

Under Governor Cuomo’s leadership, New York State is building a results-driven service delivery system that is restoring the public’s faith in government. New Yorkers have every right to expect performance from their government – it must be efficient and effective.

Overview

Performance management is a framework utilized by high-performing private- and public-sector organizations that will make the State’s delivery of services more efficient, cost-effective, transparent and accountable.

State agencies will collaborate to focus on efforts that support their core missions, align with strategic priorities, and set performance goals accordingly. They will measure outcomes against those goals to deliver a streamlined, smarter and more effective government.

Integration of Management and Budget

To support the Governor’s efforts, DOB will integrate the investment of State resources with a review of program and policy delivery outcomes. This new mission includes the review of agency performance, and a continued emphasis on government performance throughout the State. The synthesis of management and budget functions will ensure that the policies, programs, and projects contained in the Budget are delivered in a timely, cost-effective manner.

Enhanced Use of Data and Evidence

Evidence-based policymaking uses research and program results data to inform policy, management and budget decisions. It drives dollars to programs that have been proven to be effective. New York State’s performance management framework will utilize evidence-based policymaking to reduce wasteful spending by evaluating cost effectiveness, allowing the State to expand successful programs and strengthen accountability. Focusing on outcomes makes it easier to promote accountability.

Budget Highlights

Agency Management Plans.

Plans must preserve funding for mission critical efforts and strategic initiatives with agencies identifying cost efficiencies and reducing State operating funds spending in FY 2018.

OGS Office Space Optimization Fund.

The OGS Real Estate Center is building on the success of their restacking initiative through a recurring investment in State-owned buildings so agencies may relocate from leased space. The savings from avoided lease costs in the first 10 years from the initial round of improvements is projected to exceed the cost of improvements by \$16.7 million.

Performance Profile

The NYS Lean Program has created efficiencies across State operations. By the numbers:

- **85 percent.** The reduction in the time it takes to credential new substance abuse disorder counselors.
- **39 minutes.** The time it takes to register a vehicle acquired through a casual sale at the DMV, down from 60 minutes.
- **50 percent.** Businesses and individuals are issued licenses and permits they need to operate 50 percent faster than before Lean.
- **\$33 million.** The State saved \$33 million by consolidating office spaces and decreasing leased properties.
- **221 million.** Over 221 million records are accessible Open NY across 64 entities. Open NY is providing global transparency, accessed from over 12,080 cities, and over 200 countries and territories.

Government Accountability and Transparency

Citizens expect to know how effectively their tax dollars are being spent on delivering the services they need. DOB and State agencies will measure and report on their success in making the State more efficient, cost-effective, transparent and accountable.

Enterprise Risk Management

An effective Enterprise Risk Management (ERM) program is an integral part of the State's strategic decision making process. The full spectrum of an organization's risk should be considered as an interrelated portfolio, rather than addressing risks only within silos. In 2015, Governor Cuomo created New York's first statewide framework for ethics, risk and compliance. Successful integration of ERM into agencies' day to day decision-making and management practices enables agencies to leverage opportunities and avoid, mitigate, and transfer risk, resulting in more resilient, effective, and efficient programs.

It is important for agencies to assess and prioritize risk while operationalizing their strategic plans, and establishing performance goals and controls. Risk assessments enable more substantive compliance with internal control and audit filings, and provide a basis for prioritization in strategic, annual Performance and Lean Process Improvement plans. New York State faces varied and complex forms of risk, including emergency management, operational, technology, insurance, legal, compliance, and ethical. Continuous internal assessment and monitoring helps identify and mitigate issues on an ongoing basis.

Procurement Reform

The Governor is undertaking a comprehensive review of current procurement practices across all State entities to establish processes that are efficient, outcome-focused and properly safeguarded to ensure public money is spent with integrity. Additional procurement training and knowledge sharing opportunities will help State procurement staff be better positioned to conduct effective and ethical procurements.

Digital Innovation

In 2013, Governor Cuomo issued an Executive Order directing State agencies to, for the first time, review and catalog data they collect and make that data publicly available on the State's new open data website.

Open.ny.gov

The Open.ny.gov initiative is designed to help State agencies and local governments by fostering research, promoting informed decision-making, and enhancing collaboration. It is a shared resource for localities across the State, providing unified access to government data and helping local governments cut down costs and improve efficiency, in addition to increasing transparency.

For example, in 2016, the New York State Energy Research and Development Authority (NYSERDA) made available on Open NY residential and small commercial solar projects currently in development in New York State through NY-Sun, an integral component of the Governor's Reforming the Energy Vision (REV). By making this data available on Open NY, NYSERDA is helping the private sector scale up New York's sustainable, self-sufficient solar industry.

New York State is also using data analytics to combat the spread of opioid abuse, prevent payments for fraudulent tax returns, and improve service delivery for health and social services agencies.

OpenBudget.ny.gov

The Open Budget website provides easy, single-stop access to New York's wealth of budget data, including comprehensive machine-readable raw financial data along with tools and charts to make that information more understandable. The result is:

- Unprecedented access and transparency to New York's budget;
- Open access to easy-to-use tools, charts and data;
- Improved government performance, and enhanced citizen engagement and trust.

Performance Management Projects

Effective Management of Statewide Capital Planning and Assets

Capital planning is critical to water, sewer, transportation, sanitation, and other essential public services. It is an integral component of any economic development program and strategic plan. The Governor's New York Works Task Force helped centralize the State's capital planning to leverage and integrate the funding into economic development planning statewide.

This process continues. For example, in 2016, the State launched a diagnostic effort to assess the current capital planning process, evaluate project delivery, and catalog the State's capital assets.

As a result of this effort, the State is amassing up-to-date central project level data for outcome tracking and decision-making. The new approach enables the State to better align capital spending with strategic priorities, more actively manage its portfolio of capital assets, and use outcome-based feedback and prioritization to ensure project selection best meets the needs of New York State. Improvements in project tracking will help the State deliver them on-time and on-budget. All of these actions combined enable the State to free up resources and put them toward additional projects.

NYS Real Estate Center of Excellence

Governor Cuomo tasked the Office of General Services with creating the NYS Real Estate Center of Excellence to proactively and strategically manage the State's real estate portfolio. The Center's Restacking Initiative achieved net savings of over \$33 million by consolidating existing office space, and eliminating unnecessary and costly leases. The Center enables OGS to manage the real estate portfolio holistically in a data-driven, efficient and cost-effective manner by:

- **Developing a centralized inventory of all State real estate assets.** Right-size the portfolio through acquisition and disposition, and seek asset monetization opportunities.
- **Centralizing the real estate planning and development function.** Minimize financial, operating, and scheduling risks for the State.
- **Providing energy management governance.** Support the Governor's EO88 initiative, which directs agencies and authorities to improve the energy efficiency of State buildings.
- **Serving as the State's primary resource for real estate matters.** Services include:
 - Development of policy, strategic initiatives, and performance metrics.
 - Identifying and introducing private industry real estate management best practices.
 - Proactively identifying opportunities to reduce cost while supporting the State's mission.
 - Consolidating and standardizing facility management and leasing practices of State agencies.

NYS Lean Program

The New York State Lean Initiative was created in 2013 at the recommendation of Governor Cuomo's Spending and Government Efficiency (SAGE) Commission. The Commission identified a series of opportunities to make State operations more efficient and effective, particularly in light of the Governor's two percent spending growth cap.

In the fall of 2013, the State conducted 10 pilot Lean projects in four State agencies related to different business licensing, permitting, and registration processes. By early 2016, the program expanded to include over 400 projects in 38 agencies with over 9,000 State workers participating and over 600 trained as Lean practitioners. Examples of success of the program include:

- **High priority initiatives.** As part of New York's Combat Heroin Initiative, State staff reduced the time to certify substance abuse disorder providers and services by about 50 percent and to credential new counselors by about 85 percent—even while experiencing an increase in demand due to the heroin epidemic.
- **Department of Motor Vehicles (DMV).** There are over 11 million licensed drivers in New York State. Using Lean, the DMV reduced the wait time to register a vehicle acquired through a casual sale from 60 to 39 minutes and, in select pilot offices, to obtain a driver's permit from 172 minutes to 45 minutes as part of a broader effort to reduce office wait times by more than 50 percent.
- **Licensing and permitting.** There are roughly two million businesses registered in New York State, and over 800,000 individuals are licensed to practice various occupations by the Department of State. These businesses and individuals are getting licenses and permits about 50 percent faster than before the Lean program started. For example, the time to issue an operating certificate to a new healthcare facility fell from 137 days to 31 days, and the time to issue a real estate broker or agent license fell from 20 days to 4 days.
- **Investigations.** Several agencies investigate potential wrong-doings, and process streamlining helps resolve cases faster and allows for greater capacity within limited resources. For example, the Justice Center reduced the time to complete an initial review of abuse and neglect cases from 79 to 13 days, eliminating a backlog of 4,500 cases.