

Driving Improved Program Performance in the U.S.

U.S. Office of Management and Budget

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Today's Agenda

1. Overview
2. Quality of Performance Goals
3. Efficiency Measures
4. Evidence of Improved Performance
5. Program Evaluation
6. Discussion



History of Performance Management

Attempts by Several Previous Administrations

- 1966 - Lyndon B. Johnson launched “Planning, Programming, and Budgeting System”
 - Improve ability to decide among competing proposals for funds and to evaluate actual performance
- Richard Nixon followed with “Management by Objective”
 - Identify goals of Federal Government to make it easier to determine expected results and find redundant or ineffective programs
- 1977 – Jimmy Carter introduced “Zero-based Budgeting”
 - Force agencies to prove value of each government program each year
- 1993 – Government Performance and Results Act
 - Requires agencies and their programs to develop measurable goals for outcomes and to report actual results



The Program Assessment Rating Tool (The PART)

- **Assesses Programs in Four Key Dimensions**

1. Purpose and Design
2. Planning
3. Management
4. Results and Accountability

- **Encourages Continuous Improvement**

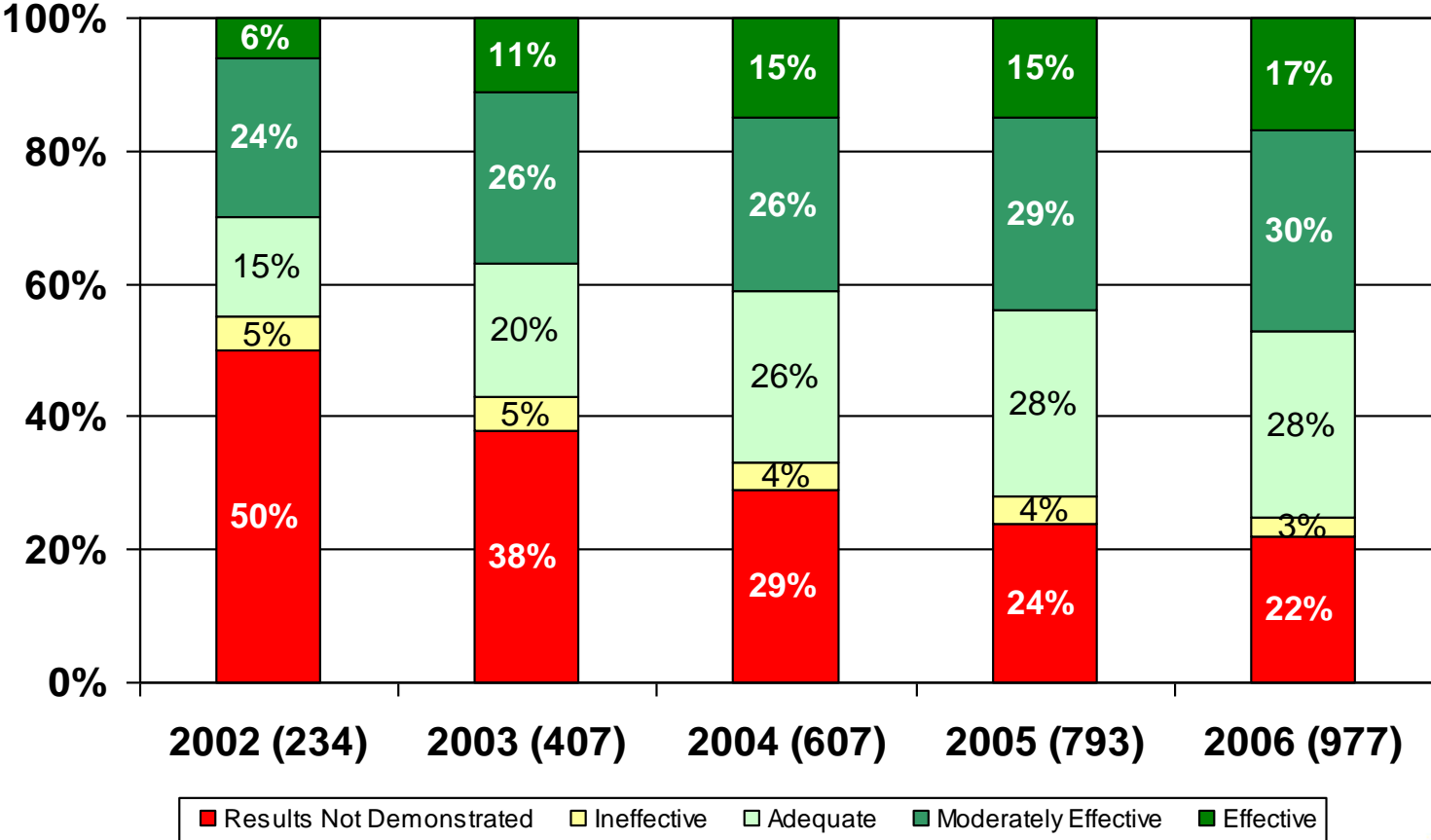
- **Applies Consistent Framework to all Programs**

- **Generates Objective Program Ratings**

- Effective
- Moderately Effective
- Adequate
- Ineffective
- Results Not Demonstrated



Program Performance is Improving



Major Challenges

■ Use

- Few management, funding, or authorization decisions are based on the PART

■ Consistency

- Agencies and OMB answer some questions differently

■ Congress

- Rare, diverse references to PART
- Not the basis for legislative action
- Few oppose vigorously

■ Crosscutting

- Opportunity to collaborate more among like programs



ExpectMore.gov

EXPECT FEDERAL PROGRAMS TO PERFORM WELL, AND BETTER EVERY YEAR.



The Federal Government is working to ensure its **programs perform well**. Here we provide you information about where we're **successful** and where we **fall short**, and in both situations, what we're doing to **improve our performance** next year.

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Performance Measures are Central to the PART

- **Allow the PART to be tailored to the specific program**
- **Most of the time spent completing the PART**
- **Represent the most valuable “product” of the PART**
- **Biggest determinant of the overall score and rating**
- **Updated regularly to help keep PART information current**



Where We Were When We Began the PART

- Many systems in place to collect and report data
- Unclear relationship between strategic and annual goals
- Tendency to measure what we could instead of what we should
- Lots of measures, but priorities not transparent
- Performance data used more for reporting than decision-making



How the PART improves performance measurement

- Long-term and annual outcome measures
- If use outputs, must explain how relate to outcomes
- Challenging but realistic targets and timeframes
- Results credit only for acceptable measures
- Performance data used to manage
- Accountability for achieving performance goals



Where We Are Today

Of the programs assessed

- **86% have long term measures**
- **72% have ambitious targets for their long-term measures**
- **74% have achieved to some degree**

- **87% have annual measures**
- **72% have ambitious targets for their annual measures**
- **80% have achieved to some degree**



Examples of Improved Measures

Coast Guard Aids to Navigation

- Old focus: Percentage of time radio navigational systems available
- *Current focus: Five year average of number of collisions, allisions, and groundings*

National Bone Marrow Donor Registry

- Old focus: Number of donors in registry
- *Current focus: Number of transplants facilitated and post-transplant survival rate*

Leaking Underground Storage Tanks

- Old focus: Number of clean-ups completed
- *Current focus: Number of clean-ups that exceed state risk-based standards for human exposure and ground water migration*



Efficiency Questions in the PART

Question 3.4

- *Does the program have procedures to measure and achieve efficiencies and cost effectiveness in program execution?*

Question 4.3

- *Does the program demonstrate improve efficiencies in achieving program goals each year?*



Where We Are Today

Efficiency

- **90% of all PARTs have an efficiency measure and about half have met their targets.**



Efficiency Measure Defined

- Reflects the economical and effective acquisition, utilization, and management of resources to achieve program outcomes or produce program outputs.

Efficiency Measure Types

- Outcome Efficiency
- Output Efficiency
- Input Productivity



Efficiency

OUTCOME EFFICIENCY MEASURE

- Must consider the benefit to the customer and serve as an indicator of the program's operational performance

OUTPUT EFFICIENCY MEASURE

- Must reflect efficient use of resources rather than other changes such as the processing of a different output or a change in output mix

INPUT PRODUCTIVITY

- Ratio of outputs to inputs



PART Drives Performance Improvements

- **Requires clear goals and accountability**
- **Allows for comparison from year to year and with others**
- **All programs develop and implement improvement plans**
- **Public reporting on improvements in performance**



Where We are Today

- **30% of programs have developed measures and improved their ratings from Results Not Demonstrated**
- **14% of programs have improved their ratings overall**



Examples of Improvements

Humanitarian Migrants to Israel (State)

- Revised grant agreements to include long & short term goals
- Commissioned an evaluation to survey migrants
- Established an efficiency measure
- Began posting grantee information on its website
- Improved efficiency by reducing housing costs

Federal Support for Gallaudet University (Education)

- Improved coordination within ED to launch improving monitoring
- Developed written procedures to improve monitoring
- Strengthened oversight



Improvement Plans

- All programs, regardless of rating, are required to have one
- Report on status of implementation in ExpectMore.gov (2 times a year)
- Add new actions as others are completed
- Aggressiveness varies



Program Evaluation

Question 2.6

- *Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?*

Question 4.3

- *Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?*



Program Evaluation for the PART

Attributes of Acceptable Evaluations

- **Scope** - Examine the underlying cause and effect relationship between the program and achievement of performance targets.
- **Independence** - Performed by non-biased parties with no conflict of interest should conduct the evaluations.
- **Quality**
 - **Applicability** – All programs expected to undergo some type of evaluation.
 - **Impact** – Prefer effectiveness evaluations consider a program's impact (outcome, e.g., whether the Federal intervention makes a difference).
 - **Rigor** – Provide the most rigorous evidence that is appropriate and feasible for that program.



Where We are Today

Program Evaluation

- 62% of all PART received a “Yes” on Question 2.6 (regularly use rigorous, independent evaluations of sufficient scope to inform program planning)
- 69% of all PARTs received credit for Question 4.5 (rigorous, independent evaluations of sufficient scope indicate that the program is achieving results)

