



# PERFORMANCE MEASURE & TARGET ADOPTION

POLICY AD006, EFFECTIVE 2015-09-30

## POLICY STATEMENT

The Minnesota Department of Transportation (MnDOT) formally adopts performance measures and targets through public planning processes or through review and approval by designated management groups. MnDOT carefully considers existing commitments, relative priorities and tradeoffs when adopting or modifying performance measures and targets.

All adopted performance measures and corresponding targets are included in the list of formally adopted performance measures and targets available on the [MnDOT Performance Measures](#) website.

## REASON FOR POLICY

MnDOT needs a uniform process for adopting, revising, and retiring performance measures and targets. This policy identifies roles and responsibilities and provides clear direction to MnDOT decision-makers and staff seeking to adopt, revise, or retire performance measures and targets. The policy also clarifies the status of existing performance measures and targets and provides a basis for reviewing and approving measure and target proposals.

Specifically, this policy:

- Requires that all adopted performance measures and targets lists are current.
- Ensures that MnDOT meets state and federal laws, such as:
  - [Minnesota Statutes §174.03](#), “Duties of the Commissioner of Transportation” specifically referencing the statewide transportation plan, priorities, and schedule of expenditures.
  - [CFR Title 23](#), regarding transportation safety, planning, research, technology and education, and infrastructure finance
  - [CFR Title 49](#), regarding other transportation regulations

## SCOPE

This policy covers the adoption of performance measures and targets used to evaluate and affect transportation system outcomes critical to achieving the [Minnesota GO](#) 50-year Vision for Transportation. Performance measures that evaluate and affect transportation system outcomes include those used to:

## SENIOR OFFICER

**Tracy Hatch**

*Deputy Commissioner/CFO/COO*

## POLICY OWNERS

**Mark Gieseke, P.E.**

*Director, Office of Transportation System Management*

## POLICY CONTACT

**Deanna Belden, AICP**

*Director, Performance, Risk, and Investment Analysis Unit  
Office of Transportation System Management*

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## POLICY HISTORY

2015-09-30, Established

[MnDOT Policy Website](#)

- Measure progress toward goals or objectives identified in the Statewide Multimodal Transportation Plan or another statewide transportation plan.
- Guide investment on the state highway system or the development or improvement of a modal system.
- Assess the effectiveness or efficiency of MnDOT products and services.

This policy does not cover performance measures used to evaluate the performance of agency support functions.

## WHO NEEDS TO KNOW THIS POLICY?

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MnDOT employees responsible for identifying or setting performance measures and targets, including:

- Office of the Commissioner
- District Engineers and Assistant District Engineers
- Office Directors
- Division Business Managers
- Operation management groups
- Managers
- Planners

## DEFINITIONS

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### **Expected Outcome**

An expected outcome is an estimate of future performance based on a predictive model.

### **Indicator**

An indicator is a metric that provides meaningful information about the condition or performance of the transportation system but is neither managed to nor used to evaluate the effectiveness of policies, strategies or investments.

### **Management Group Leadership Team (MGLT)**

The MGLT is comprised of leaders from the five designated management groups and leaders from other divisions, as assigned.

### **Management Groups**

The designated management groups are the Administrative Managers Group (AMG), the Construction Managers Group (CMG), the Operations Managers Group (OMG), the Planning Managers Group (PMG), and the Pre-Construction Managers Group (PCMG) and include leaders from other divisions, as assigned.

### **Metric**

A metric is a quantifiable assessment of condition or performance.

### **Outcome**

An outcome is an end-state condition. In the context of performance management of the transportation system, outcomes are the transportation system conditions or performance results that are the focus of policies, strategies and investment.

### **Performance Measure**

A performance measure is a metric that measures progress toward a goal, outcome or objective. This definition covers metrics used to make decisions or evaluate the effectiveness or adequacy of a policy, strategy or investment. A metric may be termed a performance measure without a target if MnDOT would evaluate and potentially change a course of action based on the metric's trend or direction.

### **Plan Outcome**

A plan outcome is the outcome MnDOT commits to achieving as part of an adopted fiscally constrained statewide plan. A plan outcome may or may not be the same as a target or an expected outcome.

### **Public Planning Process**

A public planning process is any process to create or revise an agency transportation plan that includes the opportunity for stakeholders and the public to provide input and includes a formal comment period prior to the adoption of the final plan.

## Target

A target is a specific performance level representing the achievement of a goal, outcome or objective.

## Transportation Plan

A policy plan, system plan, investment plan, or supporting plan that affects transportation system users. Read [MnDOT Planning & Programming](#) for information on transportation plans.

# PROCEDURES

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## *Process for Performance Measure and Target Adoption*

MnDOT maintains *two paths* for adopting performance measures and targets:

### 1. Planning processes that include a formal public comment period

- All performance measures and targets included in a statewide plan or program that undergoes a formal public comment period are formally adopted when the plan or program is adopted.
- In reviewing draft statewide plans or programs, the Planning Management Group (PMG) must critically evaluate and discuss with senior leadership aligning performance measures and targets with MnDOT's vision, state and federal requirements, department priorities and public expectations.
- PMG and senior leadership must also discuss data management requirements and the implications of proposed performance measures and targets for existing commitments.

### 2. Internal review and approval by a designated management group

- Proposals to establish new or modified performance measures or targets outside of a public planning process must be documented using the [MnDOT Performance and Target Screening Form](#) and must be reviewed and approved by one or more designated management groups.
- Management groups are assigned responsibility for reviewing performance measure and target proposals by the Performance, Risk and Investment Analysis Unit with input from the Management Group Leadership Team (MGLT).
- In conducting its review, a designated management group must critically evaluate the alignment of the proposal with MnDOT's vision, state and federal requirements, department priorities and public expectations.
- A designated management group must also consider data management requirements and the implications of proposed performance measures and targets for existing commitments.
- The Performance, Risk and Investment Analysis Unit must maintain a [MnDOT Performance Measure and Target Adoption Guide](#) to assist designated management groups in the review and approval of performance measures and targets under this policy.
- Designated management groups approve or reject measure or target proposals following review. MnDOT adopts proposals approved by designated management groups upon their approval.
- A designated management group may elect to refer proposals affecting capital investment in the state highway system or the improvement of a modal system to PMG for inclusion in the next update of a relevant statewide plan.  
PMG may recommend a process for interim adoption prior to the next scheduled plan update when the need to create, amend, or remove a measure or target is too urgent to wait for a statewide plan update.
- The Performance, Risk, and Investment Analysis Unit (at the direction of MGLT) may designate senior leadership with responsibility for final review and approval of performance measure and target proposals determined to have significant implications for MnDOT policy, finances, reputation or public communications.

### ***Process for retiring performance measures and targets***

MnDOT employees responsible for developing a statewide transportation plan or program may identify performance measures and targets to be retired with the statewide transportation plan or program's adoption. PMG must review proposals to retire performance measures and targets as part of a plan or program prior to the plan or program's formal public comment period. PMG may approve proposals to retire performance measures and targets or refer the proposal for additional review and approval by senior leadership. Once approved by PMG or senior leadership, a proposal to retire a performance measure or target as part of a statewide transportation plan or program may be documented in a final plan or program at the discretion of MnDOT staff.

MnDOT staff may also retire an existing performance measure or target by filling out a [MnDOT Performance and Target Screening Form](#) and following the same internal review and approval process used for performance measure and target adoption under this policy.

### ***List of Formally Adopted Performance Measures and Targets***

The Performance, Risk, and Investment Analysis Unit must maintain a list of formally adopted performance measures and targets. This list includes information provided to the Performance, Risk and Investment Analysis Unit by performance measure or target owners or the initiators of performance measure or target proposals. This information must include, at a minimum, the name of the measure; a description of the metric upon which the measure is based; the methodology for evaluating results (including target if available); and a description of how and when the measure was adopted, last amended, and (if applicable) retired.

Performance measures and targets pre-dating the establishment of this policy are included in the list of formally adopted performance measures and targets. List updates occur each time MnDOT:

- Adopts a statewide transportation plan or program containing new measures or targets;
- Approves a measure or target through a planning process meeting MAP-21 requirements; or
- Adopts, modifies or retires a performance measure or target following the internal review procedures of this policy.

Senior leadership must review the list of formally adopted performance measures and targets after each legislative session to ensure they accurately reflect the agency's performance goals.

## **RESPONSIBILITIES**

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### **Office of Transportation System Management (Performance, Risk, and Investment Analysis Unit)**

- Maintain [MnDOT Performance and Target Screening Form](#).
- Maintain [MnDOT Performance Measure and Target Adoption Guide](#).
- Review the submitted forms, designate management groups with responsibility for review and approval of performance measure, and target proposal.
- Maintain the list of formally adopted performance measures and targets.
- Convene the Senior Leadership Team to conduct an annual review of the list of formally adopted performance measures and targets.

### **Senior Leadership Team**

- Review the list of formally adopted performance measures and targets annually.
- Consider the implication of performance measures and targets in draft statewide plans on existing agency commitments prior to recommending a plan for adoption by the Commissioner.
- Consider the data management implications of performance measure and target proposals; allocate resources to the collection, analysis and maintenance of data supporting performance measure and target implementation.

### **Management Group Leadership Team**

- Advise the Performance, Risk and Investment Analysis Unit on the task of designating management groups with responsibility for review and approval of performance measure and target proposals.

### **Management Groups**

- Review measure and target proposals to ensure consistency with MnDOT's vision, state and federal requirements, existing plans, department priorities and public expectations.
- Scrutinize the impact of measures and targets on decision-making, communication, and existing commitments.

- Approve or reject performance measure or target proposals.

**Planning Management Group** *(additional responsibilities)*

- Consider the implication of measures and targets in draft statewide plans on existing agency commitments prior to recommending a plan for adoption by the Commissioner.
- Consider the effectiveness of draft plans on the achievement of performance objectives.

**Managers**

- Read, understand and follow this policy.
- Ensure completion of the [MnDOT Performance and Target Screening Form](#) for all new or modified performance measures and targets originating from their units.
- Consider the data management implications of performance measure and target proposals; allocate resources to the collection, analysis and maintenance of data supporting performance measure and target implementation.

**Lead Planning Staff for Statewide Transportation Plans**

- Discuss proposals to create, modify or retire performance measures and targets with PMG prior to releasing a draft plan for public comment.
- Work with the Performance, Risk, and Investment Analysis Unit to update the list of formally adopted performance measures and targets reflecting the new, modified, retired measures, and targets in the final plan.

## FREQUENTLY ASKED QUESTIONS

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**Q: *What is the difference between a measure and an indicator?***

A: The critical distinction between performance measure and indicator is the extent to which MnDOT is willing to manage to the metric or uses it to evaluate the effectiveness or adequacy of a course of action. If MnDOT implements strategies or makes investments with the intent of influencing the metric’s trend or direction, then the metric is appropriately termed a performance measure. If not, it is an indicator.

**Q: *What is the difference between a measure and a metric?***

A: A measure is a metric used to provide meaningful performance information. For example, ride quality index is a metric, and the percent of pavement in poor condition is a performance measure based on that metric.

**Q: *How do I select a measure?***

A: Start by defining goals and objectives. Decide what you want to do first, and then decide how to measure it. Consider whether the audience for the measure will be able to understand it. Consider the sensitivity of the measure to the investment when determining investment priorities.

**Q: *How do I establish a target?***

A: Proposed targets are determined considering several factors, including but not limited to agency policy, stakeholder expectations, investment direction and financial conditions, historic performance, federal and state requirements, risk and performance in peer regions. Targets are established when they are approved in accordance with this policy.

## FORMS/INSTRUCTIONS

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[MnDOT Performance Measures](#), *list of formally adopted performance measures and targets*

[MnDOT Performance Measure and Target Adoption Guide](#)

[MnDOT Performance and Target Screening Form](#)

[MnDOT Performance Measure and Target Adoption Form](#)

[MnDOT Performance Measure and Target Proposal Evaluation Form](#)

[MnDOT Performance Measure and Target Revision Form](#)

## PLAIN LANGUAGE (READABILITY SCORE FOR THIS POLICY)

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**Active Voice = 100%** ( $\geq 90\%$ )

**Grade Level = 14.7** (Grades 12-14)

**Words per Sentence = 20.9** ( $\leq 18$  words)

MnDOT must ensure the use of [plain language](#) for all policies. All MnDOT policies use the Flesch Reading Ease formula for calculating the approximate reading level of English-language content. Microsoft Word for Windows© offers an automatic readability score. The measures MnDOT uses include, **active voice** (greater than 90% of the time), **grade level** (grades 12-14), **words per sentence** (less than or equal to 18 words).

**POLICY OWNERSHIP AND AUTHORIZATION**

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**Policy Owner**

Mark Gieseke, P.E., Director, Office of Transportation System Management

 9-22-15  
Signature and Date Signed

**Governance Council**

Sue Stein, Assistant Commissioner, Corporate Services

 9-24-15  
Signature and Date Signed

**Responsible Senior Officer**

Tracy Hatch, Deputy Commissioner/CFO/COO

 9.30.15  
Signature and Date Signed