

North Carolina Refining a Performance Management System

Ingredients for a Refined System

Like many other States, the North Carolina Department of Transportation (NCDOT) has been using performance management for years. However, in 2007 after realizing they were no longer being viewed as a leader within North Carolina, NCDOT recognized they needed to refine their performance management system and therefore began a transformation process. This was a major undertaking with 20-25 staff members pulled from other responsibilities to work on reforming the organization, which had become subjective, anything but data driven. Public perception of the department was poor; NCDOT delivering only 25-50 percent of their Transportation Improvement Program, yet 90 percent of their employees were rated as "out-standing." So, despite having used performance management for years, NCDOT needed to refine their system. To be successful, it would need to be improved as time progressed and things changed. With this in mind, they have developed a system that takes into consideration the necessity of fine-tuning and refinement.

With this transformation, the NCDOT focused on improving four areas:

- Developing a uniform organizational mission with clear goals.
- Reforming their project planning and prioritization process.
- Reinventing their performance accountability systems and culture.
- Improving the way they recruit, develop and retain their employees.

This led them to adopt a new organizational mission that included five clearly understood goals, along with the development of a tactical comprehensive strategic planning process, and refining their performance man-

KEY ACCOMPLISHMENTS

- **Developed a new Performance Management System.**
- **Identified targets and measures to ensure performance is results driven.**
- **Stabilized their transportation work program.**
- **Tied employee performance directly to agency outcomes and results.**

agement process. All four of these areas are intertwined in the performance management system, which consists of seven main ingredients:

One: NCDOT's Mission and Goals set the direction and strategy of the organization and their projects. The goals being the outcomes that the performance management and strategic planning processes seek to achieve.

Two: A Work Program prioritizes projects and services using both programmatic and project-level information. It accounts for the department's entire budget, ensuring that every dollar NCDOT spends is accounted for, and is easily understood by the public helping to effectively communicate NCDOT's work.

Three: Executive Measures are designed to track NCDOT's progress toward its goals. These are a list of critical performance targets, indicators, and outcomes identified by the department to gauge annual success. Results are monitored routinely by managers and presented



