

Where to Start?

Ideally, governments should begin with a strategic plan and then translate that strategic plan into program plans complete with strategies for achieving desired results, underpinned by a set of measures comprehensive enough to capture the fundamentals of performance but not so numerous as to overwhelm those charged with collecting the data. It is important to remember that MFR is not an exact science. As mentioned earlier, there is no hard-and-fast formula or rules for how to proceed. In reality, it does not really matter where a government begins in the process; it matters more that officials understand where they are now, where they want to go, and how to proceed. Each government is different in how it goes about doing that. Portland, Oregon, began with a comprehensive SEA report in 1988. It was only later, in 1992, that the city developed its strategic plan and later a performance-based budget, and in 2003 is considering moving to a more comprehensive MFR approach. In 1992, Indianapolis, Indiana, started with performance measures and an ambitious activity-based costing effort and addressed other MFR areas later. Milwaukee, Wisconsin, followed the more formal process, starting with a strategic plan in 1994 and developing the other elements of MFR in turn. Richmond, Virginia, developed performance measures around 1994 and currently is developing a performance-based budget.