



R-12

Date: November 5, 2013

To: Honorable Mayor Foster and Members of the City Council

From: Councilmember Gerrie Schipske, Fifth District
Councilmember Gary DeLong, Third District
Councilmember James Johnson, Seventh District

Subject: **Request for City Manager to Engage the Assistance of International City Management Association and Management Partners in Developing Updated Performance Measurements for Each City Department and Manager in Each Department, and Base Management Raises Upon Merit and Measured Performance**

Discussion: Several Council members have expressed concern that salary increases for management level employees be given based upon a system of performance measures and not granted across the board. Up until 2009, City management utilized a very robust effort of performance measures that were included in the annual City budget. These performance measures provided a means of communicating services delivered to the community and evaluating departmental performance. Apparently due to financial constraints, this system is no longer in place.

Developing suitable performance measures that accurately reflect desired service delivery standards is critical in assisting the City Council and community monitor the performance of all City departments. These performance measures would also be used to develop reports to further the City's initiative of transparency and community engagement, holding each department and their managers accountable for providing high quality services.

The International City Management Association (of which Long Beach is a member) conducts a Center for Performance Management that helps local governments use performance data to establish goals and outcomes in budget decisions; set targets of performance; compare to and learn from other jurisdictions, and communicate service and financial improvements to citizens. CPM assists local governments in assessing their performance over time and in comparing their performance with that of their peers. ICMA considers performance measurement as critical to show the value, efficiency, and quality provided to residents when their communities are overseen by professional managers.

The City of Long Beach has retained the consulting firm of Management Partners who could likewise assist in developing updated performance measures. Further, once the measures are identified, they should be integrated into management performance evaluations, which would be used for the basis of determining future salary increases based upon merit. This would result in a system that establishes management goals and expectations, evaluates the effectiveness of the manager in meeting those goals,

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Page 2

and then awards salary increases based on the individual's ability to achieve or even exceed his/her goals.

Recommendation: Direct the City Manager to engage both ICMA Center for Performance Management and Management Partners to develop updated performance measures; and implement a management evaluation process that integrates performance measures into a merit based compensation system for each City Manager controlled department.

Fiscal Impact:

To be determined.