

Improving Performance in the Obama Administration?



Kathryn Newcomer, PhD
Director, The Trachtenberg School of Public Policy and Public
Administration
The George Washington University

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An Outline of My Remarks

- **Context for Moving Performance Improvement Forward**
- **The Obama Administration's Strategies for Focusing on Performance**
- **Key Challenges to the Obama Approach to Improving Performance in Federal Agencies**

Background

- Interviews, surveys and focus groups over the last 3 years in agencies and OMB
- Transition paper in October 2008 calling for more strategic leadership, selective priorities and evaluation, and end of the PART process

Context for Moving Performance Improvement Forward

- A legacy of assets
 - All agencies have strategic plans and performance measures
 - An infrastructure of staff and processes that have been built incrementally to collect and deliver performance data.
- Sophistication in dialogue about programmatic performance
 - within agencies,
 - within the Office and Management and Budget (OMB),
 - within Congress

Context for Moving Performance Improvement Forward, continued

- Too many measures and too much reporting
- A fairly unwieldy, burdensome and unaligned set of information systems
- A skeptical federal workforce
 - compliance burden mentality
 - few instances of use of performance data to improve government
- Performance Office staff in the agencies that are still battle weary from skirmishes with OMB examiners over PART scoring
- Inadequate appreciation of linkages between performance management and human resource planning/appraisal and strategic outsourcing

The Obama Administration's Strategies for Focusing on Performance

- **Leadership**
- **Prioritization, and**
- **Focus on Use of Performance Data for Improvement**

Leadership

- OMB Director, Peter Orszag, has demonstrated that he places a priority on examining federal programmatic performance-
 - His public commentary on his OMB blog, and
 - OMB memorandum calling for “Increased Emphasis on Program Evaluation,” on October 7, 2009
- Appointment of Jeffrey D. Zients, an accomplished management consultant, as Deputy Director for Management of the OMB and 1st ever U.S. Chief Performance Officer, and hire of Shelly Metzenbaum
- Retention of the Performance Improvement Officers (PIOs) within the agencies

Prioritization

- Spring budget guidance given to the agencies, OMB Director Peter Orszag asked all major Federal agencies to identify a limited number of high-priority performance goals reflecting the near-term implementation priorities of each agency's senior managers
- By the July 31st deadline, 19 of the 24 agencies had submitted their list of priority goals

Focus on Use of Performance Data for Improvement

- Zients announced in September, 2009 that OMB will develop a Federal performance management framework that will be designed “to serve the needs of agency managers, the public and the Congress”
- Zients also said “I am committed to helping and motivating Federal agencies to maximize the productive use of performance information to improve the effectiveness, efficiency and transparency of government. This is a cornerstone of my agenda and one of my highest priority goals.” (See <http://www.whitehouse.gov/omb/assets/testimony/092409government.pdf>)
- Metzenbaum IBM 2009 report stressed use; she provided 22 recommendations that prescribe practical steps to improve the use of performance data - such as running “goal-focused, data driven meetings” both of cabinet secretaries, and by the agency heads in the agencies, and focusing on trends, not targets

Some Two-Edged Swords

- Accountability of agency leaders
- Citi-Stat type routines for learning
- Focus explicitly on “use” of data
- Transparency of data and goals
- Congressional Engagement – e.g., the Senate Budget Committee Task Force
- Stretch goals for outcomes
- OMB role as coach rather than police

Key Challenges to the Obama Approach to Improving Performance in Federal Agencies

- **Effective Agency Leadership for Performance Improvement?**
- **OMB Performance in Calibrating Context and Incentives to Improve Performance?**
- **Other Fiscal Pressures and the Political Environment?**

Effective Agency Leadership for Performance Improvement?

- Are agency and bureau leaders demonstrating their commitment to achieving real performance improvements through allocation of time and resources to performance monitoring and assessment?
- Do agency staff at all levels understand how agency strategic performance goals should be used to direct workforce staffing, and are all line employees involved and educated about how their work contributes to achievement of agency goals?
- How effectively is performance improvement achieved by the focus on a limited set of high level/high-priority performance goals?
- How well is coordination achieved within agencies across management silos affecting performance improvement? (e.g., the Chief Performance Improvement Officer working with the Chief Financial Officer, Chief Information Officer, Chief Human Capital Officer, and Procurement Directors)

OMB Performance in Improving Performance

- How effectively are OMB reporting requirements and data systems coordinated and modified to reduce burden and redundancies for the agencies?
- How well are OMB strategic efforts to improve performance coordinated internally within OMB?
- How much time and staff does OMB allocate to the performance staff so that they can make good on promises to accomplish such things as: collect and disseminate information on successful performance improvement initiatives and evaluation practices, provide training, and support an inter-agency working group on strengthening evaluation?

Other Fiscal Pressures and the Political Environment?

- How does performance improvement compete with other Administration priorities, such as health care reform, the war in Afghanistan, tracking Stimulus funding, and addressing fiscal pressures?
- And what about Congressional buy-in?
 - How effectively is Congress consulted about and supportive of the Administration's performance improvement efforts?
 - How extensively are the key Senate and House committees (i.e., the Senate Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, the Senate Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security, and the House Oversight and Government Performance Committee) consulted by OMB about the design and use of the new federal performance management framework?

The Obama Administration's Performance Management Framework

Inputs

Activities

Mediating Variables

Short Term Outcomes

Longer Term Outcomes

- Leadership
- Prioritization of Performance Goals
- Evaluation Resources
- Integrated Performance Information Systems
- State & Local Data
- OMB Performance Team

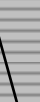
- Performance Reporting
- OMB Data-Driven Meetings-PMC and PIO
- Analyses of Performance Data (trends)
- Cross-Agency Goals Assessments
- Congressional Engagement
- Transparency in Data Sharing

- Resources**
 - Adequate Evaluation Capacity
 - Fiscal Pressures
 - IT Capacity
 - State & Local Government Capacity
- Consistency in Support**
 - Sustained Political Will
 - Congressional Committee Interest
 - Politicization in Citizen Interest
 - Media Coverage
 - Response of Career Leadership
 - Inconsistent Signals from OMB Staff
 - Networked Source Delivery Systems

- Data-Informed Management Decisions
- Communities of Practice in Performance Management
- Systematic Evaluation Regimes in Agencies

Performance Budget Integration

Improved Government Performance



In Sum

- Pluses: the stress on leadership, prioritization, and use for performance improvement (rather than quickly tying to the budget)
- Negatives: **competing priorities**, a legacy of skepticism in the agencies, overly optimistic expectations on:
 - ability to measure achievement of strategic goals, and of the Stimulus
 - Changing the management cultures toward use of performance data
 - addressing cross-cutting programmatic goals, and
 - reducing complexity in reporting systems

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Thank you for your interest!

Email:

Professor Kathryn Newcomer at
newcomer@gwu.edu