

# Minnesota Steering Committee on Performance and Outcomes

October 2009

This document is a two part glossary of terms for use by the Minnesota Steering Committee on Performance and Outcomes. The purpose of this document is to provide a beginning point of understanding the basic concepts of performance management and accountability. The Committee recognizes that the glossary can be amended as work moves forward.

The first section is a plain language listing of common terms and simplified definitions created by Mark Friedman. Mr. Friedman has given blanket permission for government agencies to use this document. The citation is Friedman, M. (2005). *Trying Hard Is Not Good Enough, How to Produce Measurable Improvements for Customers and Communities*, pages 151-154. Santa Fe, NM: Fiscal Policy Studies Institute.

The second section is a more technical glossary similar to a dictionary. This section is adapted from the American Society for Quality. The citation is American Society for Quality. (June 2007). *Quality Glossary*, *Quality Progress*, 40(6), pages 39-59. Milwaukee: Author. OR [www.asq.org/glossary](http://www.asq.org/glossary)

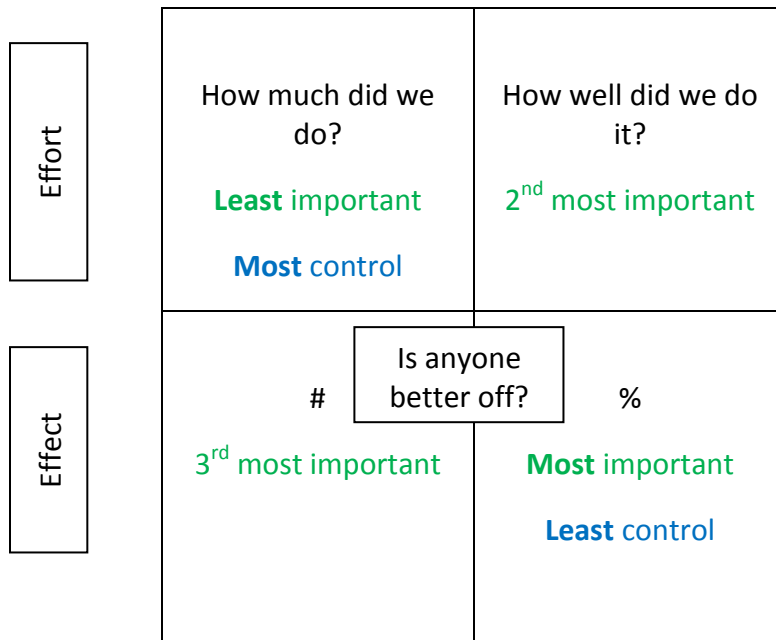
## TOOL FOR CHOOSING A COMMON LANGUAGE

Most of the following published work has been supported by foundations and non-profit organizations, including the Annie E. Casey Foundation, The Carnegie Corporation, The Foundation Consortium, The Finance Project and The Center for the Study of Social Policy (CSSP). Government and non-profit organizations may copy, distribute and use any of it, providing it is done with attribution and in the interest of improving the well-being of children and families.

Framework Idea	Common Labels For Each Idea
<p><b>A. The Basics</b></p> <ol style="list-style-type: none"> <li>1. A condition of well-being for children, adults, families and communities stated in plain language.</li> <li>2. A measure that helps quantify the achievement of a result.</li> <li>3. A coherent set of actions that has a reasoned chance of working to improve results.</li> <li>4. A measure of how well a program, agency or service system is working.</li> </ol>	<ol style="list-style-type: none"> <li>1. <b><u>Result</u></b> (Outcome, Goal)</li> <li>2. <b><u>Indicator</u></b> (Benchmark)</li> <li>3. <b><u>Strategy</u></b> (What works)</li> <li>4. <b><u>Performance measure</u></b></li> </ol>
<p><b>B. Other Important ideas</b></p> <ol style="list-style-type: none"> <li>1. A picture of a desired future, one that is hard but possible to attain.</li> <li>2. The purpose of an organization.</li> <li>3. A person or organization who benefits from program or agency service delivery.</li> <li>4. A person or organization who has a significant interest in the performance of a program, agency or service system.</li> <li>5. A person or organization who has a role to play in improving results.</li> <li>6. A visual display of the beginning point for measuring change.</li> <li>7. A visual display of the history and forecast(s) for a measure.</li> <li>8. An analysis of the conditions, causes and forces at work that helps explain why a baseline looks the way it does.</li> <li>9. An analysis of the conditions, causes and forces at work that helps explain why a trend line looks the way it does.</li> <li>10. Possible actions that could make a difference on a result or performance measure.</li> <li>11. A description of proposed actions.</li> <li>12. The components of an action or strategic plan.</li> <li>13. A desired level of achievement for an indicator or performance measure.</li> <li>14. A system or process for holding managers and workers responsible for the performance of their programs, agencies and service systems.</li> <li>15. A system or process of working from ends to means, using population and/or program results to drive decisions about what to do and how to budget.</li> </ol>	<ol style="list-style-type: none"> <li>1. <b><u>Vision</u></b> (Desired future)</li> <li>2. <b><u>Mission</u></b> (Purpose)</li> <li>3. <b><u>Client</u></b> (Customer)</li> <li>4. <b><u>Stakeholder</u></b> (Constituent)</li> <li>5. <b><u>Partner</u></b> (Collaborator)</li> <li>6. <b><u>Baseline</u></b></li> <li>7. <b><u>Trend line</u></b></li> <li>8. <b><u>Story behind the baseline</u></b></li> <li>9. <b><u>Story behind the trend line</u></b></li> <li>10. <b><u>Strategy</u></b> What works</li> <li>11. <b><u>Action plan short term / Strategic plan long term</u></b></li> <li>12. <b><u>Objectives</u></b> (Goals, Milestones)</li> <li>13. <b><u>Target</u></b> (Goal, Benchmark)</li> <li>14. <b><u>Results Accountability</u></b></li> <li>15. <b><u>Results Management</u></b></li> </ol>

<p><b>C. Types of Performance Measures</b></p> <ol style="list-style-type: none"> <li>Measures of the quantity or amount of effort, how much service was delivered.</li> <li>Measures of the quality of effort, how well the service delivery and support functions were performed.</li> <li>Measures of the quantity and quality of effect on customers' lives.</li> </ol>	<ol style="list-style-type: none"> <li>How much did we do? <ul style="list-style-type: none"> <li>Input, Output, Resources,</li> <li>Process measure,</li> <li>Product measure</li> </ul> </li> <li>How well did we do it? <ul style="list-style-type: none"> <li>Efficiency measure,</li> <li>Process measure</li> <li>Customer satisfaction</li> </ul> </li> <li>Is anyone better off? <ul style="list-style-type: none"> <li>Effectiveness measure,</li> <li>Customer result,</li> <li>Customer outcome,</li> <li>Impact, Cost / benefit ratio,</li> <li>Return on investment, Output,</li> <li>Outcome, Product, Value added,</li> <li>Customer satisfaction</li> </ul> </li> </ol>
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**C. Types of Performance Measures (illustrated)**



## GLOSSARY OF TERMS RELATED TO PERFORMANCE MEASUREMENT AND QUALITY

Selected items from the American Society of Quality, June 2007 In Alphabetical Order

**Action Plan:** A specific method or process to achieve the results called for by one or more objectives.

**Alignment:** Actions to ensure that a process or activity supports the organization's strategy, goals, and objectives.

**Balanced scorecard:** A strategic performance management system that provides a method of aligning activities to strategy and monitoring performance of strategic goals over time.

**Baseline measurement:** The beginning point or the basis against which change is measured.

**Benchmarking:** A technique for measuring one agency's performance against a best in class performance of another agency.

**Chart:** A tool for organizing, summarizing, and depicting data in graphic form.

**Compliance:** The state of an organization that meets prescribed specifications, contract terms, regulations, or standards.

**Continuous improvement:** The ongoing improvement of products, services, or processes through incremental and breakthrough improvements.

**Customer satisfaction:** The result of delivering a product or service that meets customer needs, requirements, and expectations.

**Cycle time:** The total time from the beginning to the end of a process.

**Data:** A set of collected facts.

**Goal:** A broad statement describing a desired future condition or achievement.

**Indicators:** Established measures to determine how well an organization is doing (can refer to customer satisfaction, financial management, or some other operation).

**Inputs:** The labor (staff numbers and expertise), capital assets (land, buildings, vehicles, computers) and financial resources used by an agency to generate outputs.

**Measurement:** The act or process of quantitatively comparing results with requirements.

**Objective:** A specific statement of a desired short-term condition or achievement which includes a measurable result within a time limit.

**Outcome:** The end result that is sought or a description of the intended result, effect, or consequence that will occur from carrying out a program or activity.

**Outputs:** Refers to the measurement of an activity or service such as the total number of units of service provided (number of calls answered by a call center).

**Process measure:** Measures of the performance of a process such as cycle time.

**Standard:** A set of criteria, guidelines or practices.

**Strategic Planning:** The process an agency uses to envision its future and develop the appropriate strategies, goals, objectives, and action plans.

**Trend:** The graphical representation of a measure illustrating at least three data points.

**Values:** The fundamental beliefs that drive an agency's behavior and decision making.

**Vision:** An overarching statement of the way an organization wants to be; an ideal state of being at a future point.

**Voice of the customer:** The expressed requirements and expectations of customers relative to products or services.