect of MPMS on both performance results, residents’ satisfaction, and to determine whether or not the antecedents identified in this study were contributing factors to the success or failure of the implementation.

Performance measurement and its current status

Performance Measurement can be defined as an opportunity to present evidence that the public sector is a public bargain; to highlight the routine but important services that public servants quietly provide and to answer the public’s sometimes angry questions and implicit suggestions on a dispassionate basis (Yang and Holzer, 2004). It has gained popularity because it has promised that more sophisticated measurement systems will undergird management processes, better inform resource allocation decisions, enhance legislative oversight, and increase accountability (Ammons, 1995). Most governments at any level in the United States have adopted some sort of application of performance measurement.
The implementation of performance measurement systems is the most frequently cited new initiative on the federal level of government since it was legally mandated in 1993. With the passage of the Government Performance and Results Act of 1993, the federal agencies were required to utilize a performance-budgeting process. In addition, the Performance and Rating Tool (PART) enacted during the Bush administration required federal agencies to implement performance measurement with the following considerations: a more realistic and long-term perspective of what government agencies do, how to measure what they do, and how to attribute costs to specific results (Melkers and Willoughby, 2005). With the Government Accounting Standards Board’s (GASB) efforts and commitment to performance measurement, Service Efforts and Accomplishments (SEA) reporting (GASB 1994); State governments and local governments have been encouraged to develop performance-monitoring systems, refine measurements, and generate reports. Cities and counties also have implemented performance measurement addressing a greater range of services and with a more rigorous application to broader performance management strategies (Sanger, 2008).

According to a 2002 GASB survey, a majority of respondents from all three survey groups; state agencies, state budget offices, and city/county departments use performance measures in “more than 50%” or “all” of their departments, agencies, or programs. Among them state budget offices had the greatest percentage of all agencies using performance measures. The city/county respondents had the second highest percentage of all departments using performance measures. More than 70 percent of city and county respondents reported that their jurisdiction used input and activity/process measures, 67 percent output measures, 46.9 percent outcome measures, 44.1 percent cost/efficiency measures, and 43.1 percent quality/customer satisfaction measures (See Table 1).
Cities such as Phoenix, Austin, Charlotte, North Carolina, and New York have been the leaders with regard to using performance measures in their budget and other decision-making. According to the International City/County Management Association (ICMA), about 44 local governments have joined the Comparative Performance Measurement Consortium for benchmarking purpose (Urban Institute and ICMA, 1997).

Even though it is not formally mandated, a growing number of city and county governments have shown a renewed interest in managing and monitoring their jurisdiction’s performance. Not all governments in the U.S. have adopted performance measurement, but those identified above (see Table 1) evidence a growing interest in performance measurement. Interest from local governments is also growing at a time when local legislation does not mandate implementation. This gives support to the premise that if performance measurement can be applied consistently over many governments, then benchmarking within jurisdictions having

Table 1: Types of Performance Measures Being Used

<table>
<thead>
<tr>
<th>Type of Indicator</th>
<th>City/County Departments</th>
<th>State Budget Agencies</th>
<th>State Agency Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input measures</td>
<td>70.2%</td>
<td>80.9%</td>
<td>63.1%</td>
</tr>
<tr>
<td>Activity/process measures</td>
<td>70.5%</td>
<td>81.3%</td>
<td>60.1%</td>
</tr>
<tr>
<td>Output measures</td>
<td>67.6%</td>
<td>76.4%</td>
<td>62.9%</td>
</tr>
<tr>
<td>Outcome measures</td>
<td>46.9%</td>
<td>47.1%</td>
<td>51.9%</td>
</tr>
<tr>
<td>Cost/efficiency measures</td>
<td>44.1%</td>
<td>42.3%</td>
<td>33.6%</td>
</tr>
<tr>
<td>Quality/customer satisfaction measures</td>
<td>43.1%</td>
<td>23.9%</td>
<td>24.8%</td>
</tr>
<tr>
<td>Explanatory measures</td>
<td>26.9%</td>
<td>25.0%</td>
<td>23.2%</td>
</tr>
<tr>
<td>Benchmarks</td>
<td>23.9%</td>
<td>25.0%</td>
<td>26.7%</td>
</tr>
</tbody>
</table>

Source: GASB 2002
similar demographic and service characteristics becomes possible in the pursuit of improved service delivery.

The question as to why various levels of governments seek to implement performance measurement and what people expect to do with the measures deserve a more thorough examination. The next section discusses possible motivational factors influencing the implementation of performance measurement systems and its usage found in current literature regarding this topic.

**Why Performance Measurement?**

**Better Management:** It is a widely held belief that implementing performance measurement makes effective and efficient management possible. Performance measurement systems assist public managers in elevating their level of accountable for meeting their goals and requirements, and in providing proper and useful rewards and sanctions in an effort to improve employee and organization performance. By using information acquired from performance measurement; public managers can assess organization improvement, while allowing for modifications in strategies in response to changing needs and priorities. More than anything else, by implementing performance measurement, public managers are able to allocate their resources in a more efficient and effective manner. That is, public managers can decide on what programs, people or projects resources should be deployed (Behn, 2003). In addition, using the information from performance measurement public managers can better guide and educate their employees.

**Satisfying Stakeholders:** Reporting performance results to stakeholders might be the best way to communicate how their government is deploying their taxes and other resources.
Wholey and Newcomer (1997) argued that the current focus on performance measurement derives from citizens’ demands for evidence of program effectiveness. With limited knowledge about what their governments are doing, citizens have limited ways to assess how their taxes are spent and whether public employees are acting in their best interest. Yang and Holzer (2006) delivered a similar message indicating performance measurement can improve citizen trust in government directly through citizen participation in the evaluation process or indirectly by improving citizens’ perceptions of government performance. In other words, it is possible to restore citizen trust in government by making governments’ activities and accomplishments open to public scrutiny and to demonstrate the value of their work to taxpayers. Moreover, by utilizing performance information, politicians and elected officials themselves can learn how well services are delivered, and whether they reflect the needs of constituencies through the use of performance information.

What makes governments to implement performance measurement?

Poister and Streib (1999) surveyed 1,218 senior officials from municipal jurisdictions. When asked what motivated their jurisdictions to use performance measures, a majority of the respondents indicated that the desire to make better management decisions was the most important motivator, and more than 40 percent reported citizen demands for greater accountability as a major motivational factor. Other factors included interest of elected officials (30 percent), federal reporting requirements (10 percent), pressure from the business community, and State mandates (less than 10 percent). Ho and Coates (2004) reported similar factors such as interest in performance measures among elected officials and citizen involvement for
implementation of performance measurement. Julnes and Holzer (2001) also stated the importance of support from top management as a crucial factor.

These results are meaningful in that most of the jurisdictions surveyed attempted to or actually implemented performance measurement not to just follow legal mandates or requirements but to aim for better management. However, most of the previous studies attempting to identify these factors were based on survey results targeting local governments with comparatively large populations. When considering smaller jurisdictions, the major factors for choosing to implement performance measures may be different from larger jurisdictions.

**Research Inquiry and Methodology**

The questions identified in relationship to this inquiry included: What are the major factors which influence smaller jurisdictions decisions to implement performance measurement? What specific factors influenced the beta municipal managers to use the Rutgers Municipal Performance Measurement System (MPMS), what are the expectations of those beta municipal managers as they begin to implement MPMS, what are the perceived risks associated with the use of the MPMS, and what are the ways in which these municipal managers anticipate changing current methods for communicating with their citizens?

In an attempt to answer these questions, the authors interviewed public managers of two of the beta participants. These New Jersey Townships where selected as they are participating in the beta group testing of the Rutgers Municipal Performance Measurement System (MPMS). The Business Administrator (Township A) and Town Manager (Township B) were interviewed separately. The interviews were conducted each on December 1, 2010 and December 6, 2010. Interviews with each municipal manager were conducted in their offices and lasted
approximately sixty minutes. The interview questions were uniformly delivered and answers were audio recorded. The transcripts were analyzed utilizing Transana software. Coding and theme building processes resulted in the following pre-beta expected outcomes. These expected outcomes will be utilized in the post beta analysis. The questions were sequenced in the following manner: 1) Introductions and interview goals reviewed; 2) What is your professional background? 3) In your previous professional capacity have you utilized performance measures? 4) Have you been utilizing performance measures currently? 5) And if so, what has been the focus of the use and what has been your experience? 6) How many departments do you supervise? 7) Do you have established annual goals and/or a strategic plan? 8) What are your expectations for your participation in the beta group MPMS? 9) Following your participation in the beta group, what is going to have changed, what will be different in your Township, what are you going to me telling us?, 10) What do you see as some of the risks in implementing the MPMS? 11) What do you see as the potential for benchmarking? 12) Are you anticipating any demands on existing resources for your participation in the beta group? 13) What is the level of support that you have for MPMS at this point (internally and externally)? 14) Is there anything else you would like to tell us?

Two Township Governments

Township A is situated five miles east of Philadelphia, PA in southern New Jersey. It has a population of 70,000, and is 24 square miles. Its form of government is an elected Council and Mayor with an appointed Business Administrator. The Township’s Business Administrator brings to his current position a professional career in the private (financial services) sector. He
directs all township operations including overall financial management and the supervision of sixteen departments.

**Township B** is situated within a few miles west of New York, NY in northern New Jersey. It has a population of 40,000 and is 7 square miles. Its form of government is an elected Council and an appointed Manager who reports to the council. The Township’s Manager brings to this position a public service career in criminal justice, serving most recently as the Township’s Chief of Police. As the chief executive of the Township, the Manager reports to the Council and is responsible for the administration of all Township operations that includes the supervision of 14 departments. Township A and Township B volunteered to participate in the beta group. The Councils of each Township have reviewed and approved their participation.

**Findings**

**Figure 1. Motivation, Expectation, Risks, and Needed System**

<table>
<thead>
<tr>
<th>Motivation</th>
<th>Manager’s past experience of Performance Measurement or in Private Sector</th>
<th>Leadership’s commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expectations</td>
<td>Better Management; Satisfying Stakeholders; Benchmarking; Showing the value to the public</td>
<td>Management Communication &amp; Learning</td>
</tr>
<tr>
<td>Risks</td>
<td>Cost which might be needed before and during implementation; hesitation toward Org. change; Organizational Capacity such as human resource; Wrongly-used performance information such as pin-pointing or bashing</td>
<td>Managing Expectations is needed; Trust in performance measurement; More Training and government funding</td>
</tr>
<tr>
<td>Needed System</td>
<td>Consistent and Integrated system for benchmarking to be possible</td>
<td>Consistency and Integration</td>
</tr>
</tbody>
</table>
Managers’ past experience in performance measurement or their past professional use of performance measures matters.

With regards to the motivational factors which influence public administrators or managers to implement performance measurement, past experience in performance measurement or their past professional use of performance measures was found to be one important indicator. In case of Township A, the business administrator has a private sector background (finance) and he is well aware of the need for and the use of performance measures. Township B’s manager has a public service background. He is very familiar with the use of performance measures from his police career. In other words, it does matter whether public administrators or managers have experience using performance measurement for its implementation. Their experience in using performance measurement has created a sense of its value and its possible effect on their organizational and jurisdictional performance improvement efforts. This finding is consistent with the study of Berry (1994) that used the national survey on strategic planning in state government (1992). In this study it was found in that state agencies that have the closet affiliation with private sector business were found to be knowledgeable about strategic planning as a management practice and become strategic planning innovators. As in the case of two township managers interviewed, even though performance measurement is fairly new to this level of local government, if their managers or mayors have past experience with performance measurement and are positive about its usefulness, it is more likely for them to implement performance measurement within their local governments. Even though this study is based on two interviews, making it difficult to generalize the result of this study, this could be a meaningful finding because it informs us of the possible effect of public managers’ past experience on their active undertaking to implement performance measurement.
Expectations toward using performance measurement systems: Better management and showing value of their work to citizens

Second, in terms of their expectation toward using performance measurement system, Township A’s business administrator stated that his priorities are on reducing costs, improving customer satisfaction, and creating efficiencies. Township B’s manager also shared similar objectives including improving citizen satisfaction, achieving efficiencies, reducing costs, and learning from other municipalities. Each strive to achieve two objectives; better management and improve stakeholder satisfaction. The unique finding from these interviewee’s responses is that since they are both working for small jurisdictions whose characteristic is to have relatively shorter distance between government and citizen who are tax payers, they want to implement performance measurement aiming at showing the value of their work to their citizens.

The idea of showing the value of their work to the public has gained much attention from several scholars. Ammons (1995) argued that developing performance indicators that could capture the public (i.e., media) interest could seize the attention of managers and elected officials. If it is successful in capturing public attention, performance measurement can bring more extensive discussion of local priorities and plans. Performance measurement systems serve as a greater vehicle to achievement of greater accountability than previous strategies for measurement that targeted predominantly managerial and legislative audiences. Moynihan (2008) identified several key motivational factors influencing elected officials decision to implement performance measurement systems. These factors included the enhancement of public and political accountability, symbolic benefits (improved public perceptions), and cost reduction. Among these factors, the symbolic benefits were emphasized the township managers. Symbolic benefits include: communicating with public audiences that government is being run in a rational,
efficient, and results-oriented manner and that government leaders are being held accountable for their performance (Moynihan, 2008). This was well expressed by Township A’s administrator: “Two years from now, I would definitely have our dashboards up and running and get the public side and the internal side integrated and be able to benchmark with other townships and to provide value to our residents. I have learned that it is not one big event, we have to constantly show the value.” He consistently emphasized the importance of evidencing value for the customer. He argued, “It really is all about the public and the importance of showing value to our public. We are not on our own. Our stakeholders are our taxpayers.”

Township B’s Manager also expressed a similar expectation. His major expectation toward using performance measurement is to show value to stakeholders. He was hopeful: “Two years from now when the MPMS is in place, well I’m going to be telling you that I’ve figured out my problems with the building department and ... the many customer service complaints and this is what I’ve implemented to improve customer service here and I’m very happy with the software program (integrated within existing system – not necessary to re-enter data – a smooth interface) and we have expanded it to other departments. And we feel it is a valuable tool.” Customer service is the key indicator. “It’s their (the taxpayers) town... they have (the performance measures) to work for them, that is what it’s all about. They (the citizens) are the stockholders; stockholders don’t tell the executive how to run the company nor do they want to (they just what a high return on their investment).”

Most of studies on the use of performance information focus on improved reporting and enhanced accountability for elected officials or on improved management decisions targeting state and city governments. In the case of smaller jurisdictions (this study’s focus) where the total population of the studied townships is smaller than the population served in many a single
agency in a mid-size city, the owners (citizens) are much closer to the exchanges between government and citizens (less bureaucracy). In this regard citizens in small townships can feel the effectiveness of their governments’ services in their daily lives. Satisfying citizens in this environment must be a town managers’ top priority and it is reflected in our study participant’s expectations towards performance measurement. As they (the town managers) expected, if performance measurement is properly implemented and used, it can work as a simple yardstick for citizens to judge whether their government is doing good or not; using this information (level of citizens’ satisfaction) as a guidepost for future goal setting.

Possible Risks: the cost for implementing performance measurement and trustworthy usages of performance information

Third, when it comes to possible risks related to the use of performance measurement systems two major factors summarize this potential threat: the cost for its implementation and the responsible (trustworthy) use of performance information. The cost (in the broader definition resource allocation – human, capital, as well as financial) required to implement performance measurement systems is an important factor in achieving successful implementation. It is argued that the availability of resources is related to the successful implementation of performance measurement systems and to the successful use of generated performance information (DeLancer Julnes and Holzer 2001; Moynihan, 2008). Ammons (1996) noted that there are few local government officials who can spend the hundreds of hours necessary to track down applicable standards or suitable inter-jurisdictional performance indicators for successful implementation. This resource issue, Ammons suggests, is one of the major reasons why some smaller levels of
governments are reluctant to implement performance measurements. Governments whose resources are scarce may perceive the performance measurement implementation as another added burden; both time and money consuming. Also, supervisors and managers may feel threatened when it works as a source of accusations of poor performance having to defend themselves against public accusations of perceived poor performance.

**Township A’s** administrator pointed out that the possible risk associated with the use of the MPMS is having too much information and not being able to properly use it. He argued that there is some concern about the comfort zone of the public and in how the media may play into shaping public opinion when providing performance measurement results to these audiences.

“There maybe instances when the media will pick-up on something and potentially turn it on its head and make the township who may be very well doing the best they can, and pushing information out for public commentary. That could be distorted.”

He also stated that the costs anticipated with the implementation of MPMS are associated with personnel and the duplication of entering data if the existing municipal systems are not compatible with the MPMS. In other words, despite leadership’s commitment to implementing performance measurement, unless there are sufficient monetary resources which can cover its added cost, and the cost of human resources necessary to analyze, interpret, and use performance measurement information; the system would be useless.

Another interesting point made during the interview is that they fear the impact of misused or misreported performance results. **Township B’s** manager argued:
“We are interested in publishing the results of the performance measurement system but only if the results support the achievement of our goals. We’re not just going to put something up there (on the Township’s website) that just bashes us”.

He also points out: “The biggest risk is the potential for added costs in order to improve performance and the potential burden on the staff (Council’s fears). The Township also fears the impact of not performing as well as other Townships (“what does it mean for towns that are last?”). These fears are centered on the potential impact of issues that are uncovered and the associated costs to deal with them.”

That is, it is necessary to persuade managers and employees of the value of performance measurement as a tool for service improvement and better resource management. Also, with regards to fears toward perceived relative deficiency when compared to other jurisdictions there should be awareness among governments and citizens that it is important to identify factors that make some jurisdictions suitable for comparison and others unsuitable and select the relevant benchmarks (Ammons, 1996).

Organizational Capacity: Leadership commitment and support from internal and external stakeholders

According to previous literature, it is argued that for successful implementation of performance measurement systems, there should be available resources (Berman and Wang, 2000; Melkers and Willoughby, 2005), technical (infrastructure) capacity in terms of developing performance goals and measures (Berman and Wang, 2000; Julnes and Holzer, 2001), support from leadership including elected officials, lower manager and advisory boards (Berman and
Wang, 2000), and the participation of internal and external stakeholders (Ho and Coates, 2004; Julnes and Holzer, 2001). Leadership commitment and support from internal and external stakeholders were emphasized by each of the two managers.

**Township A’s** administrator indicated that support for MPMS is being generated through an education processes at the Council and department management level. He said it is not a formalized training program and the level of support both externally and internally is viewed as cautiously optimistic. **Township B’s** manager added: “People don’t necessarily like change, but everyone knows that it is the right thing to do. Internal and external support for MPMS depends on leadership and their ability to communicate the goals and the expected results. Elected officials, citizens, and managers do not what to see costs rise as a result of measuring performance. Expectations need to be managed (under promise – over deliver). MPMS may make for more work.”

Based on interviewee’s responses, it is found that there must be a certain level of demand for initiating the implementation of a performance measurement system. In order for it to be implemented and used effectively, one of the important factors discussed was the leadership’s commitment to showing the value of using performance measurement to their employees and communicating the goals and the expected results with both their employees and the public. What matters the most was managing expectations. “Under-promise and over-deliver” might be a strategy to minimize the anticipated major cynicism toward using a performance measurement system, as was aptly stated by both managers.
Strong Need for Benchmarking not Ranking: A major factor in performance measurement implementation

Based on the strong desire for showing the value of their work to their citizens; learning from other jurisdictions’ best practices, internal and external benchmarking functions, and the use of dashboards highlighting key activity drivers and metrics for each department were identified in the interviews. Rather than creating a complicated system with multiple and somewhat duplicated measures, the managers expressed a desire to have a simple system which presented performance information from other similar sized or similarly situated jurisdictions compared to their indictors and using this information for organizational learning opportunities, supporting changes in resource allocations, and to generate future performance improvement goals. This comparative presentation, it was reported, would also help to evidence key accomplishments to the public. The most significant reason, however, as to why they joined the MPMS beta testing group, was to have an opportunity to benchmark with neighbored jurisdiction or any other jurisdiction which has similar demographical characteristics. They both agreed that benchmarking with other Townships is important but as a ranking tool, but to identify best practices. In addition, it was noted that both township managers emphasized the value of benchmarking, because there have been many city governments who compare their current performance with previous performance with the same measures, and some governments who compare the performance measures of different units in the same jurisdictions with similar services, but few governments who compare with other jurisdictions (Ammons, 1996).

Township A’s administrator argued: “It would be great because then we would have a list of success stories, hey, we learned from x-town and we implemented them here and these were our savings.” Township B’s manager added: “I just always felt that we need to know what
we’re doing, how we’re performing, how we’re measuring up to other organizations of similar size so that is something that we don’t get a picture of, we don’t know what the town next to us is doing how we’re performing compared to them.”

**Future Goals: Consistency and Integration**

Finally, as for the future vision, **Township A’s** administrator stated that the future vision for Township A’s use of the MPMS includes the creation and use of dashboards, comparative analysis with other townships for best practices, the use of ratio analysis, and the Township’s ability to show value over time to its taxpayers. He noted: “I’ve learned that it’s not just one big event; we have to constantly show them (taxpayers) value. Obviously, the easiest route is to say we’re doing so much better than that (other) township, but it is destructive, it’s not sustainable; and that is why we’d like to get more benchmarking spread across many townships, that’s not pointing figures at someone.” The software product needs to be integrated and consistently used throughout many townships. “It is all about improving performance and customer satisfaction, that’s what we are hoping to achieve.”

A similar point was made by **Township B’s** manager. He argued, “I am happy to be part of this beta program. I think that Performance Measurement (PM) is one of the keys to improving and maintaining customer service and one day I hope to see an entire software package that includes PM for running a town. I see this as a component of an integrated software program for running all departments of a town. “Currently towns use many different software programs internally (police – fire – tax assessors – tax collections), the desire is for one integrated system for towns to use.”
The common themes that surfaced from these responses were both the need for consistency and integration. Both managers wanted a performance measurement system to be consistently used by many townships so that real benchmarking can be realized and that the system be integrated - every agencies or department using it for communication and performance improvement.

**Conclusions and Future Study Recommendations**

This article explored, in a preliminary way, the key antecedent and motivational factors that impact the implement performance measurement - pre-implementation expectation, perceived risks or fears toward performance measurement implementation, and benchmarking needs within a small government setting targeting two township governments: **Townships A** and **Townships B**. It is clear, based on the elite interviews that leadership support, leaders with past experience using performance measures, clear expectations, a desire to learn from other townships, and the allocation of resources are the antecedents for successful implementation. The interviews found that educating managers, elected officials, and the public are viewed as key to the successful implementation of the MPMS. In terms of internal and external support, early signs are positive but they remain cautiously optimistic regarding results.

The pre-implementation expectations (antecedents for successful implementation) and goals that were identified included: system integration, reducing costs, improving customer satisfaction, learning from other Townships (best practices), effectively communicating results (value to the taxpayer), and improved performance (achieving efficiencies, reducing redundant and duplicative processes, eliminating ‘silo’ software systems). As for the possible risks, it was concluded that: all are concerned about misinterpretation or misusages of performance
information by the media. The emerging challenge they perceived is all about how and what to communicate to the public because they (and actually no one wants) do not want to share bad news. Moreover, it is found that there are huge needs for benchmarking with other townships, but it is not to rank but to identify best practices and learn from them.

The unavoidable limitation of this research is that it is difficult to generalize its findings since it is based on the interviews of a selective group. However, it can find its meaning from its uniqueness of targeting township governments in studying performance measurement implementation - where it is rarely implemented and understudied. Also, it addresses the issue of the importance of the benchmarking function of performance measurement that previous studies fail to discuss in this setting (small townships).

In addition, it paves the way to a potentially interesting and important avenue for future research. As noted above, there will be a post-implementation study targeting the same participants addressing the differences between pre-implementation expectations and actual results, usefulness of a unified system for benchmarking, and the degree to which there has been a change in public perception toward government services after implementing the performance measurement system. By continuing our research in linking theory to practice we will aid local public servants in their quest to continually improve the delivery of services.
References


