Performance Measurement for Program Improvement???

The Status of Evaluation in the Public and Nonprofit Sectors in the U.S.

NIH Evaluation Group

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Session Objectives

- Discuss the current environment for program evaluation and performance measurement in government and in the nonprofit sector
- Discuss intended and unintended consequences of programmatic evaluation and measurement on the behavior of oversight officials, clients or citizens, and program staff.

Program Evaluation is defined as:

The application of systematic analytical (social science research) methods to address questions about program operations and results.

or

Measurement plus Judgment!!

Performance Measurement is defined as:

- The routine measurement of program inputs, outputs, intermediate outcomes or longer-term outcomes attributed to a program.
- or
- Measurement plus Judgment!

Why measure performance???

- For program improvement/development
- For accountability to funders, sponsors
- For knowledge (theory) creation

Theory Underlying Program Evaluation Practice

- Evaluation and/or programmatic performance measurement of programs should be undertaken in order to improve the programs and their outcomes -- through providing useful and timely information about programs.
- So what about the use of the information for the exercise of accountability?

Current Drivers of Evaluation Practice in the U.S.

- Government
  - The Government Performance and Results Act and OMB's PART process at the federal level
  - "Managing for Results" initiatives in states and cities
- United Way
- Foundations
- Boards of directors of nonprofits
- Professionalized staff
- Evidence-Based Policy Movement
- Other Donors

PART Focus on Program Results

- PART stands for Program Assessment Rating Tool
- A set of about 30 questions addressing program design, management and results is to be answered with “Yes, “Large Extent”, “Small Extent,” or “No.”
- The questions include three on achievement of performance goals, one comparing program to other programs with similar purpose and goals, and one on effectiveness.

PART: Old wine in new bottles?

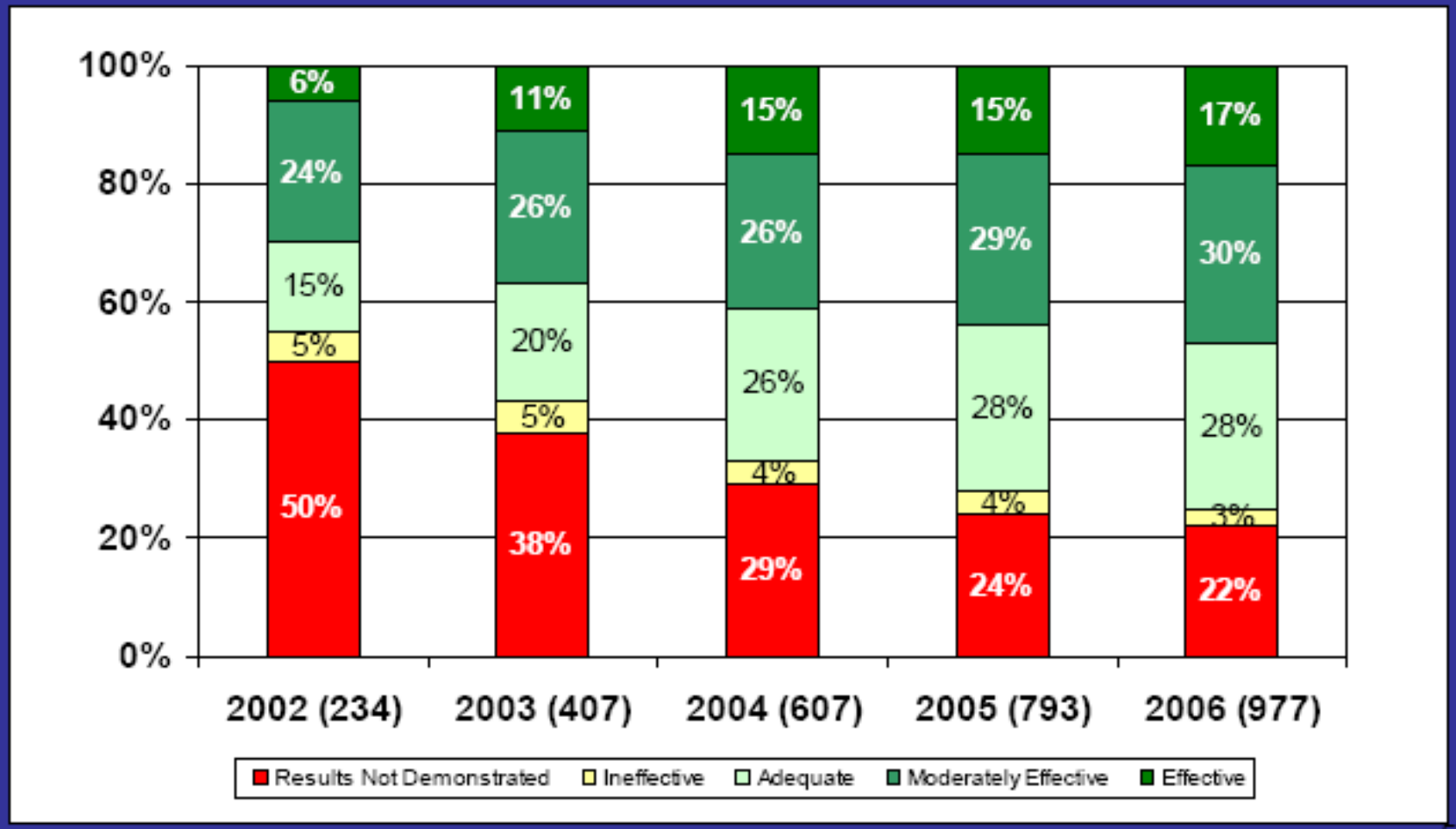
- The focus on program effectiveness by OMB examiners is not new
- What is new?
  - Transparency
  - Explicit quantitative assessments
  - Raising hard questions about the need for managerial and even legislative changes in program design
  - Explicit public attention to the need for rigorous methods to ascertain impact (The RCT push!), and more “hard evidence”

Key PART Question on Program Effectiveness

- Do **independent** evaluations of sufficient **scope** and **quality** indicate that the program is **effective** and achieving **results**? (question 4.5)

Where We Are Today

Distribution of Cumulative Ratings 2002 - 2006



Discussion of PART

- The PART process operates in a political environment--
  - Why is it not surprising that 28% (50% first year to 22% in 2006) of the programs parted thus far were deemed “ results not demonstrated?” i.e., failed to reject the null.
  - Why might it be difficult to conduct a mega-PART on a number of programs with seemingly similar goals that are offered in different federal agencies?
  - Why has the PART process not gained widespread Congressional buy-in to use in their budgetary deliberations?

What do the Agency Managers think about the PART Process?

- Initial skepticism
- Concern about inter-rater reliability (in giving PART scores)
- Concern about what constitutes rigorous methods and “hard evidence”
- Confusion on what exactly constitute “**independent** evaluations of **sufficient scope** and **quality**”

Table 1: Evaluation Office Staff Perceptions of Positive Consequences of the PART Process*

Programs have seen the value of using the PART process for their own internal information.

- Program managers see value in having the information from PART, which does identify program strengths and weaknesses
- The PART has been a useful self-assessment tool, since programs complete the answers themselves.
- PART has led program staff to engage in important discussions about program effectiveness.
- Although the program may disagree with PART results, there is value in having an OMB perspective on how the program is functioning.

*Exact question wording: What do you think have been positive consequences of OMB's use of the PART process?

Evaluation Office Staff Perceptions of Positive Consequences of the PART Process, Continued

PART has caused programs to function in a more strategic manner

- PART helps programs articulate their purpose and how their activities feed into the purpose.
- Program managers have begun to look at how and why their programs are justified.
- PART has resulted in an additional focus on strategic planning and performance planning.
- Budget staff are communicating more with both upper department management and program staff, resulting in an increase in general knowledge about program issues.

Table 2: Evaluation Office Staff Perceptions of Negative Consequences of the PART Process*

- The PART process creates a strain on resources to complete the assessment.
- The PART may not be as objective as it presumes to be.
- The PART process does not adequately judge or reward program improvement.
- PART may not help develop evaluation capacity.
- PART has increased the strain on relationships between OMB and agencies.

*Exact question wording: What do you think have been negative consequences of OMB's use of the PART process?

Pressures on Public and Nonprofit Managers to Measure Program Performance

Facilitating:

Internal Factors:

✰Executive Branch Initiatives

- Budget calls for non-financial performance measures
- President's Management Agenda 2001-present

✰Legislation

- Laws affecting all programs, e.g. Government Performance and Results Act
- Laws requiring performance measures for specific programs

Pressures from Environment:

✰Citizens Demands for Evidence of Program Results

✰Evidence-based Policy Movement

✰Success stories from other Jurisdictions and other Countries

✰Accounting Profession Use of Performance Auditing

Inhibiting:

Internal Factors:

✰Insufficient Authority and/or flexibility to Execute Needed Change

✰Mixed Signals from Legislative Committees of Use of Measures in budget Process

✰Multiple Calls for Measurement in Different Laws and Executive Directives

✰Complex Relationships among service Delivery/Regulatory Partners

✰Unclear Expectations about Use Performance Data

✰Unclear Expectations about Incentives/Punishment for Performance

Pressures from Environment:

✰Citizen Expectations of Clear Evidence of Program Results

✰Anxiety about Comparing Performance across Jurisdictions

✰Lack of Comparable, Reliable Data Collection across Jurisdictions

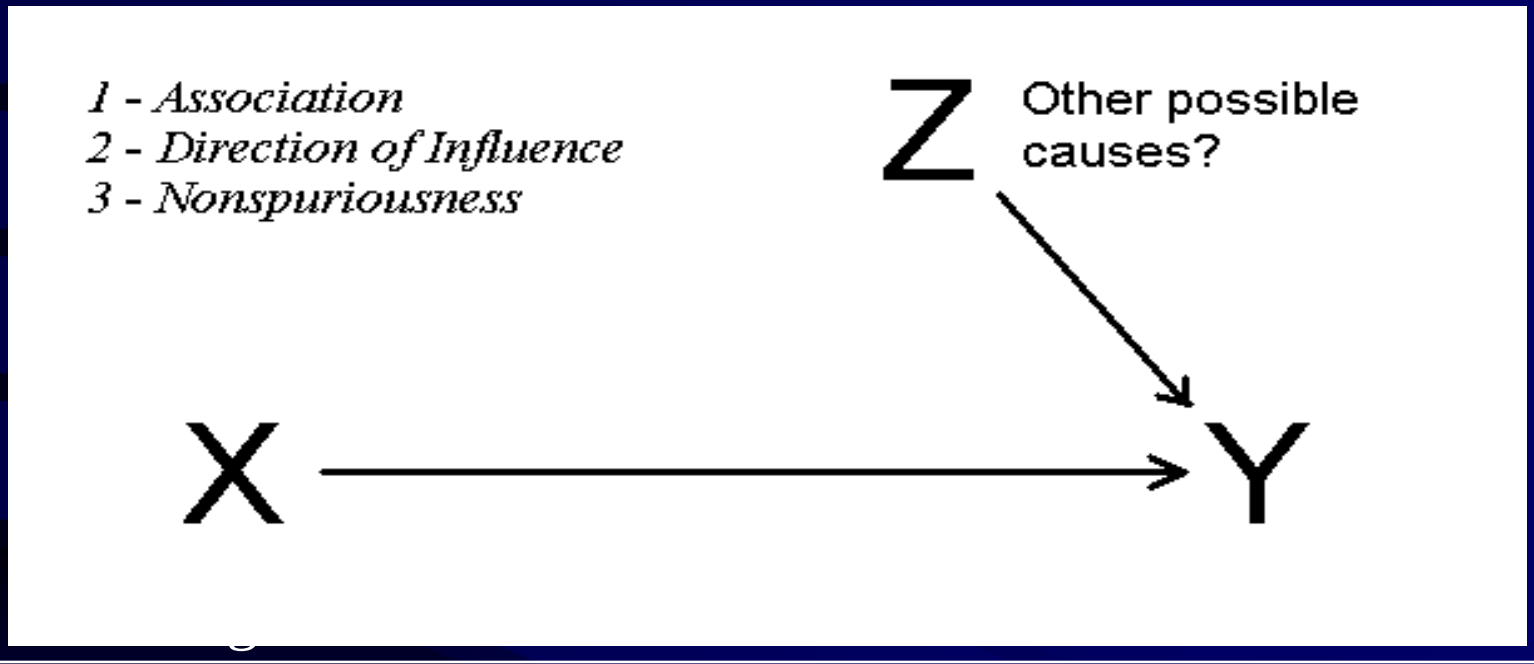
Consequences of Measurement?

- “Do you count what can be counted rather than what counts?” (Einstein)
- Is the rush to measure expanding our capacity or is capacity shaping measurement?
  - Are we adequately auditing validity and reliability of data?
- Are we interpreting the numbers out of context? (any systems thinking?)
- Are calls for “hard evidence of effectiveness” in some areas even within reason?
- What is the impact of setting targets?
  - Threshold effects?
  - Outputs distortion?
- What about rankings?
  - Validity of criteria?
  - Reliability of data used?

And What about the Measurement of Program Results?

- How might we set up adequate comparisons to rule out rival explanations for the results, or impacts, of programs?
- Is construction of counterfactuals even possible for some environmental programs?
- How do we make the case for plausible attribution, or even contribution?

Causal Inference or Plausible Attribution or Contribution?



3 Elements of Causal Inference

1. Temporal order 2. Co-Variation 3. Nonspuriousness

Consequences of Judgment?

- Are GPRA and PART requirements treated as “paperwork exercises”?
- What will OMB do post-Bush’s PMA (PART)?
- Is path dependency (in performance measurement) limiting incremental learning?
- What are the results of shame games?
- Is defensive gaming undercutting risk-taking?
- Is impression management increasing?

Lingering Issues

- The time and resources requirements of completing PART assessments!
- High expectations of “experimental” research (RCTs) to meet PART requirements!
- The resources requirements for completing outcome or impact evaluations!
- The need to meet accountability demands trumping real programmatic learning!