



Session: Translating Success Through Performance Budgeting

Department of the Treasury

November 16, 2011



Having performance metrics is not the same as using performance metrics



TUESDAY
23 MARCH

DILBERT
BY SCOTT ADAMS



Decisions are often made without the full benefit of considering metrics

Why?

Many performance measures are...

- Based on a time-stamped plan
- Diluted to avoid risk
- Reported on when the calendar dictates
- Difficult to change
- Specific to business units

While many decisions are...

- Based on issues as they arise
- Require data whenever the decision occurs
- Made in fluid, unpredictable circumstances
- Specific to issues
- Often not informed by official measures



The future of performance budgeting? It is what we make of it.

The future I want...	The future I might get...	Actions that can help...
✓ Decisions (i.e., cuts) informed by data	× Across-the-board cuts	<input type="checkbox"/> Benchmarks
✓ Senior involvement = “debate and decide”	× Senior involvement = “review and approve”	<input type="checkbox"/> Meaningful data-driven reviews throughout the year
✓ Honest discussion produces optimal choices	× Unrelenting gamesmanship produces decisions imposed	<input type="checkbox"/> Repetition, engagement, and creating the right environment
✓ Creative staff with creative measures using creative analysis	× Performance measures as compliance	<input type="checkbox"/> Creation of intuitive “programs” to frame discussions and metrics
✓ Having a performance budget team	× Having a performance team <u>and</u> a budget team	<input type="checkbox"/> Rethinking position descriptions