ABSTRACT AND BENEFITS

The primary purpose of this research was to provide methods and tools that enable a water/wastewater utility to develop and implement a performance measurement system based on a demonstrated, proven approach. To achieve the purpose, the research was conducted in three phases:

- Core research on existing and applicable frameworks for performance measurement with experience from utilities and other government organizations, as well as outside business and industry, on leading practices in performance measurement. Steps to develop and implement performance measurement that uniquely fit water/wastewater utilities were defined to be piloted by selected utilities in Phase II.
- Demonstration pilot projects for developing and implementing performance measurement were carried out over a 12–18 month period at four water and wastewater utilities. These four utilities were selected, based on a mix of utility type, size, and experience with performance measurement, from a group of more than a dozen that applied to conduct the pilot demonstrations.
- Research results from the pilots and lessons learned were applied to adjust the piloted process. The knowledge and methods from these projects were shared in WERF/WEFTEC workshops and a Web conference. A process (seven-step methodology) was developed based on a balanced scorecard (BSC) approach to develop and implement performance measures both at the enterprise (utility-wide) level and team-based level. Ways to align and coordinate measures throughout the organization were defined for process-based and initiative-based scorecards. The testing of this approach through the utility pilots led to further recommendations for involvement, education, communication, and commitment of utility participants for successful performance measurement.

Benefits:

- Provides methods and tools for water/wastewater utilities to adapt an approach for performance measurement that fits their organization and current business processes and initiatives.
- Creates a balanced system of measures both at the top and on the ground that relate and align for utility-wide performance improvement.
- Shows examples of how to implement measures using various approaches with samples of measurement scorecards.
- Gives guidance and lessons learned on organizational and cultural aspects of performance measurement.
- Describes technology to support scorecard development and performance measurement tracking, reporting, and automating.