



BUILDING A BETTER GOVERNMENT PERFORMANCE SYSTEM

Recommendations to the
Obama Administration

JUNE 2009

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Accenture Institute for Public Service Value
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OMB Watch

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In the late spring of 2008, Accenture's Institute for Public Service Value, the Georgetown Public Policy Institute (GPPI), and OMB Watch agreed to work together to develop recommendations to the next presidential administration about how best to reform and improve government performance systems. This effort sought to build consensus by bringing together a large group of individuals who hold a diverse set of opinions and perspectives on past and current government performance measurement initiatives. In order to do this, we relied on a host of individuals and organizations whose hard work and expertise were essential to making this project a success.

First, the staff at OMB Watch, led by Adam Hughes, was responsible for overseeing this project from start to finish. Lynn Sha coordinated project logistics, provided background research, and wrote the initial draft of this report. Craig Jennings helped design and manage the day-long workshop and provided helpful feedback on early drafts of this report. Barbara Western, Sam Kim, Jacqueline Mathis, Paula Shoecraft, Amanda Adams, and Matthew Madia provided timely assistance in making sure the day-long workshop ran smoothly. Dawn Czech at Accenture helped coordinate the project and release of the final report.

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EXECUTIVE SUMMARY

“It’s crucially important we revamp and revise [performance measurement systems] in consultation with agencies and Congress.”¹ – OMB Director Peter Orszag

The reform and enhancement of current performance systems will be integral to the Obama administration’s effort to enact major changes in the federal government and throughout the country. Without a system supported by a variety of stakeholders that has the capacity to identify and then communicate progress on major initiatives and the programs and projects used to enact those initiatives, the broad goals and vision articulated during the 2008 presidential campaign and at the beginning of the administration will fall short.

While a variety of stakeholders may have conflicting views on the importance of various government programs, the public is entitled to know the goals of those programs, how they are performing, and have access to government performance data. This information is crucial not only to federal program managers and OMB staff, but to all who are involved in the implementation of and debate about government programs and services.

Government performance systems offer the unique opportunity to involve a variety of players in a conversation about not only priorities, competing expectations, and how well government is working, but how to make its programs and services work better, be more equitable, and be more responsive to diverse needs. These systems are of paramount importance to improving government, to responding to societal inequities, and perhaps most importantly, to rebuilding our faith in achieving success together through government.

In order to do this, current performance systems will need to undergo significant reforms in order to open up internal compliance-based review processes that typically result in static ratings to a more dynamic conversation about continually improving performance.

This report is grouped into six main topic sections (Reforming PART and GPRA, Promoting Leadership and Accountability, Fostering Policy Innovation and Ownership with Positive Reinforcement, Balancing the Roles of OMB and Agencies, Engaging outside Stakeholders, and Improving Data) that detail reforms and improvements that can be made to current systems used by the federal government. No one topic is more or less important than the others, and many overlap and intertwine in a variety of ways. Therefore, a comprehensive overhaul that incorporates changes in each of these areas is crucial to ensuring the creation of a new government performance system is fair, effective, and widely used.

1. Testimony of OMB Director Peter Orszag before the Senate Homeland Security and Governmental Affairs Committee. January 14, 2009.

METHODOLOGY AND PROCESS

Description of the process that led to the Government Performance Project and this report.

GPPI/Accenture Dialogue Series

In 2007, Georgetown University’s Public Policy Institute (GPPI) and Accenture’s Institute for Public Service developed the Dialogue Series², a series of panel events on key issues currently at the top of the national public policy and management agenda. The goal was to bring together experts – practitioners, academics, consultants – who have achieved success in leading complex reform efforts. Targeted at public managers and policy makers, the Dialogue Series focused on the managerial, technical, and leadership challenges of implementing large-scale policy and management change. Designed to create a networking environment to encourage an exchange of ideas between senior managers of complex change programs and those emerging leaders charged with undertaking similar efforts, the discussions also promoted further learning about how successful management change efforts are designed and implemented.

OMB Watch was consulted in the development of the second panel discussion held in March 2008, “Beyond Reporting Requirements: What Difference Does Performance Management Make?” and OMB Watch’s Executive Director, Gary Bass, who is also a faculty member at GPPI, served as a participant on the panel. Well attended by a variety of academics, analysts, practitioners, and executive branch managers, the meeting was successful in outlining some areas of agreement and disagreement among the panelists. OMB Watch wanted to build upon this unique gathering and rich discussion by creating the opportunity for a more detailed discussion about performance management and reporting at the federal level. Accordingly, OMB Watch proposed a larger project to be sponsored by Accenture, GPPI, and OMB Watch to develop recommendations to the next presidential administration and Congress on performance measurement systems.

Government Performance Project

In the late spring of 2008, Accenture, GPPI, and OMB Watch agreed to the project, which would be centered on a day-long workshop with OMB Watch providing leadership and planning. OMB Watch recruited a group of experts³ to help guide and develop this project, review materials, and provide advice to project staff. The members of the Advisory Group were chosen to represent differing perspectives about existing performance management activities; some were highly critical of existing approaches, while others were more accepting of those systems. One Advisory Group member was responsible for overseeing the day-to-day implementation of the Program Assessment Rating Tool (PART), the Bush administration’s tool to rate government programs and agencies, and also led

2. For more information about the GPPI/Accenture Dialogue Series, see <http://www.gppidialogue.com/about.html>.

3. Advisory Group members (in alphabetical order) included: Gary Bass (OMB Watch), Joe Ferrara (GPPI), Harry Hatry (Urban Institute), Adam Hughes (OMB Watch), Gary Land (Accenture), Shelley Metzenbaum (University of Massachusetts-Boston), Mark Moore (Harvard University), Greg Parston (Accenture), Beryl Radin (American University), Lynn Ross (GPPI), and Robert Shea (OMB/Grant Thornton). Adam Hughes served as chair of the Advisory Group; Craig Jennings and Lynn Sha served as staff. See Appendix A for full biographies of Advisory Group members and staff.

the government-wide President's Management Agenda initiative.

The Advisory Group met throughout the summer and fall to plan specific aspects of the project, including the workshop format and feedback systems for after the workshop. In conjunction with the Advisory Group, the project commissioned four memos on different aspects of government performance systems.⁴

Day-Long Experts Workshop

The background memos served as a starting point for the day-long workshop, which was held on October 15 at the National Academy for Public Administration. A wide range of policy experts with significant experience in this disparate field were invited to further explore developing consensus recommendations for the next presidential administration and Congress. This group included academics, private sector representatives, government accountability groups, executive branch representatives, congressional staff, service providers, research nonprofits and think tanks, and others, including participants from the March panel discussion. Both critics and supporters of current performance systems were invited, as were those representing progressive and conservative viewpoints. Representatives of the presidential candidates, Sen. Barack Obama and Sen. John McCain, were also invited. The workshop was designed to give participants an opportunity to engage each other in small-group discussion centered on broad topics about government performance.

Over the course of the day-long workshop, participants brainstormed ways to improve current systems and provided other feedback and perspectives about improving performance measurement at the federal level.

The three broad topics covered during the day were:

- 1) What should be the role of OMB and the White House;
- 2) What role should transparency play in performance measurement; and
- 3) What should be done with the Government Performance and Results Act (GPRA), the Program Assessment Rating Tool (PART), and other current government performance systems?

At the end of the workshop, participants heard an overview of some of the broader themes that emerged throughout the day and then voted informally on over 100 recommendations developed in the small groups during the workshop. Participants were told that their votes would serve as the basis for a follow-up online survey to further refine the top priorities for reforms to government performance systems in the next administration.

The project and the workshop were planned and conducted to be transparent and open to whatever recommendations or reforms those assembled believed were most important. There was no hidden agenda and nothing was predetermined. Areas of disagreement were not glossed over or ignored. The event itself was structured to be "off-the-record," allowing frank discussion in the small groups and plenary sessions. The off-the-record approach proved important; it fostered open dialogue among those who often do not agree. The agenda and ambitious goal – to develop recommendations to the next administration – kept the conversations focused and constructive. This structure and atmosphere created enormous energy and excitement and gave participants a feeling of ownership over the process.

4. Memos were prepared by: Harry Hatry ("Governing for Results: Improving Federal Government Performance and Accountability"); Shelley Metzenbaum ("Performance Management Recommendation for the Next Administration"); Beryl Radin ("Should PART Be Continued?"); and Robert Shea ("Accountability Through Technology"). See Appendix B for copies of the memos.

Online Survey & Drafting of Final Report

Using the results of the voting and additional notes and materials compiled during the workshop, OMB Watch developed an online survey⁵ of the top recommendations for workshop participants to further refine and prioritize. The survey also allowed for comments to modify the recommendations or add new ones. The Advisory Group reviewed the online survey prior to its distribution, and participants were given three weeks to respond. The survey closed on November 21 and had a 65 percent response rate.

After the survey was completed, OMB Watch staff used all the materials and information gathered during this project to write a final report of recommendations for reforming government performance systems. The initial draft of the final report was first reviewed by the Advisory Group and then was opened to all workshop participants for feedback using www.a.nnotate.com, an online service that allows large groups to collaborate on writing documents. OMB Watch staff made final edits and changes to the report.

This report is an attempt to reflect the input and ideas of a wide variety of individuals and organizations involved in this project. While not every viewpoint can be reflected, a concerted effort was made throughout to present consensus views and proposals.

The recommendations and ideas presented in this report are those of Accenture, GPPI, and OMB Watch and should not be attributed to members of the Advisory Group, participants in the performance workshop, or any other individual or organization who contributed to this project.

5. For a copy of the online survey sent to workshop participants, see Appendix D.

PRINCIPLES TO GUIDE GOVERNMENT PERFORMANCE REFORMS

The following principles emerged from the Government Performance Project and should guide the Obama administration in its efforts to reform and enhance government performance systems.

1. Enhance the Public’s Right to Know How Well Government Programs Work

While a variety of stakeholders may have conflicting views on the importance and merits of various government programs, they are all entitled to know how those programs are performing and have timely access to reliable and meaningful program performance data. This information is crucial not only to federal program managers and OMB staff, but to all who are involved in the implementation of and debate about government programs and services.

What’s more, government performance systems offer the unique opportunity to involve a variety of players in a conversation about not only how well government is working, but also about what agency priorities are and how to make its programs and services better and more responsive. A better sense of key national priorities may also emerge with broader participation from various stakeholders and constituencies. This participation is of paramount importance to both improving government and rebuilding our faith in achieving success together through government.

2. Strengthen Leadership And Accountability From Top To Bottom

Strong and sustained leadership at every level and in all parts of the executive branch, beginning with the president and carrying down through program managers, is a critical element to the successful improvement of government performance. Constantly revisiting and reinforcing the importance of measuring and achieving results is crucial to providing the necessary leadership and supportive engagement of federal employees at all levels. Without this, it will become more difficult for program staff to take ownership over efforts to improve federal program performance.

To ensure that performance management and accountability are a top priority, the president should require his appointees and senior executives to understand all performance data relevant to their positions, to consistently highlight the importance of performance objectives to their staff, and to support program managers through training and regular performance meetings in their efforts to integrate performance data into their work. Appointees and senior executives should also work with program staff to set and communicate clear targets and to assure that performance data are used to inform efforts to improve performance.

While top-level leadership on the importance of government performance will be necessary for making meaningful changes to program performance, the new administration also needs to identify and eliminate the barriers preventing broader acceptance and use of performance measurement systems at the programmatic level. Empowering program managers to use performance data to better understand problems and develop and promote effective solutions is necessary for the timely, accurate, and proper use of performance data and in making informed decisions

concerning program improvements and agency outcomes. Actively seeking and implementing the recommendations of program managers in the development of relevant performance criteria and indicators will help ensure that program managers openly embrace performance systems and that it produces useful and actionable information for all stakeholders. It will also allow those managers to inform agency heads and congressional leaders about limitations in program authorization and design that prevent those programs from being more successful.

3. Modify, Don't Trash, Current Systems

Although improvements to the current government performance systems are urgently needed, policymakers throughout the federal government have already invested a large amount of resources in climbing the performance learning curve. There are differing views on the progress government has made in evaluating program effectiveness through the Government Performance and Results Act (GPRA) and the Program Assessment Rating Tool (PART). While these systems have flaws, future efforts should focus on improving the existing systems instead of building a new performance program. This suggests that PART should be revised and updated to address problems evident in both its design and its implementation, and the revised PART should be better aligned with GPRA to emphasize similar objectives and eliminate repetitive or contradictory requirements.

The president should develop a strategy to tie GPRA, a revised version of PART, and Executive Order 13450 (issued in December 2007) together with other evaluative systems used by the government and substantively involve political appointees, career staff, Congress, and outside stakeholders. The eventual goal is to create a more stable system that is used by a variety of stakeholders over time and avoids turbulence during changes in administrations.

4. Re-Balance the Roles of OMB And Federal Agencies

OMB has received criticism for micromanaging performance assessments during the Bush administration. The centralized role of OMB may inhibit its ability to generate meaningful behavioral change among agency staff who do not view that office as a collaborative partner, perhaps due to OMB's potential to cut program budgets. However, OMB needs to be involved in some way in government performance—specifically, it should provide government-wide coordination, facilitate a conversation about setting standards, and lead cross-cutting initiatives. However, participants expressed concern over OMB's emphasis on compliance with specific reporting requirements as well as its lack of transparency. To address these problems, OMB should complement its budgeting work by supporting agency performance-improvement efforts. This includes convening meetings to facilitate coordination across agencies with shared goals, utilizing new technologies and web tools to support the exchange of lessons across agencies and programs with similar functions, and training in performance management techniques. OMB should also turn its focus to using more positive reinforcement before threatening sanctions. Sanctions or other punishment should only be used as a last resort for those persistently refusing to gather and use relevant data.

At the same time, OMB should ensure agencies have a consistently strong role in determining performance goals, measurement criteria, and the use of results. The assessment process should be much more transparent, giving a wide variety of stakeholders the opportunity to give feedback on draft assessments and evidence that their feedback was seriously considered in the final evaluation. Ideally, there would be a more open and collaborative dialogue among the agencies, OMB, Congress, and program delivery partners on an ongoing basis regarding program operations, performance data, and outcomes.

5. Improve Performance and Accountability with Positive Reinforcement

Current performance assessment systems, particularly PART's rating system, have encouraged federal managers to focus on achieving good ratings rather than reporting on actual outcomes achieved. This has created an atmosphere that is too punitive in nature and fails to create ownership over performance improvement. Federal program managers spend too much of their time trying to avoid getting "bad" scores or ratings and too little time thinking and discussing how performance data can help to improve program performance. The implementa-

tion of PART has created an environment where agency heads put pressure on their staff to avoid “Results Not Demonstrated” and “Ineffective” ratings – the red flags of current program performance assessment for program managers. Yet, in many cases, this energy is not spent on improving programs or analyzing performance data, but instead is wasted on what amounts to a compliance exercise. The result is that creativity and initiative can be stifled in agencies, and productive communication about performance shuts down.

The government should reform the existing performance measurement and reporting systems to ensure that they foster a climate of ownership and accountability at the program level that moves away from the punitive nature of current performance assessment systems. This may be a difficult goal to achieve so long as assessments – PART in particular – continue to be perceived to be used to make budgeting decisions or if performance is micromanaged from a central entity. Further, the current system may discourage creativity in program implementation and does not develop accountability at the program level – two problems that decrease its legitimacy and discourages its use. Unless program managers and outside stakeholders believe programs are being judged by realistic, objective, and reliable, systems, it will be difficult to bring accountability to federal government programs.

6. Seek Input From Outside Stakeholders

Current performance systems, particularly PART and performance plans under GPRA, are almost entirely closed to outside stakeholder participation, cutting off an important and overlooked perspective in assessing performance of government programs. In some ways, government currently only asks for input on performance and goal setting after the internal decision making process has been completed. This exclusion tends to skew the development of performance measures and collection of relevant performance data, rendering the final product less useful, if not irrelevant, to many outside stakeholders, some of whom are responsible for implementing government programs and services on the ground.

For example, the lack of involvement by Congress has undermined PART and its objectives. Congress has not been a partner with agencies or OMB in the ongoing PART review process – most likely due to the cursory nature of the tool. The lack of a nuanced discussion about relevant performance targets and access to raw performance data related to those targets has hurt PART’s acceptance among congressional staff and members. It is not that Congress does not understand PART or how it works—it is that it is not a part of the conversation about performance data and results and is therefore highly skeptical about the reported program results. One of the potential barriers is that OMB and Congress communicate about performance from different perspectives and at times using different language. Therefore, it can be difficult for Congress to participate and engage in the executive-branch framed PART process.

The public has also been excluded from providing feedback or comments on government programs and services – a significant omission in developing an assessment system of government performance. The government should engage with citizens and involve them in the evaluation process, giving them a stake in both monitoring and prioritizing, and also helping to improve, government performance. Many thought the 2008 election provided a unique opportunity to involve a greater variety of stakeholders and to capture the attention of key policymakers in making important changes in the way government measures and communicates performance.

To that end, agencies should partner with each other and outside stakeholders in developing a more open, inclusive performance assessment system. In particular, they should seek advice and input in the creation of more relevant and useful performance measures for a variety of audiences. Specifically, agencies and OMB need to frequently communicate and consult with Congress, state and local governments, and the nonprofit sector to create a more robust assessment system that collects and distributes relevant data to a variety of stakeholders.

RECOMMENDATIONS FOR REFORM

I. Reforming PART and GPRA

Performance management experts in government widely recognize that GPRA and PART are inadequate in creating effective change in programs. GPRA and PART have made some progress in encouraging federal program implementation to also focus on results. Yet this progress has fallen short of creating true accountability by not developing ownership throughout agencies over performance measurement and reporting. These systems have led to uneven results at instituting systemic behavioral changes with regard to performance measurement among federal employees responsible for implementing programs and services.

Although improvements to the current government performance systems are urgently needed, the federal government has already invested a large amount of resources in climbing the performance learning curve, particularly at larger agencies. While there are flaws in the Government Performance and Results Act (GPRA) and the Program Assessment Rating Tool (PART), there has been significant progress over the last two administrations in starting to change the focus of program implementation to analyze and concentrate on results.

Over the last 15 years, policymakers and government officials have developed systems in an attempt to focus more on making government programs work better. GPRA and PART, the government performance systems developed under the Clinton and Bush administrations, have generated and sustained a systematic focus on improving performance and accountability. As a result, government managers can expect regular assessments of their agency's progress and achievements, even if they do not always agree with the final results.

But as OMB Director Peter Orszag pointed out during his confirmation hearing, the information and data generated about program results are not always what government should be focusing on. Orszag's pledge to "create a better set of performance metrics that are outcome oriented and in line with public expectations" presents a unique opportunity to implement reforms that will overcome some of the limitations of current performance measurement systems.

The accomplishments of GPRA and PART are limited by, among other things, a lack of leadership, insufficient involvement from Congress and other stakeholders, and the systems' uncoordinated mandates. GPRA, with statutory authority, asks agencies to set goals and objectives and to issue reports on their annual progress. PART, overseen by OMB, is a tool used to assess program performance that culminates in a rating that was originally intended to inform budget allocations for programs.

For many public managers, as well as outside observers like the Government Accountability Office, the two systems and their effectiveness were hampered by, among other things, a lack of coordination, in their administration and objectives, and by insufficient and poor data.

Align Existing Performance Systems

Instead of building a new performance program, future efforts should focus on improving the existing systems. The Obama administration has the opportunity to change performance management at the highest level of government, and would be wise to modify current performance measurement structures, rather than scrap them. Specifically, GPRA and PART need to be better aligned. The president should create a process that ties GPRA, PART, Executive Order 13450 (issued in December 2007), and other government performance systems together.

Take Advantage of Technology to Increase Stakeholder Involvement

The Obama campaign and subsequent transition efforts showed early on the ability of technology to open up government processes to a wider audience. There exists a unique opportunity to involve a greater variety of stakeholders and to capture the attention of key policymakers in making important changes in the way government assesses performance. With that in mind, the president should substantively involve a variety of stakeholders in developing this strategy to align current government performance systems. This should include public and private sector experts, congressional staff, political appointees and executive branch career staff, and government service providers.

The process used by the president to help develop a more cohesive performance system under PART and GPRA will surely generate many good ideas but will be strengthened by two specific changes that would fix deficiencies or problems with the current system:

Assessments Should Be More Focused on Results

Future performance management systems should be reformed to elevate attention to actual program results in achieving goals and pay less attention to managerial structures, program formats, and process and design criteria. The existing PART system gives too much weight to ratings on process, structure, and design criteria, sometimes undermining attention to program results and progress toward their objectives. Performance measures should gauge progress toward outcome objectives, looking both at progress toward specific short- and long-term targets and at performance trends over time.

In general, while progress has been made setting outcome-focused targets and measuring progress toward them, much improvement in developing targets and criteria that are tailored to individual programs' performance is still needed. This may mean that different programs and agencies employ different targets, criteria, or measurement systems. Better coordination and collaboration in reviewing program structure and design between the different branches of government would also be helpful. This would help program managers identify and make recommendations on how to change factors that are beyond their immediate control, such as legislative mandates or program structures, rather than being penalized for them. This would create a more collaborative process to create more efficient and effective programs.

Generate Collaborative Conversations, Not Formulaic Ratings

PART has five ratings: Effective, Moderately Effective, Adequate, Ineffective, and Results Not Demonstrated. Each is derived from tabulation of answers to PART questions. These ratings interfere with meaningful management improvement and shift the focus of performance measurement from performance improvement to ratings improvement; too much energy is focused on the rating and not what performance data can show about how programs are performing and the best ways to improve that performance.

While there are some positive attributes of the ratings system, including a higher level of attention by government managers and outside stakeholders, as well as the system's simplicity, the ratings foster an environment of compliance, negotiation, and delay around performance issues. PART ratings themselves do not reveal meaningful information about a government program's effectiveness; they do not focus sufficiently on results.

Some aspects of the PART also fail to allow for the complexity of measuring federal programs. For example, the National Academy of Sciences released a study of research and development (R&D) programs at the Environmental Protection Agency (EPA) that concluded that a standardized measure is not sufficient for accurately assessing the efficiency of those R&D programs (and it stands to reason this conclusion would apply to other types of R&D programs across the government). What's more, PART fails to provide the flexibility necessary to adequately measure many block grant programs, which are intentionally designed to allow states to use resources to address multiple goals, often in vastly different ways.

The goal of performance assessment systems should be to focus attention and enable discussions on improving program performance, not achieving a particular rating or score. The president needs to develop a system that shifts the focus of performance efforts from static ratings and scores toward a collaborative, dynamic conversation among relevant stakeholders about program performance trends and how to improve them. It may be necessary to eliminate the ratings system in PART altogether in order to achieve the goal of a less punitive system focused on results.

II. Promoting Leadership and Accountability

Even with a better mechanism for facilitating productive discussions about government performance, strong and sustained leadership at every level and in all parts of the government, beginning with the president and carrying down through program managers, is critical to improving the government's performance. Leaders who use performance information effectively to generate positive changes in their programs inspire others to do so as well.⁶ When they continually support and encourage the use of performance data to help improve programs and achieve results, employees become more motivated to focus on specific and shared goals, even beyond any particular agency or office. To this end, the president should appoint leaders in government who will place a premium on achieving results in program implementation and service delivery.

Leadership Needs to Focus on Results

The president needs to make clear to the heads of agencies and departments that they need to set clear performance targets, use performance data in their decision-making, and support others in their agencies who seek to incorporate performance data into program management where feasible. Implementation of these performance-based strategies needs to begin at the top, but ultimately, performance management should include both career and political staff, as well as delivery partners, including other levels of government and nonprofit organizations. Where program management and results depend on third parties, agencies can set clear objectives and performance criteria while recognizing that many programs have complex missions that do not lend themselves to easily defined success.

The cabinet should lead by example by using performance measurement tools to advance the president's own priorities. Appointees should possess a strong understanding of the performance data relevant to their responsibilities, highlight the importance of advancing performance objectives to their staff, and support program managers in their efforts to integrate performance data into their work with training and regular performance meetings.

The president's cabinet must move beyond rhetorical support for performance and work to achieve improved results in a manner that is fair and transparent to multiple stakeholders. They would be wise to base their decisions about program design on the evidence about which interventions work and which do not, not on political calculations. While no performance system will be able to remove politics completely from the equation, developing a way to focus the government performance conversation on data and evidence will help to ensure taxpayer dollars are spent wisely.

In addition, cabinet members need to talk constantly about achieving their specific goals and targets, discussing the data relevant to agency goals, to empower federal employees to take ownership over efforts to improve federal program performance.

Federal Employees Must Believe in System to Participate

While top-level leadership on the importance of government performance will be necessary for making meaningful changes to program performance, the new administration also needs to focus on creating buy-in at the programmatic level. Empowering program managers is necessary for the timely, accurate, and proper use of performance data in improving program and agency outcomes.

6. See July 24, 2008 testimony of GAO Director of Strategic Issues Bernice Steinhardt: Lessons Learned for the Next Administration on Using Performance Information to Improve Results. <http://www.gao.gov/new.items/d081026t.pdf>

Program managers need to actively participate in the development and prioritization of performance criteria and indicators in order to ensure that useful and actionable information is produced. This involves supporting employees who are achieving results, but also those who acknowledge falling short and advocate for changing course to find new solutions when program performance is less than satisfactory. Improving this process requires more than implementing programs with a performance measurement system. Managers need to feel motivated to embrace these tools as a way to improve programs and solve problems.

The long-term success in using performance data to improve programs will depend greatly on how much priority the highest levels of government give the collection, analysis, and use of performance data. From the president on down through agency heads, government leaders need to repeatedly emphasize the goal of improving results and the use of evidence to inform decisions toward that end. This is the starting point and essential foundation to having a real impact in improving government performance.

The president can help emphasize this point by taking this approach to his own priorities and initiatives. The president and relevant staff should lead by example. The president should also make clear that performance shortfalls are not a problem per se, provided solutions are developed quickly to deal with the shortfalls.

III. Fostering Policy Innovation and Ownership with Positive Reinforcement

Efforts to improve programs will fall short of actually improving programs if those who manage government initiatives do not have the ability and opportunity to shape the way the agency or program is running. Currently, some program managers report they do not have enough authority to use performance data to implement program changes. The president needs to make clear that agency heads have authority, consistent with statutory mission and requirements, to put performance assessments to use. Agency heads, in turn, should ensure that their management teams afford federal workers the flexibility and authority to use data to redesign their programs to improve performance. What's more, the new administration should work to create the political space to allow agency heads and managers to identify aspects of statutory requirements that need to be changed to improve performance.

Currently, performance assessment systems and the atmosphere they create can be threatening in nature. Federal program managers and other executive branch staff spend too much of their time trying to avoid getting “bad” scores or ratings and too little time thinking and discussing how performance data can help to improve program results. The result is that managers distance program implementation work from the performance review process – exactly the opposite of the intention of government performance systems. A better strategy could be to balance positive reinforcement and more flexibility in achieving performance objectives with more meaningful program evaluations.

Promote Development of Creative Policy Solutions

Current performance systems can create an atmosphere within agencies where experimentation and new strategies are not developed or tested. Yet these types of activities are often the most effective at building morale among agency personnel and also at helping to make government programs work better.

While there continues to be a need to hold government programs to account, the president needs to encourage and support innovation and reasonable risk-taking within federal agencies in order to develop more creative solutions to larger or more complex problems.

In order to change the culture created by current performance measurement efforts, agencies need to increase their attention to analyzing the performance data they collect diagnostically. Rather than primarily for rating purposes, this data can be used to support honest conversation and creativity and to identify and then implement effective ways to improve performance. This process would support a more realistic discussion about needed changes that could help program managers and supervisors overcome cross-cutting or persistent challenges. Lessons are

likely to be learned from analyzing failures as well as celebrating successful endeavors, so managers and other staff should be encouraged to engage honestly in a constructive conversation about performance problems, rather than reaching artificial benchmarks or ratings.

Dedicate More Resources for Performance Analysis

The president should seek additional resources for agencies to expand performance management capacity and training and instruct OMB to develop, identify, and disseminate tools to help federal agencies analyze and incorporate performance data into program implementation throughout government.

Many personnel and programs within the federal government have improved their capacity to collect and report performance data, but still lack the tools and resources to analyze the data and integrate it into program improvement actions. Other programs may have lost their ability to gather data due to insufficient investments in performance systems at some agencies. Agencies, particularly smaller ones, do not have sufficient resources to invest in a performance measurement infrastructure, having made do with what they could afford through variations in performance measurement systems over the years.

This is not just a question of additional dollars (although many believe that is a requirement). It could entail greater time to develop program management systems or increased attention from high-level government leaders and Congress. Furthermore, new tools might entail providing agency staff with additional flexibility or incentives rather than necessarily hardware or products. This may require more involvement and input from Congress in granting such flexibility.

Tailor Performance Training to Programmatic Structures and Needs

Executive branch employees responsible for implementing government programs develop extensive and specific experience within their programs, but often are not sufficiently involved in performance measurement systems to understand the best ways to use performance data to modify program implementation for more successful performance. These staff should have access to training to help them integrate performance data and measurement systems into their work implementing programs.

In order to move from performance data collection to program modification to improved results, any successful performance measurement system needs to be integrated into regular program operations where federal managers consistently analyze and base their decisions on performance data. However, developing expertise in performance measurement systems while also implementing federal programs requires training, because it differs from the way most federal agencies currently operate. Government employees need effective and ongoing training, not on any particular performance systems (i.e. GPRA or PART), but instead on how to use performance targets and data in their day-to-day work and decisions.

Any training, therefore, should be relevant and applicable to specific agencies and programs, using hands-on models and case studies. This training should walk employees through the application of performance data and tools and help them understand how to apply the concepts they learn to *their particular programs*. It should not provide vague overviews or generic talking points about performance measurement. In addition, training must be a continuing effort.

Providing ongoing help and facilitating networks of professional peers (of varying degrees of expertise in performance measurement) will be helpful in maintaining a focus on performance data integration and improving communication between and among federal agencies and employees. Agency leaders should facilitate the development of networks among agency staff that could share best practices, which could then be adapted and tailored as a reference for other federal programs. Such a reference would be helpful in providing ongoing support and training for federal employees and facilitating long-term improvement in government performance, even through workforce turnovers.

IV. Balancing the Roles of OMB and Federal Agencies

A key aspect to increasing participation and a feeling of ownership over performance systems among federal program managers will be to create a better balance for the role of the Office of Management and Budget (OMB) in government performance systems. OMB received ample criticism for micromanaging performance assessments during the Bush administration through the PART process. The current structure is highly dependent on individual OMB examiners, some of whom exercise a high degree of control that gives agencies and their programs little room to figure out how best to set their own goals and measure objectives.

Moreover, OMB as a whole lacks the resources to be the sole arbiter of agency performance. Many OMB examiners have significant expertise in the programs they are charged with reviewing, but many lack the expertise to understand how best to define performance indicators and manage programs, including practical yet informative evaluations. With limited resources, OMB must focus most of its energy on producing the budget. This leaves less time to develop expertise on particular programs or initiatives or the management methods likely to be effective in those programs. That expertise, for the most part, resides in the agencies.

Perhaps more importantly, the current structure limits the ability of an agency to develop performance management practices that may better fit the agency's needs for improving program performance. While OMB can play a useful role in pushing programs to identify ways to measure the outcomes they are trying to accomplish and to set ambitious but realistic targets that can stimulate innovation, agency staff have a more substantive and nuanced understanding of their work. A new process needs to be put in place to resolve differences quickly when an agency and its OMB examiner differ on the appropriate targets and measurement methods. Alternatively, deference should initially be given to agency choice, with a process created for the OMB examiner to flag concerns about the targets and measurement methods for third-party review.

This does not mean there is no role for OMB to play. Too little involvement from a central entity will lead to an uncoordinated, disjointed, and confusing performance system. Many agency officials believe OMB program reviews motivated programs in their agencies to pay more attention to setting outcome-focused targets and measuring performance than GPRA alone did.

In addition, OMB could constructively play a greater role promoting coherence across programs that contribute to shared or similar objectives. It has already done that, to some extent. OMB should provide government-wide coordination, helping to facilitate a conversation about setting targets and measuring performance for cross-cutting initiatives. For example, OMB could coordinate development of a strategic plan for major presidential priority areas and then coordinate the preparation of quarterly performance reports on the progress being made.

With many policy challenges spanning multiple agencies and jurisdictions, better interagency coordination is critical to improving outcomes, particularly on cross-cutting issues. OMB must strengthen its leadership in these areas by serving as a better coordinator of the performance system rather than its manager.

Make OMB Performance Activities More Transparent

OMB's current review of program performance is hampered by key pieces of information not included in PART reviews. OMB releases some details behind PART scores and ratings, but often leaves some information out, particularly references and links to underlying studies and evaluations about program impact. Agencies are also at fault for failing to release their data and studies in a timely or accessible fashion. This may be one reason that some PART scores appear to be rooted in political biases instead of an honest assessment of program performance. Another reason may be the lack of background data explaining the basis for deciding some targets are acceptably ambitious and others are not. A third reason may be selection of the indicators themselves, when agencies stop reporting performance for indicators they had previously used or fail to gather data for indicators the public would expect them to use. A fourth reason may be the emphasis placed on target attainment, as a primary performance indicator, rather than the performance trends themselves. This enabled some programs that had set targets below prior year actual performance levels to report they had met their targets. Revealing as much information as pos-

sible about the basis for PART scores for each program would improve the credibility of PART, while opening the selection of targets, indicators, and strategies to improve performance open to valid, and hopefully constructive, criticism and critique.

A more open process for judging the progress of federal programs and their choices of targets would afford Congress and other outside stakeholders a better understanding of where and how programs are failing to meet their objectives and where and why they succeed. More attention to the reasons for target selection and greater access to the underlying documents used as the basis for OMB performance measurement would also give the public a better sense of whether or not public funds are being spent appropriately without relying solely on the opinion of a single executive branch agency that not only has a management control role, but also plays a political role acting on behalf of the president.

Even as the role of OMB is adjusted to increase the role of other parties in reviewing program performance and performance management practices, every effort should be made to increase the transparency of the reasoning behind OMB performance assessments and agency performance management decisions, including the selection of targets and indicators. A good first step would be for OMB to issue a policy statement clarifying that discussions pertaining to performance reviews should be open and transparent, as is required by GPRA, and not subject to the same confidentiality limits applied to OMB-agency budget discussions.

President's Management Council Can Coordinate Information Sharing & Communication

To address these problems, OMB should complement its budgeting work with a stronger focus on management, increase its staff to be able to provide coordination and training, and use more positive reinforcement rather than the threat of sanctions by focusing performance measurement systems on outcome measurement rather than ratings. Ideally, there would be a more open and ongoing dialogue between the agencies and OMB regarding program operations, performance data, and outcomes. It is not clear to what extent budget examiners select outcome indicators that are not suggested by the agency, but some agencies complain that OMB examiners will override their choices.

The President's Management Council (PMC) could provide a forum for facilitating conversations around performance, especially in areas where multiple agencies are involved. The PMC could play an important role coordinating performance-related issues and generating high-level discussions about government performance.

Strengthen Role of Performance Improvement Officers

Executive Order 13450 (E.O. 13450, issued December, 2007) called for the selection of a Performance Improvement Officer (PIO) within each agency. Charged with overseeing all performance-related activities in their agencies, PIOs must report to both their agency heads and OMB on all performance-related issues. They are also expected to serve as an "honest broker" in describing the performance of specific programs.

Cabinet members must provide the person in the PIO position the authority and resources to coordinate performance management activities effectively at agencies.

V. Engaging Outside Stakeholders

The success of government programs is felt by and oftentimes depends on individuals and various outside groups. The system would be improved if these parties are afforded more opportunity to convert their unique knowledge into information that contributes to program improvements. Greater stakeholder involvement in the supply of relevant data, evaluations, and ideas, to inform the development of performance targets, measures, and strategies, may increase the legitimacy of agency measures and actions in the public eye.

Changes to the current systems should increase opportunities for participation and input from outside stakeholders, including Congress and the public.

Bring Congress in Early to Get Its Feedback

Congress, in particular, was not involved in the creation of the PART mechanism and has not participated much in the ongoing PART review process, despite the effort of a few agencies to engage key congressional committees in the process. Perhaps as a result, Congress has largely ignored current performance measurement data in the executive branch, largely because it does not meet its needs.

Congress needs considerably more tailored and timely information on particular issues that continually arise throughout the year and at budget time. Agencies need to provide extensive and credible information on both past performance and expected future performance of government policies and programs. Once-a-year looks at aggregate data on highly selective performance indicators are somewhat useful for accountability purposes but are much less useful for making specific budget, policy, and program decisions, both for the executive branch and for Congress. Involving congressional staff and their perspectives in the conversation about performance measurement systems and performance data will greatly increase the chances of the gathering of relevant, timely, and useful performance data.

Congress's involvement would bring new perspectives that would help to identify specific areas of programs that need improvement or indeed have improved. Program improvement may require not just adjustments to funding levels but increased flexibility in program implementation that could be enabled through legislative changes. When congressional staffers are comfortable with the performance assessment systems, they will be more willing to use them in their recommendations to members of Congress, increasing the change for meaningful legislative or budgetary improvements to programs.

Link Performance Reviews to the Budget Process by Engaging Congress

It is also possible that this type of engagement with Congress would strike the right balance in controversial efforts to force performance reviews into the federal budgeting process. Connecting performance results and budgeting can tempt agencies and other stakeholders to skew performance information, yet not connecting the budget process and performance data misses an important opportunity to make more informed decisions about allocating scarce resources.

In theory, performance information should improve the federal budgeting process by ensuring that public funds are allocated to where they can do the most good.

Performance results should be included in the federal budgeting process in some manner, but caution is needed in connecting the performance and budgeting systems too closely together. Using a formula to base budgeting decisions on scores or ratings poses significant and even insurmountable challenges. For example, punishing programs that receive bad scores with budget cuts when the problem may be a lack of resources is not only unfair, but detrimental to achieving performance improvements. Performance data and assessments should be one factor used by Congress in deliberating on funding levels, but not the sole determinant of a program's funding. More work is needed to help Congress, agencies, and OMB clarify how to use performance targets and measurement to inform budgeting, appropriation, and spending decisions.

Engaging the Public Helps Create Ownership of Government

The performance management process might be able to benefit from greater public input on government performance. The government should engage citizens and involve them in the target selection, data collection, strategy selection, and evaluation, not just giving them a stake in but also helping enlisting them in, improving government performance.

To that end, the president should consider new ways to bring the public into the dialogue about government performance. In particular, the president should require agencies to seek advice and input in the creation of more relevant and useful performance measures for a variety of audiences, and OMB should work with agencies to develop web-based tools for engaging public opinions and assistance.

Encourage Outside Evaluations of Performance Systems

Outside stakeholders, especially Congress, must rely solely on the perspective of OMB regarding the accuracy and reliability of performance data through the PART system.

Both GAO and IGs are a rich knowledge source for performance measurement methodology, and involving them more in the development of program measurement methods and review would increase the validity of government performance systems.

Tailor Data Collection to the Needs of Different Stakeholders

The data reported through GPRA and PART often fail to meet the needs of key stakeholders such as Congress, the public, nonprofit service delivery organizations, and even government program managers, just to name a few. One reason is that different stakeholders and decisionmakers may be interested in different aspects of performance and different types of performance data.

Agencies should identify the needs of various stakeholders, collect data that meets those needs, and provide reports that appropriately respond to those stakeholders. Agencies should be tasked with considering the needs of a diverse audience in the collection and reporting of performance data. This does not mean agencies must continually rewrite performance reports. Rather, they should engage different audiences throughout the process to determine the best performance data to collect and the best places, times, and formats to publish the data. They should then follow up periodically with those stakeholders regarding whether that data is meeting the needs of those audiences.

VI. Improving Data and Its Accessibility

As current systems are streamlined and aligned to incorporate a wider variety of performance data and evidence, and as the process is expanded to incorporate a broader group of stakeholders, it will be important to be able to generate, search, organize, and filter through different types of performance data and information, documents related to the performance review process, and other information generated.

Providing users with a variety of performance data from different sources in one place in a way that allows them to not only find and understand, but use the data in their work to improve program performance will be crucial. Too often, stakeholders engage each other from different perspectives, using different data and almost speaking different languages. This slows down or halts the use of performance data to inform performance improvement. Creating a better system for producing and integrating performance data will not only build trust in the system, but put all stakeholders on the same page and engage them in the common goal of improving program performance. Because many different data formats are utilized, there needs to be coordination of data formatting across agencies. OMB could lead this effort.

In its last six years, the Bush administration made significant improvements to the presentation and accessibility of PART surveys, ratings, and scores. The creation of ExpectMore.gov, a well constructed and clear one-stop website for PART information, improved and expanded the previous system of posting PART results. OMB has further refined ExpectMore.gov since its introduction by expanding the search function, adding agency summary pages (including accountability reports, budget justifications, and strategic plans), and directly linking to program website pages.

These improvements in accessibility and transparency should be commended, but more needs to be done. Currently, information on program performance is presented in an aggregated way. While performance measurement “experts” often cite the need for a limited set of performance indicators at the upper levels of government, but to make performance data more useful, the public and those implementing programs need access to disaggregated data – for example, to breakouts of the outcome indicator data, such as health, education, welfare, and environmental data broken out by state or finer geographical units or by other citizen demographic characteristics. Also, while PART reviews often cite reports or studies as “evidence,” that citation is rarely available through direct links online. Nor do the PART reviews facilitate access to the underlying performance data, so users can analyze the data to draw their own conclusions. In addition, better presentation and accessibility to performance trends would give users of performance data a more complete picture of program performance. To the extent permitted by law and in a way that does not violate confidential personal and business information, agencies should make this information publicly accessible without the need for Freedom of Information Act requests from the public.

Giving users access to the “raw” or underlying evidence and performance data would greatly increase acceptance of such a performance system. More importantly, it would give the necessary stakeholders the tools and information to participate in a conversation about improving performance and create a more dynamic system that encourages stakeholder participation rather than a static one where a “rating” is the final destination.

APPENDIX A: ADVISORY GROUP AND STAFF BIOGRAPHIES

Gary D. Bass

Executive Director, OMB Watch

Gary D. Bass is the founder and executive director of OMB Watch, a nonprofit research and advocacy organization that promotes greater government accountability and transparency and increased citizen participation in public policy decisions. He is well known for assisting nonprofit organizations in better understanding federal rules affecting their organizations and constituencies, and in 2003, he created www.NPAction.org as a one-stop website on building nonprofit advocacy. Dr. Bass has also been selected as one of the *NonProfit Times* Power and Influence Top 50 every year since 1999; in 2007, he was selected as one of the Federal 100 – the top executives from government, industry, and academia who had the greatest impact on the government information systems community – and in 2008, he received the Public Access To Government Information Award from the American Association of Law Libraries.

In addition to running OMB Watch, Dr. Bass is an affiliated associate professor at Georgetown University's Public Policy Institute. Prior to founding OMB Watch, he was president of the Human Services Information Center. He also served as director of liaison for the International Year of Disabled Persons; worked as a consultant on several projects in special education and the mental health of children and youth; and served as special assistant to Wilbur Cohen, then chair of the Michigan Governor's Task Force on the Investigation and Prevention of Abuse in Residential Institutions. Dr. Bass received a combined doctorate in psychology and education from the University of Michigan, along with the University's highest award for graduate student teaching and several awards for academic excellence.

Joseph Ferrara

Professor, Georgetown Public Policy Institute

Joe Ferrara is associate dean of the Georgetown Public Policy Institute (GPPI). He also directs GPPI's Executive Master of Policy Management program. In 2006 he received Georgetown University's Leslie Whittington Award for Outstanding Faculty.

Before joining the faculty at GPPI, Dr. Ferrara served in the U.S. federal government in staff and management positions with the House of Representatives, the Office of Management and Budget, and the Department of Defense. He served as a career member of the Senior Executive Service and received numerous awards for his government service, including the Secretary of Defense Medal for Civilian Service. He has published articles in a variety of scholarly journals, including *American Politics Quarterly*, *National Security Studies Quarterly*, and the *Journal of Public Administration Research and Theory*.

Harry Hatry

Director, Public Management Program, Urban Institute

Harry Hatry has directed the Urban Institute's Public Management Program (and its predecessor, the State and Local Research Program) since the early 1970s. He has been a leader in developing and promulgating procedures for measuring the performance, especially the outcomes, of government and private nonprofit organizations. This work has included a focus on pressing for the increased, regular, use of surveys of citizens and trained observer rating procedures.

Mr. Hatry has contributed to a number of the major national efforts to bring about a citizen/customer, results-oriented focus to service agencies and government at all three levels of government. These include the Governmental Accounting Standards Board's Service Efforts and Accomplishments Reporting Initiative, the International City/County Management Association's work in providing annual comparisons of local government agency key performance indicators, the United Way movement's recent focus on outcome measurement for itself and its supported local nonprofit service organizations, and he even played a small role in the development of the federal Government Performance and Results Act of 1993.

Mr. Hatry's numerous publications over the years have introduced many public employees and students to the concepts and procedures of performance measurement and evaluation, including his early *Practical Program Evaluation for State and Local Governments*, *How Effective Are Your Community Services: Procedures for Measuring Their Quality*, and his recent *Performance Measurement: Getting Results*.

Adam Hughes

Director of Federal Fiscal Policy, OMB Watch

Adam Hughes is Director of the Federal Fiscal Policy program at OMB Watch, overseeing all aspects of the organization's work on the federal budget, tax policy, income and wealth trends, and government performance issues. Prior to joining OMB Watch, Adam worked for two years as a senior policy associate for the Coalition on Human Needs (CHN), an alliance of national organizations promoting public policies that address the needs of low-income and other vulnerable Americans. At CHN, Adam worked with federal policy concerning labor, employment and job training programs, tax and budget, housing and homelessness, food and nutrition, and education issues. He also managed the technology and communications systems for CHN.

Adam has also worked as a policy analyst at Physicians for Social Responsibility, a public health advocacy organization. There he coordinated legislative strategy and congressional relations for the Security program and was responsible for policy related to missile defense systems, non-proliferation programs, international arms control, and the defense budget.

Gary Land

Senior Manager, Federal Public Services Finance and Performance Management, Accenture

Gary B. Land is a Senior Manager within Accenture's Federal Public Services Finance and Performance Management service line. In this role, he is responsible for developing and implementing a wide range of innovative financial and performance management solution offerings and supporting methodologies, including internal control and compliance, enterprise risk management, budget and performance and cost accounting. Mr. Land has over 18 years experience in federal financial accounting, reporting, auditing, financial systems and federal budget and performance process improvement.

Prior to joining Accenture in October 2008, Mr. Land was employed by a large consulting and services firm as a senior manager and project leader. He was also a senior consultant and project manager for a large information

technology company, and a senior supervising accountant for a certified public accounting firm. Mr. Land holds Bachelors degrees in accounting and computer science from Pensacola Christian College.

Shelley Metzenbaum

Director, Edward J. Collins Jr. Center for Public Management, University of Massachusetts-Boston

Shelley H. Metzenbaum is the Director of the Edward J. Collins Jr. Center for Public Management at the McCormack Graduate School of Policy Studies, University of Massachusetts, Boston. Dr. Metzenbaum is an internationally recognized expert on performance management, emphasizing practical performance-improving ways to use goals, measures, and incentives in government agencies. Prior to joining MGS in 2008, Dr. Metzenbaum was a Visiting Professor and Senior Fellow at the University of Maryland's School of Public Policy and ran the two-year Public Sector Performance Management Project at Harvard's Kennedy School. In addition, she launched and directed the Environmental Compliance Consortium, a cooperative effort of state environmental agencies to find better ways to measure and manage environmental programs, especially compliance and enforcement programs.

Metzenbaum previously served as Associate Administrator at the U.S. Environmental Protection Agency for Regional Operations and State/Local Relations; Undersecretary of the Massachusetts Executive Office of Environmental Affairs; Director of Capital Budgeting for the Commonwealth of Massachusetts; and Director of the City of Boston's Washington office. She holds a Ph.D. in Public Policy from the Harvard Kennedy School of Government and graduated from Stanford University with a major in humanities/Asian Studies.

Mark Moore

Hauser Professor of Nonprofit Organizations, John F. Kennedy School of Government

Mark H. Moore is the Hauser Professor of Nonprofit Organizations and faculty chair of the Hauser Center for Nonprofit Organizations at the John F. Kennedy School of Government at Harvard University. He was the founding chairman of the Kennedy School's Committee on Executive Programs, and served in that role for over a decade. From 1979-2004, he was the Guggenheim Professor of Criminal Justice Policy and management and faculty chairman of the Criminal Justice Policy and Management program at the Kennedy School.

Dr. Moore's research interests are public management and leadership, civil society and community mobilization, and criminal justice policy and management. His publications include *Creating Public Value: Strategic Management in Government*; *Dangerous Offenders: The Elusive Targets of Justice*; *From Children to Citizens: The Mandate for Juvenile Justice*; *Beyond 911: A New Era for Policing*; and *Creating Public Value Through State Arts Agencies*. Dr. Moore's work focuses on the ways leaders of public organizations can engage communities in supporting and legitimatizing their work and in the role that value commitments play in enabling leadership in public sector enterprises.

Greg Parston

Director, Institute for Public Service Value, Accenture

Greg Parston is the director of the Accenture Institute for Public Service Value, which he has led and managed since its establishment in June 2006. The Institute promotes high performance in public service delivery, policy making and governance through research and development on the creation of public value. Most recently, he initiated Accenture's Global Cities Forum, in which citizens in cities around the world discuss and debate the role of government in improving their lives. Prior to joining Accenture, he was the chairman of the Office for Public Management, a nonprofit organizational development company that he co-founded in 1988 and led as chief executive until 2003. He has consulted widely with top managers, focusing on governance, strategy and change and has worked as a manager in the public, private and not-for-profit sectors.

Dr. Parston served on HM Treasury's Public Sector Productivity Panel from 2000 to 2006, co-authoring its reports on motivation and performance and on accountability. He chaired the Commission on Young Adults and the Criminal Justice System and was a member of the Commission on Good Governance in Public Services, the Commission on the Role of the Voluntary Sector in Public Services and the Cabinet Office's Advisory Group on Strengthening Leadership in the Public Sector. Dr. Parston has been on the faculty of New York University's Wagner School of Public Service and the King's Fund College in London and was a visiting lecturer at Harvard University's Kennedy School of Government and the Swedish and Danish Schools of Public Administration.

Beryl Radin

Scholar in Residence, American University

Beryl A. Radin is Scholar in Residence at the School of Public Affairs at American University in Washington, DC.

An elected member of the National Academy of Public Administration, she served as the Managing Editor of the *Journal of Public Administration Research and Theory*. Her government service included two years as a Special Advisor to the Assistant Secretary for Management and Budget of the US Department of Health and Human Services. Consulting activities involved a number of agencies including The World Bank.

Professor Radin has written a number of books and articles on public policy and public management issues. Her most recent book is *Challenging the Performance Movement: Accountability, Complexity and Democratic Values* (Georgetown University Press, 2006). She also published *The Accountable Juggler: The Art of Leadership in a Federal Agency*, (CQ Press, 2002). Prior to that she published *Beyond Machiavelli: Policy Analysis Comes of Age*, issued by Georgetown University Press in 2000.

Dr. Radin has been a past president of the Association of Public Policy Analysis and Management and has been active in the public administration section of the American Political Science Association. She was an initial member of the board of the Public Management Research Association. She was the recipient of the 2002 Donald Stone Award given by the American Society for Public Administration's section on intergovernmental management to recognize a scholar's distinguished record.

She was a senior Fulbright lecturer in India and has continued research in that country. Radin was a Theme Coordinator for the 4th International Conference on Federalism in New Delhi, India in 2007. She also has been involved in teaching and research in Australia. She is currently a fellow of the Center for Accountability and Performance of the American Society for Public Administration.

Lynn Ross

Professor, Georgetown Public Policy Institute

Lynn Ross is a professor at the Georgetown Public Policy Institute. She has over 15 years of experience in U.S. federal government. Most recently she served as a program examiner in the Executive Office of the President, Office of Management and Budget. Dr. Ross started her federal career as a Presidential Management Intern in the U.S. Office of Personnel Management, where she served as a personnel management specialist and as a budget officer. She has also had experience working on Capitol Hill with the Senate Environment and Public Works Committee, as well as with the Department of Health and Human Services, and the Department of Defense. She has received numerous professional awards in government for outstanding service and special achievement.

Dr. Ross's academic interests are in the bureaucracy, the presidency, presidential electoral politics, and budgetary politics. She has written chapters in academic compilations on democratic government and the 2000 presidential election. She has delivered several papers at both academic and professional conferences. And she authored a book-length annotated bibliography and resource guide on career advancement in the federal service. Her dissertation focused on the interplay between political appointees and career civil servants in the federal executive branch.

Robert Shea

Director, Global Public Sector, Grant Thornton

Robert Shea recently joined Grant Thornton as a Director in its Global Public Sector Practice. He held a position at the Office of Management and Budget as Associate Director for Administration and Government Performance. In addition to managing OMB's internal operations, Robert led the President's Performance Improvement Initiative, administered the Program Assessment Rating Tool, advised on government human capital policy and led inter-agency collaborations in the areas of food safety and implementation of the Federal Funding Accountability and Transparency Act.

Before joining OMB, Robert served as Counsel to the Senate Committee on Governmental Affairs where, in addition to general oversight of Executive Branch management, he advised Committee leadership on the status of implementation of the statutory framework for performance-based government, including the Government Performance and Results Act and the Chief Financial Officers Act. He was Legislative Director for Congressman Pete Sessions (TX) from 1997 to 1999, where he organized the Results Caucus, a group of Members of Congress dedicated to results-based management and solving many of the government's major management problems. Robert was a Professional Staff Member with the House Committee on Government Reform from 1995 through 1996. There he had responsibility for examining the economy and efficiency of government programs, and acted as liaison with the government's Inspectors General.

APPENDIX B: COMMISSIONED BACKGROUND MEMOS

GOVERNING FOR RESULTS: IMPROVING FEDERAL GOVERNMENT PERFORMANCE AND ACCOUNTABILITY

SUGGESTIONS FOR THE NEW FEDERAL ADMINISTRATION⁷

Harry Hatry
Director, Public Management Program, The Urban Institute

Paper prepared for the Government Performance Workshop

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Sponsored by the Georgetown Public Policy Institute (GPPI), Accenture and OMB Watch

Background

The presidential candidates have clearly indicated that a primary interest is to the best possible services to our citizens. To run the government for this purpose will require the best possible information on costs and results and the best processes for obtaining and using that information.

The current performance improvement movement can be said to have began when Congress unanimously passed the Government Performance and Results Act of 1993 (GPRA). The act enjoyed widespread support from both the Executive Branch and Congress, including OMB and GAO. Still in effect, GPRA requires each federal agency to develop and provide to Congress: (1) strategic plans (that cover at least five years from the fiscal year in which the plan is submitted; plans are required to be updated at least every three years); (2) annual performance plans, as part of each agency's budget submission; and (3) performance reports for the previous fiscal year to be provided within six months after the fiscal year ends. The first year of full implementation of GPRA covered fiscal year 1999.

Currently, the federal government's "formal" components include:

- Agency strategic plans
- Annual agency program performance plans
- Annual agency performance reports. These reports, required for each agency, have taken many forms. The current version is called the "Performance and Accountability Report" (PAR). No requirement exists for a government-wide performance report.

7. This paper was prepared for the Government Performance Workshop held October 15, 2008, sponsored by the Georgetown Public Policy Institute, OMB Watch, and Accenture Institute for Public Service Value. Jonathan Breul, formerly of OMB and currently at IBM, provided a number of very helpful suggestions. Some modifications were made to the paper based on discussions at the Workshop.

- The Program Assessment Rating Tool, commonly called PART, which OMB introduced in 2002. Ratings for each federal program are developed by OMB for each program's: (a) purpose and design, (b) strategic planning, (c) program management, and (d) results. Each federal agency provides material to OMB for each item on the rating questionnaire after which OMB budget examiners score each item. The scores are combined into an overall score that is then summarized in an "effectiveness" rating. OMB identified and has rated since 2002 approximately 1,000 programs. Approximately 20 percent of these have been assessed each year, using the performance assessment rating tool. This has been a controversial process as discussed below.
- In-depth program evaluations of selected programs, some of which are requested by Congress.
- The Executive Branch Management Scorecard, commonly called the "President's Management Agenda." Each federal agency now regularly receives five OMB ratings. These are for management of human capital, competitive sourcing (recently changed to "commercial services management"), improved financial performance, expanded electronic government, and performance improvement. Agencies are rated on a red, yellow, and green "traffic light" rating scale.
- And, of course, the annual Executive Branch budget presentations to Congress, which include some of the quantitative information from the sources cited above.

In addition, some less formal components exist as part of the federal government's efforts to improve results for the nation. These are probably even more important than the formal components.

- Major drivers of government results are each federal agency's own internal performance management efforts. Agencies' efforts throughout the year to allocate and use their resources, and to consider performance when preparing budget requests, are of vital importance.
- Congress' own work in its appropriations and policy committees. This effort clearly stimulates the provision and use of information on results. Congressional decisions, of course, play a major role in achieving effective outcomes for the country.

About a decade has passed since GPRA began to be implemented (and about 15 years since GPRA was enacted). The time is right to review the overall process and afford the new Administration the opportunity to build and improve on previous efforts.

Content of This Report

The observations and recommendations below focus mainly on information content. Organizational and political issues are also extremely important in creating a sound, productive, and useful government-for-results process. However, these are addressed only indirectly below.

Observations and Recommendations

The twelve points made below are elements for a strategy for upgrading government performance.

1. Appoint leaders who believe that obtaining good results for the country and its citizens trumps political partisanship. Effective leadership throughout the federal government is vital to the success of governing-for-results – and not, of course, just at the top levels but also throughout the government and its agencies. Select appointees who care about performance.

2. Spin off the process sections of PART (the first three sections) and increase the focus on results (the last section). PART has achieved some fine results by increasing agency and program management's attention to program performance. However, the tangling together of management *process* issues with program results has distorted the assessment of program results. In addition, the PART process has imposed considerable burden both agencies and on OMB budget examiners. Let OMB budget examiners focus on costs and results. Understandably, the agencies have complained about this load. Too much time is invested in responding to and satisfying OMB and too little on *using* such information to improve programs.

Now, it is time to reverse current priorities by emphasizing results more and building agency interest and capacity in using the outcome information developed. OMB should be concerned mainly with the results sections of PART and with other sources of performance, such as the PARS and the results of any program evaluations and GPRA. The three process sections of PART should become a separate, and diminished, process.⁸

At the very least, the process sections of PART should be separated from the results section. The scores on the first three PART sections, which focus on programs' management processes, should be separated from the findings on program "effectiveness." Results information should be examined as part of the budget process as well as part of the Executive Office of the President's on-going decision making.

Warning to the incoming administration: In the pressure to bring federal costs down, the new administration will be greatly tempted to use the existing PART scores to identify ineffective programs to cut or delete. As discussed above, those scores can be considerably misleading. Instead, the incoming administration should examine the full range of results data (as well as cost data) drawing from the data on actual results in the fourth section of PART, from the PARS, from completed program evaluations, and (as discussed later) from existing agency performance measurement systems, which are likely to be able to produce considerably more specific information.

The PART process elements need to be examined periodically, but on a less frequent, and less time-consuming, basis. That review should focus on those programs with significant problems as reflected in the scores on those sections. As suggested below, a simplified, streamlined PAR should be the priority for OMB, the agencies, and their programs.

Technical note: The scores on the three sections of PART over the years have become quite high. The scores for the fourth section, the section on results, have remained considerably lower. The implication is that little relationship exists between high scores and the process sections of PART and the results sections. This suggests that performance on the PART process sections has little, or at least a disappointing, effect on results. This problem is magnified by the way overall scores are calculated for each program and then summarized in statements of each program's "effectiveness." The summary rating appears to be quite misleading, especially if, as seems likely, many readers equate "effectiveness" with "program results." But at least 50 percent of each program's effectiveness score is based on these three sections and the scores for these sections is based primarily on subjective ratings by budget examiners. Thus, much of the "effectiveness" score is based on process questions with the implicit assumption that improving the process is the key to producing results. The effectiveness scores, thus, represent more of the judgments of OMB that the programs are well-managed rather than that they had good results. Even the score on the Results section is based to some extent on the budget examiner's judgment of the program's level of achievement on the selected outcome indicators. Finally, the results section contains a highly selective set of performance indicators, averaging about five indicators per federal program. And of these, some are of low levels of importance.

3. Streamline the PAR process and include a short highlights version. This will greatly simplify performance tracking – and free up time for using the information for both OMB and agencies. The concept of the PARs, with its detailed information on individual programs and performance indicators within each federal agency, is good. However, the PARs need to be streamlined and provide summary highlight information. This will provide the Executive Office of the President, Congress, the agencies, and the nation a much improved running scorecard on key federal government outcomes. Considerable overlap and confusion exists about the relationship between the PARs and PARTs. PARS currently contain most of the performance indicators contained in PART. They provide considerably more comprehensive outcome information than the PARTs but appear to have not been used much to assess results.

4. Make the Performance and Accountability Reports (PARs) more useful and user-friendly by revamping the format and content. PARs provide much potentially useful performance information, but it's hard to use in its current forms. To make these annual performance reports more readable and accessible:

8. Similarly, the Presidential Management Agenda process should continue to be kept separate from such tools as the PARs and PARTs. The new administration will very likely want to establish its own management agenda.

- Provide a summary/highlights table at the beginning of the report that lists each key performance indicator and presents the most recent two or three years of data and the latest year’s targets for the indicator. Readers can then quickly see the status of the indicators and spot possible problems. Better than an avalanche of data up front, this format would encourage readers to seek details on performance indicators of particular interest. (Some of the new pilot “Highlights” reports have begun doing this, but still have a long way to go.)
- Considerably shorten them. Provide highlight reports to Congress. Some PARS have clocked in at 300 pages and weighing-in at three pounds. Remove the many (sometimes 100 or more) pages of detailed financial data into a separate report. Cater to the needs of the great majority of likely readers by presenting only a short summary of the agency’s financial condition. Of course, continue to provide the expenditure information for each program along with the outcome information.
- Rid PAR documents of excessive graphic elements and extraneous content. Color and graphics can enhance PAR reports, but the current PARS too often are overloaded with text, graphs, data, financial data (as noted before), and the latest PART and PMA scores. The federal government should obtain advice on how to make these reports easier to read and then make them much more widely available (and used) than they currently are.
- Require agencies and programs to distinguish between “outputs” and “outcomes” and between “intermediate” and “end” outcomes. Intermediate outcomes are important to track, but only indicate progress toward the more important end outcomes. The performance indicators have been improved considerably over the past ten years but the way they are presented is something of a mishmash that can be hard to sort through. Each performance indicator should be labeled and, preferably, grouped by indicator category. This will enable readers to see the relative importance of the data provided in the reports-- especially when large numbers of outcome indicators are being reported.
- Greatly reduce the emphasis on, or delete, indicators of the “number, or percent, of targets met” as PAR indicators. Some agencies have been highlighting such indicators. The targets selected for individual indicators are highly subjective and too easy to game. Similarly, poor achievement on important indicators can be readily hidden under more satisfactory ratings on a barrage of less important indicators.

5. Strengthen agencies’ ability to provide more detailed, tailored performance information needed to address particular issues that arise throughout the year. Annual reports, such as PARTs and PARs, provide decision-makers with highly limited information. They provide overall scorecards of key outcomes. However, budget, program, and policy decisions inevitably require considerably more fine-grained and tailored information. Agencies and their programs need the capacity to provide it for their own use, for higher-level executive officials, and for congress, whether at budget time or any time throughout the year.

A major need is to disaggregate outcome data both by: (a) by geographic and other demographic population characteristics (such as age, gender, race/ethnicity, income class, or disability groups); and (b) by federal government organization unit, such as region, facility, or office. Such information will usually be more actionable than the aggregated data currently included in today’s PARs and PARTs. Outcome data broken out by citizen demographic characteristics also provides information on equity.

Needed is the capacity to provide such products as “Quick Response Analyses” (such as done by DHEW in the 1980s). These would likely involve accessing available information from programs’ performance measurement system as well as collecting new information relating to the issue.

6. Do far more to encourage the USE by federal employees at all levels of information on results to manage and make program and policy decisions. Providing information should not be done merely to satisfy OMB’s need for accountability information.⁹ Now that performance data has become more available, federal employees should be encouraged to use it to help them improve the results of their programs. Steps in that direction include:

9. The extent to which PART scores and PAR data have been used in budget decisions (such as to identify programs to cut) is not clear.

- Provide training to managers and their staffs in performance improvement, including use of performance data. Provide similar training to OMB budget examiners. Many of them have had limited experience in examining and analyzing program outcome information.
- Encourage agencies to provide regular (e.g., at least quarterly, not only annual) performance reports to their employees – for both information and motivational purposes. Consider posting the reports on outcome indicators relevant to the employees work in common areas of the agency’s facilities. As indicated by recent OPM and GAO surveys of federal employees, it appears that not much information on program performance gets transmitted to lower level managers and their personnel. Most Federal employees are likely to be highly interested in such information as the feedback obtained from surveys of agency customers on the quality of their own program’s services.
- Encourage use by managers of regular “How Are We Doing?” sessions. At these regular meetings, managers and staff together review the latest performance report to discuss what they are doing well, what they are doing not so well, and how to make improvements. A version of this process, the “Stat” movement, has been catching on among mayors, governors, and their department heads. (The best known examples are New York City’s CompStat and Baltimore’s CitiStat processes.) Whether this process would be useful, and of interest, at the presidential level is unclear. However, federal agency managers down the line can also use the process. They can even use a less elaborate process that doesn’t require dedicating extensive staff time to administer the process but follows the same basic format.
- Make far greater use of recognition awards for excellence in getting results. This is a low-cost way to encourage and recognize programs and their employees for achieving high levels of outcomes or—almost as important-- for making major *improvements* in outcomes.
- Tighten up on program performance targets. Too many agencies set target at easy to achieve levels. Call for “stretch” goals. (This can be tough to do when casting blame is prevalent for not meeting performance targets.) Provide real recognition for meeting such goals.
- Encourage inclusion of outcome indicators and targets in more agency service contracts; that is, use “performance contracting” when feasible. Payments to vendors might be based at least in part on reaching specified targets. This approach is already being used to a limited extent at all levels of government.

7. Continue OMB’s practice of making performance findings public, but present the information better to encourage its wider use. OMB has done an excellent job in making its findings on the PART process, the performance management agenda, and even the PARS publicly available on federal websites. However, as noted earlier, the quality of presentation of many of those documents leaves much to be desired. *It is not surprising that members of Congress and their staffs do not use most of this information. Much of it is too detailed, is much too time-consuming for busy staff members to plow through, and does not bear directly on the current issues lawmakers are addressing.*¹⁰

8. Pay more attention to tracking key outcomes affected by multiple agencies and multiple programs, that is, focus more on cross-cutting issues. The need to take this broader view has wide agreement, including by OMB. Many key public issues are affected by multiple programs and multiple agencies (as well as by state and local governments and the private sector). Juvenile delinquency prevention, substance abuse programs, economic development, and environmental protection are but a few examples of programs that cut across many federal programs in many federal agencies. So far, unfortunately, federal attempts to coordinate bodies have met with limited success. More attempts to form performance partnerships are needed among federal -- and state and local -- programs.

The Executive Office of the President should periodically identify major crosscutting issues. OMB might develop a matrix identifying the key outcomes sought and each federal program expected to significantly affect each of those outcomes. This would encourage such next steps as identifying the individual roles and responsibilities of each program in producing successful outcomes and coordination in tracking the results. *Performance partnerships* might be formed. This process would also help identify overlapping and duplicative federal programs. Working

10. For FY 2006, the federal government’s budget document, for once, was attractive (using color and photographs) and suitable for perusing by individual citizens. It even contained a small amount of data on results.

groups of representatives from each program could be established to coordinate agency actions, including identifying and tracking performance indicators. *Findings might be presented in special annual PAR reports on each cross-cutting issue.*

OMB would do well to focus on such cross-cutting programs and less on micro-managing individual programs.

9. Require that budget proposals, including Annual Performance Plans, provide out-year estimates of major outcomes expected for each key outcome indicator. Many federal expenditures cannot yield major results during the budget year. Without such future-year outcome information, those reviewing such budget requests will not have sufficient information on what the nation is expected to get for its money.

10. Routinely obtain sound explanations from agencies and programs for unexpected outcomes, especially poor outcomes. GPRA (Section 1116(d)(3) calls for such explanations, but often explanations given have been nominal. (Some state legislatures, such as Texas and Louisiana, require state agencies to provide explanations whenever the target is missed by a certain percentage.)

A related problem for federal officials is the widespread misunderstanding that the outcomes calculated are due primarily to the work of the federal program. In fact, performance reports are like baseball scorecards: they tell only whether the team is winning or losing and by how much, but not why. Most, if not all, outcome indicator values reflect not only the work done by individual federal programs but also by other federal programs and by external entities, including state and local governments, and by the private sector. External factors, including such acts of god as hurricanes, also come into play. Federal agencies, OMB, Congress, the media, and the public should not automatically conclude that missing a target signals that the program's own work was bad. As OMB itself says, a poor outcome could also mean that, for example, the program was underfunded.

Performance reports would do well to include a basic statement that notes the limitations of the outcome information in identifying causes. Such qualifiers may allay some federal officials' fear that they will be unfairly blamed for not meeting expectations.

11. Continue to evaluate selected programs in depth, but also encourage pre-assessments of the program's "evaluability." Timely and valid in-depth evaluations of selected individual programs should be part of any performance improvement process. Congress mandates some such program evaluations. In addition, the federal government should revive its sponsorship of low-cost examinations of program evaluability. These so-called evaluability assessments were introduced in the 1970s but are seldom conducted today. These examinations assure that the subsequent (and usually costly) evaluations have a reasonable chance of providing timely, useful, and sufficiently valid findings.

OMB in recent years has complicated program evaluations by pushing hard for randomized controlled trials (RCTs), the so-called gold standard of program evaluation. Where applicable, RCTs can indeed provide the most valuable information possible. However, they are very costly, can take many years, and are very difficult to control. Further, the findings may not apply outside the setting of the trial; their external validity may be limited. "Evaluability Assessments" can help agencies decide which settings call for RCTs and which might require another form of evaluation.

12. Finally, the federal government needs to more systematically examine the FUTURE implications of federal budgets, programs, and policies. Since the 1960s, such systematic forward-looking assessments have been done by the Department of Defense. But the focus of most federal government agencies has been generating data on past performance. (Federal officials do need such scorecard information to allocate resources throughout the year.)

Budgeting, policy making, strategic planning, program planning, and budgeting, however, are about the future. Historical data can provide considerable help in estimating the likely near-term effects of current practices and policies, but

often not the longer-term effects. And historical data are not likely to be of much limited help in estimating the effects of new innovations in program practices or policies.

Major development and investment decisions require some idea of what the future might look like. The process of mapping one or more tomorrows has been called “system analysis” (a term that has been used by DOD), “policy analysis,” or “program analysis.” Such analysis should be part of development of agency strategic plans. By whatever name, estimating into the future is a very difficult business, one reason it is so badly neglected. Federal agencies have been attempting to use systematic analytical procedures on certain issues such as global warming and international policy. The need is for strategic planners in other federal agencies to do more than to merely extrapolate current policy and practice, using historical data.

This need will arise early in the new administration. *The incoming president will almost certainly want to focus major attention immediately on a particular set of key issues.* A useful first step is to call for *Issues Papers* that examine an issue, identify options to address the issue, and estimate the cost implications and likely effects of each option.

A next key step is to develop a “strategic plan” that addresses each issue. These plans will require the best possible short and long term planning effort and best possible past and projected outcome information. These issues will almost certainly cross agency and program lines. They will need the best possible historical information, such as from the PARS, and more in-depth agency information. Special annual PAR-like reports might be used to track progress on each issue. Such steps will certainly require the development of much new information not currently available.

The White House should consider forming a special policy analysis office to oversee and coordinate these activities for key issues.

Summary

PART, as it now exists, has served its purpose. It is now time for OMB and the federal agencies to place a greater focus on presenting and using information on results to improve services throughout the year. The PARs should be streamlined to highlight key outcome information and be considerably more reader-friendly. Priorities for the next years should be helping agencies to: use performance information to improve services; provide timely detailed information relating to issues as they arise during the year; and to more systematically analyze the likely future impacts of federal budgets, program and policy proposals, and strategic plans.

12 Suggested Actions

(See Text for Details)

1. Appoint leaders who believe that obtaining good results for the country and its citizens trumps political partisanship.
2. Spin off the three process sections of PART and increase the focus on results.
3. Streamline the PAR process and include a short highlights version.
4. Make the Performance and Accountability Reports (PARS) more useful and user-friendly by revamping the format and content. (See text for suggestions.)
5. Strengthen agencies' ability to provide more detailed, tailored performance information needed to *address particular issues that arise throughout the year.*
6. Do far more to encourage the USE by federal employees at all levels of information on results to manage and make program and policy decisions. (See text for suggestions.)
7. Continue OMB's practice of making performance findings public, but present the information better to encourage its wider use.
8. Pay more attention to tracking key outcome affected by multiple agencies and multiple programs, that is, *focus more on cross-cutting issues.*
9. Require that budget proposals, including Annual Performance Plans, provide out-year estimates of major outcomes expected for each key outcome indicator.

10. Routinely obtain sound *explanations* from agencies and programs for unexpected outcomes, especially poor outcomes.
11. Continue to evaluate some programs in depth, but also encourage pre-assessments of the program's "evaluability."
12. Finally, the federal government needs to more *systematically examine the FUTURE implications* of federal budgets, programs, and policies.

EXECUTIVE SUMMARY: A BLUEPRINT FOR USEFUL FEDERAL PERFORMANCE MANAGEMENT

(AN EXCERPT FROM PERFORMANCE MANAGEMENT RECOMMENDATIONS FOR THE NEXT ADMINISTRATION)

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Management issues seldom make their way onto the political agenda of Presidential candidates. Nor do they rank high among the priorities of an incoming President. Yet, faced with multiple crises each of which demand full attention, a President must figure out how to run all of government to advance his or her priorities and prevent new problems from arising. Two simple tools, goals and measurement, are among the most powerful leadership mechanisms available to a President for influencing the vast scope of federal agencies. Goals allow a President to clarify expectations concisely with Cabinet members and other senior managers and policy advisers; measurements provide the means for monitoring progress toward priorities across agencies. Also, public reporting of goals and measurement communicates priorities and progress succinctly to the public, boosting accountability. Of course, goals and measurement are useless unless used. Once established, the President or a senior designee clearly acting on his behalf must talk about specific goals and discuss progress and problems relative to them. Otherwise, the goals agencies articulate are likely to be pushed aside and forgotten in the press of an unending series of daily crises.

Mindful of this reality, in 1993, the U.S. Congress passed the Government Performance and Results Act (GPRA), requiring every federal agency to set strategic and annual goals, measure performance, and report to Congress, OMB, and the public on progress relative to selected goals. GPRA requires government agencies to manage performance, not just processes, by insisting that every agency choose goals. It also requires agencies to choose goals dealing with societal outcomes, to the extent feasible. The next President will need to decide whether and how to use GPRA to advance his agenda and, more generally, improve the effectiveness and cost-effectiveness of federal agencies. To inform that decision, this report examines recent experience implementing GPRA, the impact of those decisions on agencies and government performance, and offers recommendations to the next Administration.

This report concludes that the key performance management challenge facing the next Administration is to use, and not just produce, performance goals and measurement. Because of GPRA and mechanisms put in place by the last administration, every agency and most major programs have now adopted short and long-term goals and begun to measure progress toward them. Many of the goals and measures are more attentive to outcomes than in the past. [Beneficial aspects of GPRA and PART are summarized in the box “Strengths of GPRA and PART.”]

Unfortunately, too many make little sense to Congress, the public, and even the programs that run them. Also, too few in agencies and Congress are using either the goals or collected performance measurements to improve their programs or to engage those outside the organization in discussions of priorities.

Why aren't Congress, agency employees, delivery partners, those who use or are affected by federal programs, and citizens using the goals and measurement agencies produce? Low use levels are not because of a lack of interest in performance measurement. Instead, they were caused by key performance management decisions made by the last Administration that resulted in performance information that Congress found incomprehensible and agencies treated more as an obligation than a resource. While these mechanisms were beneficial in some respects, they were problematic in others. Some, such as the Performance Assessment Rating Tool and several OMB circulars specifying what and how agencies prepare performance reports and budget justifications, need adjustment to direct more

attention to the direction of and reasons for performance change and less to compliance and target attainment. Others, such as the President's Performance Management Agenda Scorecard, need to be tossed. [Problematic aspects of GPRA and PART are summarized in the box, "Criticisms of GPRA and PART."]

An analysis to understand the causes of the criticisms voiced by appropriations staff and agency officials identified five underlying problems:

1. Too little attention was paid to the direction of performance trends and too much to "percentage of targets met" as the primary indicator of overall performance.
2. Too little attention was paid to understanding why performance levels changed, to understanding the size and characteristics of societal or system problems to be addressed, and to sharing that understanding so it could be applied in program implementation while too much was paid to compliance – confirming that agency commitments were fulfilled.
3. The review and evaluation process was overly subjective, a problem exacerbated by the professional bias of the reviewers toward budget-cutting and secrecy, reviewer inexperience with effective performance management methods, and use of only a single reviewer.
4. Too little attention was paid to identifying the audience for goals and measurement to determine and meet their performance information needs.
5. Too much attention was given to punishment and reprimand and too little to expert advice and encouragement. The federal performance management system's accountability expectations and incentives are askew.

A closer look at these problems suggests specific actions the next Administration can take to make goals and measurement the powerful performance-improving, accountability-enhancing tools they have the potential to be. Key actions the next Administration should take include:

- **Presidential Focus and Investment.** The President should identify a limited number of priority targets and meet with each Cabinet member responsible for the priority targets to keep focused on these targets. Each Cabinet member and agency head should review and refine their strategic and annual targets to reflect and communicate the new Administration's priorities. This work should be guided by a new performance unit in the President's office and supported by a larger performance unit in OMB, OMB budget reviewers, and other White House officials charged with tackling specific problems.
- **Trends, not Target Attainment.** Management attention should be focused on the direction of performance trends and finding ways to improve them, not on the percentage of targets attained or on PART ratings.
- **External Review.** The White House should keep but revise the PART process and questions, drop PART ratings and a few problematic PART questions, rename the PART to signal performance measurement is not about assessment and rating but about improvement and communication, and open up the PART review process to reduce its subjectivity, inconsistency, and cost-cutting bias and to enlist ideas and expertise.
- **Knowledge Management.** OMB and agencies should greatly enhance their knowledge management role, including redesigning and renaming the current federal performance portal ExpectMore.gov, to support learning across agencies and program delivery partners.
- **Accountability Expectations.** The White House, OMB, and Congress need to change and clarify their accountability expectations – that for which agencies should be held accountable. They should not be expected to meet their targets all the time nor even always achieve performance gains in their areas of responsibility. They should, however, be held accountable for persistent application of evidence, intelligence, and effort to improve performance, and when performance declines, for understanding why it declined and having a plan to improve it. They should also be held responsible for communicating targets, trends, strategies, and reasons why they were chosen to key audiences in ways those audiences find useful.

Specific recommendations to deal with the underlying problems identified are:

1. Communicate Performance Trends and Targets, Not Target Attainment

Recommendation 1.1: The President should identify a limited number of priority targets and meet at least quarterly with each Cabinet member responsible for the priority targets to keep agencies focused on these targets even as other pressing matters arise, adjusting them if needed to respond to major unexpected situations. Each Cabinet member and agency head should review and refine their strategic and annual targets to reflect and communicate the new Administration's priorities, and communicate the priorities regularly in their speeches and other communications. Each program should continue to set targets under a revised and renamed PART process aligned with GPRA targets.

Recommendation 1.2: Instead of reporting target attainment rates, the White House, OMB, and Federal agencies should devote far more effort and resources to communicating the direction of performance trends and agency targets for key indicators – showing areas where performance is improving and areas where it is declining. The New York City Citywide Performance Reporting framework provides a powerful model upon which to build, as does an early U.S. Department of Transportation combined performance plan and report.

Recommendation 1.3: The White House should revise PART questions that place too much emphasis on target attainment, and reorder PART questions to place primary emphasis on the direction of performance change. (Additional recommendations regarding PART are discussed in other sections.)

Recommendation 1.4: OMB should encourage agencies and programs to explain and communicate why they have chosen their targets in the context of historic and recent trends, peer performance, strategies tried, how well they worked, and strategies planned.

Recommendation 1.5: The White House and OMB should instruct the Performance Improvement Council (PIC) to conduct an immediate review of all PART questions, budget instructions, public reporting formats, and OMB circulars to suggest changes to place the emphasis on performance improvement, rather than target attainment.

2. Emphasize Performance Improvement and Knowledge Management, Not Compliance and Commitment Fulfillment

Recommendation 2.1: The President should run and expect his leadership team to run goal-focused, data-driven discussions. This work should be guided by a new performance unit in the President's office and supported by OMB and other White House officials charged with tackling specific problems. The White House should consider assembling a team of highly successful public and private sector performance managers to provide specific feedback and advice to each cabinet-level official on their performance management practices.

Recommendation 2.2: The White House should encourage increased analysis of performance and other relevant data to discover more effective interventions and to understand the size and characteristics of societal problems to be addressed, causes of those problems, and the people and institutions that need to be served or influenced.

Recommendation 2.3: OMB should greatly enhance its knowledge management role, facilitating learning across organizations about effective method for using goals, measurement, incentives, and experiments to improve and communicate performance.

- a. OMB should create and support communities of practice to help agencies learn how to use goals, measurement, incentives, and measured experiments to improve performance; exchange lessons from individual agency experiences; and cooperate on experiments across agencies to gather new insights.
- b. OMB should establish a reference desk to answer performance management questions and provide models.

- c. OMB should re-organize the federal performance website to support learning across federal agencies and their delivery partners.
- d. OMB should rename the federal performance website (currently ExpectMore.gov) to be less dismissive of past government accomplishments.
- e. The White House should increase the size of the OMB performance management team to have the capacity to promote government-wide learning, not just control.

Recommendation 2.4: OMB and agencies should increase training for OMB, federal agency, and delivery partners to increase their understanding of effective performance management practices and of analytic methods for retrieving greater informational value from performance measurement and other data.

Recommendation 2.5: OMB should continue to conduct PART reviews but to provide constructive feedback, not to rate and assess. Toward that end, the PART name should be changed to signal a shift in emphasis from “assessment” and “ratings” to improvement and communication.

Recommendation 2.6: The White House should eliminate the President’s Management Agenda and the traffic-light Scorecard and replace it with indicators of management risks. The President’s Management Council should shift its focus from process to performance trends, directing more attention to goals that require cooperation from multiple federal agencies and to problems common to many agencies. In addition, it should help senior agency managers learn effective methods for leading results-focused organizations.

3. Reduce the Subjectivity, Narrow Perspective, and Cost-Cutting Bias of PART Reviews

Recommendation 3.1: OMB and agencies should engage outside experts to gain additional perspectives in both agency and program reviews, keeping both OMB and outside expert reviews public. OMB should create a structured website to invite other comments and suggestions.

Recommendation 3.2: The White House and OMB should emphasize effectiveness over efficiency and eliminate all requirements for efficiency measures, while keeping PART questions that ask about cost-effective approaches.

Recommendation 3.3: A new unit should be created in the Office of the President to lead performance improvement efforts working closely with, but not housed in, OMB.

4. Identify Key Audiences for Performance Information and Meet Their Needs

Recommendation 4.1: To improve outcomes and inform policy and personal decisions, agencies and programs need to identify key audiences for performance targets and measurement, identify their needs, and establish priorities among the audiences to be served.

Recommendation 4.2: OMB, agencies and programs need to pay more attention to the presentation, dissemination, and use of performance information.

Recommendation 4.3: OMB should make immediate changes to the federal performance portal site to make it more comprehensible to the public.

Recommendation 4.4: Every federal department and agency should add a performance portal on its home page to provide quick access to all goals, program targets, annual performance reports, summary performance trend information, and related information such as evaluations, demographic descriptions, and more detailed analyses of problems and their causes. OMB should work with the Performance Improvement Council to establish a standard protocol so placement of performance information is similar on the home page of every federal agency.

Recommendation 4.5: In consultation with agency officials, OMB should review and revise regulations and guidance that currently complicate audience-focused delivery of performance reports and information.

5. Adjust Accountability Expectations to Encourage, Not Blame, Punish, or Reprimand

Recommendation 5.1: The White House should adjust accountability expectations. It should not hold federal agencies accountable for meeting targets or even for consistent performance gains. Instead, it should hold them accountable for: using outcome-focused targets; knowing performance trends; understanding factors influencing the trends; implementing cogent strategies to improve performance based on the best available evidence; playing a stronger knowledge management when dependent on others to accomplish agency objectives; and communicating targets, trends, and strategies to Congress and other key audiences in formats they find useful.

Recommendation 5.2: OMB should eliminate PART ratings, but keep PART scoring on individual (revised) questions. It should add additional outside PART reviewers, as per recommendation 3.1, to increase constructive feedback, and add a section in the revised PART review website for posting reviewer comments and suggestions.

Recommendation 5.3: OMB should not penalize agencies for flaws in their legislative language if they have submitted proposals to OMB or Congress to fix the flaws.

Recommendation 5.4: OMB needs to strengthen federal understanding of effective ways to use positive and negative incentives in federal agencies, with delivery partners, and with those whom the government seeks to influence to motivate the search for, discovery, and promotion of effective interventions.

SHOULD PART BE CONTINUED?

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For the past 15 years, the federal government management reform agenda has included several efforts to develop performance measurement activities. These efforts have been designed as attempts to increase accountability in the use of federal funds and have tried to highlight the outcomes that have emerged from the expenditure of those dollars. There are two major initiatives related to performance measurement that illustrate this agenda: the Government Performance and Results Act (GPRA) of 1993 (one of the few management reform efforts that have emerged through legislative activity) and the Program Assessment Rating Tool (PART), the effort undertaken by the Bush administration and begun as a part of the Fiscal Year 2003 budget process. Both of these efforts have attempted to link performance measurement to the budget process.

It is difficult to argue against the goals of these two efforts. Determining whether public funds are actually accomplishing the outcomes expected of the programs and policies those dollars support is both important and commendable. To me, the issue is not whether one supports performance measurement in general (I clearly do) but whether the policies that have been put in place to carry out those goals have been effective. As we think about the arrival of a new administration in January 2009, it is important to determine whether the current approach to performance measurement should be continued. Before we can decide whether or not to continue the efforts, there are a number of questions that must be answered or at least explored.

This paper attempts to outline those questions and to make some suggestions that might be considered by the next administration. It does not deal with a discussion of the goals of performance activity but focuses on the means that have been put in place to accomplish those goals. Given the size and scope of the US federal government, it is not easy to characterize the experience with federal government performance requirements. That experience has produced a highly complex situation that is variable and often idiosyncratic to a particular program or policy. For the purposes of this discussion, I have emphasized the experience under the PART program which has largely eclipsed the requirements of GPRA over the past seven years.

I. Is PART appropriate to address the performance needs of all programs?

While there are a number of reasons that explain the limited ability of efforts such as PART to influence decision-making, one of the most important explanations lies in the inability of OMB to effectively acknowledge the diversity in structures of federal programs. The “one size fits all” approach of OMB attached to PART flies in the face of that diversity. It ignores that diversity (and the typology offered in James Q. Wilson’s classic book, *Bureaucracy*, which describes the differences between programs in terms of their ability to measure outputs and outcomes.) Wilson notes that agencies with the ability to define and measure both outputs and outcomes because of the nature of their work (he calls them production agencies) have the easiest time with performance measurement requirements. By contrast, agencies that have great difficulty devising information systems and agreements over the definition of outputs and outcomes (he calls them coping agencies) have significant problems meeting the OMB requirements because they live with disagreement about goals of programs, the means of achieving even conflicting goals, and availability of data to measure either outputs or outcomes. Given this diversity, the PART process may be appropriate in some situations but not in others. My concern is with the application of the requirements across the board.

Others have noted that there are some types of programs that have particular problems meeting the PART stipulations. Two are particularly problematic: block grant programs and research and development programs. When one discusses the PART requirements with career civil servants, a number of their concerns revolve around these issues.

Block grant programs. Block grant programs are programs that are not expected to be implemented by federal officials. In fact, they (and other programs that involve third party players) are designed specifically to give discretion to others-- states, localities, and sometimes non-governmental organizations. Yet PART assumes that federal officials should be held accountable for achieving a nationally defined set of standards and measures. It is not surprising, thus, that block grant programs have received lower ratings than many other program types. Programs such as the Community Development Block Grant received low scores because OMB did not support the discretion that is given to local officials to determine the approach to community development. Some communities focused on housing, others on infrastructure, others on economic development and still others on community organizing efforts. But OMB thought that this range of choice was too great and communities should be held accountable only for economic development approaches. This was so despite the congressional action to frame the program design in a discretionary fashion.

Research and development programs (R&D). Performance measurement in R&D programs has proven to be challenging for a number of federal agencies. The problems that have emerged have revolved around three areas: ability to measure the efficiency of their research, the appropriateness of using outcome-based measures to assess their contribution, and the ability of R&D agencies to provide information on an annual basis. The culture of science has relied on assessments by peers (e.g. peer review) to determine whether programs are effective or not; concepts of efficiency are not appropriate for those tasks. And we know that the calendar for research involves multiple years. In addition, some of the most effective research results from what might be called "failures." These problems were recently discussed in a study by the National Academy of Sciences entitled *Evaluating Research Efficiency in the U.S. Environmental Protection Agency*.

Both of these examples indicate how important it is for advocates of performance measurement and management to tailor specific requirements to meet the realities of each agency and program. Performance measures that are effective must make sense to officials within a particular agency; when requirements are devised government-wide they often evoke perverse responses that don't lead to increased attention to performance.

2. Should requirements for performance assessment be government wide?

The very structure of the US system makes it extremely difficult to devise detailed performance requirements that are appropriate for the entire federal government. Yet this is what has been undertaken through PART. Unlike a parliamentary system that provides a structure that allows the executive function to look at the government as a whole, the federal US system is devised to minimize the exertion of concentrated power. As a result, power and authority are separated and shared across all aspects of the political landscape. This occurs through the delineation of separate institutions charged with executive, legislative and judicial functions as well as through the assumption of shared as well as separate powers among the national, state and sometimes local levels of government. It is relevant for us to acknowledge that the US government produces programs and policies that are diverse not only in type but also in terms of the institutions involved. This creates conflict between the legislative and executive branches, fragmentation of responsibilities within the legislative branch through separate appropriations and authorizing bodies, and differentiated responsibilities and roles inside agencies and departments. Variations in the resources and authority available to achieve programmatic results as well as a variation in the level of complexity of tasks and outcome expectations emerge from this structure.

The result -- as many have described -- is a crazy quilt of program and policy design that reflects policy prescriptions at different points in time, inconsistencies of goals and expectations even across similar programs, and overlapping and conflicting strategies. When one examines the diversity of programs to be implemented in a single agency, it is rare to find consistency across those programs, making it difficult to apply a standardized framework to all elements.

While in a perfectly rational and efficient world one might want to eliminate some of these attributes, it would be necessary to change the structure of the US government in order to do this. The alternative approach would be to craft performance requirements that fit the substance and organizational and institutional context of each program (or, if possible, clusters of programs). Agencies could be required to devise their own performance plans but the expectation would be that significant variations would occur within the federal system.

3. How should performance requirements be implemented?

One of the strongest complaints waged against the implementation of the PART requirements involves the role of OMB in the process. This is an area in which PART implementation is significantly different from the GPRA process. GPRA attempted to involve both the executive branch and the Congress in the process. PART focuses only on the executive branch authority and OMB is the instrument of that authority. The GPRA process was a bottom up approach and most of the performance measures were devised through significant input of program units. PART, in contrast, is effectively a top down process with OMB playing the controlling role of approving the measures. GPRA requirements involved multiple submissions: a strategic plan every five years, annual performance plans, and annual performance reports. PART focused most of its emphasis on the performance measures and looked at programs every five years.

There is a range of problems that have emerged through the PART process. First, it essentially ignored the role of the Congress and operated as if the executive branch (through OMB budget examiners) had the major authority to make these determinations. The result is PART assessments that at times have actually preempted congressional decisions because they did not accord with the views of the White House.

Second, as the role of OMB increased, the specialized perspectives of experts in a program area often became lost in the debate. Focusing on programs through a budget lens is important but does not always allow for an appreciation of the nuances of program realities that are necessary to understand both the constraints and opportunities found in devising and measuring performance. Experience shows that centralization of authority supports a situation in which politics almost always trumps science and professional technical advice. The policy debate on global warming illustrates this problem.

Third, because OMB is an essential part of the White House, it narrows the access of the public to important information because OMB operates mostly out of public view reinforced by its habits of secrecy.

Finally, the centralization of these requirements demoralizes the career public service. These are decisions that should be made by individuals familiar with the details of programs and policies. One understated and under-appreciated story is the dedication and intelligence that resides in many parts of the civil service. A new administration will have to pay attention to this problem.

All of these issues suggest that any performance measurement program that is put in place by the next administration should be attentive to a balance between a centralized approach (the White House and OMB) and a decentralized approach that provides an important role for the program and agency level. Of course the White House has to be concerned about the performance of agencies and presidential policy agendas are crucial and appropriate. However, defining OMB as the controlling player in a complex system does not provide an effective way to achieve the desired ends. Nor can the White House behave as if it had complete control over the agencies, ignoring both Congress and sometimes the judicial branch.

4. Who do we assume will use the results of a performance assessment?

Both PART and GPRA share a confused set of expectations about the users of performance assessment. When GPRA was put into operation it never differentiated between the expectations of a range of potential users of the reports that were issued by agencies and departments in compliance with GPRA requirements. It assumed that a single type of report would meet the needs of program managers, political appointees within agencies, controllers of budgets both inside agencies and in OMB, policy designers in the White House, the range of actors within the

Congress, and the general public. The required documents – strategic plans, performance plans and performance reports – were assumed to provide information that all of these players could use to determine whether programs (or agencies) were meeting expected outcomes.

There was very little evidence that many of these players actually considered the GPRA documents as they performed their roles. Rarely were these documents cited in appropriations committee hearings and it was difficult to determine whether either career or political staff within agencies did use them to either modify programs or policies or to justify budget requests. Although there were a few exceptions to this pattern, overall the use of GPRA documents was minimal anywhere in the decision-making process. And there was very little evidence that the public (or even the constituency communities) gave them much attention.

A similar pattern was found in the PART process. Although PART did focus exclusively on the executive branch and not on the Congress, the situation was not much better. It was not surprising that PART assessments were basically invisible in either the appropriations or the authorizing processes in the Congress. But it was also very difficult to determine how OMB and the White House itself used the findings in the process of constructing a budget. There was great variability in the way that OMB budget examiners approached their task and arguments that were made in some program areas that led to budget decreases actually seem to have justified budget increases in other situations. Indeed, the basis for ratings that were given to programs was difficult to figure out.

What is clear is that use of performance information through PART or GPRA by program managers is rare. Indeed, the need for program managers to think about program outcomes seems to have been largely ignored. Low ratings have been used to accuse careers managers of incompetency and not as diagnostic information that could help them make changes to improve the way they implement programs. Although OMB has developed a website that does make the PART ratings available to the public, the rationale for these ratings is hard to determine and most of the assessments have been attentive solely to efficiency measures (ignoring effectiveness and equity program goals). It is my impression that OMB staff have been unable to point to any examples of program or budget decisions that emerged from the PART process.

If this situation were not complicated enough, the motivation for embarking on a performance assessment journey is also complex. There are at least three agendas that seem to be present: a negative agenda (a search for information that will justify eliminating programs); a neutral agenda (information focusing on changes in the environment that require program modifications); and a positive agenda (information that will provide evidence of program effectiveness). It is often difficult to disentangle the predominant motivation behind establishing a performance assessment agenda.

5. Are resources available that will allow agencies to develop effective performance measurement activities?

Both the GPRA experience as well as that in PART have indicated that the current public service does not have adequate expertise to identify appropriate performance measures for specific programs and determine what information sources are available and required. Despite more than a decade of experience with these two sets of performance requirements, training has not been available to improve the ability of agency staff to meet performance measurement requirements. Performance measurement requires a combination of knowledge of specific programs as well as familiarity with the technical aspects of performance measurement. Too often agencies depend on outside consultants to perform this work and while they may be of assistance, at least part of the process could be viewed as an intrinsically governmental function that should not be contracted out.

In addition to failures to provide training, other resource limitations are clear. It is rare for an agency to have an opportunity to make a case for the creation of data systems that could produce appropriate information to assess performance. Not only are these systems expensive but the requirements of the Paperwork Reduction Act have provided obstacles to agencies that try to argue for them. And it is usually assumed that agencies will take existing resources from their budgets to pay for the cost of addressing performance requirements.

6. Does it make sense to attach the performance requirements to the budget process?

Both GPRA and PART follow the tradition of some past federal reform efforts that link assessment of performance to the budget process. The GPRA requirements were linked directly to agency submission of budget requests and responsibility for PART was given to the OMB budget examiners who put together program budgets. PPBS, MBO, and Zero-Based budgeting were past efforts to link some form of evaluation of programs to budget decisions. The budget process has its own regularity and is one of the most automatic of decision processes. But, as GAO has noted, some of these past efforts failed because they developed performance plans and measures in isolation from congressional processes.

However, there is little evidence that either GPRA or PART played much of a role in congressional processes. There is an argument to be made that the annual budget calendar does not provide a venue that allows for a consideration of the details of program implementation. When the conversation is around the size of budgets, it is difficult to raise substantive policy issues. Much of the performance rhetoric speaks of the budget process as if it were a simple, well-defined set of activities that produces rational allocation patterns. This approach removes issues of values and political choices from the process and also ignores the multiple functions of budgeting (include both budget execution and budget creation).

There are, however, other ways to use performance information outside of a direct link to the budget process. The system that has been put in place in the United Kingdom to rate the performance of local government through the Audit Commission is not linked to the budget process. Instead the information that is developed is released to “name and shame” the government unit that has been examined.

It would be useful for a new administration to at least consider the possibility of decoupling the budget process and the performance assessment process.

Conclusion

This paper has attempted to raise a number of issues that should be considered before a new administration decides how to structure a performance measurement process. It is clearly important that some process be put into place but the experience with both PART and GPRA suggests that a number of issues should be examined before embarking on that same path.

As I have noted, an effective system should have the ability to respond to a number of issues:

- The diversity of program designs and forms
- The importance of providing flexibility for agencies to craft measures and identify data sources
- Development of a system that will be useful to program managers
- Methods of dealing with appropriate congressional players
- Devising White House roles through use of interagency task forces, training programs, venues for agencies to share experience, and transparency

ACCOUNTABILITY THROUGH TECHNOLOGY

Robert Shea
Director, Grant Thornton's Public Sector

Paper prepared for the Government Performance Workshop

October 15, 2008

Sponsored by the Georgetown Public Policy Institute (GPPI), Accenture and OMB Watch

In 2006, citizens harnessed the power of the Internet to make Congress pass a bill that required the government to post publicly all of its financial transactions. This is what happened. Senators Tom Coburn and Barack Obama, along with Congressmen Roy Blunt and Tom Davis, were working on a bill to require Internet posting of information about all government transactions. As it meandered through the legislative process, word got out that one or a couple of Senators were blocking Senate consideration of the bill. An odd coalition of left and right leaning blogs ([Porkbusters](#), [GOPProgress](#), and [TPMmuckraker](#), to name a few) prompted readers to contact those Senators holding the bill and express outrage. The Senators subsequently relented, withdrew their objections, and the bill became law.

This case shows that if citizens have information they can use, they will. And government will respond. USASpending.gov, the site the law created, is visited by thousands of Americans every day. Legislation winding its way through Congress promises to expand the amount of information on the site even more. States are adopting their own public transaction reporting sites. Today, American citizens have more information about government operations than ever before.

Greater transparency is inevitable. Too often, though, the information isn't produced in a form that's accessible to citizens. Until it is, there is little chance citizens will use it to make their government more accountable. Technology can bridge the gap between information available today and information that citizens can use. Then it's up to them.

What information is available today?

The Internet has made it easy for government to report what it wants to report. Some of what's available today:

- Federal transactions. Because of the law discussed above, [www.USASpending.gov](#) was launched. The site reports contracts, grants, loans, or any other financial transactions entered into by a Federal agency. The site allows visitors to search millions of transactions easily.
- Program performance. The website [www.ExpectMore.gov](#) includes detailed assessments of the management and performance of more than 1000 Federal programs that account for \$2.6 trillion in spending. The site posts all of the evidence on which the assessments are based, as well as performance data, funding history, and improvement plans for every federal government program.
- Budgets, Audits, Performance Plans, and Reports. The Office of Management and Budget has made it easy to find key agency performance and financial documents. They're all available at [www.omb.gov/part/agency_performance_addresses.html](#).
- Agency Transparency. Want to know more about what and how an agency is doing? Go to its website. All of the Department of Homeland Security's accountability information can be found at [www.dhs.gov/about/budget/gc_1214235565991.shtm](#). Labor's can be found at [www.dol.gov/dol/aboutdol/](#). At those sites you'll find a one-stop-shop for budgets, reports, audits, investigations, plans to address major management challenges, program reviews, etc.
- Research and Development. [www.science.gov](#), a website that searches over 36 databases and 1,850 selected websites, offers 200 million pages of authoritative U.S. government science information, including research and development results.

- Benefits. www.govbenefits.gov provides a single point of access for citizens to locate and determine potential eligibility for government benefits and services; and www.GovLoans.gov, creates a single point of access for citizens to locate information on federal loan programs, and improves back-office loan functions as well.
- Agency Rulemaking. www.regulations.gov gives Americans the opportunity to find, view, and comment on Federal regulations and other Federal actions at one website.

There is no shortage of information available. But government's not the best at making its websites user-friendly. OMB made a series of changes to make it easier to find information on ExpectMore.gov. For instance, assessments and summaries of the assessments used to be published in pdf. Today, they are published in the more easy-to-search html. Visitors can now search by agency or program rating or program type. There you can also access agency strategic plans, performance plans, and performance reports. Still, the accessibility and usability of Expectmore.gov could be improved.

The accessibility and usability of much of the information government publishes could be improved. Those wanting to access information at these sites should be able to do so easily. Unfortunately, the quality of and customer satisfaction with these sites don't match that of the private sector. For instance, it may be difficult for visitors to find a particular rule on regulations.gov. Likewise, a researcher may need to know a program's name to get access to all the relevant assessment information on ExpectMore.gov. To be truly transparent, information must not only be available, it should also be easily accessible.

Signs of Greater Collaboration

In addition to improving access to information about government operations, technology has also improved the extent of government collaboration with the public. Blogs, an on-line conversation among active participants, are proliferating.

- Employees of the Environmental Protection Agency share ideas with the public on the nation's quest to improve the environment on the agency's official blog, Greenversations. (<http://blog.epa.gov/blog/about/>)
- The Transportation Security Administration operates a blog, Evolution of Security. (<http://www.tsa.gov/blog/labels/shoes.html>) The blog's tag line: "Terrorists Evolve. Threats Evolve. Security Must Stay Ahead. You Play A Part." The site facilitates "an ongoing dialogue on innovations in security, technology and the checkpoint screening process" and has actually contributed to changes in the screening process that, while enhancing airline passenger convenience, do not diminish security.
- The Intelligence Community is solving common problems by collaborating on a wiki, Itellipedia. There, intelligence officials share information on some of the most difficult subjects facing U.S. intelligence. Director of National Intelligence Mike McConnell has cited the increasing use of Itellipedia among analysts and its ability to help experts pool their knowledge, form virtual teams, and make quick assessments.
- Thousands of Federal employees are sharing information and collaborating across agencies on common challenges in a collaborative on-line community, the MAX Federal Community "Wiki" website. Though not open to the public, employees from different agencies share documents and work on common solutions to similar problems, like food safety, human capital management, or information technology administration.

Clearly, Americans have greater access to more information about government operations than at any point in history. Despite this transparency, Americans' trust in government is at a historic low. Just 48% of Americans say they have a great deal or fair amount of trust in the government's ability to handle domestic problems, according to the Gallup organization's annual governance survey. Polls also show Americans think their government is too secretive. Seventy-four percent of Americans think the Federal government is very or somewhat secretive, up from 62 percent in 2006, according to a Sunshine Week survey by Scripps Howard News Service and Ohio University.

The government can do a lot more to give Americans the tools they need to hold it accountable and restore their trust.

The American Citizens' Accountability Tool Box

Our government can take three steps to improve the chances Americans will take action to hold their government accountable. First, government should set out clear goals and their plans to achieve them. Second, the government should be as candid about failure as it is about success. Third, the government, as a whole, as well as its agencies and programs, should report information in brief, user-friendly, searchable formats that a wide audience can understand. If Americans get clear information about agency and program plans and candid reports on the status of those plans, they can express their views on how well the agency or program is accomplishing the things they care about.

- *Clear goals and their plans to achieve them*

Too often, government information is written in bureaucratese. Reports to the public should always be written in plain English. But agencies should also clearly report what they are trying to achieve and their plans, milestones, and who is accountable so all will know who is supposed to do what by when and for what purpose. Without these plans, how would anyone know when an agency or program fell short?

Today, such plans are available in many forms. Programs assessed with the Program Assessment Rating Tool (PART) have improvement plans with milestones and dates posted on ExpectMore.gov. Agency websites have detailed plans to address areas of mismanagement highlighted on the Government Accountability Office's High-Risk list. But in their annual performance plans and reports, which are available on agency websites and ExpectMore.gov, agencies should briefly describe such plans and link to the more complete plans, should a reader wish to get more detail.

- *As candid about failure as it is about success*

Just by reading most agency reports, one would think every goal was achieved and every problem was solved. With the kinds of challenges Federal agencies face, it's just not credible to think everything's going so well. Americans would have greater trust in a report that admitted failure just as often as it trumpets success. Jerry Ellig of the Mercatus Center, which judges annually the quality of agency performance reporting, wrote recently, "The first step in scoring well on [the center's annual performance report scored] is to actually acknowledge performance shortfalls and management challenges." Agencies should have faith in the public and in their stakeholders that they can handle the truth.

That's a tall order in Washington, where opponents and critics hammer the slightest failure. How to combat this? Agencies should consult early and often with the stakeholders in Congress and among the public on their plans and progress (or lack thereof) implementing them. Once that consultation is ongoing, candid, and ultimately productive, the public will come to expect it. This candor and transparency won't cure Washington of partisan politics, but it will make critics who have been consulted think twice about holding that press conference to hammer a well meaning, hard working public servant.

- *Report information in brief, user friendly, searchable formats*

The Department of Education's annual report is almost 200 pages long. Even if you really care about the performance of the Department, you are not likely to sit down and sift through that much information. Luckily, the Department published last year a much shorter "highlights document" that summarizes the agency's accomplishments. And other agencies continue to experiment with different reporting formats to find the most useful ones. Though the Mercatus Center cited the benefits of the highlights document in Ninth Annual performance Report Scorecard, it gave suggestions on how to improve it: "When done well, the highlights document is clearly a best practice that aids the public in understanding the agency's performance information."

Next year, to address some of the concerns raised by the Mercatus Center, each federal agency will be required to summarize its performance in two pages. All of the information traditionally reported will still be available, but a

two-page summary will show how the agency is performing in key areas. And technology will allow the reader to go from the summary to more detailed information on that specific topic.

ExpectMore.gov was designed to link to electronic copies of the copious evidence cited in Program Assessment Rating Tool assessments. Unfortunately, too few links to the underlying evidence are available. That should be fixed.

This kind of innovation – linking summary information to more detailed source data – is the way performance ought to be reported. Give summary information, but allow readers easy access to more detailed information if they want it.

The Future of Government Accountability

The next Administration won't publish less information. But it should aim to produce greater information in a more useful way. Imagine being able to track tax dollars received, how they are appropriated, who they went to, and, most importantly, what results Americans got for the investment. This would link data from the Department of Treasury about tax receipts with budget information, then link agency expenditures with evaluations of the activities they are funding. Track tax dollars like UPS packages. This information should be easy for citizens to get.

One good step to take would be to depict the geographic location of expenditures. Fedspending.org, the site on which usaspending.gov is modeled, already shows the distribution of contract and other award dollars by state and Congressional district. And www.geodata.gov provides a lot of geographic data in one location. What if the government gave you the same information, but also told you where the money you paid in taxes was going or, perhaps more importantly, what was being achieved with it? We could learn what was working best in education, health care, crime reduction, etc. and spread those proven practices throughout the country.

Government doesn't have all the answers to America's problems. It needs help finding those answers. One way to expand our knowledge is to invite the American people (or at least Congress and other stakeholders) to participate in the conversation about what works, what doesn't, and what's being done to improve. I've written above about some who are doing that (e.g. EPA, TSA, the Intelligence Community, and the Budget community). But technologies, such as those in use by Wikipedia or Intellipedia, can set the rules by which the public is invited to find the best solution to our biggest challenges. Perhaps we can open up the conversation about performance data, program performance, attaining goals, and results to anyone who cares to comment? The more contributing – through collaborative technology, on-line chats, or some other tool – the more likely we are to get the best ideas.

There are many good initiatives already underway to improve Americans' access to information. Some agencies are already harnessing collaborative technology to get better results. These and other initiatives must join to improve the ability of Americans to access and use the information that's already available to them.

Caution: Ensure Privacy, Security, and Accuracy

One of the pitfalls of greater government transparency is diminished information security and the unintended release of private information about Americans. Too often, agencies release social security numbers or other private information about Americans getting some service or benefit from the government. Likewise, government systems are frequently hacked, leaving such information vulnerable to release. Though it is difficult to image a failsafe system for protecting against such unintended release, agencies of the government should ensure adequate controls are in place to protect against the unintended release of information that should not be made public.

Though not quite as serious a concern, the quality or accuracy of government data should be enhanced. With so many people entering so much data, controls should also be in place to assure Americans that the data they access is accurate and reliable.

What is the measure of success for government transparency?

Article I, Section 9 of the United States Constitution requires that “a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.” Technology allows us to meet this obligation better than ever before. But our purpose should be higher. Transparency should enable the American people to eliminate wrongdoing and improve performance. We can harness technology to publish the information available today in a more useful way. In so doing, we can give Americans the tools they need to root out those who abuse the public trust and hold them accountable. We can also get smarter about what programs work best, so we can solve problems faster and cheaper.

If we can demonstrate information is being used to rid the government of corruption and improve programs, we will increase trust in government. Shouldn't that be our measure of success?

APPENDIX C: WORKSHOP PARTICIPANT PACKET

I. Overview of GPPI/Accenture/OMB Watch Government Performance Project

Georgetown University's Public Policy Institute (GPPI) and Accenture's Institute for Public Service are partnering with OMB Watch, a nonprofit research and advocacy organization located in Washington D.C., to develop consensus recommendations for the next presidential administration on how to improve government performance measurement systems. This project will convene a wide range of policy experts, academics, government representatives, and others to explore developing areas of agreement in a very disparate field.

GPPI and Accenture have been working together in 2008 to host a series of panel events on issues of national importance affecting the U.S. federal government. The first panel was held in March, 2008 and dealt with performance measurement in government. This inspired the concept for the Government Performance Workshop.

The project recruited an advisory group to help guide the work and commissioned four papers on different aspects of government performance measurement systems from outside experts. These papers are serving as the basis for this day-long workshop focused on identifying common ground.

The workshop will create the opportunity for experts to discuss current performance measurement systems, brainstorm ways to improve those systems, and provide other feedback and perspectives about improving performance measurement at the federal level. We hope to emerge from this process having identified areas of agreement and learning more about existing disagreements.

The final product of this work will be a published report on the proceedings and findings of the project, including any recommendations for the new administration that emerge from the workshop.

Advisory Group Members

Gary Bass (OMB Watch)
Joe Ferrara (Georgetown University)
Harry Hatry (Urban Institute)
Adam Hughes (OMB Watch)
Gary Land (Accenture)
Shelley Metzenbaum (University of Massachusetts)
Mark Moore (Harvard University)
Greg Parston (Accenture)
Beryl Radin (American University)
Lynn Ross (Georgetown University)
Robert Shea (Grant Thornton)

II. Agenda

- 8:00 AM Registration and Breakfast
- 8:30 AM Welcome
Lisa Trahan, *Director of Fellow Affairs*, National Academy of Public Administration
- 8:35 AM Opening Remarks
Greg Parston, *Director*, Accenture Institute for Public Service Value
Joseph Ferrara, *Professor*, Georgetown Public Policy Institute
Gary D. Bass, *Executive Director*, OMB Watch
- 8:45 AM Introductions/Warm-up Exercise
Gary Bass, *Executive Director*, OMB Watch
- 9:00 AM Plenary: Panel Discussion of Background Papers (Q&A)**

Harry Hatry, *Director, Public Management Program*, Urban Institute
Shelley Metzenbaum, *Director, Collins Center for Public Management*, UMASS
Beryl Radin, *Scholar in Residence*, American University
Robert Shea, *Director, Global Public Sector*, Grant Thornton
Moderated by Joe Ferrara, *Professor*, Georgetown Public Policy Institute
- 10:00 AM Small Group Session 1: The Role of OMB and the White House**
- 11:30 AM Lunch
- 12:15 PM Small Group Session 2: Performance Data and Transparency**
- 1:45 PM Break
- 2:00 PM Small Group Session 3: GPRA, PART, and the Performance Executive Order**
- 3:30 PM Break
- 3:45 PM Plenary: Identifying Consensus and Priorities (Q&A)**
Moderated by Lynn Ross, *Professor*, Georgetown Public Policy Institute
- 5:00 PM Reception

III. Session 1: The Role of OMB and the White House

Overview

With the creation of the Program Assessment Rating Tool, the dominant focus of government performance measurement systems shifted from the broader focus of the Government Performance and Results Act (GPRA) to the more narrow approach based in the executive branch. This change narrowed the focus, giving control to OMB and the White House and restricted outside stakeholder input. This change has helped to centralize the evaluation process and likely has kept agencies more focused on meeting performance goals, but some worry this has added unnecessary and unhelpful political considerations into assessments and distracted program staff by creating a compliance exercise that is not helpful in the implementation of programs.

The creation of the Performance Improvement Council in Executive Order 13450 has further established OMB as the central entity in conducting performance assessments and improvement efforts in the federal government, sometimes at the expense of outside perspectives or viewpoints.

Possible Discussion Questions

What are the advantages and disadvantages of an OMB/White House–centric performance assessment system?

Should performance assessments be uniform across government? Or does one-size-fits-all not work? If the latter, what is the best way to handle performance assessments?

Should performance assessment be tied to program or agency budgets? If so, how should this be done so as to prevent “gaming the system” for the sake of justifying larger budgets? What, if anything, should performance assessments be tied to? Should statutory requirements be built into performance assessments?

How can OMB and/or the White House create an environment that rewards use of performance data systems and efforts to improve results, instead of having these systems be perceived as punitive? Is it possible for these entities to achieve this type of transformation?

How should performance be assessed? Is an evaluation of a program the same as a performance assessment? What is an appropriate time frame for performance assessment?

How can OMB/White House encourage utilization of current tools to drive improvement, both within the executive branch and among outside stakeholders?

Are there any recommendations or proposals in the background memos for this workshop that you particularly like? Why?

Goals for this Session

Identify the group’s top ideas and recommendations for changes or reforms for the role of OMB and the White House in government performance systems.

Note any areas of disagreement in the discussions.

IV. Session 2: Performance Data and Transparency

Overview

Many times, simply making government data more accessible has improved performance, made government more accountable, and helped solve problems. The most recent example of this is increased transparency in the area of government spending data. The creation of the USASpending.gov website and earmarks databases by OMB, and outside organizations work to make campaign finance data, earmark information, and decisions in Congress more open and accessible has helped make government actions more understandable to the public, has pulled them into the policymaking process, and in turn, has made our government more accountable to the public.

The Program Assessment Rating Tool (PART), through the ExpectMore.gov website, has transformed the presentation of completed PART surveys and has continued to add aggregate data on performance to create better access and understanding of this information for the public and key stakeholders.

Yet many outside stakeholders remain skeptical of the PART surveys and, at times, the underlying data used to develop them. These stakeholders have largely been excluded from the conversation about performance data and improvement.

Possible Discussion Questions

How can we harness technology to further open the performance evaluation process to give access to raw performance data to outside stakeholders and the public? What type of data should be available to the public? Are there ways of using interactive technologies to obtain input from program beneficiaries, providers, or stakeholders?

Are grades, ratings, or scores important?

Some have suggested it is the process, or conversation, generated around performance data that is crucial to improving government, not the systems themselves. Is that right or wrong? If right, how can technology be used to facilitate those conversations both inside and out of the federal government?

Most of the recent focus with performance measurement has been on program performance. Yet the public has seen many stories about waste, fraud and abuse of contracts, inadequate regulatory protections, and other programs with government. Should these be a focus of performance measurement? If so, can transparency help?

Does transparency equal accountability? What needs to be added to transparency so that the public is assured tax dollars are wisely spent?

Are there any recommendations or proposals in the background memos for this workshop that you particularly like or do not like? Why?

Goals for this Session

Identify the group's top ideas and recommendations for changes or reforms to performance data and transparency in government performance systems.

Note any areas of disagreement in the discussions.

V. Session 3: GPRA, PART and the Performance Executive Order

Overview

There are currently three major performance systems in place and used by the federal government today: The Government Performance and Results Act (GPRA), the Program Assessment Rating Tool (PART) and the recent Presidential Executive Order (#13450), which has established a Performance Improvement Council in the executive branch.

Started at different times for different reasons and involving a variety of stakeholders, many observers have commented these systems are leading to performance reform overload in the federal government, that the products of these systems are not always useful or utilized, and that they could be modified to better address the needs of performance evaluation at the federal level.

At the agency level, it has been difficult to create the proper environment and incentives for federal employees to view these systems as aiding the work they do, not a punitive mechanism that stifles creativity. It has also been difficult to convince Congress and other stakeholders to utilize information developed through these systems.

Possible Discussion Questions

What parts of these performance evaluation systems are helpful for you in determining if government is working well? What parts are not?

Do you see counterproductive or conflicting parts of these systems? How can they be changed or modified to avoid this?

Are there any recommendations or proposals in the background memos for this workshop that you particularly like? Why?

How would you suggest any of these (or all of them) be modified to make both performance and evaluative systems better and get better results out of government initiatives?

More specifically, you should get answers to the following:

1. Should PART be continued? If so, are any changes needed? If not, should there be anything to replace PART?
2. Are changes to GPRA needed? If so, what?
3. Should E.O. 13450 be retained? If so, are any changes needed? If not, should there be anything to replace it?

Goals for this Session

Identify the group's top ideas and recommendations for changes or reforms to current government performance systems.

Note any areas of disagreement in the discussions.

VI. Workshop Sponsors

Georgetown Public Policy Institute (GPPI)

The Georgetown Public Policy Institute is committed to making the world a better place through research and practice. Faculty members conduct cutting-edge research to identify pressing problems and recommend effective solutions. Students are trained and prepared to put policy into practice -- in the public, private, and nonprofit sectors, and at home and around the world. The policy reach at GPPI is wide-ranging and relevant. From education, health, and economic security to international development and homeland security, faculty and students are working on today's most important policy issues.

GPPI's range of expertise includes:

- Full-time faculty doing research on unemployment, international economic development, early childhood education, public management, environmental policy, and many other areas
- Research centers that address a broad array of important questions, including health policy, juvenile justice, social policy for children and families, poverty and income inequality, and leadership.
- Visiting and affiliated faculty who are respected scholars and practitioners – think tank presidents, senior executives in the federal government, managing directors at the World Bank and other international organizations, leaders of nonprofit advocacy organizations, former members of Congress.

Accenture Institute for Public Service Value

Since its inception in 2006, the Accenture Institute for Public Service Value has applied rigorous research to the problems facing today's public service organizations. The organization's mission is to promote high performance in public service delivery, policy and governance. Through research and development initiatives, we aim to help public service organizations create value and improve social and economic outcomes for their citizens.

As public service managers worldwide are increasingly being asked to do more with less and to answer critical questions about public sector productivity, the Institute for Public Service Value conducts and applies research on the creation and sustainability of public value in today's environment. Recent studies have examined a wide range of public sector challenges, including: making government management effective and efficient, improving government performance, developing human capital in the government, and streamlining the delivery of public services.

OMB Watch

OMB Watch, a nonprofit research and advocacy organization, was formed in 1983 to lift the veil of secrecy shrouding the White House Office of Management and Budget (OMB). OMB oversees federal regulation, the budget, information collection and dissemination, proposed legislation, testimony by agencies, and much more. While OMB's actions were having an enormous impact on agency operations and the pursuit of social justice, it remained largely behind the scenes — unaccountable and little understood by the public and public interest groups. By explaining governmental processes and monitoring OMB, OMB Watch helped bring sunshine to this powerful and secretive agency.

Since its founding, OMB Watch has worked to create a more just and democratic society, one in which an open, responsive government protects people's health, safety, and well-being, safeguards the environment, honors the public's right to information, values an engaged and effective citizenry, and adequately invests in the common good.

APPENDIX D: ONLINE SURVEY TO WORKSHOP PARTICIPANTS

Government Performance Survey: Developing Recommendations for President-Elect Obama

There are 25 questions in this survey divided into 6 sections. Most are specific recommendations based on the “votes” taken at our October 15 workshop. The recommendations appear in bold in the survey and we have added a short description in italics to help give some context to the recommendation. Please rate each recommendation on a 1-5 scale, with 1 being a low priority and 5 being a high priority.

There are a few topics that were discussed on October 15 that we could not tell whether there was agreement on. For those topics, we ask a question in this survey in a multiple choice format to better understand if we have any agreement. After each question is a comment box to allow you to put comment if you wish. We would like you to use this space to let us know if you disagree with any of the recommendations (i.e. you don’t think it should be a low priority, you think it shouldn’t be a priority at all), if you’d like to make language changes to the way we have written the recommendation, or if you have other comments.

Most importantly, we want to hear about any specific reform ideas you have that would help implement the recommendation. We will use these survey results as the basis for writing the report to the next administration advancing specific recommendations.

Thanks for being part of this process.

Gary Bass, OMB Watch / Joe Ferrara, Georgetown Public Policy Institute / Greg Parston, Accenture

Demographics

1. The category that best describes my occupation is:
 - Executive branch employee
 - Nonprofit organization
 - Academic/think tank
 - For-profit agency
 - Congressional staff
 - Other
2. I have been working on performance management issues for:
 - Less than 1 year
 - 1 to 5 years
 - 5 or more years
 - I don’t work on these issues, but am interested

Part I. Current Performance Systems

3. Performance management experts in government widely recognize that the existing performance management systems - PART and GPRA - are either inadequate in creating effective change in programs or even undermine the ability of agency heads and program managers to enact such change. The next administration has the opportunity to change performance management at the highest level of government. The following statements are options that would be available to the next administration. Which of the following should be emphasized?

- The president should leave both PART and GPRA in place as they exist today. (1-5 scale, low priority to high priority)
- The president should establish a bipartisan, blue ribbon commission comprised of performance management experts from inside and outside the government, along with Congressional representatives, to recommend a strategic plan for performance management that aligns PART and GPRA. (1-5 scale, low priority to high priority)
- The president should continue PART and GPRA systems until the blue ribbon commission's strategic plan for performance systems is implemented. (1-5 scale, low priority to high priority)
- Rather than establish a commission to recommend changes to PART and GPRA, the president should identify those areas of these systems that should be improved and implement the necessary changes. (1-5 scale, low priority to high priority)
- The president should immediately suspend the use of PART and GPRA until an improved performance management system is created. (1-5 scale, low priority to high priority)

4. How should the use of ratings and scores, such as those in the Program Assessment Rating Tool, be altered? PART has five ratings: effective, moderately effective, adequate, inadequate, and results not demonstrated. Each are derived from percentage scores on various sections of PART. Some say these ratings interfere with meaningful management improvement and shift the focus of performance measurement from improvement to punishment. These people argue that too much energy is focused on the scores and ultimately the rating - and not what performance data can show about how programs are performing and what are the best ways to improve that performance. Others contend they need a simple summary of how programs and agencies are performing and feel scores and ratings are essential.

- Increase in importance
- Stay the same
- Overhauled to be less punitive
- Be dropped all together
- Other

5. Performance management systems should focus on actual program results and progress in achieving goals, rather than on managerial structures, program formats, and process questions. Future performance management systems should be reformed to focus more on actual program results and progress in achieving goals and less on process and design criteria. Performance measures should be focused on progress to objectives, outcomes, and should provide various targets (e.g., 1 year and 5 year) that are measured against. It may also be helpful to make comparisons to international standards or performance.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

6. Additional thoughts on question #5.

7. How should the results of performance measurement systems be incorporated into the federal budgeting process? Some argue connecting performance results and budgeting is too difficult and skews the purpose of collecting performance information in the first place, while others believe not connecting the budget process and performance data misses an important opportunity to make more informed decisions about allocating scarce resources. Yet another perspective is that the linkage of budget and performance data should be different for different programs and agencies.

- They should be completely separate
- There should be some connection
- They should be directly connected
- The connection should be determined on a case by case basis by the agency
- Other

8. What role OMB should play in performance management? OMB has too often been involved in micro-managing agency performance assessments. This approach reduces the ability of the agency to develop assessments that may better fit the agency's needs for improving program performance. The relationship between OMB and agencies in developing and implementing performance assessments should be changed to put more emphasis on decision-making within the agencies. Too little involvement from a central entity, however, will lead to an uncoordinated, disjointed, and confusing performance system. The objective is to create a more collaborative interaction between agencies and OMB, rather than one in which OMB rates agency performance.

- Hands-on manager (determining benchmarks and effectiveness)
- Collaborator working with agencies on performance measures
- Coordinator to help distribute and share performance information
- No role in agency assessments
- Other

9. Strengthen the role of Performance Improvement Officers (PIO) by giving the PIOs more resources and influence so that they can drive change in their agencies. PIOs are caught between two bosses (agency heads and OMB) and are not formally given additional resources or tools to help meet their mandate of managing all performance activities at agencies; this problem is particularly acute for the majority of PIOs, who are career civil servants. PIOs should be given additional resources and influence to help them in coordinating performance management activities at agencies.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

10. Additional thoughts on question #9.

11. The role of the Performance Improvement Officer as an objective, somewhat independent, observer of performance should be strengthened. Performance Improvement Officers at some agencies have assumed the role of providing objective analysis of performance, including overseeing independent evaluations of programs or assessing programs against consistent, rigorous standards. This role as an honest broker, rather than as a service provider or program advocate, should be made clearer.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

12. Additional thoughts on question #11.

13. The role of the President's Management Council should be expanded to provide coordination and collaboration on performance management between agencies and OMB. OMB is currently too heavily involved in implementing performance systems at agencies, but some level of coordination is necessary from OMB. The President's Management Council should be used to help coordination and collaboration across agencies and OMB on government-wide performance issues and encourage dialogue about performance measurement systems.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

14. Additional thoughts on question #13.

Part III. Performance Data

15. Performance trends and the underlying raw data should be easily accessible, understandable, and searchable by theme, agency, program, and by other means, through the Internet. Currently, information on program performance is presented in an aggregated way, largely filtered by OMB. It is difficult for users of the data to see what is behind that filter and why certain decisions were made to summarize or aggregate that data. Better presentation and accessibility to both performance trends and underlying raw data and analyses will help give users of performance data a more complete picture of program performance. To the extent permitted by law, agencies should make this information publicly accessible even without Freedom of Information Act requests from the public.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

16. Additional thoughts on question #5.

17. In making performance data available through the Internet, it is important for the agency to tag the information for easy searching, describe the limitations of the data, and present different types of performance data in similar formats (e.g. XML). Metadata - definitional information or documentation about data elements (e.g., name, size), structure (e.g., field lengths), or the data itself (e.g., ownership, quality) - is vitally important to properly locate, understand, and use performance data. Other methods for creating standardized formats for data presentation (e.g. XML) will make the data easier to find and use. It is also important that various reports (e.g., the Performance and Accountability Reports) have improved formats for easier public use.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

18. Additional thoughts on question #17.

19. The collection and reporting of performance data should be tailored to the needs of different audiences (such as agency leaders, Congress, the public, etc). Different stakeholders and decision-makers may be interested in different aspects of performance. Agencies should identify the needs of various stakeholders, collect data that meets those needs, and provide reports that appropriately respond to those stakeholders.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

20. Additional thoughts on question #19.

Part IV. Personnel, Resources, and Tools

21. Program managers need to be supported in efforts to put results of performance assessments to use in creating change. Having useful data on performance is only as valuable as its ability to help the agency shape the way the program or agency is running. Currently, program managers do not feel they have enough authority to use performance data to implement program changes. The president needs to make clear that agency heads have authority, consistent with statutory mission and requirements, to put performance assessments to use. And those agency heads and supervisors should support federal workers in their attempts to improve programs using performance data. Actions to make changes should be shared with relevant congressional committees and made widely public.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

22. Additional thoughts on question #21.

23. Program managers need to be supported in efforts to put results of performance assessments to use in creating change. Having useful data on performance is only as valuable as its ability to help the agency shape the way the program or agency is running. Currently, program managers do not feel they have enough authority to use performance data to implement program changes. The president needs to make clear that agency heads have authority, consistent with statutory mission and requirements, to put performance assessments to use. And those agency heads and supervisors should support federal workers in their attempts to improve programs using performance data. Actions to make changes should be shared with relevant congressional committees and made widely public.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

24. Additional thoughts on question #23.

25. The president should lead the way in continually emphasizing the importance of incorporating performance measurement and management into agency work. Creating performance measurement systems and collecting data will do little to improve program performance without support from agency leaders. The president needs to make clear to those he appoints to run the federal government that they need to focus on performance data and support others in their agencies who seek to incorporate performance data into program management.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

26. Additional thoughts on question #25.

27. Sufficient resources and tools need to be made available to agencies to establish the capacity to move from analyzing performance data to using that data to improve program performance. The president should seek additional resources for agencies to expand management capacity and training and improve leadership in OMB and throughout government.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

28. Additional thoughts on question #27.

29. The president should appoint leaders in government who will place a premium on achieving results in program implementation and service delivery. Effective leadership - both from career and political staff - in government is essential to improving government performance. The president's cabinet must lead by example by emphasizing the importance of using performance measurement tools to improve government programs.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

30. Additional thoughts on question #29.

31. The president should foster a climate within government that allows for unexpected outcomes, failures, and experimentation, including supporting program managers who try new approaches to improve programs based on performance data. Current performance measurement systems are mainly punitive in nature, either by design, or as a consequence of their implementation. Program staff and other executive branch personnel attempt to avoid poor ratings or reviews and distance program implementation work from the performance review process. This creates an atmosphere within agencies where experimentation and new strategies are not developed or tested. Yet these types of activities are often the most effective at building morale among agency personnel and also at helping to make government programs work better.

32. Additional thoughts on question #31.

Part V. Stakeholder Input

33. Involve all appropriate policy and appropriations staff in Congress in the development of performance systems to ensure the systems respond to their needs. Congress has largely ignored current performance measurement data in the executive branch, not because they disdain performance, but because they have been excluded from the process to determine what data would be helpful and relevant to their needs. Involving congressional staff and their perspectives in the conversation about performance measurement systems and performance data will greatly increase the changes of the gathering of relevant and useful performance data.

34. Additional thoughts on question #33.

35. Modify GPRA and PART to include the involvement of stakeholders in developing and defining appropriate and useful performance measures, as well as on how to use the results of such data. There are many different types of stakeholders (federal agencies, Congress, state and local governments, interest groups, businesses, government service providers, etc), most of whom are excluded from the conversation about performance measurement and performance data. In fact, aspects of GPRA specifically dampen public involvement in performance systems by not explicitly requiring public input in developing performance measures. Opening up the conversation to include these different constituencies will not only help to develop better measures, but also make government performance data more useful to a broader number of stakeholders.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

36. Additional thoughts on question #35.

Part VI. Transparency and Accountability

37. The president should instruct his Attorney General to provide guidance to agency heads that, where defensible, encourages disclosure of information under Freedom of Information Act requests. While it is important that agencies affirmatively disclose performance information to the public, the Freedom of Information Act remains a vitally important backstop to ensure that disclosure occurs. On October 12, 2001, former Attorney General John Ashcroft urged federal agencies to use, where legally possible, various exemptions under FOIA to withhold information. The Ashcroft memo resulted in agencies unnecessarily withholding information from the public. The president should instruct his Attorney General to rescind the Ashcroft memo and provide a defensible argument to agency heads for aggressively disclosing records requested under FOIA.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

38. Additional thoughts on question #37.

39. To the extent that it is involved in performance measurement, operations and decisions of OMB should be more transparent to the public. OMB's current level of involvement in performance measurement systems is made worse by a lack of disclosure about certain aspects of its role in performance ratings and information. While aspects of the PART process are some of the most transparent of any government program, there are still crucial details and decisions that are not made public. As OMB's role is changed, every effort should be made to continue to bring increased transparency to the decisions and level of involvement and influence OMB has in performance measurement systems.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

40. Additional thoughts on question #39.

41. Proactively engage Government Accountability Office (GAO) and Inspectors General (IG) to periodically examine the performance measurement system to assess the validity and reliability of the measurement tools and the quality of the data collected. Even with increased transparency and access in these reform recommendations, the nature of the federal government will continue to default to cutting off access to processes and information. As a backstop against such developments, bipartisan, unbiased entities (such as GAO or IGs) should be consulted periodically to review performance measurement systems to assess their validity and reliability, either government-wide or within specific agencies.

- Low priority
- Low to medium priority
- Medium priority
- Medium to high priority
- High priority

42. Additional thoughts on question #41.



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