

Bridging the Divide Between Community Indicators and Government Performance Measurement

BY TED GREENWOOD

Anyone familiar with both community indicators projects around the country and the growing movement to encourage governments to engage in performance measurement and reporting will recognize that these two activities have much in common but are not the same. This article describes in broad terms the nature, benefits, and problems of community indicators projects and government performance measurement, and it suggests a means by which the two can be brought together to achieve the benefits of both.

Community Indicators

Community indicators can mean many different things, emerged from many different traditions, and engage people with many different kinds of motivation. Indicators can measure the health of a community or the health of the environment. They can measure the state of the economy or the state of the polity. But all these indicators have in common that they are significant descriptors of something that is valued, they are all quantifiable, and they are all actually measurable. Being actually measurable is different from just being quantifiable. They are not just measurable in principle but also measurable in practice, at an affordable price. To be useful, an indicator must have all three characteristics: it must be significant, quantifiable, and measurable.

Once an indicator is identified, the next steps are to obtain (often from government sources) the information or data associated with the indicator and publish the result so that relevant people have access to the information. Sometimes these data are presented with comparisons to other, similar communities. They are frequently presented as a time series to enable comparison with the past.

Community indicators projects are usually community-driven and focus on local conditions. Identification of community indicators, collection of relevant data, and publication are usually (although not always) done under the leadership of independent groups, *not* by governments. There is, typically, an inclusive community process that results in selection of the indicators. When participants talk about their community indicators projects, they use words such as “inclusive,” “participatory,” “consultative,” and “collaborative” to describe the process that their indicators projects followed. The process itself is important because the legitimacy and relevance of the resulting indicators are highly dependent on the nature of the process. The exercise sits in the tradition of participatory democracy. Indicators selected through this kind of community process reflect the values, interests, and goals of the participants, and typically the process starts by articulating goals and then deriving indicators. The whole point of community indicators is to encourage and enable improvement over time in whatever is being measured, whether it is the incidence of teenage pregnancy, voter participation, local air quality, or the local employment rate.

There are, of course, problems with community indicators. The conditions that community indicators measure are usually high-level and aggregated. They are equivalent to the view of the ground from thirty thousand feet. The measured conditions result from the actions of many entities, agencies of government at various levels, private sector entities, and individuals. Local air quality, for example, is the result of actions taken and choices made by federal and state government regulators and enforcement agencies, local and perhaps quite distant companies, and many individuals in their choice of car and

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home heating fuel. Depending on the indicator, any one of these entities or categories could be the primary contributor. Figuring out the contribution of any particular entity can be difficult or impossible. Therefore, it is often unclear what to do in order to improve a measured condition. Where should one start? What actions would be cost-effective? What are the leverage points in the short run? The answers to such questions are frequently not evident. As a result, community indicator projects often lead to frustration. Although the devotees of community indicators spend much time and effort to mobilize and motivate people, develop the indicators, obtain relevant data, and publish the results, they rarely see the desired improvements taking place and they sometimes lose hope that the indicators alone will achieve this improvement. It is all too common for momentum to wane and the indicators project to atrophy.

Government Performance Measurement

Ideally, government performance measures identify and measure the things that governments are supposed to accomplish—generally referred to as outcomes, or efficiency measures that indicate how much of something is achieved per unit of expenditure or personnel. In practice, however, government performance measures are often outputs of government activity or even inputs, such as dollars spent or numbers of people employed within a program area. To be useful, whether to government officials or the public, government performance measures must focus on things that are significant, quantifiable, and measurable, just as community indicators do, and they must have all three characteristics. Once a gov-

ernment performance measure is identified, the next steps are to obtain the information or data associated with the measure and, sometimes, to publish the results so that relevant people have access to the information. Whether or not the data for government performance measures are published, and if so are presented with comparisons to other similar jurisdictions or as a time series, depends on the purpose for which the performance measurement and reporting is done.

Government performance measurement is usually, although not always, done by governments and *not* by independent groups. It is expert-driven. Government people select the measures and decide how and to whom to report the information. The measures selected reflect the values, interests, and goals of the government agencies. This exercise sits in the tradition of representative democracy.

Performance measurement can serve one or more purposes, depending on which part of the government is in charge, and these purposes influence how performance measurement is done and what happens to the data. When performance measurement is done by the permanent bureaucratic structure alone, it is usually done as an aid to management. The measures are selected by government managers to help them manage. The preference may be not to publish the results, or to publish but not widely disseminate them, because government managers (quite sensibly) fear misinterpretation and prefer not to supply ammunition to their critics. Whenever the performance information is published, it becomes part of the normal policy debate that goes on in a democratic society. When performance measurement is done or controlled by elected or appointed officials, then it becomes part of the political process and is manipulated, to the extent possible, to serve these officials' political interests. Elected and appointed officials always possess incentives to show how things have improved (or at least not gotten worse) under their leadership and to take the credit for any improvement.

In contrast to most community indicators, government performance measurement can be very effective in catalyzing improvement, although it does not necessarily do so. When government managers focus on quantitative results, they can generally find ways to make them better. In the language of the business, this is called “management for results.” In the language of total quality management, the objective is “continuous improvement.”

As with community indicators, there are also problems with government performance measurement. Because performance measurement is part of the political process (whether the electoral or administrative aspects of the political process or both), it is subject to distortion as a result of political and organizational influences. What government officials choose to measure, and how, always reflects an ideological perspective and a political agenda. Officials who conduct or control the measurement and reporting have incentives to make the results come out in a way that makes them look good. There are unlimited opportunities to manipulate data to serve political or organizational interests, as mentioned earlier in this issue of the *National Civic Review*. This, of course, includes falsifying data, but one need not go that far. Simply by deciding what to measure and how to report the results, when and how to change definitions, when to discontinue one time series and begin a new one, or how to display data on a chart or graph, one can influence the message transmitted and how it is received. Self-evaluation by any organization is and should be suspect.

Performance measurement, once begun by a government, is not necessarily enduring. A performance measurement process that one governor or mayor or city manager puts in place can be swept away by a successor and often is. Also, because government performance measurement is usually done by and for government professionals (that is, they decide what measures to use, how to collect data, and how to report them), it can seem uninteresting and irrelevant

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to the general public and even to activist citizens. What government professionals find useful to measure and even what they *think* the public wants to know can turn out to be quite different from what the public actually wants to know. Government folks rarely ask the citizens they are supposed to serve what those citizens want to know. Even if they want to ask, they rarely know how to do so effectively. Those in charge of performance measurement in government usually have neither training in nor experience with communicating directly with the public.

Although, as already mentioned, performance measurement *can* be effective in catalyzing improvement, it *need not* have that result. Government managers or the elected officials to whom they nominally report must want to use the measures for that purpose, and procedures must exist that enable them to do so. This is not at all inevitable and frequently does not happen at all. Having useful information available does not guarantee that those who could use that information to improve government performance will do so. Too often, performance measurement and reporting becomes an exercise in data collection for its own sake, resented by those who have to shoulder the burden and not used by anyone for beneficial effect.

The suggested criteria for service efforts and accomplishments reporting (what the rest of the world calls performance measurement and reporting or public

performance reporting) published by the Governmental Accounting Standards Board (GASB) in 2003 are designed to fix some of these problems with government performance measurement. But even following all of these suggested criteria will not fix all the problems. Anything associated with government is intrinsically political. Any reporting by the government about itself has an element of self-promotion and is subject to manipulation unless safeguards are put in place. GASB's criteria say nothing about such safeguards. The criteria assume that reports are being issued to the public but say nothing about getting input from the public or other users about what they would find useful and want to see reported. Perhaps the next version of these criteria, to be called suggested guidelines for voluntary reporting, will address this issue, but this remains to be seen.

Bridging the Divide

In community indicators and government performance measurement, we have two separate, overlapping, worlds. They have some things in common: they focus on things that are significant, quantifiable, and measurable; their common objective is to make things better; and they both measure things that are affected, to a lesser or greater degree, by government. Also, they both have both benefits and problems. Community indicators usually focus on things that ordinary people care about and, when done from outside the government, are not greatly subject to distortion by political and organizational influences, but they rarely translate easily into ways to make things better. Government performance measures can translate more easily into ways to make things better but rarely focus on things that ordinary people care about and, when done inside the government (which is usual), are quite subject to distortion by political and organizational influences and might not survive political transitions.

What can be done to bridge this divide? How can community indicators be more of a guide to actions that would improve the measured conditions? How

can government performance measurement be more relevant to ordinary people and less subject to politically motivated distortion and more enduring?

With respect to community indicators, several things are possible.

- First, community indicators could be selected that are narrower, more concrete, and more connected to things that governments actually do or could do. Such indicators would, in effect, also be performance measures, although they might measure outcomes that result from more than one government program, or more than one government in a region. They would be more useful as agents of change than broad, abstract indicators. Such indicators should be identified in addition to, not instead of, broader indicators and would be most useful if developed with input from government officials who have been invited to participate in the process.
- Second, community indicator projects could use whatever influence they have or could develop to ask local government to start collecting and reporting data about its performance, help government officials figure out what to measure and how to report it, and offer to help them do it. Such involvement by people interested in community indicators would ensure that the performance measures used by the government would be relevant to ordinary people and, if the non-government people watch the government closely, the result would be to reduce the opportunity for and likelihood of political distortion.
- Third, governments could identify and collect data on broad indicators—as does the Oregon Progress Board; King County, Washington; and the City of Charlotte, among others—and link these indicators explicitly with their narrower and more focused performance measures. However, unless this is done through a participatory process, the government-initiated indicators would have most of the problems identified in this article for government performance measures.

With respect to government performance measures, several things are also possible. The best way to avoid distortion of performance measurement by political and organizational influences and to ensure continuity across changes in elected or administrative leadership is to do performance measurement and reporting from outside the government, as is usually the case for community indicators. The Worcester Regional Research Bureau in Massachusetts uses such an approach. As mentioned by guest editor Barbara J. Cohn Berman in the first article, this is what has come to be called citizen-based performance measurement and reporting. But this raises problems of its own (familiar to community indicators projects) of data availability and ongoing financing. Citizen-based performance measurement and reporting requires either a continuing source of local funds or a legislative mandate and government financing. More realistically, governments could involve the public in developing measures that citizens actually care about and could both obtain and take seriously feedback from citizens or citizen groups on the performance reports that they produce. This approach has come to be called citizen-informed performance measurement and reporting. It is being adopted by a small but growing number of jurisdictions around the United States.

The gap between community indicators and government performance measurement can also be bridged by connecting the indicators that reflect a high-level view of the world and the performance measures that reflect a lower-level view by means of logic chains. Such a logic chain might go like this: we conduct this government activity, whose effect is measured by a government performance measure, so that some community condition, captured in an existing or a new community indicator, will improve. If such a logic chain, either explicitly or implicitly, links performance measures to community indicators, one will feed directly into the other. The performance measure takes on greater relevance to the public and

the community indicator points more directly to a way to improve the measured condition.

In summary, if community indicator projects begin to include indicators capturing directly things that governments can do (that is, take on aspects of citizen-based performance measurement and reporting), if government performance measurement and reporting obtain input from the public about what performance measures to use and how to report the information about them (become citizen-informed performance measurement and reporting), and if community indicators are linked to government performance measures by logic chains, then there is likely to result a convergence of these two now-separate traditions. They would then find much in common and strengthen both government accountability and citizen participation in civic affairs. The value of bridging the gap between performance measurement and community indicators is only beginning to be appreciated. But it is starting to catch on, especially in the Pacific Northwest of the United States. King County, Washington, and Sustainable Seattle; and Washoe County, Nevada, and Truckee Meadows Tomorrow are pairs of governments and non-government organizations that are working to bridge the gap between performance measurement and community indicators.

Reference

Governmental Accounting Standards Board. *Reporting Performance Information: Suggested Criteria for Effective Communication*. Norwalk, Conn.: Governmental Accounting Standards Board, Aug. 2003.

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