



2012 Agenda: A More Prosperous Oklahoma

Government Efficiency

Performance Measurement

As shareholders in the business of state government, the public must be confident in the efficiency and efficacy of the “organization.” To ensure Oklahomans have that certainty, and to reduce government waste and increase accountability within agencies, the governor recommends revamping the statewide performance measurement system to provide a framework of accountability. This performance measurement system is a key component of the governor’s plan to create a smarter, more cost-effective state government.

Under current statute, agencies are required to turn in strategic five-year plans every other year. While agencies comply with this provision, no oversight has been performed in the past to determine whether the strategic plans support the core mission of each agency. OSF will update the criteria for agency strategic plans and will help provide tools for each agency to ensure that planning and programming are backed up by data and successful outcomes.

Additionally, under the current budget system, agencies are required to submit performance information with their request. However, the system lacks the ability to link performance directly to resource allocation. The governor’s budget includes obtaining a software system that incorporates the following:

- Processes used to manage organizational performance, such as strategy formulation, budgeting and forecasting;
- The methodologies that support these processes, including strategic planning and management; and,
- The metrics used to measure performance against strategic and operational performance goals.

The ideal system includes a robust measurement process that directly links performance to resources, allowing decision makers to have access to the information they need to utilize funds and workforce where they will be most effective.

As outlined in the consolidation report, “Government Modernization: HB 2140, Consolidating the State of Oklahoma’s Administrative Functions,” an efficiency team within the Office of State Finance is being developed to evaluate state agencies and service areas to determine the need and/or potential for increasing efficiencies. The agencies will then utilize the performance measurement resources described above to develop a timely and responsive assessment process allowing for continual improvement. This process will also allow the state to more readily identify agencies that may require more intensive audits to be performed by the state auditor. The Auditor’s Office can also play a role to ensure the measures are serving their intended purposes and are calculated appropriately.

At a proposed funding level of \$3.5 million, this plan will create a transparent performance environment so the public can evaluate their government on the efficiency of its administration, the effectiveness of its programs and the appropriate use of funds provided. Through this process, the state will maximize the use of its resources while eliminating unnecessary and burdensome practices.

The government modernization consolidation report can be found at www.ok.gov/osf