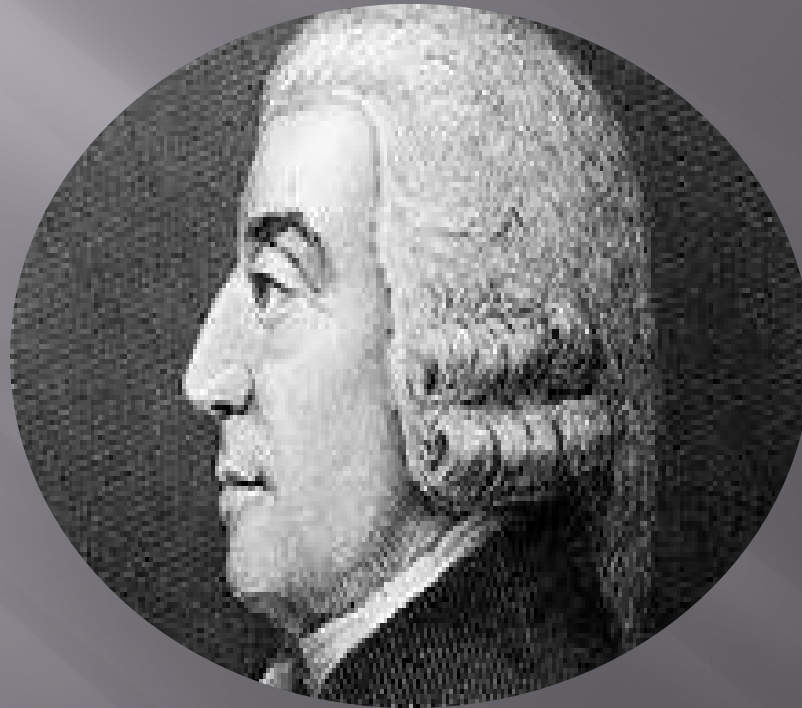# MANAGEMENT BY METRICS

Jeffrey M. Marecic

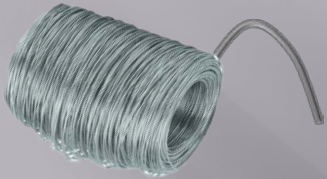Information Services Administrator

Oregon PERS
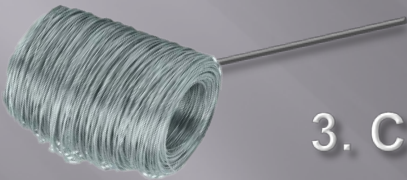
Adam Smith

1723 - 1790

An Inquiry into the Nature and Causes
Of the Wealth of Nations - 1776

Division of Labor – Pin Making

1. Draw Out Wire

2. Straighten Wire

3. Cut to Length
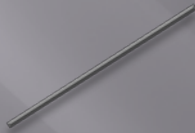
4. Sharpen Point

5. Grind Top for Head

6. Attach Head

7. Polish and Finish

Company Goals = Work Style

vs.

1. Draw Out Wire

2. Straighten Wire

3. Cut to Length

4. Sharpen Point

5. Grind Top for Head

6. Attach Head

7. Polish and Finish
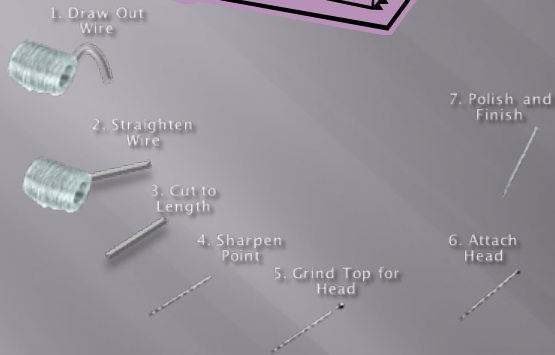
Assembly
Line Worker

Pin Maker

Information Age

Industrial Age

230+ years
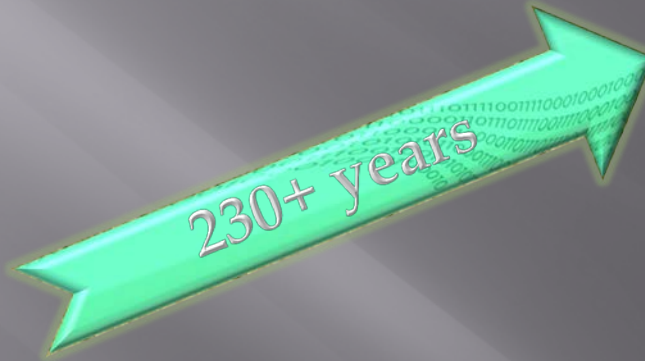
What impact does the division of labor have on worker identity and job satisfaction?

Experienced Managers Know

- Human Resources And Salary Studies Show:
    - Pay scale is not highly associated with continued staff motivation or satisfaction

- Other Factors Are More Important Such As:
    - Engaging work
    - Autonomy
    - Ability to make a difference
    - Identifying with the organization's product and customers
    - Ability to take pride in one's work

Public Employees Retirement System

Mission Statement

We serve the people of Oregon by administering public employee benefit trusts to pay the **right person** the **right benefit** at the **right time**.

Division of Labor - Pension Administration
Operating Processes

THE ROAD TO A
HAPPY RETIREMENT

6. Pay Benefit

5. Calculate Benefit

4. Process Benefit Application

3. Assess Benefit Eligibility

2. Collect Contributions

1. Collect Member Data

Division of Labor - Pension Administration

1. Collect Member Data
- Receiving Member Data
- Analyzing Member Data
- Correcting Member Data
- Maintaining Member Data
- Auditing Member Data
- Archiving Member Data

2. Collect Contributions
- Creating and Maintaining Employers
- Establishing Employer Rates
- Generating Invoices
- Receiving Contributions
- Posting Contributions
- Crediting Contributions
- Reconciling Contributions
- Collecting Delinquent Accounts
- Receiving Member Purchases
- Collecting Supplemental Contributions

3. Assess Benefit Eligibility
- 7 Steps

4. Process Benefit Application
- 6 Steps

5. Calculate Benefit
- 5 Steps

6. Pay Benefits
- 8 Steps

…right person…right benefit…right time.

Measuring Operating Processes

1. **Collect Member Data**
   - ➢ % Employer Data Feeds Received Complete, Accurate, On Time

2. **Collect Contributions**
   - ➢ # of Invoices Outstanding More Than 30 days

3. **Assess Benefit Eligibility**
   - ➢ % Benefit Estimates Completed Within 30 Days

4. **Process Benefit Application**
   - ➢ % Estimated Payments Per Month

5. **Calculate Benefit**
   - ➢ # of Calculations Completed Per FTE

6. **Pay Benefits**
   - ➢ # of Manual Checks Per Month

Division of Labor – Information Technology

Supporting Process – Leverage Technology

1. Develop IT Strategy

7. System Security

2. System Availability and Performance

6. Implement New Applications

3. Help Desk Support

5. Enhance Applications

4. Maintain Systems

Leveraging Technology Metrics

PROCESS MEASURES: Leveraging Technology

	No.	Measure Name	Measure Calculation	RANGE Red	RANGE Yellow	RANGE Green	Target	Desired Perform. Trend	Data Collection Frequency	Data Source	Measure Active / Inactive	Last Status	Current Status	Trend	Corrective Action & Comments
Cost or Quantity		Service Interruptions	# of business days in a month ORION systems are not available within the standard service window (mo. avg. by qtr.)	>5	3-5	<3	0	↓	Monthly	HEAT	A	6.3	2.3	+	Q4/12 Significant improvement, result of changes made in Q3/12 Q3/12: 19 incidents Q4/12: 7 incidents
Quality		Technology Satisfaction	% of survey respondents indicating satisfaction with our technology	<60%	60-80	>80%	85%	↑	Semi-annual	Survey	A	85%	85%	=	
		Security Program Maturity	# domains in ISBRA report meeting agency goal	<7	7-8	>8	11	↑	Annual	ISBRA Report	A	4	4	=	
		Batch Incidents	# of batch incidents / abends in month (mo. avg by qtr.)	>10	10-6	<6	3	↓	Monthly	Turnover Report	A	2.3	4.0	-	
		Change Request efficiency	% of Change Requests scheduled for release that are actually deployed	<80%	80-90	>90%	100%	↑	Quarterly	Deployemtn plan & rel notes	A		73%	+	Based on 7.4.1 Originally scheduled 11, of these, 8 were deployed
Time		System Support Mitigation	# of instances when system status change is not mitigated within 4 hours (mo. avg. by qtr.)	>3	2-3	1	0	↓	Monthly	HEAT	I			=	
		Help Desk Responsiveness	% of HelpDesk tickets resolved within the Service Level Agreement	<80%	80-90	>90%	95%	↑	Monthly	HEAT	A		99.55%	+	
		System Uptime	% of time systems are available during the service window	<97%	97-98	>98%	100%	↑	Monthly	HEAT	A	99.50%	99.61%	+	

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Division of Labor – Information Technology

Supporting Process – Leverage Technology

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4. Maintain Systems

System Availability and Performance

…right time…

Measure Name	Measure Calculation	RANGE			Target	Last Status	Current Status	Trend	Corrective Action & Comments
		Red	Yellow	Green					
Service Interruptions	# of business days in a month ORION systems are not available within the standard service window (mo. avg. by qtr.)	>5	3-5	<3	0	6.3	2.3	+	Q4/12 Significant improvement, result of changes made in Q3/12 Q3/12: 19 incidents Q4/12: 7 incidents

…right time…

Measure Name	Measure Calculation	RANGE			Target	Last Status	Current Status	Trend	Corrective Action & Comments
		Red	Yellow	Green					
System Uptime	% of time systems are available during the service window	<97%	97-98%	>98%	100%	**98.5%**	**99.6%**	**+**	

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Division of Labor – Information Technology
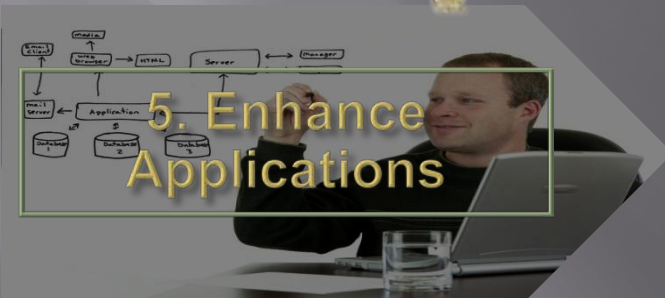
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…right person…right benefit…

Measure Name	Measure Calculation	RANGE			Target	Last Status	Current Status	Trend	Corrective Action & Comments
		Red	Yellow	Green					
Change Request Efficiency	% of Change Requests scheduled for release that are actually deployed	<80%	80-90%	>90%	100%		**73%**	**-**	Last Release: Originally scheduled 11, 8 were added, 3 were removed, of these, 16 were deployed

Division of Labor – Information Technology

Supporting Process – Leverage Technology

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Measure Name	Measure Calculation	RANGE			Target	Last Status	Current Status	Trend	Corrective Action & Comments
		Red	Yellow	Green					
Help Desk Responsiveness	% of HelpDesk tickets resolved within the Service Level Agreement	<80%	80-90%	>95%	100%		99.6%	+	

Key Takeaways

➤ Employee Satisfaction and Engagement is Highly Correlated with Being Able to Identify with the Mission and Organizational Outcomes

➤ Metrics Provide a Clear Line of Sight to the Target and a Direct Impact on Mission and Outcomes