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## **Aligned Government**

Enabling results-oriented performance

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## Executive summary

Every government agency manages performance in one way or another, in an attempt to optimize the organization as a whole while meeting the needs of internal and external constituents. However, many people loosely define performance management as a reporting effort. The organization that wants to proactively improve performance – not just report on it – must have sufficient answers for these questions:

- Do I have all the information I need to understand performance today across the organization?
- Have I articulated and communicated the strategy in a way that reflects the agency's mission?
- Am I able to drive priorities, accountability and collaboration to get results?

In a changing world, there is no room for the kind of inefficiency that results from misalignment. Success requires alignment, or collaborative progress toward a shared vision. This vision is supported by dynamic knowledge of the full impacts of programs, initiative activities, processes and relationships, and optimizing outcomes for the agency, citizens and the nation.

Historically, this Utopian vision has been easier to endorse than to achieve. It can even be a challenge to align within a single organizational unit or program. People often don't know how their activities contribute to organizational objectives and what measures really denote success. Managers could be driving toward program goals that actually undermine the agency's mission.

The technology is currently available to support the alignment of strategy and execution across the organization and, in the process, to support the necessary cultural change. Read on for a discussion of the problems associated with misalignment and the key steps for achieving alignment.

■ The cumulative effects of misalignment can be dramatic.

At worst, misalignment in government agencies can translate into increased threats, risk to citizens and lives lost. At best, the organization loses strategic focus and therefore cannot deliver optimal results.

Misuse of resources leads to high overhead and lackluster performance. Employees are not motivated to excel and executives lose credibility.

Without alignment, the organization misses new and innovative ways to improve.

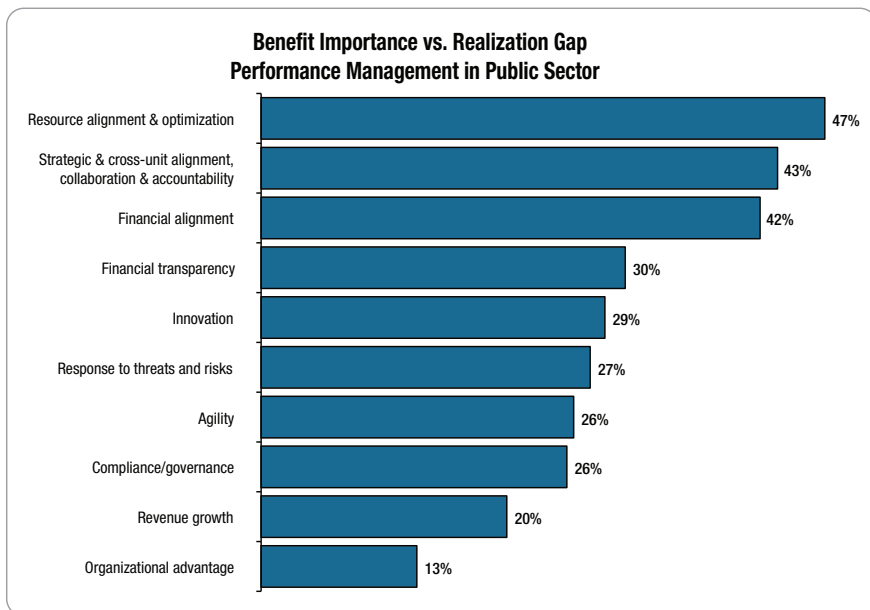
## **Alignment: The most sought-after benefit, and the most elusive**

Spending on business intelligence and performance management initiatives is expected to exceed \$57 billion this year.<sup>1</sup> Expectations are high. Despite the large amounts of money being poured into dashboards, scorecards, business intelligence and analytical applications, many organizations are still not reaping the full benefits they expected from their initiatives.

In a BetterManagement.com survey,<sup>2</sup> respondents from more than 1,100 organizations reported that the most important benefit they hoped to gain from their performance management initiatives was alignment. The survey covered all industries, geographies and functions. Respondents from 117 public sector organizations concurred. In fact, the top three most sought-after benefits related to alignment according to public sector responses were: resource alignment, financial alignment, and strategic and cross-unit alignment. Financial transparency ranked a more distant fourth in importance, followed by innovation.<sup>3</sup>

The reason alignment was more important than innovation and financial transparency seems to be that alignment is essential to operational efficiency and effectiveness at the organization level. Get your house in order first, and the rewards (agility to respond to threats, program effectiveness, innovation, etc.) will follow.

Again, the most elusive benefit to date is alignment (see Figure 1). The survey respondents reported having the most difficulty achieving resource alignment – which was the primary benefit they hoped to gain from performance management. Close behind is strategic and cross-unit alignment, followed by financial alignment.



*Figure 1. The importance of benefits versus the gap in realization for performance management in the public sector.<sup>4</sup>*

## Common types of misalignment

What would it mean to your organization if you could align all of the programs, initiatives, activities and resources toward an agreed-upon strategy for success? Instead of turf wars designed to maximize individual results, you would have collaboration toward collective success. Instead of duplicated efforts and programs that waste resources, you could capitalize on opportunities to join forces and share processes and information. Instead of plans created in organizational unit silos, decisions would be made in a holistic context that drives organizationwide performance. And, if forces beyond your control dampened the anticipated outcome, you could respond with agility, not only salvaging constituent confidence but perhaps even increasing it.

Although this sounds great, most organizations, even those that have made significant investments in performance management, are still struggling with misalignment. The following types of misalignment highlight some of the challenges government agencies face today.

- **Resource misalignment:** Allocations of people, money and equipment along with the programs, initiatives and activities they support may be misaligned with agency strategy.
- **Strategic misalignment:** Organizational units may be out of step with agency strategy.
- **Financial misalignment:** Budgeting, planning and allocation processes may not be aligned with agency strategy.
- **Outside-influence misalignment:** Agencies can become out of step with constituents (including internal constituents, citizens, government executives, etc.) as well as national, state, and/or local trends or changes.

- Lack of alignment increases inefficiencies, risk and threats. It prevents optimal execution of the organizational strategy. Ultimately, the agency may be unable to achieve its mission and make necessary improvements, unless all divisions work in concert and have a shared vision of success.

### Resource misalignment

Exactly how are resources applied to drive the organizational objectives? This is a hard question to answer when every unit handles performance measures and processes in its own unique way. Ineffective use of resources inevitably contributes to low employee morale, inadequate planning, excessive overhead and underperformance.

**EXAMPLE**

Growing suburbs have surpassed the capabilities of the all-volunteer fire department. A full-time staff will need to be hired, new stations built and old stations closed. But, how many employees should be hired? What skill sets are needed? Where should stations be built? Matching the right resources to dynamic population needs will be critical to the government's public service mission.

Without a clear picture of resource utilization across the agency, and interdependencies across functional areas, managers cannot know how to efficiently allocate resources and identify the best programs and initiatives to optimize results. Employees will not be motivated to excel because they are unable to measure, monitor, or be rewarded for the way their contributions help the organization.

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■ With one-third of the federal government's full-time permanent work force leaving government in the next five years,<sup>5</sup> there are fewer experienced employees on staff to complete the necessary work. Agencies have begun to rely heavily on the outsourcing of functions – some critical, some not. But, for what cost to the taxpayer? Can, or should, more be done to increase recruitment efforts and retain critical, experienced and dedicated workers? Agencies need to understand the costs, benefits and risks to confidently answer these questions.

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## Strategic misalignment

BetterManagement.com research has shown that although most performance management efforts cross organizational unit boundaries in public sector organizations, only one-third are aligned across these boundaries.<sup>6</sup> This is a problem because different units naturally would drive toward different goals.

### **EXAMPLE**

While an agreed overall education objective may be to increase high school graduation rates, the programs, priorities and goals of the facility's construction department, teacher certification, special education and athletics may run counter to this strategy.

In finance, transparency, costs and stewardship are most important. In operations, the quest is for efficiency. In HR, finding the right employee for the right job at the right time is crucial. It would be only natural for managers to drive toward goals and metrics that support their organizational units rather than the agency as a whole. If not strategically aligned, success in one unit or a single agency may be counterproductive to achieving the overall mission, or may cannibalize success in another unit.

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- How effective is your latest program or initiative? Your answer shouldn't be a subjective one. Is the No Child Left Behind Act successful? Was the surge of troops in Iraq successful? Metrics must be agreed upon so results can be proven.
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## Financial misalignment

Most budgets change little from year to year, even though priorities and needs most certainly do. Budget allocations should reflect the dynamic priorities of the unit and organization. However, there is often limited transparency into whether last year's expenditures reflected business priorities or drove success and, if they did, in what way. In this culture, unit heads may make short-term budget decisions that undermine long-term goals.

Further, measures used by a legislature are not necessarily shared by the executive branches of government. Therefore, results and effectiveness may have become subjective at worst and objectively different at best.

### EXAMPLE

If the long-term strategic objective of a transportation department is to increase the use and effectiveness of mass transit alternatives, the budget needs to reflect this priority. But too often, financial plans based solely on prior history result in too many resources dedicated to non-strategic activities, such as road widening or parking construction.

When the budget is not aligned with strategy, how can the activities and resources funded by that budget be aligned with strategy? Time, money and energy will be spent on the wrong activities, making it difficult to attain financial and non-financial goals.

■ “The original plan for financing the [Charlotte train] system . . . builds in some difficulties for the future. Back in the late 1990s, Mecklenburg County and the city of Charlotte banded together with . . . other cities to push a bill through the legislature allowing counties to propose tax increases to their citizens to fund transit . . . Now, as new lines that go beyond Mecklenburg are planned, there is a question of who will pay and how. Will surrounding counties and localities enact their own sales taxes? Or, is Charlotte expected to be the primary local funder, even for lines outside Mecklenburg County? And, what should the role of the state transportation agency be? It is, after all, the one agency whose jurisdiction cuts across multiple county lines.”

Alex Marshall, “More than Just a Train,” *Governing.com* (June 2008).

## Outside-influence misalignment

The organization's strategy should reflect changing governing agendas, laws and mandates. Misalignment on this dimension can be particularly costly. Alternately, a strategy could be perfectly valid in its day, but not be aligned to a changing world. Agencies designed to support Cold War agendas have had to adapt to respond to terrorism as the new great threat. Similarly, government agencies must adapt to the recruiting, training and development needs of the new millennial workforce.

If not aligned, the policies of one agency can negatively impact another. When Hurricane Katrina landed on the US Gulf Coast, the rest of the world watched, puzzled, as the lack of cross-agency cooperation was on display. With agility resulting from alignment and collaboration across agencies, resources from across the state and across the country could have been brought to bear within a matter of hours or days, creating a measurable impact on lives and property.

### **EXAMPLE**

Prison overcrowding could result in the penal system relaxing punishment for different types of prisoners, which the downstream parole and support systems are not prepared to handle or staff.

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■ “Our challenge in government is to balance competing interests [of multiple stakeholders] while never losing sight of the ‘user’ of our widgets.”

**Ken Miller, “Competing Interests,”**  
*Governing.com* (April 2008).

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## Five trends and their impact on alignment

**Table 1. Five trends and their impact on alignment.**

Trend	Impact on alignment
<p><b>1. Dashboard overboard:</b> increased use of dashboards, scorecards and metrics.</p>	<p><b>Positive:</b> improved transparency.</p> <p><b>Negative:</b> use remains inconsistent and lacking in insight or foresight.</p>
<p><b>2. Proven performance:</b> worldwide increase in requirements and mandates for transparency.</p>	<p><b>Positive:</b> helped to develop performance cultures.</p> <p><b>Negative:</b> lacks direct tie to consequences.</p>
<p><b>3. Work force aging and retiring en force:</b> “Throughout the next five years, about one-third of the federal government’s full-time permanent work force will leave government – the majority through retirement.”<sup>7</sup></p>	<p><b>Positive:</b> Agencies can learn to embrace the millennial generation.</p> <p><b>Negative:</b> problem has not been quantified, qualified or dealt with sufficiently.</p>
<p><b>4. Collaboration evaporation:</b> The drive for collaboration with sister and supporting agencies diminishes as agencies continue to work in silos.</p>	<p><b>Positive:</b> none.</p> <p><b>Negative:</b> decreases each agency’s effectiveness and agility.</p>
<p><b>5. Priority variability:</b> New administrations bring new priorities.</p>	<p><b>Positive:</b> force needed change.</p> <p><b>Negative:</b> difficulty in adapting to new processes, technology, challenges, risks and opportunities.</p>

## Three obstacles to alignment

If an organization is to align programs, initiatives, activities and resources across all organizational units, then decisions must be based on unified, consistent and accurate information. Effective performance measures and management should support strategic decision making; but too often, dashboards and measures are utilized without meaningful or accurate information and little accountability to results.

Today, government agencies can face three obstacles to alignment:

- **Lack of transparency.**
- **Lack of strategic focus, insight and foresight.**
- **Lack of accountability to results.**

### Lack of transparency

In your agency and at a glance, can you:

- See what's going on?
- See the strategy and how resources, programs, initiatives, activities and resources are aligned to support it?
- See how value and costs flow through the organization?

Government agencies are reporting on their performance more than ever before, whether due to government requirements to secure funding, or to make improvements. Agencies are leveraging dashboards to a greater extent and accountability is on the rise. However, more than one in four public sector organizations surveyed by BetterManagement.com cited data inaccuracy as a major obstacle to performance improvement.<sup>8</sup> Less than one-third perform data cleansing and rationalization, and most consider a lack of system integration as their biggest technology challenge.

The fact remains that information accessibility and quality remain huge concerns. Needed information typically resides in a multitude of separate systems that barely speak to each other, if at all. Organizational units and sister agencies often hold fast to their data, assumptions, metrics, budgets and reports – reluctant to share. When the information can be brought together, often it is too little and too late to be meaningful or acted upon.

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- Dashboards, scorecards and strategy maps are effective only if they represent reality and priorities across resource allocations, organizational entities and budget categories.
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### Lack of strategic focus, insight and foresight

What is strategically most important? Organizational units may have their own ideas. Without a shared vision, employees will support their own objectives in isolation of others, making it difficult to align day-to-day operations with long-term strategic goals.

Further, a nonaligned organization is likely to measure hundreds of metrics that may or may not contribute toward objectives, or may not contribute in quite the ways imagined. The strategy should focus on which programs/initiatives are most important to the organization as a whole, how they are supported by activities from key programs, how success or failure will be measured, and what the consequences will be either way.

Organizations rarely go through an evaluation of resources (people, technology, money) to determine how they support the strategic goals of the organization. As a result, optimal execution of this strategy becomes a pipe dream.

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■ “The limited use of measures for much beyond public reporting (some detractors would even say, the non-use by most adopters) has led some public officials and employees to question the net value of collecting measures in the first place, and some scholars to note the gap between rhetoric and reality.”

**“Factors Influencing the Use of Performance Data to Improve Municipal Services: Evidence from the North Carolina Benchmarking Project.” *Public Administration Review*. Washington: Mar/Apr 2008.**

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## Lack of accountability to results

Even with an evaluation, it's difficult to gauge the effectiveness of programs or the effective use of resources. Why did problems occur? Can they be improved? If so, what can be done to improve them? What were the true costs of a given program or activity? Often, the answers to these questions are provided by best guesses, not supported by data.

Moreover, organizational units have substantial impact on each other, and there is generally little or no sharing of information and metrics across their various systems and processes. As a result, there is no clear way to establish accountability to strategic objectives. Accountability rarely extends from one unit to another. From the organization level, it's hard to manage the bigger picture without insight into the dependencies, activities, resources, risks and results across units.

Managers need to know what factors are driving the numbers and what strategies can be put in place to improve performance, and they need to know this quickly or they will rely on gut instincts that may point them in the wrong direction. Objectives must be agreed upon, impacts known and measures set. The effectiveness of an initiative can only be proven if performance/success measures are predetermined.

Accountability doesn't happen overnight. People can feel threatened by the accountability that comes with performance metrics. It's not surprising. Accountability can improve performance, but it can be a double-edged sword if it comes with a sense of insecurity and unwillingness to collaborate or share information. Change is gradual. A cultural shift must take place to support a performance management initiative.

### **Creating accountability**

Mark Graham Brown, business consultant and author of three books on balanced scorecards, says that "creating a culture of accountability is a matter of three simple steps that organizations rarely follow:<sup>9</sup>

1. Set clear and measurable goals and expectations for employees with little overlap in responsibilities.
2. Develop a scorecard for all employees that provides feedback on key performance measures at least monthly.
3. Be personal and powerful; provide positive and negative consequences for good and poor performance through promotions, perks, compensation and performance ratings."

■ "Surveys of local government officials suggest that the practice of collecting performance measures, at least at a rudimentary level, is fairly well established among US cities and counties . . . In contrast, the practice of actually using these measures to influence decisions or to improve services is less apparent and far less documented."

**"Factors Influencing the Use of Performance Data to Improve Municipal Services: Evidence from the North Carolina Benchmarking Project."** *Public Administration Review*. Washington: Mar/Apr 2008.

### Three steps to alignment

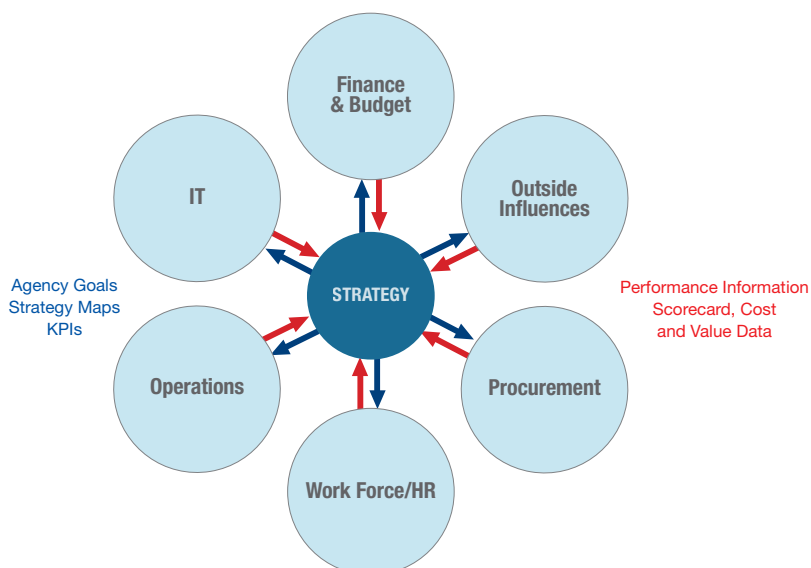
The issues discussed in the preceding sections are problematic for many organizations today. Fortunately, the technology is available to support alignment and help drive the cultural change (including accountability and collaboration) that must go with it. In the pages that follow, three key steps are outlined to get you there:

- **See it.** Get an integrated, organizationwide view of all factors related to performance.
- **Manage it.** Align resources, strategy, finances, programs/initiatives and activities to support the agency's mission.
- **Improve it.** Drive results with intelligence, collaboration and accountability.

#### See it: Get an integrated, organizationwide view of all factors related to performance

Confident decision making depends on good data. Information must be sufficient, current, relevant and available on demand. To be comprehensive, an effective performance management system must seamlessly integrate information from across functional areas (such as finance, procurement, human capital, citizen, IT, etc.) and incorporates activity and process costs.

To be accurate, data from multiple sources must be cleansed, rationalized and stored in a repository designed for analysis and reporting. Also, it should be shared in a role-specific way (addressing security requirements) with a repository that includes documents and standard reports that are automatically generated by the system. Decision makers should be able to evaluate and drill down into the information important to them, then share the information with others across the organization.



*Figure 2. Strategy and performance information can be communicated throughout the organization to build alignment.*

■ Interconnected scorecards and strategy maps link departmental and organizational goals and share relevant, role-specific information at every level.

■ Alignment begins with a keen understanding of the organization, such as its strategy, risks, organizational unit performance, financial state and more, as well as understanding how each factor contributes to the agency's mission and the citizens' needs.

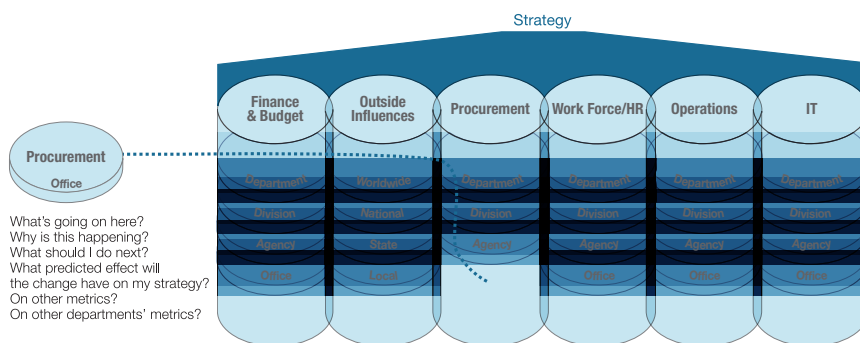
These are all critical activities in establishing an integrated, consistent source of information. The result is a business intelligence platform that enables timely, consistent and accurate understanding of the factors that influence performance. Therefore, managers and executives can track activities and outcomes in alignment with organizationwide strategy. Agency goals and performance measures must be clearly understood and communicated through a common interface, such as a scorecard, that leverages the information from the business intelligence platform. A dashboard without the underlying intelligence will be of little help in managing and improving performance.

**Manage it: Align resources, strategy, finances, programs/initiatives and activities to support the agency’s mission**

Gaining focus is one of the most difficult challenges an organization faces in performance management because it requires tough decisions on what is NOT a priority. Overcoming political arguments and focusing on the common good of the organization, instead of individual egos, is of primary importance. Also, instead of selecting metrics you are comfortable with, select those that drive desirable outcomes. Lastly, a balance of leading metrics (with foresight into future performance) as well as lagging metrics (with insight into past performance) is essential.

Through the use of key performance indicators (KPIs), employees can identify or focus on areas that require immediate attention. Too many metrics reduce focus and speed. As a rule of thumb, try to limit the number of KPIs to between 10 and 20 per person, team, office, division, etc.

When you have a strategy and a series of objectives and metrics, communicate using scorecard and strategy maps to help employees understand how value flows through the organization from people and technology through internal processes to meet citizen, agency and national objectives (see Table 2 on page 18). If done right, a strategy map not only communicates the flow, but shows how different organizational units are connected in the value chain, reinforcing alignment, accountability and collaboration.



**Figure 3. With consistent measures, accurate data and scorecarding tools, government agencies can have a common foundation for decision making. Moreover, agencies can use analytics that predict trends and identify the root causes of issues to determine how best to address performance issues.**

**Improve it: Drive results with intelligence, collaboration and accountability**

Now that you have your strategy articulated and communicated, you can drive results by allocating and/or reallocating resources and activities to support the strategy. Ensure you have the appropriate technology available to allow your employees to make informed decisions in a timely manner. In this respect, you are aligning not just physical equipment and software, but capacity and service levels that support the strategy in a cost-effective way.

Once you understand how your people and technology will be deployed, the last item is to allocate sufficient budget to fund the planned activity. During this phase of alignment, attention should switch to ensuring that the investments in people, technology and budget are appropriately deployed to deliver expected value. This may mean looking at cost at a more granular activity level, given the resources being consumed.

It is also important to examine progress over time to see if you are getting the expected outcomes. Depending on what you find, you may need to realign resources or update your strategy to reflect new realities.

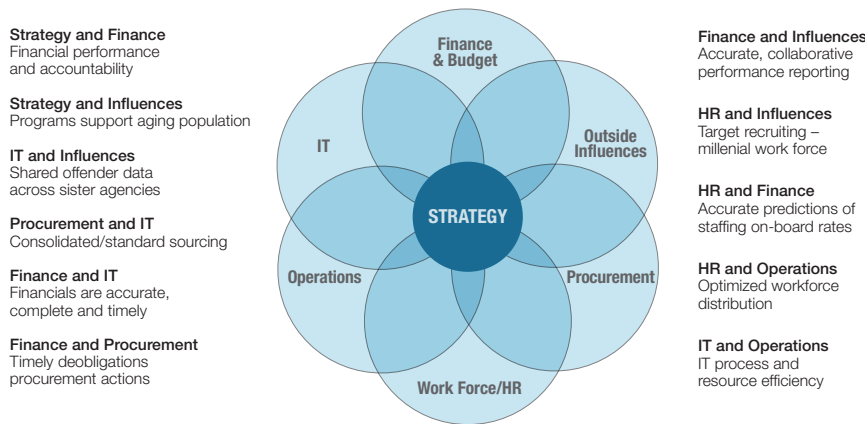
Leveraging analytics, you can see the causes and effects between measures (see below, “A quick guide to analytics”). Once these relationships are known, organizations can more effectively bring business units and resources into alignment and use the insights to guide ongoing optimization efforts. If you can’t prove relationships over time, adapt, replace or drop the metric from the scorecard/dashboard.

***A quick guide to analytics in performance management***

1. Identify the cause of under-performance with root-cause analysis.
2. Detect previously unknown patterns that might indicate cause-and-effect relationships and relative strength between measures by applying a variety of analytics (such as correlation or regression analysis, neural nets, decision trees and more).
3. Predict what will likely happen (such as the age distribution of the work force in five years) with advanced forecasting.
4. Determine what to do next by focusing on the best possible course, given objectives, available data and constraints.

■ “We want to make sure that when we hand over to the next administration, we’ve handed over clear, aggressive plans to improve.”

***Robert Shea, Associate Director for Administration and Government Performance, US Office of Management and Budget.***<sup>10</sup>



**Figure 4. The aligned organization shares intelligence to drive cross-unit and organizational improvements.**

Inter- and cross-unit accountability depends on trust and reliable information. Organizational units could share information based on common and consistent information, standards, processes, measurements, analysis and reporting – with proven business logic and business rules (including security requirements). A connected framework, bolstered by a business intelligence platform, supports accountability and fosters collaboration. For example, an integrated financial management solution helps synchronize financial and operational strategies by creating a complete view of operational and financial information within a consistent environment. A talent scorecard enables HR and other departments to collaborate and align workforce strategy with organizational strategy and seamlessly incorporate workforce analysis into financial planning.

Performance management applications use interconnected scorecards and strategy maps to show how the organization is and is not aligned. Managers can recognize the chain of events that triggers costs related to people, materials, equipment and facilities across functions. They gain new insight into cause-and-effect relationships that link resources and processes to results. Performance can be viewed holistically.

Another key to properly managing performance is ensuring that a closed-loop process is in place. Internal and external conditions change. Strategies, KPIs and activities all need to be adjusted to changing internal and external needs.

Performance information on each unit and its connections becomes more significant when viewed together so that resources, programs and finances can be aligned to drive toward collective success.

## Aligned performance management in action

Organizations that have managed these steps – see it, manage it, improve it – achieve notable successes. For example:

- A branch of the US military uses SAS to reduce costs and cycle times, and to justify requirements. SAS helped trim more than 565 man hours – a 42 percent reduction in cycle times within one year. According to the management analyst and foreign military sales manager, “We’ve been able to justify realigning resources and funding new areas, so that our sources of funds and the placement of our requirements support the . . . mission and stand up to higher levels of scrutiny.”
- A state department of transportation uses SAS to align activities with a realistic picture of costs and value, ultimately saving more than \$2 million annually.
- A major European city administration used SAS to implement a quality management program for public administration. The tailored balanced scorecard has helped the agency demonstrate and maintain high quality service within its staff of 60,000.
- A national institute for public administration uses SAS to integrate data from Oracle, SAP and other systems, analyze the information and present executive reports in a dashboard format. The solution integrates KPIs that draw on data from three separate systems to align operations with strategy.
- A Norwegian prison uses SAS to support a balanced scorecard and improve results. “The scorecard improves the quality of the technical prison work, bringing about better adapted serving – which hopefully reduces recidivism in the long term. There is also better budget management and control; the prison balanced its books . . . in contrast to having a burden of 5 million Norwegian Kroner (US\$679,000) at the beginning of the year.”
- A major hospital uses SAS to align all departments with their strategy. The solution integrates data from 29 sources and draws correlations between different areas of the hospitals and measurements to solve strategic and day-to-day issues, ultimately reducing costs while improving patient outcomes. Nine hundred employees have access to a 30-metric hospital scorecard that is linked to key financial reports. “The idea is for them to see their area of performance as well as the overall big picture. That way, they can see how their activities relate to overall strategy and can adjust their goals accordingly. At the same time, they have a portal to some of our key reports dealing with patient satisfaction and length of stay. That information is penetrating into the organization much more than we’ve ever been able to do,” said the hospital’s vice president of clinical excellence.

## Achieving alignment

### Business Intelligence Competency Center

To support alignment, some agencies are now deploying Business Intelligence Competency Centers (BICCs). A BICC is a cross-functional team with a permanent, formal organizational structure and executive sponsorship. This center of excellence plans, prioritizes, manages and supports the organization's business intelligence (BI) initiatives. Additionally, the BICC promotes the broader use of BI throughout the organization during application design, user training and technical support.

A BICC provides a central location for driving and supporting an organization's overall performance management strategy. Centralizing these efforts ensures that information and best practices are communicated and shared through the entire organization so everyone can benefit from successes and lessons learned. As such, a BICC is an excellent avenue for aligning the organization through performance management.

## The technology enablers of alignment

For performance management, SAS provides the broadest, deepest choice of offerings built on a single enterprise intelligence platform that seamlessly integrates data integration, storage, business intelligence and analytics.

Of particular note, SAS has the most extensive range of analytical capabilities, enabling you to identify, quantify and prioritize improvement opportunities, mitigate risks and measure results. Integrated forecasting and simulation, coupled with correlation analysis, enable you to anticipate the future state of operations. SAS can forecast and provide a confidence interval for its projections.

SAS for Performance Management brings context and direction to business intelligence initiatives and supports a continuous process for improvement across the organization. Together, SAS capabilities shown in the following table let you do more than manage the performance of your organization; they help you align it for continual improvement.

**Table 2. Alignment technologies**

Technology	What it does	How it supports alignment
<b>Dashboard/scorecard</b>	Monitors and displays key performance indicators that tie to strategy, with at-a-glance visuals.	Helps organizations focus on priorities and performance to align resources and day-to-day activities with agency strategy, and adapt to meet changing conditions.
<b>Strategy map</b>	Provides a visual macro view of an organization's strategy.	Helps align the organization by articulating its goals and the initiatives that support those goals throughout the agency.
<b>Data integration and data cleansing</b>	Brings together data spread across the organization, transforms and cleanses data in real time, and ensures that data is consistent and accurate.	Creates a common foundation for delivering trusted information throughout the enterprise. Helps organizations add value to their data and ensures access to the best possible data for operations and decision support.
<b>Financial management</b>	Used by unit heads for budgeting and planning, and by finance executives for consolidation and reporting, as well as budgeting and planning.	Helps synchronize financial and operational strategy across the organization; supported by repeatable, sustainable processes for financial reporting, risk analysis and performance goal achievement.
<b>Performance-based budgeting</b>	Links an organization's funding to its goals, strategies, programs, resources, services and results.	Helps agencies create budget requests that not only take into account the funding they would like to receive, but also the outputs and outcomes they expect to produce as a result of that funding.
<b>Human capital management</b>	Optimizes the work force by ensuring its alignment with organizational goals.	Ensures that the human capital strategy is aligned with the organizational strategy; makes sure people are in the right jobs so they deliver consistently as individuals, and as team and group members.
<b>Cost management</b>	Helps determine accurate costs and cost drivers at the activity level.	Helps organizations control costs; improve process efficiencies; learn how resources are consumed by an activity; and better understand the financial consequences of resource consumption.

Visit the SAS resource center at [www.sas.com/resource](http://www.sas.com/resource) to download the companion white papers:

- **Aligned Resource Optimization:** How to optimally allocate resources in alignment with enterprise-level objectives.
- **Predictive Performance Management:** Continually improve performance by applying the power of analytics
- **What Does Public Sector Hope to Gain from Performance Management?**

To find out more about SAS solutions for performance management, visit [www.sas.com/solutions/pm](http://www.sas.com/solutions/pm)

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## About SAS

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SAS has served the US Government for more than 30 years in its most data intensive and challenging environments.

SAS is the leader in business intelligence and analytical software and services. Customers at 44,000 sites, including the 15 federal departments and all 50 states, use SAS software to improve performance through insight from data resulting in faster, more accurate business decisions; compliance with governmental regulations; research breakthroughs; and better services and processes. SAS offers leading data integration, storage, analytics and business intelligence applications within a comprehensive enterprise intelligence platform. Since 1976, SAS has been giving customers around the world THE POWER TO KNOW<sup>®</sup>

<sup>1</sup> John Hagerty and Jennifer Hackbush, "Inside the \$57.1B Market." *The Business Intelligence and Performance Management Spending Report*. AMR Research: 2008-2009.

<sup>2</sup> *Barriers, Benchmarks and Breakthroughs: Performance Improvement Benchmarking Survey Conclusions*. BetterManagement.com (SAS). May 3, 2006 [www.bettermanagement.com/seminars/seminar.aspx?LibraryID=13834](http://www.bettermanagement.com/seminars/seminar.aspx?LibraryID=13834). Survey result summary: [www.bettermanagement.com/images/library/pdf/BMc\\_Performance\\_benchmarking\\_survey.pdf](http://www.bettermanagement.com/images/library/pdf/BMc_Performance_benchmarking_survey.pdf).

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