

## ***LEAD VIRGINIA***

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# **Virginia's Approach to Performance Leadership and Accountability**



APRIL 16, 2011

JANE N. KUSIAK  
*EXECUTIVE DIRECTOR*

# Outline

- Introduction to the Council on Virginia's Future and Virginia's Approach to Performance Leadership and Accountability
- Continued Evolution of Virginia Performs
- Vehicles for Communication and Dialogue
- Special Focus: Regional Competitiveness
- Concluding Remarks

# **Introduction to the Council on Virginia's Future and Virginia Performs**

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# Council Overview and Membership

Established in 2003 (Code of Virginia, § 2.2-2683 et seq.) to serve as an advisory board to the Governor and the General Assembly, the Council is a forum where legislative, executive branch, and community leaders come together for work that transcends election cycles, partisanship, organizational boundaries, and short-term thinking.

## The Council:

- Provides a long-term focus on high-priority issues.
- Creates an environment for improved policy and decision-making.
- Increases government accountability, operations, and performance.
- Informs citizens about performance and engages them in dialogue about Virginia's future.

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The Honorable Robert F. McDonnell, Chair  
Governor, Commonwealth of Virginia

The Honorable William T. Bolling  
Lieutenant Governor, Commonwealth of Virginia

Mr. John O. (Dubby) Wynne, Vice Chair  
President & CEO (retired), Landmark Communications

## General Assembly Members

## Citizen and Business Community Leaders

The Honorable Ward L. Armstrong  
Minority Leader, Virginia House of Delegates

The Honorable William D. Euille  
Mayor, City of Alexandria

The Honorable Charles J. Colgan  
President pro tempore & Chairman, Senate Finance  
Committee, Senate of Virginia

Mr. W. Heywood Fralin  
President & CEO,  
Medical Facilities of America, Inc.

The Honorable M. Kirkland (Kirk) Cox  
Majority Leader, Virginia House of Delegates

Mr. Edward W. Gillespie  
Principal & Founder, Ed Gillespie Strategies

The Honorable William J. Howell  
Speaker of the House, Virginia House of Delegates

Mr. Harris N. Miller  
President & CEO, Career College Association

The Honorable Yvonne B. Miller  
Member, Senate Finance Committee,  
Senate of Virginia

Dr. Edward G. Murphy  
President & CEO, Carilion Clinic

The Honorable Thomas K. Norment, Jr.  
Minority Leader, Senate of Virginia

The Honorable Michael J. Schewel  
Partner, McGuireWoods LLP

The Honorable Lacey E. Putney  
Chairman, House Appropriations Committee Virginia  
House of Delegates

## Cabinet Members

The Honorable Richard D. Brown  
Secretary of Finance

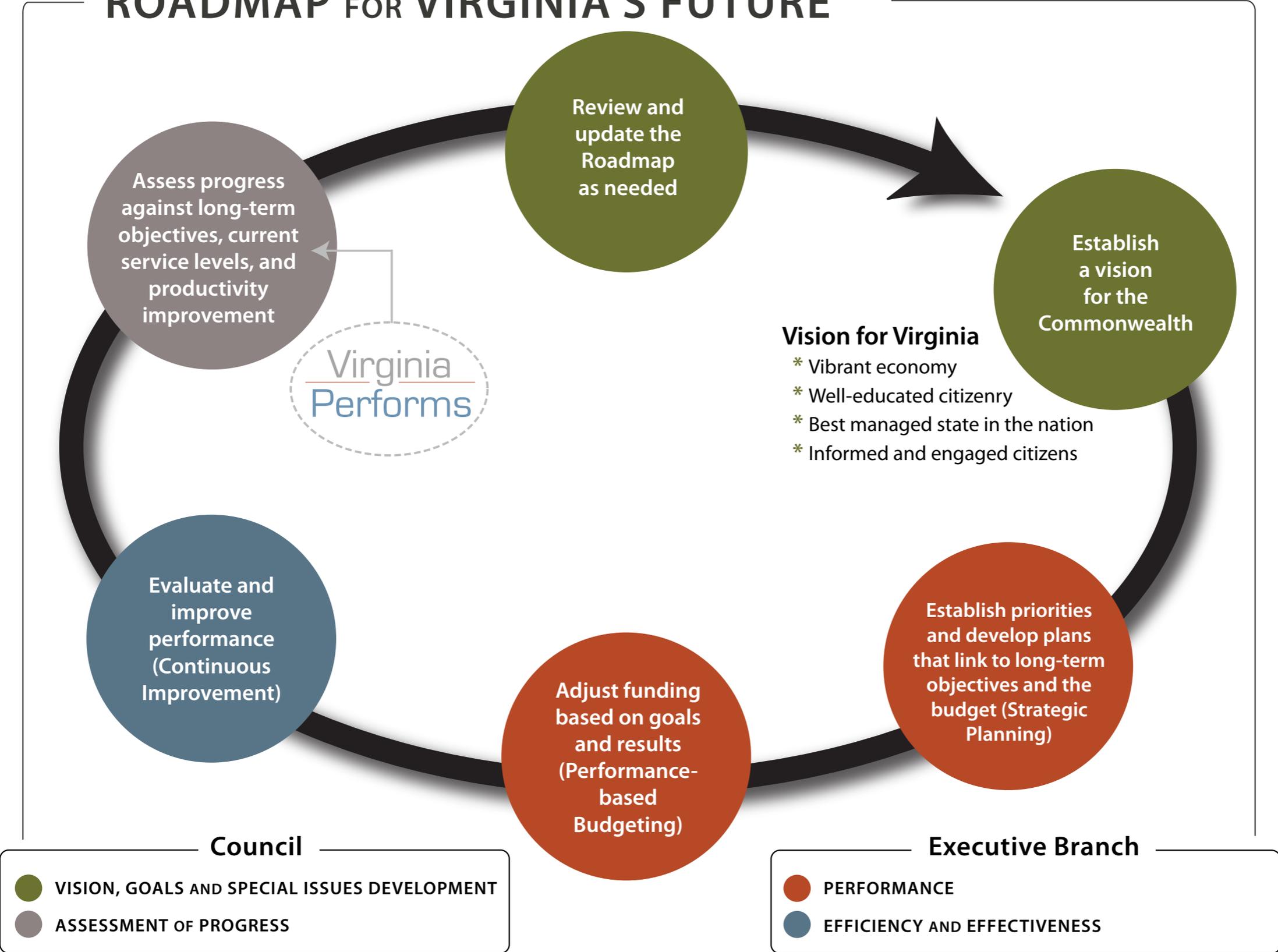
The Honorable Richard L. Saslaw  
Majority Leader, Senate of Virginia

Mr. Martin L. Kent  
Chief of Staff to Governor Robert F. McDonnell

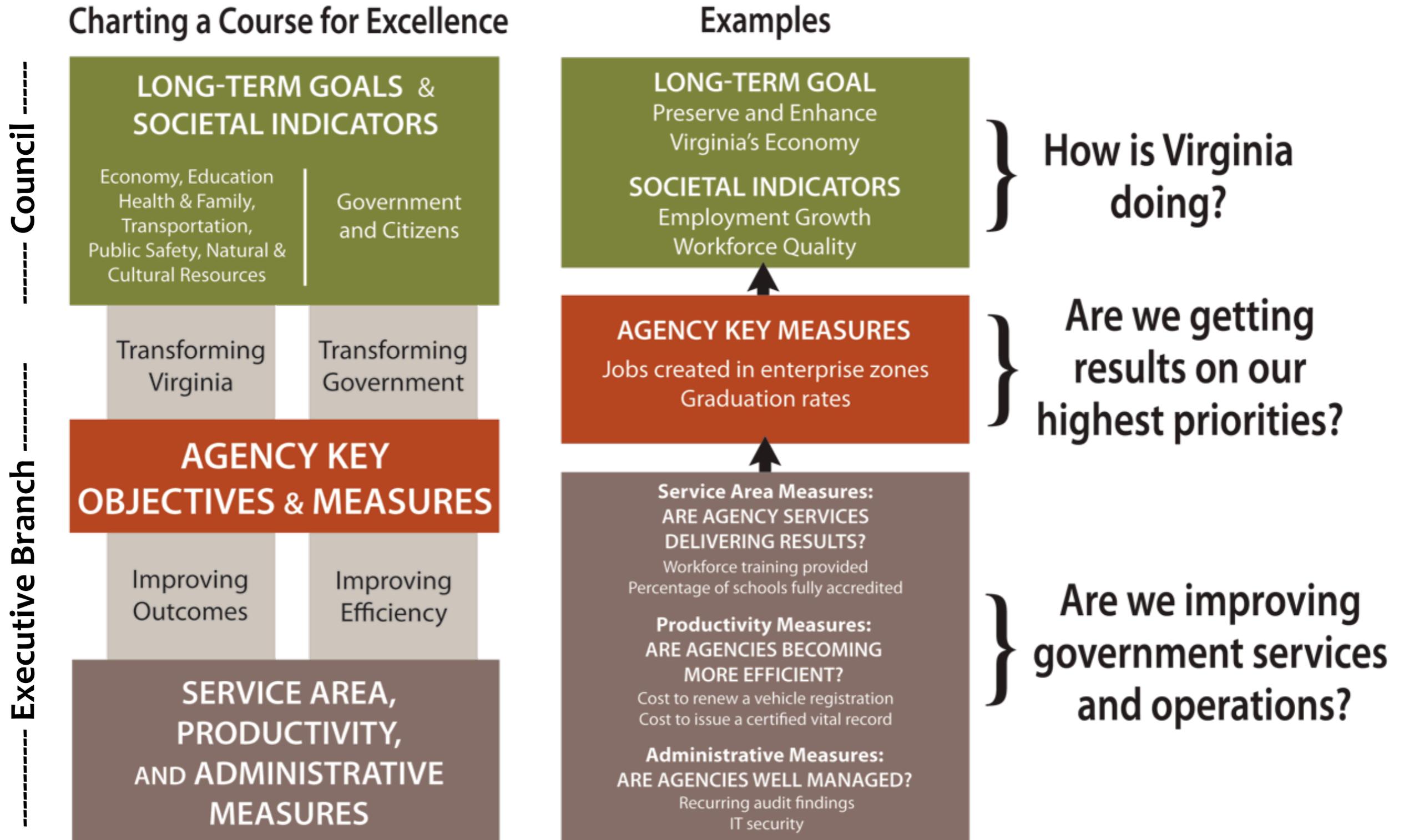
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Council support provided by the Weldon Cooper Center for Public Service at the University of Virginia and the Virginia Department Planning and Budget, in cooperation with the Governor's Office.

# ROADMAP FOR VIRGINIA'S FUTURE



# Virginia Performs Architecture



# SCORECARD AT A GLANCE

## Economy

**Goal:** Be a national leader in the preservation and enhancement of our economy.

Business Climate	↑
Business Startups	→
Employment Growth	→
Personal Income	↓
Poverty	↓
Unemployment	↓
Workforce Quality	↑

## Education

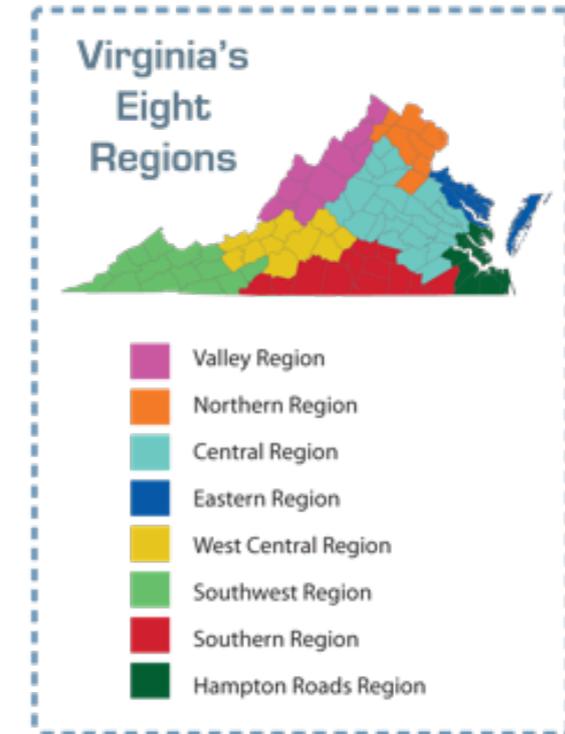
**Goal:** Elevate the levels of educational preparedness and attainment of our citizens.

School Readiness	↑
3rd Grade Reading	↑
4th Grade Reading/Math	↑
High School Graduation	↑
High School Dropout	↑
College Graduation	↑
Educational Attainment	↑
Lifelong Learning	→

## Health and Family

**Goal:** Inspire and support Virginians toward healthy lives and strong and resilient families.

Adoption	↑
Cancer	↑
Cardiovascular Disease	↑
Child Abuse and Neglect	↑
Foster Care	↑
Health Insurance	↓
Immunization	↑
Infant Mortality	↑
Life Expectancy	↑
Obesity	↓
Smoking	↑
Suicide	↓
Teen Pregnancy	↑



## Public Safety

**Goal:** Protect the public's safety and security, ensure a fair and effective system of justice, and provide a prepared response to emergencies and disasters of all kinds.

Crime	↑
Emergency Preparedness	↑
Juvenile Intakes	↑
Recidivism	↑
Traffic Fatalities	↑

## Natural Resources

**Goal:** Protect, conserve and wisely develop our natural, cultural and historic resources.

Air Quality	↑
Energy	→
Historic Resources	→
Land Preservation	↑
Solid Waste and Recycling	→
Water Quality	↑

## Transportation

**Goal:** Ensure Virginia has a transportation system that is safe, enables the easy movement of people and goods, enhances the economy, and improves our quality of life.

Infrastructure Condition	↓
Land Use	↑
Traffic Congestion	↓

## Government & Citizens

**Goal:** Be recognized as the best-managed state in the nation.

Bond Rating	↑
Civic Engagement	→
Consumer Protection	↓
Government Operations	↑
Internet Access	↑
Taxation	→
Voter Registration & Turnout	→

**Performance Trend**

- Improving ↑
- Maintaining →
- Worsening ↓



# Are We Making Progress?

	Improving		Maintaining	Losing Ground
<b>Economy</b>	Business Climate Workforce Quality		Business Startups Employment Growth	Personal Income, Wages & Salaries Poverty Unemployment
<b>Education</b>	Third Grade Reading Fourth Grade Reading & Math Achievement Educational Attainment	College Graduation High School Dropout High School Graduation School Readiness	Lifelong Learning	
<b>Health &amp; Family</b>	Adoption Smoking Cardiovascular Disease Child Abuse & Neglect Teen Pregnancy	Cancer Life Expectancy Foster Care Immunization Infant Mortality		Health Insurance Obesity Suicide
<b>Public Safety</b>	Crime Traffic Fatalities Adult & Juvenile Recidivism	Juvenile Intakes Emergency Preparedness		
<b>Natural Resources</b>	Air Quality Water Quality	Land Preservation	Historic Resources Solid Waste & Recycling	
<b>Transportation</b>	Land Use			Infrastructure Condition Traffic Congestion
<b>Government &amp; Citizens</b>	Bond Rating	Internet Access	Civic Engagement Taxation Voter Registration & Turnout	Consumer Protection

## Virginia Performs Structure and Outcomes:

# How Does Virginia Compare to Other States?

INDICATOR RANK	1-10	11-20	21-30	31-40	41-50	INDICATOR RANK	1-10	11-20	21-30	31-40	41-50
<b>ECONOMY</b>						<b>EDUCATION</b>					
Business Climate	●					College Graduation (4-Year)	●				
Business Startups		●				College Graduation (2-Year)			●		
Employment Growth		●				Fourth Grade Reading	●				
Personal Income	●					Fourth Grade Math		●			
Poverty	●					High School Dropout		●			
Unemployment	●					<b>PUBLIC SAFETY</b>					
Workforce Quality	●					Emergency Preparedness	●				
<b>HEALTH &amp; FAMILY</b>						Property Crime		●			
Cancer Deaths			●			Violent Crime	●				
Cardiovascular Disease			●			Traffic Fatalities		●			
Health Insurance		●				<b>TRANSPORTATION</b>					
Immunization (Childhood)			●			Infrastructure (Deficient Bridges)			●		
Infant Mortality				●		Traffic Congestion (Commute Time)					●
Obesity		●				<b>GOVERNMENT &amp; CITIZENS</b>					
Smoking				●		Bond Rating	●				
Suicide		●				Charitable Giving				●	
Teen Pregnancy		●				Consumer Protection (Fraud)					●
<b>NATURAL RESOURCES</b>						Internet Access (Broadband)				●	
Historic Districts	●					Taxation (State and Local)				●	
Energy			●			Voter Turnout		●			

# Virginia Performs Structure and Outcomes: How Are Virginia's Regions Doing? (A Sampling of Indicators)

Trend Key: ● Improving ● Maintaining ● Worsening

ECONOMY	Central	Eastern	Hampton Roads	Northern	Southside	Southwest	Valley	West Central
Business Startups	●	●	●	●	●	●	●	●
Employment Growth	●	●	●	●	●	●	●	●
Personal Income	●	●	●	●	●	●	●	●
Poverty	●	●	●	●	●	●	●	●
Unemployment	●	●	●	●	●	●	●	●
EDUCATION	Central	Eastern	Hampton Roads	Northern	Southside	Southwest	Valley	West Central
School Readiness	●	●	●	●	●	●	●	●
High School Graduation	●	●	●	●	●	●	●	●
High School Dropout	●	●	●	●	●	●	●	●
HEALTH & FAMILY	Central	Eastern	Hampton Roads	Northern	Southside	Southwest	Valley	West Central
Cancer	●	●	●	●	●	●	●	●
Cardiovascular Deaths	●	●	●	●	●	●	●	●
Foster Care	●	●	●	●	●	●	●	●
Infant Mortality	●	●	●	●	●	●	●	●
Obesity	●	●	●	●	●	●	●	●
Suicide	●	●	●	●	●	●	●	●
PUBLIC SAFETY	Central	Eastern	Hampton Roads	Northern	Southside	Southwest	Valley	West Central
Property Crime	●	●	●	●	●	●	●	●
Violent Crime	●	●	●	●	●	●	●	●
Juvenile Intakes	●	●	●	●	●	●	●	●
Traffic Fatalities	●	●	●	●	●	●	●	●

# Are Agency Measures Aligned with High-Priority Goals?

SOCIETAL INDICATOR		AGENCY PERFORMANCE MEASURES		
Indicator	Performance Trend	Agency	Key Measure	Baseline / Target
<b>Education</b>				
Third Grade Reading	↑	Education	Third graders passing the reading SOL test	84%/95%
High School Graduation	↑	Education	High school students exiting with a diploma	74%/80%
<b>Health and Family</b>				
Foster Care	↑	Social Services	Children adopted within 24 months of entering foster care	21%/37%
Immunization	↑	Health	Two-year old children fully immunized	81%/90%
<b>Public Safety</b>				
Traffic Fatalities	↑	Transportation	Traffic crash-related fatalities	946/846
Recidivism	↑	Juvenile Justice	Juveniles convicted of a new crime within a year of release	38.8%/31.7%
<b>Natural, Cultural, and Historic Resources</b>				
Water Quality	↑	Environmental Quality	Nitrogen nutrients discharged in the Chesapeake Bay watershed (millions of lbs.)	25.7/22.3
Land Preservation	↑	Conservation & Recreation	Cumulative acres (000s) preserved for conservation purposes	67.3/400

# Continued Evolution of Virginia Performs

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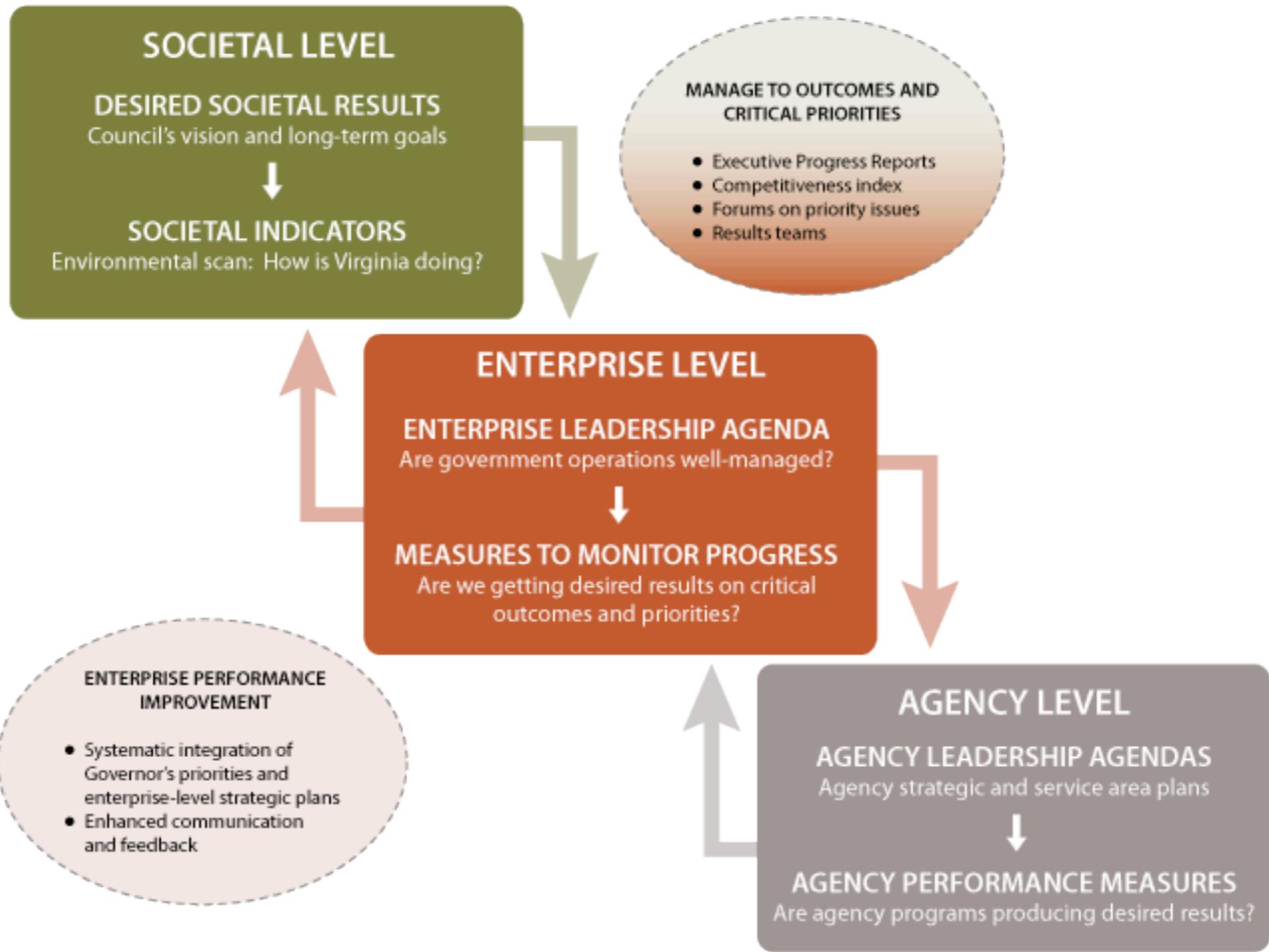


# History and Next Steps

--- Council ---  
 --- Executive Branch ---  
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	Development Phase (2003-2005)	Implementation Phase (2006-2009)	Current Status	Next Steps (2010-2013)
Level	<i>Define and Create the Performance System</i>	<i>Strengthen Links to Performance, Improve Transparency</i>		<i>Continue Development &amp; Enhancement</i>
<b>Societal</b>  How Is Virginia Doing?	<ul style="list-style-type: none"> <li>Overall vision and long-term goals for the Commonwealth</li> </ul>	<ul style="list-style-type: none"> <li>User-friendly Virginia Performs website that integrates societal- and agency-level views</li> <li>Special focus on higher education</li> <li>Development of Hampton Roads Performs</li> </ul>	<ul style="list-style-type: none"> <li>Strong foundation in place</li> <li>Well-developed system</li> <li>Refinement continues</li> </ul>	<ul style="list-style-type: none"> <li>Identifying and tracking a critical few drivers of economic competitiveness in Virginia (Competitiveness Index)</li> <li>Complete first phase of regional competitiveness study (May 2011)</li> </ul>
<b>Enterprise</b>  Are We Getting Results on Our Highest Priorities?		<ul style="list-style-type: none"> <li>Agency key measures: First step toward gaining enterprise perspective</li> </ul>	<ul style="list-style-type: none"> <li>No formalized or systematic way to track enterprise-level priorities</li> </ul>	<ul style="list-style-type: none"> <li>Enterprise Level:               <ul style="list-style-type: none"> <li>Short term: Capture metrics related to top priorities (e.g., land preservation, college degrees)</li> <li>Long term: Capture enterprise-wide plans and metrics that transcend secretarial and agency boundaries</li> </ul> </li> </ul>
<b>Agency</b>  Are We Improving Government Services and Operations?	<ul style="list-style-type: none"> <li>Consistent and integrated strategic planning</li> <li>Service area plans linked to the budget</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened focus on agency outcomes and results</li> <li>Regular reporting by agencies on performance measures</li> <li>Began development of Performance-Based Budgeting System</li> <li>Initiated the Productivity Investment Fund to complement enhanced focus on performance management</li> </ul>	<ul style="list-style-type: none"> <li>Continued training and technical assistance needed to improve measures</li> <li>Initiation of assessment and evaluation of strategic planning process and metrics</li> <li>Completed the first phase of the Performance-Based Budgeting System</li> <li>Productivity Investment Fund: 31 projects with 17 state agencies, projected 4.8X ROI</li> </ul>	<ul style="list-style-type: none"> <li>Full implementation of Performance Budgeting System, including strategic planning               <ul style="list-style-type: none"> <li>Short term: Report progress in FY2011 on existing measures</li> <li>Long term: Assess overall system in preparation for submission of 2012-2014 biennium budget</li> </ul> </li> <li>Focus on continuous improvement, formalize cost-saving incentives</li> </ul>

# Continued Evolution of the System



# Vehicles for Communication and Dialogue

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# Virginia Performs

VISION  
FOCUS  
RESULTS

[Regions](#) | [Trends](#) | [Demographics](#) | [Map It](#)  
[Agency Planning and Performance](#) | [Scorecard at a Glance](#)

Economy

Education

Health & Family

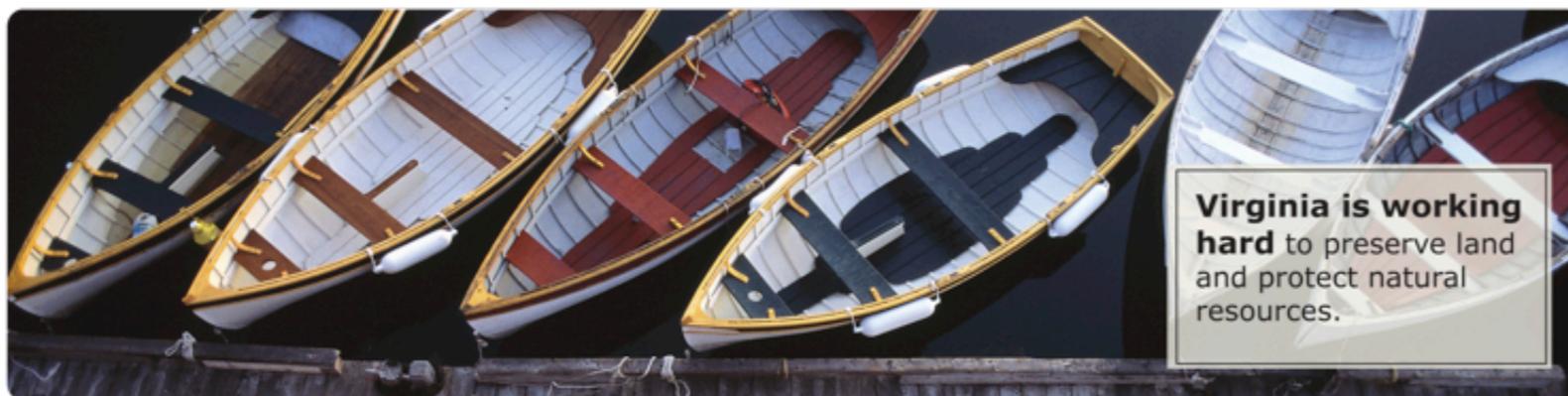
Public Safety

Natural Resources

Transportation

Government & Citizens

Search the Site



## SCORECARD



A T A G L A N C E

See how Virginia measures up.

### A message from the Governor of Virginia:

The Commonwealth of Virginia is a spectacular place to live. We treasure the heritage and resources that contribute to our high quality of life, but it takes constant planning and fine tuning to maintain this quality and make needed improvements.

This website, brought to you by the Council on Virginia's Future, shows you how we measure the state's performance, plan for the future and monitor our progress. Explore the links above to see how we're working to make Virginia strong and healthy.

Thanks for visiting.



### Agency Performance Plans

 Key Objectives at a Glance

Explore by Secretariat how state agencies set and measure their performance goals and targets.

- Administration
- Agriculture & Forestry
- Commerce & Trade
- Education
- Finance
- Health & Human Resources
- Natural Resources
- Public Safety
- Technology
- Transportation

**State Agencies**  
Explore performance measures by agency

## Measuring Virginia

Virginia Performs shows you how the state is doing in areas that affect the quality of life for you and your family. Explore these pages ([main menu above](#)) to learn more about the Commonwealth's performance from region to region and compared to other states. For more about your own community, try out our [Map It tool](#). You can also see how Virginia state government is working on your behalf on our [Agency Planning and Performance](#) pages.

### Measuring What Matters

#### How Is Virginia Doing? Our Annual Performance Summary



The 2010 Virginia Report is now available for download ([see News & Resources](#) for access to different PDF versions). Each year the Council on Virginia's Future publishes this annual summary of the state of the Commonwealth, based largely on data culled from Virginia Performs.

This year's report includes two new chapters: "A Profile of Virginia" that highlights key data about Virginia's people, economy, and government; and "A Regional Perspective," which examines Virginia's eight regions in some detail, revealing sometimes wide disparities in performance.

# Council Products

## Information / Business Intelligence



**Virginia Performs website:** User-friendly data at state, region and locality levels; portal to state agency strategic plans and performance measures

## Analysis, Dialogue & Recommendations

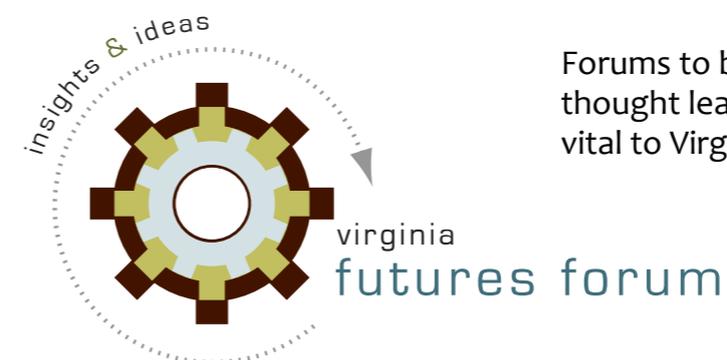


### Publications and Research:

1. Outcome data by legislative district compiled for members of the General Assembly
2. White papers and custom presentations on key topics
3. Council e-newsletter with updates on the Roadmap and special issues, assessment, performance, and productivity improvement



**The Virginia Report:** Annual report with high-level assessment of Virginia's progress in areas important to quality of life; highlights challenges and provides analytic information for decision-making



Forums to bring together thought leaders on issues vital to Virginia



# **Special Focus: Regional Competitiveness**

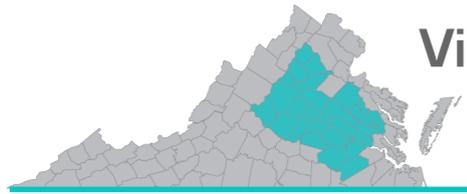
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# Special Focus: Regional Competitiveness

- Maximizing the effectiveness of the state-local government service delivery system.
- Accelerating regional efficiency and effectiveness.
- Strengthening regional economic competitiveness.

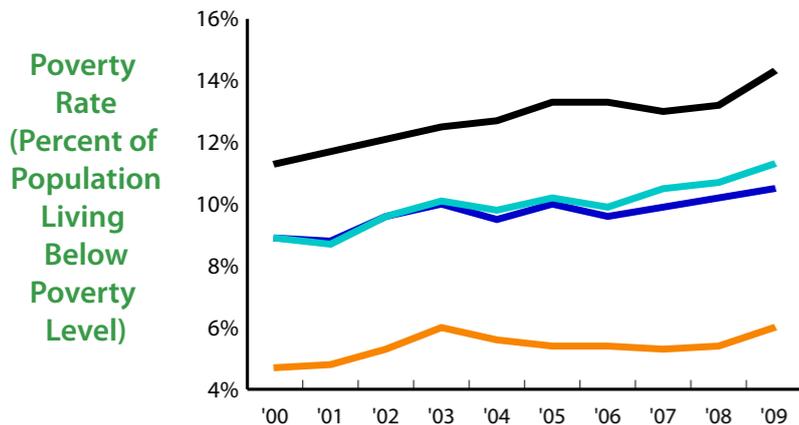
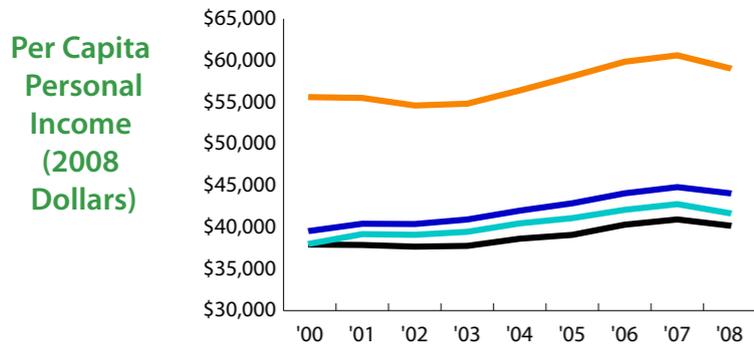
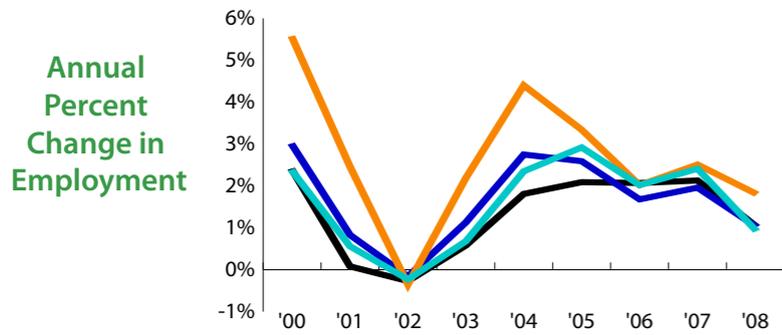
# Virginia Performs Structure and Outcomes: Trends Over Time: A Regional View



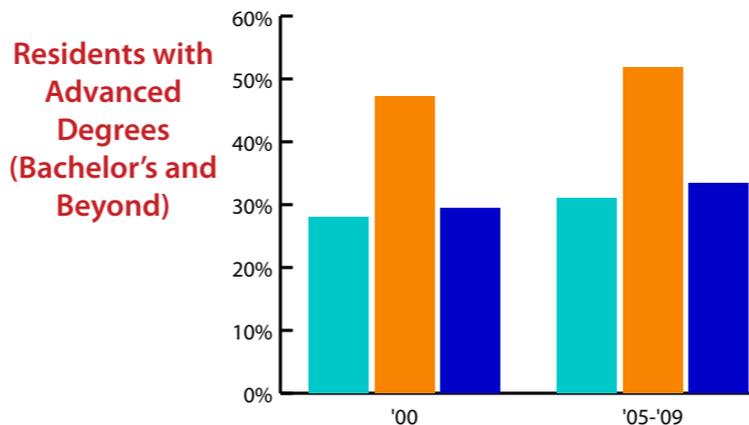
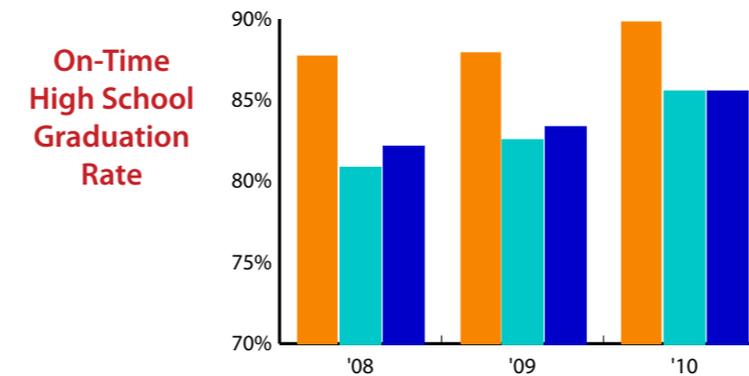
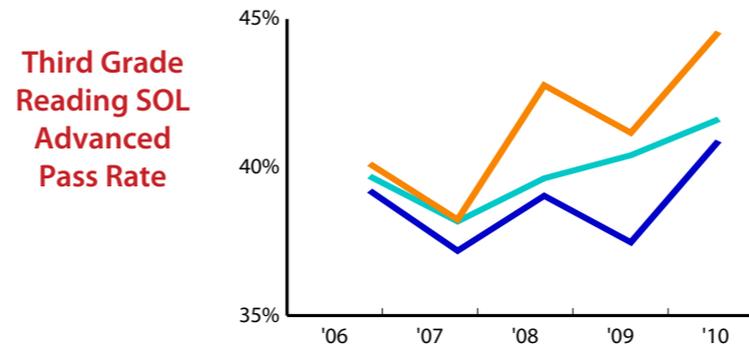
VirginiaPerforms Trends for Selected Indicators:

## Central Region

### Economy



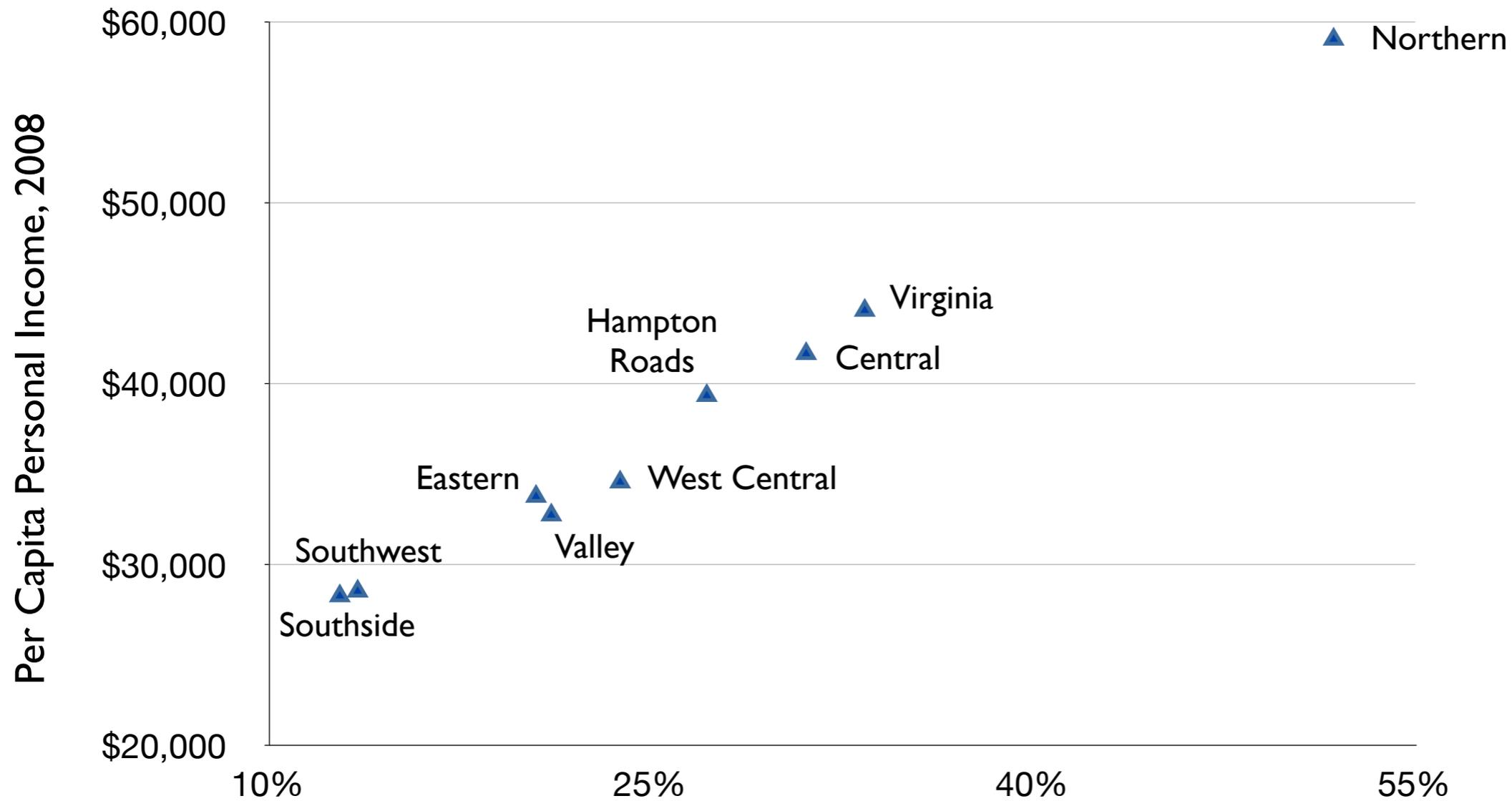
### Education



- Central
- Northern (Leading Region)
- Virginia
- National

See the Council presentation to the Intergovernmental Relations committee for other regional profiles. Available at [future.virginia.gov](http://future.virginia.gov)

# Per Capita Personal Income and Educational Attainment: Virginia's Regions

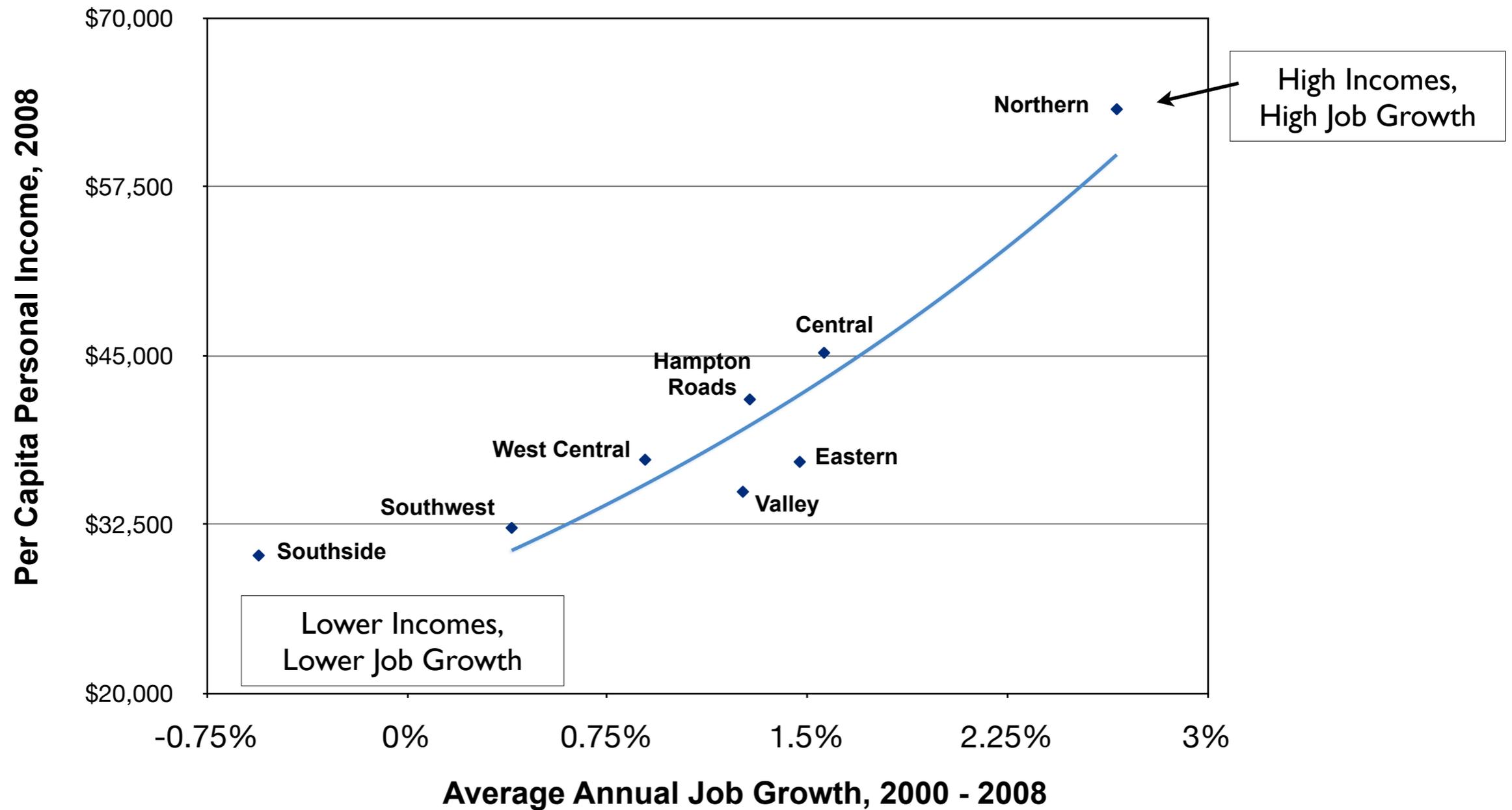


Percent of the Population 25 and Over with at Least a Bachelor's Degree, 2005-2009

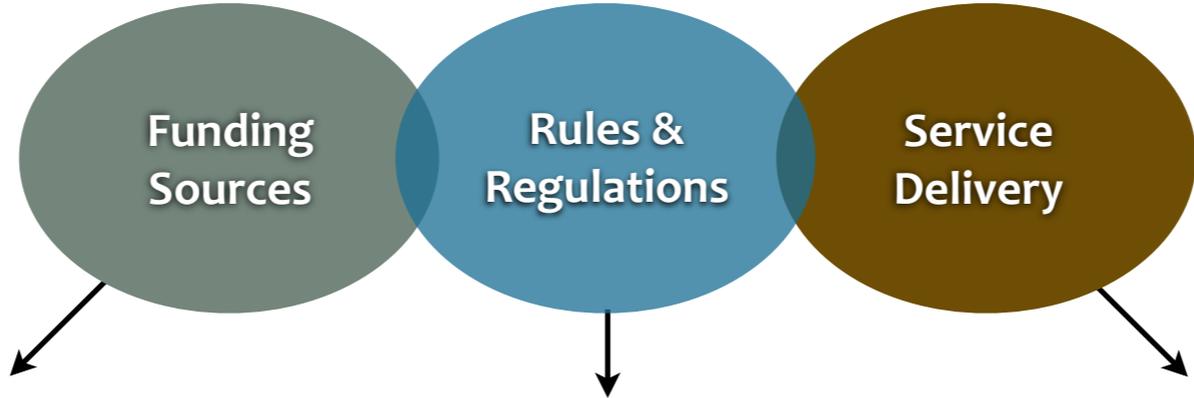
Source: Educational Attainment - Current Population Survey (table creator), 2005-2009, U.S. Census Bureau; Adjusted 2008 Per Capita Personal Income - Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce.

# Do Regions Matter?

Regional differences may persist: relatively prosperous regions grow more rapidly than less prosperous ones



# Facilitating Sustainable Change in a Complex Environment



Funding flows from various sources	A variety of rules and regulations govern service delivery	Multiple jurisdictions and agencies are responsible for service delivery
<ul style="list-style-type: none"> <li>• State general fund</li> <li>• State nongeneral fund (e.g., tuition, fees, and sales revenue)</li> <li>• Federal government</li> <li>• Industry and federal grants</li> </ul>	<ul style="list-style-type: none"> <li>• State laws, regulations</li> <li>• Federal laws</li> <li>• Grant provisions</li> <li>• Local regulations</li> </ul>	<ul style="list-style-type: none"> <li>• State agency</li> <li>• Locality</li> <li>• Not-for-profit on behalf of the state</li> <li>• Industry and federal grants</li> </ul>

- About 48 percent of the state’s general fund budget is aid to localities.
- Accountability systems are sometimes at a different level than rules, regulations, and funding.
- Linkages between performance and funding are sometimes limited.
- Outcome targets are not incorporated into formulas driving significant investment.
- It can be difficult to isolate specific metrics for monitoring outcomes.
- Accountability for outcomes is weakened and diffused when the service or program has multiple funding sources.

# Concluding Remarks

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# Concluding Remarks

- Put results first: Public investment decisions should be clearly tied to meaningful societal goals and desired outcomes and evaluated through a focus on results.
- Measure the right things: The adage, “You can’t manage it if you don’t measure it.” should be modified to read, “You can’t manage it well if you don’t measure it well.”
- Openly access progress: Emphasize transparency in operations and promote accountability.
- Encourage positive change: Provide the right tools and incentives to promote innovation and productivity improvement.
- Meaningful change requires a long-term commitment.

# Sites of Interest

**Virginia Performs:**  
[VaPerforms.virginia.gov](http://VaPerforms.virginia.gov)

**Hampton Roads Performs:**  
[HamptonRoadsPerforms.org](http://HamptonRoadsPerforms.org)

**Council on Virginia's Future:**  
[future.virginia.gov](http://future.virginia.gov)

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