Outcome Based Management:
A Way of Looking Ahead

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EXECUTIVE SUMMARY

Introduction

San Mateo County's Board of Supervisors has implemented an innovative ten-year plan to support its community. The Board invited their management and community-based organizations (CBOs) to help create Shared Vision 2010. They developed their vision through a fluid process, creating practical measures to achieve their goals. By giving the community a voice in planning its vision, they ensured its understanding and commitment to achieving the necessary outcomes. They called their performance management process, Outcome Based Management (OBM).

Background

In 1999, San Mateo County created a strategic plan with its key stakeholders. The development of the plan started by bringing the community together to envisage the outcomes they all wanted. After the outcomes were visualized, they developed measures to track their success. A main part of their vision entailed aligning their budget to OBM goals and objectives throughout all levels of the organization.

Findings

By setting up OBM and a strategic plan aligned with their vision at all program levels, San Mateo County was able to meet sensible performance measures. Because OBM allowed for reprioritization, they were able to make necessary budget changes to meet their goals.

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Introduction

The Alameda County Social Services Agency has been seeking to improve its ability to extract usable data so it can be assured that state and federal performance standards are met and so service delivery can be improved. My interest in exploring San Mateo's Outcome Based Management and Data Management models was prompted by the implementation of Alameda County's Social Services Integrated Reporting System (SSIRS). As the county is at the onset of a new reporting system, I thought this would be a positive way to discover lessons learned from another source. Additionally, I chose San Mateo's plan because of the close alignment of their vision to that of Alameda County's vision. Lastly, San Mateo's program title of Outcome Based Management was appealing because I strongly believe that to achieve a goal, one must have the goal clearly defined at the onset of the endeavor.

San Mateo County's Human Services Agency's vision is for every child, adult, and family to live in a safe, healthy, thriving community. The agency wanted a way to look ahead; to achieve this, they created five community forums with staff, youth in the community, and CBOs. The county asked residents and participants to vote on long-term goals, and together they created Outcome Based Management (OBM). They developed a way of measuring performance outcomes that had a direct correlation to their goals. OBM provided a way for San Mateo County to align its vision to its budgetary allocations. The planning and monitoring fueled alignment of services. Meeting with all the stakeholders and having them take part in creating the vision and providing responses about how to meet the county's objectives created a sense of ownership and clarity. San Mateo sought to be a healthy, livable, environmentally conscious, collaborative, and prosperous place for its residents.

The Alameda County Social Services Agency's mission is to promote the economic and social well-being of individuals, families, neighborhoods, and communities. In 1999, Alameda County adopted a Strategic Vision that encompasses five key priorities:

1 The environment and sustainability
2 Safe and livable communities
3 Healthy and thriving populations
4 Housing
5 Transportation

The Performance Plan spanned from 1999 through 2004. In 2006 and 2007, Alameda County continued to focus on making Alameda County one of the best counties to live, work and do business in. My goal in this case study was to learn about San Mateo's OBM and Data Management models because Alameda County recently implemented a new data system and because of the similarities between both county's visions.

Background

History

OBM stemmed from San Mateo County's 1999 strategic plan known as Shared Vision 2010. San Mateo County's Board of Supervisors launched Outcome Based Management (OBM), then branched out to community members through forums to encourage suggestions and partnership in its planning. In 2000, San Mateo County piloted OBM in 21 of its programs. From 2001 through 2003, the county phased OBM into its remaining programs. Shared Vision 2010 had ten commitments and 25 goals with progress measures. The ten commitments had four

guiding principles: partnerships, people, place, and prosperity. The county categorized its 25 goals according to the four guiding principles.

San Mateo County has updated its Shared Vision to 2025. As with Shared Vision 2010, the county brought key stakeholders and community leaders together to revisit its "shared vision". They provided forums for the Spanish-speaking community and for youth organizations. The county asked key questions to the forum participants:

- Where are we now?
- Where are we going?
- Where do we want to be?
- What do we want to look like?
- What are the most important goals that San Mateo County should set for the year 2025?

The new vision reflected the county's ability to use its new integrated management to improve results. The new shared vision determines five key outcomes it seeks to achieve by 2025. It aims to make San Mateo County:

1 **Healthy:** Our neighborhoods are safe and provide residents with access to quality health care and seamless services.
2 **Livable:** Our growth occurs near transit and promotes affordable, livable connected communities.
3 **Prosperous:** Our economic strategy fosters innovation in all sectors, creates jobs, and builds communities and educational opportunities for all residents.
4 **Environmentally Conscious:** Our natural resources are preserved through environmental stewardship, reducing our carbon emissions, and using energy, water and land more efficiently.
5 **Collaborative:** Our leaders forge partnerships, promote regional solutions with informed and engaged residents, and approach issues with fiscal accountability and concern for future impacts.

Shared Vision 2025 reflects the five community outcomes that were decided on by the community and county. Shared Vision 2025 aligns the outcome goals with financial outlays, and matches each department with one outcome to ensure the funds earmarked to the program meet the necessary goal.

The county continues to train its managers, with a focus on data reliability, documentation of collection methods, and regular performance reporting. San Mateo County recently launched, "See it!", an online tool used to report OBM's progress. This provides another layer of accountability and community engagement, and continues the path towards a connected vision.

Program Sample

To see what OBM looks like when applied to particular programs, one can examine how it is used with Alcohol and Drug Services, one of the OBM pilot programs (funded through General Funds). Their implementation of OBM included a work plan and outcome statement. Additionally, they created an internal and external assessment that looked at their strengths, limits, opportunities and risks, as well as a list of program measures to improve outcomes. The department then charted their program performance measures on a matrix designed to measure data about who they were helping and, more importantly, what their outcomes were. (See Table 1.) From this data they were able to view the effects of their program on the population they were serving and to create new, practical measures that would ensure better outcomes.

Information Technology (IT)

San Mateo County's Information Systems is also an integral part of OBM. The county uses Business Objects and Info View for its reports and data analysis. They have an excellent architecture design that maps their programs, the databases they feed to, and the products of the databases. Part of their architectural design is a Track-It tool that allows supervisors to assign and monitor tasks for continuing client caseloads. Instead of having staff manage a large caseload, each staff manages tasks. As a result of the Track-It Tool there are no overdue yearly renewals or periodic reports.

Separate from their tracking tool, San Mateo's IT department also uses a Data Warehouse. The Data Warehouse facilitates data capture for complex computations when data was not structured as such in the

TABLE 1

	Quantity	Quality
EFFORT	Input	Efficiency and Service Quality (%)
EFFECT	Output (#)	Outcome (%)

client information source systems. San Mateo discovered that the Data Warehouse they were using was redundant after the county implemented CalWIN in 2004. Additionally, they found that many of their reports could be extracted from Business Objects and that the data could be manipulated as needed.

BUDGET

A unique trait of San Mateo County's strategic plan is how they incorporated OBM into their budget development. The county justifies its staffing and resource allocations based on the OBM Program Plan and OBM performance targets. Program performance measures need to reflect the program's success and purpose. In honor of San Mateo County's budgetary innovation, they received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. GFOA grants awards to government agencies in Canada and the United States for high-quality budgets.

Findings

San Mateo's vision of giving priority to outcomes allows them to have accountability for their services and gives them the ability to measure their success within a program. Integrating their view of OBM to all their programs, and specifically to their budget, has resulted in an alignment of the county's services. Their clear view of outcomes led them to look closely

at their programs and their specific reporting capacities. By measuring the outcomes of the data warehouse and the cost of usage, they were able to reevaluate the cost-benefits of the data warehouse against client information systems. The sun-setting of their data warehouse resulted in an annual cost savings estimate of $180,000. For Medi-Cal and NAFS, operations monitoring and activity reporting has resulted in increased performance. This success has expanded to include an improved task tracker that is able to incorporate imaging into their practice.

While there are successes in carrying out OBM, there are also challenges. Because of the financial challenges that all private and public organizations are facing, the county is unable to provide aid to CBOs in the form of hardware and support (i.e., computers, training and technical support). A second challenge is that, while most staff appear to be in support of the OBM tool, not all staff are.

The overall benefit of carrying out OBM is that it aligned San Mateo County's goals and objectives throughout all levels of the county. It gave managers control measures and data to ensure that they meet the agency's outcome goals.

Recommendations

While Alameda County currently has a clear vision and strategic plan in place, I recommend revisiting the agency's strategic plan with the involvement of chosen CBOs and Social Services Agency staff. The agency has numerous community partners; therefore, it would not be feasible to invite all partners to the planning. However, a series of forums should provide a reflection of the communities they serve. The start of calendar year 2011 would be the best time to start this plan, with an implementation date of the following fiscal year (2011 to 2012).

The county would invite CBOs to engage in Alameda County's strategic planning, with the purpose of creating tangible and sensible outcomes for our community. The plan should have an outcome statement, performance measures, and plan priorities. The performance measures should quantify the efforts and effect of the efforts, and the quality of the

outcomes. The county should link the budget to program priorities and performance targets.

To ensure the effectiveness of this plan, I recommend that there be two project leads from the Program and Planning Department. The leads would be charged with carrying out the agency program, and would report on its progress directly to the director. Since the plan already has a design in place, I would recommend the positions be at a supervisor level or higher. All departments within the agency should be included as stakeholders, and one liaison should be chosen from each department to assist with the plan implementation.

The costs involved in the project would include the expense of putting together the forums, as well as the cost of any refreshments or food served. The cost implication for the staff leads would depend on whether the county uses existing positions or creates new ones. If the county creates new positions, I would recommend that the positions be categorized as Special Project Supervisors. The county would also incur costs associated with training managers and CBOs on the agreed-upon performance measures.

Carrying out a plan inspired by the county's new vision while aligning goals and objectives at all levels of the agency's organization will ensure the effectiveness and fulfillment of their vision.

Conclusion

San Mateo County implemented OBM to ensure a uniform process for planning, performance monitoring, and resource allocation. They wanted outcome-driven objectives that involved internal and external customers, and created measurable and transparent outcomes. They also needed to ensure financial support for their strategic plan to keep clear and uniform goals. They documented their activities, created a mechanism to quantify their outcomes, and were able to identify areas of duplication, areas for improvement, and areas of success.