

TIER BOARD AND ROUNDING GUIDEBOOK



King County Office of Performance, Strategy and Budget

OVERVIEW

The purpose of this guidebook is to provide a practical overview and explanation of how King County is applying visual management tools called **tier boards** and management review sessions called **roundings**. The intended audience of this document are practitioners who are responsible for building and maintaining their department/division's tier board as well as those who are supporting this effort.

This guidebook reflects County management practices that have been adapted from the field of Lean and organizational performance management over the past 10 years. This document is intended to serve as an introductory resource and is linked to several appendices that provide more lengthy explanation of certain concepts.

There are two parts to this document. The first part describes the purpose and key technical aspects of tier boards and roundings. The second part focuses on the foundational steps needed to develop and sustain a tier board. These steps include:

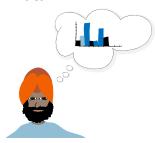












Using the ■ Tier Board to Track Performance



The phases for how to approach these three steps are written based on the *King County Best Run Government Maturity Model* (Appendix A <u>available here</u>) and include reflection questions to help identify a team's current state and coaching questions to help the team develop a path forward.

If you have questions or would like additional consultation on developing performance measures, visualizing data, or using the tier boards, please contact *psb@kingcounty.gov*, and the Performance and Strategy team will respond to your request. The Office of Performance, Strategy and Budget (PSB) is an internal resource and does not charge a fee for service.

If you have questions or need ideas ... let us know.



TABLE OF CONTENTS

Part 1:

Purpose of Tier Boards and Rounding at King County	4
Introduction & Background	
King County's Tier Board System	5
Tier Boards	6
Huddles and Roundings	
Purpose of Tiers 5, 4, 3	10
Part 2:	
Building a Tier Board	12
Self Assessment	13
Phase I: Starting Out	13
Phase II: Stabilize	15
Phase III: Standardize	17
Phase IV: Optimize	19
Conclusion	21
Additional Tools and Resources	22



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PART 1

Purpose of Tier Boards and Rounding at King County

INTRODUCTION AND BACKGROUND

King County is widely recognized for its attention to management, innovation, and service. Although the form and focus have evolved over time, a key element of this work has been sustained attention to organizational performance conversations with leadership over the past 10 years. Initial efforts, under Executive Sims in 2006 were loosely designed on Baltimore's "Stat" model while Performance Forums launched in 2010 were developed to advance Executive Constantine's reform agenda. Building on these prior experiences and adopting key Lean practices, King County started implementing organizational performance discussions in 2013 using visual management tools called tier boards and management review sessions called rounding.

The purpose of this guidebook is to provide a practical overview and explanation of how these tools are applied at King County to deploy strategy, manage operational performance, and track key projects. The intended audience of this document are practitioners who are responsible for building and maintaining their department/divisions' tier board as well as those who are supporting this effort.



Monitoring
Government
Performance
Toward a
Lean-Informed
Approach

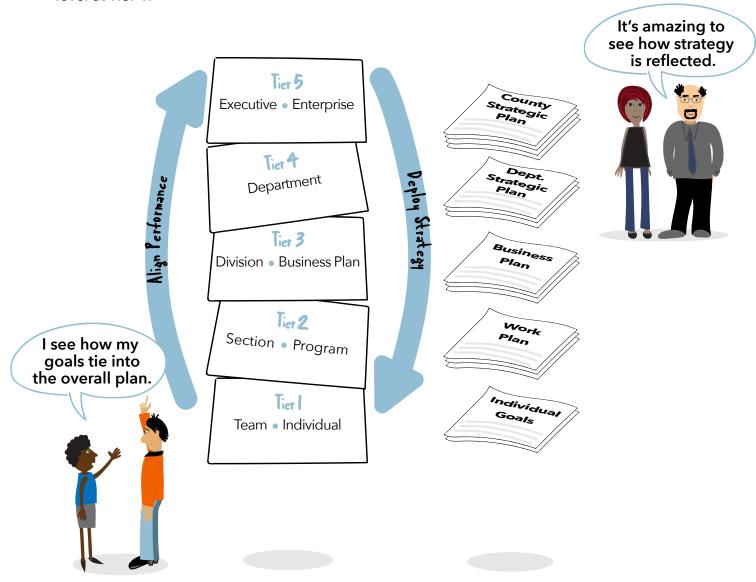
For a more in-depth explanation of performance management at King County, see the article "Monitoring Government Performance Toward A Lean-Informed Approach" by Michael Jacobson & Shayne Kavanagh in Appendix B available here. You can also find a timeline of the development of tier boards at King County in Appendix C available here.

KING COUNTY'S TIER BOARD SYSTEM

At King County there are five levels of tier boards representing different levels of the organization. **Tier 5** sets priorities for the County and tracks enterprise-level metrics toward these goals. **Tiers 4 through 1** track metrics that are important to work at the department to team level and show alignment to strategic priorities.

The image below shows the intended two-way exchange between tier boards at different levels of the organization. The basic idea is that strategic direction cascades down and that issues and the work occurring are reported up to track progress toward the County's goals.

The documents on the right are examples of existing King County products that inform each other from the strategic plan all the way to the individual contributer level at Tier 1.



TIER BOARDS

At King County, a tier board is a physical board with visual controls that track key performance measures at a specific level of an organization (see tier structure for details). They are used by the team in the form of huddles and used by leaders in the form of roundings.

PURPOSE

Tier boards use visual controls to:

- Show data for key operational measures, projects, and outcomes.
- Provide quick at-a-glance information about performance against targets
- Make problems visible.
- Show performance data that can be easily understood by anyone.
- Serve as a place to huddle with your team and enable a dialog about what actions should be taken to make improvements.

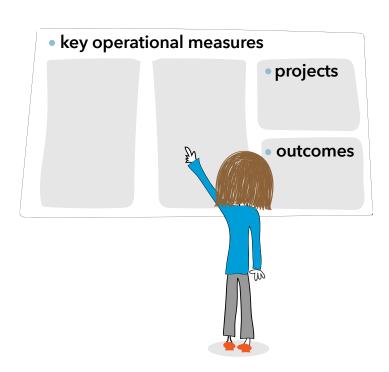


WHAT GOES ON A TIER BOARD?

Common elements tracked on Tier 5, 4, and 3 boards are key operational measures, projects, and outcomes. For an example of how these measures are visualized at different tiers to track performance, see Appendix D <u>available here</u>.

Key Operational Measures:

These are the measures and strategic improvement priorities that are critical to the work of the department/division and drive performance. They are bucketed into three categories at King County: People, Cost, and Service. Each tier tracks
 2-4 measures per category on their board with the acknowledgement that there may be several other measures being tracked elsewhere.



Key Operational Measures continued



People - focus on employees and workforce. They reflect the composition of our workforce and how engaged our team members are in their work.



Cost - focus on the financial health and cost of our programs. They reflect how well we are reducing our rate of cost growth, and improving our financial health.



Service - focus on both customer service and services we provide. They reflect how satisfied our customers are with our services and how well we are providing our customers what they need, when they need it, and how they want it.

Projects:

Priority projects are tracked on the tier board to show progress toward
milestones and delivery. Projects, by their nature, are specific and time-bound
and typically are not recurring bodies of work. Examples include capitalproject delivery, strategic or business plan implementation, and legislative or
proviso responses.

Outcomes:

- Key operational measures and projects that are tracked should be linked to outcomes. Outcomes are defined as the changes in your customer, community conditions, or the environment that results from a program, activity, and products. For example, funding a program that delivers smoking cessation classes should contribute to a reduction in smoking (the outcome).
- Program outcomes should link to business plans and community-level outcomes to enterprise or countywide strategic plan.

TIP

At King County it's essential to apply an Equity and Social Justice lens to developing performance measures. Check out the Office and Equity and Social Justice toolbox <u>available here</u> for more resources or contact *psb@kingcounty.gov*.



HUDDLES AND ROUNDINGS



A **HUDDLE** is a short meeting (about 15-30 minutes) held by the team members and the leader to discuss key operational measures, projects, and outcomes on their tier board. Focusing the conversation on items

not meeting targets and milestones and having a standard agenda helps to keep the huddle short. An additional focus on understanding the process problems and systemic barriers that stand in the way of accomplishing work and not on individual staff performance should allow for a more productive conversation about how to get work back on track. For more information about huddles, please see Appendix E available here and examples of huddle standard agendas in Appendix F available here.

Huddles help the team focus on:

- Current status of performance measures.
- Decisions about managing the work to meet goals.
- Supporting rapid, incremental improvements.
- Communicating, learning, and celebrating success.
- Documenting action items and identifying owner.



ROUNDING is the process for having a performance discussion at the tier board with managers and leadership at least one level up in the organization.

The term comes from the rounds that doctors do, periodically checking on

their patients often accompanied by medical residents. In the context of tier boards at King County, each management team rounds on the tier board below it. For example, the Executive's senior leadership team (Tier 5) rounds on Tier 4 boards, which represent the department leadership team's key measures and projects. Department leadership teams round on Tier 3 boards, which represent the divisional leadership team's work and priorities. This same practice should occur for each tier. For an example of a rounding agenda see Appendix G available here.

The purpose of rounding at King County is to:

- Increase mutual accountability between leadership on performance and progress toward goals.
- Surface organizational problems and ask for leadership support to remove barriers to accomplishing work.

Agendas for huddles may include identifying trends and issues to discuss at the next leadership rounding.

Additional Resources:

King County Learning and Development

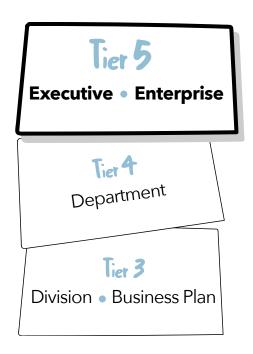


PURPOSE OF TIERS 5, 4, AND 3

TIER 5 - EXECUTIVE/ENTERPRISE BOARD

The County's strategic direction and priorities cascade from the Tier 5 board down to departments, divisions, programs, and work units. This organizational alignment should be linked as clearly as possible on the Tier 5, 4, and 3 boards. Senior leaders who manage Tier 5 will often provide guidance on how to cascade specific measures.

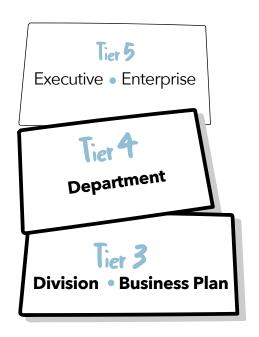
An example of an enterprise strategy being deployed at King County is found in the Equity and Social Justice (ESJ) Strategic Plan. The ESJ plan sets a goal of a more equitable workforce by systematically developing and retaining a more racially diverse and culturally responsive workforce at all levels: leadership, management, and staff (KC ESJ Strategic Plan p.63). One measurable objective that corresponds to this goal is that all new hires and promotions in the highest salary ranges (top 20% of the salary range or salary range 65 and higher) will reflect the regions projected workforce demographics for 2030 by 2022.



To ensure the County makes progress toward achieving this goal, the senior leadership team is tracking the percentage of new hires and promotions at the top 20% of pay range by race and ethnicity. This goal is visualized on the Tier 5 board and is routinely reviewed by the senior leadership team. Based on guidance from the senior leadership team, this measure is also cascaded to Tier 4 with department-level data showing the results for each department.

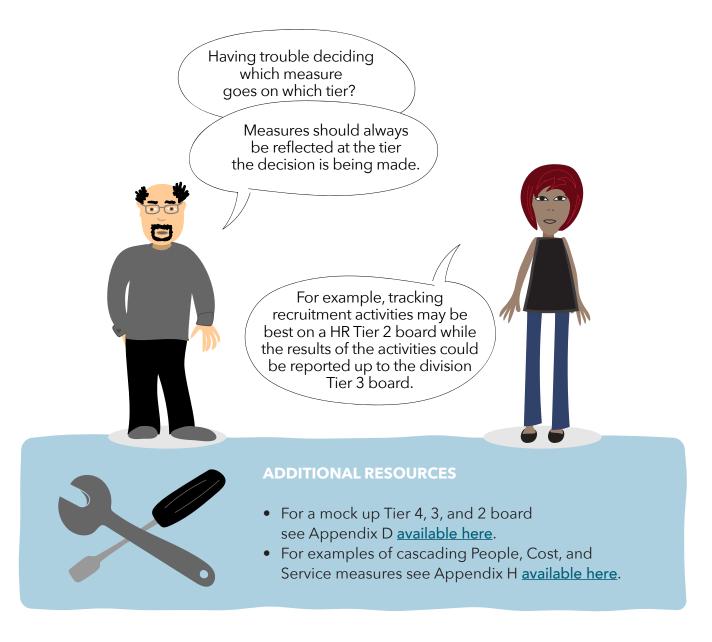
TIER 4 (DEPARTMENT) AND 3 (DIVISION) BOARDS - CASCADING STRATEGIC ALIGNMENT

Cascading strategy focuses the entire organization and can help create line-of-sight between the work people do and high-level, desired results. As the strategic direction is cascaded down through the organization, objectives become more operational and tactical, as do the performance measures. In practice, maintaining line-of-sight can be very difficult to achieve because we are often not only tracking the direct measure set out by the tier above, but we are also tracking the related activities that will help us get closer to achieving the desired result.



PURPOSE OF TIERS 5, 4, AND 3 continued

To carry forward the example above, each department and division can duplicate the top 20% racial diversity in hiring and promotion measure to manage progress toward achieving this goal. In addition, departments and divisions can also track related activities intended to increase workforce racial diversity to reflect the community. Examples may include improving recruitment efforts, hiring practices, professional development, promotion, and retention practices aimed at increasing diversity at higher salaried positions. Status of these projects can be visualized and tracked on Tier 4 and 3 boards.

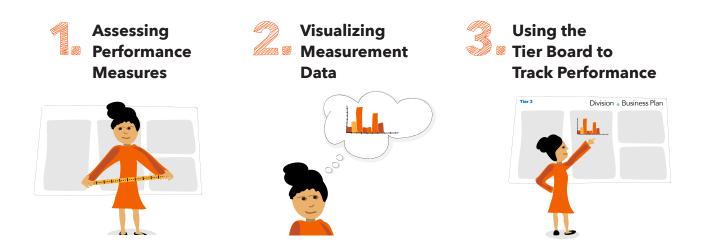




The self-assessment on the next page is intended to help you identify the most relevant aspects of this guidebook based your team's current state: starting out, stabilizing, standardizing, and optimizing. Links to additional resources, tools, and trainings are included.

At King County our aim is to develop performance measures that are visible, easy to understand, and drive engagement, learning, and improvement activities toward defined outcomes.

The process for developing and sustaining a tier board at any level of the organization can be thought of in three steps:



SELF-ASSESSMENT:

Selecting key performance measures is foundational to tier board development. Below are a few questions to help you consider where your program is with performance measurement and by proxy tier board maturity. The results of this self-assessment can help you determine how this guidebook can be most useful to your program given your current state.

Consider the performance measures on your tier board as a whole and rate the questions as follows:

- 1 = none
- 2 = some
- 3 = most
- 4 = all

Are your organizational performance measures:

- 1 2 3 4 Defined?
- 1 2 3 4 Tied to outcomes, outputs, or processes?
- 1 2 3 4 Tracking targets vs. actuals?
- 1 2 3 4 Made visual on a tier board?
- 1 2 3 4 Updated on a regular basis (at least monthly or quarterly)?
- 1 2 3 4 Describing progress toward milestones?
- 1 2 3 4 Actionable enough to be used by the team and managers to regularly manage work?

Add up your ratings of each question to get a total. If your total rating is:

17 or less - check out the starting out section on page 13

- 18-23 check out the **stabilize** section on page 15
- 24-27 check out the **standardize** section on page 17
- 28 check out the optimize section on page 19



ADDITIONAL RESOURCES

To see an overview of the phases outlined in this guidebook see Appendix I <u>available here</u>.



BUILDING YOUR TIER BOARD

This section addresses common themes that arise when beginning to develop a tier board and suggestions for how to advance the use of performance measurement, data visualization, and the board when the team is just starting out.



ASSESSING PERFORMANCE MEASURES

Defining Characteristics of this Phase:

- Starting to define performance measures (e.g. people, cost, service, projects, and outcome measures) for your program.
- Considering how the team will incorporate the measures on the board into their work in a meaningful way.
- Thinking about what data are available (current and historical) and how the team will track data over time.

What to Work on Now:

- Review strategic and business plans to help identify what performance measures (people, cost, service), projects, and outcomes are important for your program to track.
- Brainstorm with the team the key measures relevant to the group and prioritize
 the top two to four in each category (people, cost, service,
 projects, and outcomes). For examples of cascading people, cost, and service
 measures see Appendix H <u>available here</u>.
- Talk to leaders and review the tier board above yours to understand key priorities to which you should align.
- Use a logic model to identify the outcomes you are trying to achieve.
- Review other similar programs around the country for standards and industry performance benchmarks to help set targets and milestones. Consider how comparable programs in other jurisdictions or industries measure success.

TIP

Developing the board is an iterative process. It takes time to determine which measures are actionable and help the team manage performance. The sooner the team can start using a draft version of the board, the sooner you will know how to improve the measures and visuals.

PHASE I: STARTING OUT continued



VISUALIZING MEASUREMENT DATA

Defining Characteristics of this Phase:

- Teams are assessing the utility of system generated reports. Do the reports provide useful information? Or, do they need to be modified and reformatted?
- The team may find they have measures with no available or good data.
- Only output data may be available.
- Only a few measures have defined and displayed targets and milestones.

What to Work on Now:

- Develop a draft board structure and leave placeholders for measurements that need to be developed
- Visualize targets and milestone for all measures even if these figures are handwritten at the beginning.
- Determine the way for status to be quickly and easily understood by anyone (e.g. green = on track; yellow = on hold, red = behind/need help; smiley faces for good, neutral, bad; etc.).
- Identify and display countermeasures, actions or interventions to take, if targets and milestones are not being met even if these are handwritten on a sticky note.
- Adapt visuals to better suit the needs of the team.



USING THE TIER BOARD TO TRACK PERFORMANCE

Defining Characteristics of this Phase:

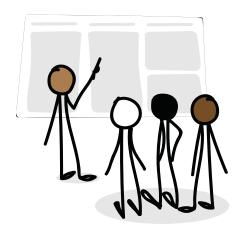
- The team is beginning to review performance information at the tier board.
- Routine huddle schedule has not been set.
- The team is considering how to approach updating the data and overall maintenance of the board.

What to Work on Now:

- Work on developing a culture that encourages making problems visible and asking for help. This will require the leader to set the expectation and model the behavior for staff.
- Schedule a routine huddle based on the needs of the team to manage the work (e.g. daily, weekly, biweekly). Huddles can be incorporated into existing team meetings. For example, spend 15 minutes reviewing the board as a team and allocate 45 minutes to the existing staff meeting.
- Develop a standard huddle agenda See Appendix F <u>available here</u> sample huddle agendas and Appendix E <u>available here</u> for additional details on huddles.
- Update the board at a regular cadence as defined by the team. This is often in-line with the team's huddle schedule and is consistent with the pace needed to manage the work (e.g. daily, weekly, bi-weekly).
- Keep an open dialogue with the team about how to improve functionality of the board.



Check out the tools and resources on page 22.



PHASE II: STABILIZE

This section addresses common themes that arise when working to stabilize a tier board and suggestions for how to advance the use of performance measurement, data visualization, and the board during this phase.

King County has five criteria to determine if a tier board has achieved "stabilization." Keep the following five criteria in mind as you work to stabilize your tier board.

- Two to four measures have been developed in each area of focus (people, cost, service).
- Each metric should include a baseline (historical actuals), target, and a current actual.
- Measures should be actionable and time bound (e.g., not annual measures).
- Measures that are not meeting the target should have an action or countermeasures plan noted and visible.
- A physical tier board exists.



ASSESSING PERFORMANCE MEASURES

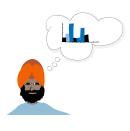
Defining Characteristics of this Phase:

- Performance measures are developed for each area of focus (people, cost, service).
- Outcomes are defined and being tracked.
- Project milestones are defined and being track.
- The team has started discussing the measures with some frequency and updates the board on a routine basis.

What to Work on Now:

- Evaluate measures to make sure they are aligned with organization-wide people, cost, service measures as well as the goals of the work unit (i.e. department, division, etc.). This may involve checking in with leaders at the next level of the organization to ensure measures helpful for showing progress toward division, department, and County goals.
- Set or adjust targets and milestones for measures.
- Agree to track the same measures for a defined period of time (e.g. three months) so that the team can manage performance for defined measures.

PHASE II: STABILIZE continued



VISUALIZING MEASUREMENT DATA

Defining Characteristics of this Phase:

- Measures with available data are visualized.
- Targets and milestones are articulated on the board.
- Visual controls (e.g. red, yellow, green) are used to show status of performance.
- Status can be quickly and easily understood by anyone.
- Visuals are adapted to better suit the needs of the team.

What to Work on Now:

- Include dates when measures and projects are updated and the name of the data or project owner just in case there are follow up questions.
- Work to improve visual line-of-sight between measures and outcomes, organizational goals, and work unit goals they impact.
- Visualize gaps or progress in performance by visualizing historical data, targets, and actuals.
- Visualize countermeasures when targets and milestones are not being met.



USING THE TIER BOARD TO TRACK PERFORMANCE

Defining Characteristics of this Phase:

- Huddles occur on a routine basis.
- Standard huddle agenda is being developed.
- The tier board is updated at realistic, routine cadence.
- Teams are starting to feel more comfortable surfacing problems and barriers to work.

What to Work on Now:

- Team leader continues to model behavior of asking for help and using the tier board to make problems visible.
- Use the huddle as a time to discuss problems, support improvements, and ask for help.
- Use standard agenda and record meeting action items (on the board if possible) so that the group can follow up.
- Rotate the huddle leader between all members of the team.
- Leaders should set a routine to regularly round on the tier below and participate in rounding on tier above.
- Visit other tier boards in your department and in other departments to ensure alignment and gather ideas.
- Contact PSB staff at *psb@kingcounty.gov* to see the Executive Tier Board (Tier 5).



Check out the tools and resources on page 22.



PHASE III: STANDARDIZE

This section addresses themes that arise when working to standardize a tier board and suggestions for how to advance the use of performance measurement, data visualization, and the board during this phase.



ASSESSING PERFORMANCE MEASURES

Defining Characteristics of this Phase:

- Performance measures are relevant, meaningful and used by the team in decision-making.
- Performance measures indicate progress toward goals.
- The team is able to discern which measures are helpful for planning and prioritizing work and which measures will need to be adjusted.

What to Work on Now:

- Communicate your success stories to leadership, stakeholders, and customers.
- Share standardized measures with relevant audiences (e.g. leadership, stakeholders, and customers).
- When you meet your targets consistently, set more ambitious targets.
- Re-evaluate performance measures at a set cadence to ensure measures are still meaningful to plan and prioritize work (e.g. 3-6 months or as needed based on program changes).



VISUALIZING MEASUREMENT DATA

Defining Characteristics of this Phase:

- Visuals meet the stabilization criteria identified below.
- Data are visualized in a manner that shows progress towards targets and milestones.
- Visual controls are used effectively to show status at a glance.
- When not meeting targets and milestones, countermeasures are in place.
- Visual systems strengthen line-of-sight and organizational alignment to enterprise-wide goals and show current local performance.

PHASE III: STANDARDIZE continued

What to Work on Now:

- Evaluate visuals at a set cadence (e.g. Tier 4: quarterly; Tier 3: more frequently as needed) to ensure they are still meaningful.
- The team understands why performance is improving/declining and works together to identify countermeasures.
- The team is seeing the impact of previous countermeasures on performance.



USING THE TIER BOARD TO TRACK PERFORMANCE

Defining Characteristics of this Phase:

- Team huddles are occur routinely and are a normal part of work.
- Leaders regularly round on the tier below and participate in the rounding from the tier above.
- Huddle facilitation rotates through team members.
- The huddle is used to surface problems and support improvements.
- Team members feel comfortable making problems visible and asking for help.

What to Work on Now:

- Work on making team huddles as concise as possible (e.g. 15 minutes) while still ensuring they are a meaningful way to identify problems.
- Leaders develop a standard agenda for their rounding on the tier below them.
- Visit other tier boards in your department and in other departments to ensure alignment and gather ideas.
- Contact PSB staff at *psb@kingcounty.gov* to see the Executive Tier Board (Tier 5).

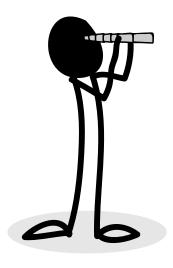


Check out the tools and resources on page 22.

TIP

King County has five criteria to determine if a tier board has achieved "stabilization."

- Two to four measures have been developed in each area of focus (people, cost, service).
- Each metric should include a baseline (historical actuals), target, and a current actual.
- Measures should be actionable and time bound (e.g., not annual measures).
- Measures that are not meeting the target should have an action or countermeasures plan noted and visible.
- A physical tier board exists.



PHASE IV: OPTIMIZE

This section describes characteristics of optimized performance measurement, data visualization, and use of the board based on the King County Best Run Government Maturity Model (Appendix A <u>available here</u>). If your team is optimizing the use of tier boards and rounding, please share your success story with PSB and others!



ASSESSING PERFORMANCE MEASURES

Defining Characteristics of this Phase:

- Ambitious, measurable, time-bound targets are consistently set celebrated when exceeded and focused on when not exceeded.
- Performance measures at each level are communicated to customers and understood and owned by employees; they drive engagement, learning, and improvement activities to exceed defined targets.



VISUALIZING MEASUREMENT DATA

Defining Characteristics of this Phase:

- Visually monitor progress toward organizationally aligned goals.
- Current state of performance is understood; problems are visible, detected early, and addressed proactively.
- Visuals are simple, updated and refined as business needs and processes are better understood by the team.



USING THE TIER BOARD TO TRACK PERFORMANCE

Defining Characteristics of this Phase:

- Tier boards and roundings are used to monitor progress toward organizationally aligned goals, and current state of performance is understood, problems are visible, detected early and addressed proactively.
- Tier boards are simple, updated and refined as business needs and processes are better understood by the team.
- Teams rely on their tier board to manage their work; they identify problems, ask for assistance, and contribute improvement ideas.

PHASE IV: OPTIMIZE continued

What to Work on Now:

- Contact PSB staff at **psb@kingcounty.gov** to share your success story.
- Invite other departments/divisions to your tier board for feedback.
- Evaluate measures, visuals, rounding and huddles at a set cadence (e.g. Tier 4: quarterly; Tier 3: more frequently as needed) to ensure measures are still meaningful to plan and prioritize work.
- When you meet your targets consistently, set more ambitious targets.
- Visit other tier boards in your department and in other departments to ensure alignment and gather ideas.
- Seek out and visit other organizations that use visual management.



CONCLUSION

Based on our lived experience of deploying tier boards and roundings at King County, we recommend focusing on the foundations of having performance measures that reflect the health of your program, visualizing data so that you can identify gaps, and using the tier board with the team and leadership to overcome obstacles and foster new ideas. Making rapid, incremental improvements in these three areas has proven more effective than waiting until all aspects of the tier board are complete. Said another way, it's better to grapple with draft versions of measures and charts with the team than it is to wait for the perfect version.

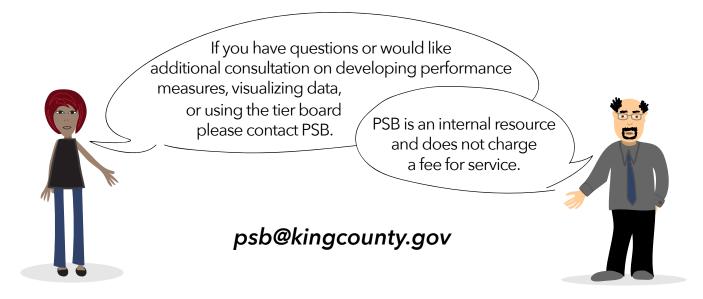




Mark Twain

Here are a few additional lessons learned from our journey:

- Using the tier board frequently with the team will support improving performance measures and data visualizations.
- Do not rush to standardization. All aspects of tier boards (performance measures, data visualization, and use of the board) will take time to stabilize. Trying to standardize too soon can introduce unnecessary frustration into the stabilization process.
- Building in time (about 5 minutes) for staff to update the tier board at the start of the team huddle will make maintaining the board feel less burdensome.
- The more leadership cares about the content on the tier board, the more staff will care. Leaders should feel empowered to shape the tier board and huddle to make it meaningful for them and the team.
- Leaders should approach introducing the use of tier boards and roundings with a change management mindset. They will need to demonstrate and model the behaviors they want to see from staff (e.g. showing projects that are not meeting targets and milestones, asking for help, and identifying countermeasures).

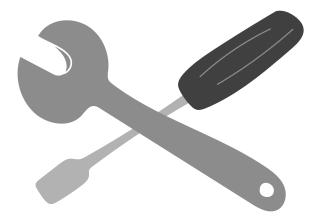


TOOLS AND RESOURCES

Visit the King County <u>King County Learning and Development</u> for training opportunities on organizational performance measurement and management, Lean, and data visualization.

APPENDICES available here

- A. King County Best Run Government Maturity Model
- B. Monitoring Government Performance Toward A Lean-Informed Approach by Michael Jacobson & Shayne Kavanagh
- C. King County Tier Board Timeline
- D. Mock Tier Board Examples
- E. Huddle Quick Reference
- F. Huddle Agenda Examples
- G. Rounding Agenda
- H. Cascading Measures Examples
- I. Tier Board Development Phases
- J. Tier Board Fact Sheet
- K. Rounding Visual Display Checklist
- L. Data Visualization Tips for Success
- M. Measurement Plan Template



REPORT ILLUSTRATIONS:

Bigldeazoo

REPORT DESIGN:

King County Information Technology
Design and Civic Engagement

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