

# **Performance Report Scorecard:**

## ***Which Federal Agencies Inform the Public?***

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May 3, 2000

**MERCATUS CENTER**

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## Executive Summary

**Background:** The Government Performance and Results Act (GPRA) required federal agencies to produce their first performance reports by March 31, 2000. The purpose of these reports is to give Congress and the American people accurate, timely information that will let them assess the extent to which agencies are producing tangible public benefits. To help Congress assess this year's reports and help agencies improve the quality of next year's reports, a Mercatus Center research team evaluated the reports produced by the 24 agencies covered under the Chief Financial Officer (CFO) Act. The Mercatus team employed 12 criteria to answer three questions:

- Does the agency report its accomplishments in a transparent fashion?
- Does the report focus on documenting tangible public benefits the agency produced?
- Does the report show evidence of forward-looking leadership that uses performance information to devise strategies for improvement?

**Best reports:** The *U.S. Agency for International Development* performance report scored highest, followed closely by the *Department of Transportation* and *Department of Veterans' Affairs*.

**Reports most in need of improvement:** The *National Science Foundation's* report scored lowest. The *Departments of Commerce and Agriculture* rounded out the bottom three.

**Most common strengths:** The three things that many of the 24 agencies did best were (1) enunciate results-based goals, (2) make their reports accessible to the public, and (3) include baseline and trend data to put their performance measures in context.

**Most common weaknesses:** The three things the agencies tended to do worst were (1) supply cost data, (2) assess reliability of their data, and (3) demonstrate that agency actions actually made a difference in the performance measures. However, a few agencies did these well.

**Conclusion:** Government has the same degree of fiduciary responsibility to taxpayers that companies have to their shareholders. Agency reports should mirror standards required in the reports of Fortune 500 companies, which suffer severe penalties if they fail to report accurately and ethically to their shareholders. Some of the fiscal year 1999 reports show promise in this regard, but many fall short.

**The analysis, interpretations and conclusions in this study are solely those of the author and research team; they are not positions of the Mercatus Center or George Mason University.**

## Scorecard Summary and Ranking

	Trans- parency	Public Benefits	Leader- ship	Total	Rank
<b>U.S. Agency for International Development (USAID)</b>	18	16	18	52	<b>1</b>
<b>Department of Transportation (DOT)</b>	17	16	18	51	<b>2</b>
<b>Department of Veterans Affairs (VA)</b>	14	18	16	48	<b>3</b>
<b>Department of Education (ED)</b>	16	12	9	37	<b>4</b>
<b>Department of Labor (DOL)</b>	15	10	11	36	<b>5</b>
<b>Department of the Treasury (Treasury)</b>	14	10	12	36	<b>5</b>
<b>Department of Defense (DOD)</b>	14	9	11	34	<b>7</b>
<b>Social Security Administration (SSA)</b>	14	7	12	33	<b>8</b>
<b>General Services Administration (GSA)</b>	8	13	11	32	<b>9</b>
<b>Small Business Administration (SBA)</b>	13	8	11	32	<b>9</b>
<b>Department of the Interior (DOI)</b>	13	10	8	31	<b>11</b>
<b>Environmental Protection Agency (EPA)</b>	8	9	14	31	<b>11</b>
<b>Department of Housing and Urban Development (HUD)</b>	8	8	12	28	<b>13</b>
<b>Department of Energy (DOE)</b>	7	9	11	27	<b>14</b>
<b>National Aeronautics and Space Administration (NASA)</b>	8	8	11	27	<b>14</b>
<b>Office of Personnel Management (OPM)</b>	11	8	8	27	<b>14</b>
<b>Federal Emergency Management Agency (FEMA)</b>	7	10	8	25	<b>17</b>
<b>Nuclear Regulatory Commission (NRC)</b>	8	10	7	25	<b>17</b>
<b>Department of State (State)</b>	8	10	7	25	<b>17</b>
<b>Department of Health and Human Services (HHS)</b>	8	8	8	24	<b>20</b>
<b>Department of Justice (DOJ)</b>	8	5	10	23	<b>21</b>
<b>Department of Agriculture (USDA)</b>	7	9	6	22	<b>22</b>
<b>Department of Commerce (DOC)</b>	11	6	5	22	<b>22</b>
<b>National Science Foundation (NSF)</b>	9	7	5	21	<b>24</b>
<b>Average</b>	11.00	9.83	10.38	31.21	

**Ranking is from highest to lowest total score. Maximum possible score is 60.**

*Performance Report Scorecard: Which Federal Agencies Inform the Public?*  
Mercatus Center at George Mason University ~ www.mercatus.org ~ 5/3/2000

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## Project Description

Customers who walk into a store, restaurant, or gas station can usually figure out pretty quickly what they will get for their money. But how do citizens know what their government is producing, and how much they are paying for specific results?

The Government Performance and Results Act (GPRA) required federal agencies to produce their first performance reports by March 31, 2000. The purpose of these reports is to give Congress and the American people accurate, timely information that will let them assess the extent to which agencies are producing tangible public benefits.

Good reporting is a critical ingredient in achieving the legislation's broader goal of improved government performance. To help Congress assess this year's reports and help agencies improve the quality of next year's reports, a five-member research team at the Mercatus Center evaluated the reports produced by the 24 agencies covered under the Chief Financial Officers' Act. The research team was headed by the Hon. Maurice McTigue, QSO, a distinguished visiting scholar at the Mercatus Center, and Dr. Jerry Ellig, a senior research fellow at the Mercatus Center.<sup>1</sup> Dr. Tyler Cowen, general director of the Mercatus Center, served as advisory director for the study. Team members employed 12 criteria to answer three questions:

- Does the agency report its accomplishments in a transparent fashion?
- Does the report focus on documenting tangible public benefits the agency produced?

### *Project Advisory Panel*

In conducting this assessment, Mercatus benefited from the assistance of an advisory panel made up of experts in public management, corporate strategy, and communications. Advisory panel members reviewed the evaluation criteria, examined the research team's evaluation notes on individual agency reports, and provided feedback on this summary report. Panel members included:

John Fund, Editorial Writer  
*The Wall Street Journal*  
New York, NY

Dr. Thomas Kessler, Associate Director  
Center for Strategic Management  
Severna Park, MD

Susan King, Vice President, Public Affairs  
Carnegie Corporation of New York  
New York, NY

Dr. Thomas McWeeney, Executive Director  
Center for Strategic Management  
Severna Park, MD

Michael Rosenbaum, President and COO  
The Financial Relations Board/BSMG  
Worldwide  
Chicago, IL

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<sup>1</sup> We would like to thank Adolfo Laurenti and Daniele Schiffman for their extensive research support.

- Does the report show evidence of forward-looking leadership that uses performance information to devise strategies for improvement?

The purpose of this assessment is not to evaluate the quality of the results the agencies produced. Our goal is to ascertain how well the agency reports enunciate goals and measures that are based on results rather than activities.

### **Transparency**

Inherent in GPRA's reporting requirements is the principle that the reports should be accessible, readable, and useable by a wide variety of audiences, including Congress, the general public, the news media, stakeholders, and interest groups. Without a high degree of transparency in reporting, an agency's benefits to the community will remain secret to all but a few insiders.

### **Public Benefits**

The clear intent of GPRA is to focus on meaningful results produced for the community. To clearly demonstrate an agency's value to the public, each report should enunciate goals and measures focused on actual results. A result is the intended benefit produced or harm avoided for a particular set of clients or the public at large. In the past, goals and measures often emphasized activities, such as levels of effort, expenditures, or internal project milestones. This reporting practice implicitly assumed that activities automatically translate into results. Such an assumption can be incorrect for a wide variety of reasons. If the reporting process does not review actual results achieved, then it does not fulfill the intent of the Act to inform the public of the success or failure of government programs.

### **Forward-Looking Leadership**

Finally, each report ought to identify and offer solutions to major management challenges by putting forth a plan to improve policies and procedures in the next reporting cycle. Forward-looking leadership means that the agency uses the information in the performance report to identify solutions to perceived problems and change future plans to capitalize on opportunities for improvement.

### **Weighting the Evaluation Factors**

To report the results of this study as transparently as possible, the research team weighted the evaluation factors equally in calculating each agency's total score and rankings. Since the summary table reports scores for all three evaluation factors separately, readers who believe that one factor is more important than others can apply whatever weights they wish to the separate scores and recalculate rankings accordingly.

Also in the interest of transparency, all reports were evaluated against a common scale, even though different agency missions may make it inherently more difficult to develop result-oriented goals and measures or collect appropriate data. (The Department of Education, for example, depends heavily on cooperation from state governments to build a nationwide database tracking student achievement, whereas the Department of Defense faces no such handicap due to the inherently federal nature of its mission.) Given that fiscal 1999 was the first year performance reports were required, there is ample room for improvement. It will probably take a minimum of several years before the inherent nature of agency missions becomes the binding constraint that prevents some agencies from producing better performance reports.

### **Interpreting Our Findings**

The research team evaluated the quality of reporting, not the quality of results, so it would be a mistake to conclude that the agencies with the highest-scoring reports necessarily produced the best results. Ideally, an agency's report reflects more about its managers' capabilities than just their ability to write reports, but this hypothesis cannot be rejected without further investigation. It would also be inappropriate to draw policy conclusions from our inquiry; we offer no recommendations on whether the federal government should or should not be engaged in its current menu of activities.

So what do the findings in this study really mean? By assessing the quality of agency reports, we seek to ascertain which agencies are supplying the information that Congress and the public need to make informed funding and policy decisions.

An additional word on information quality is also in order. The research team assessed the quality of each report's verification and validation procedures, but in the interest of producing a timely study, we did not independently verify the performance information in each agency's report. Given the importance of accurate data for sensible decisions, we believe that verification and validation should be a high priority for agency Inspectors General, Congress, the General Accounting Office, and the Office of Management and Budget.

## Scoring the Reports: Criteria, Role Models and Bad Influences

When the Mercatus team assessed the reports, each agency had the opportunity to earn up to 20 points in each of the three categories, for a maximum score of 60 points. Each category included four equally weighted evaluation factors.

### TRANSPARENCY

#### 1. Is the report easily accessible and easily identified as the agency's Annual Performance Report?

Public accountability can only be served if members of the public can actually find out what the agency is doing for them. The annual report should be made accessible to the public, stakeholders, the media, and others at the agency's web site. The report should be filed as a stand-alone document and linked to the agency's home page – not buried in a monstrous document or rarely visited web site.

An agency's score on this criterion depended chiefly on whether the report was available on the agency's web site, how difficult it was for us to obtain a paper copy if it was not on the web site, and whether the report was clearly labeled as the fiscal year 1999 performance report.

**Role models:** *Department of Labor (DOL)* and *Office of Personnel Management (OPM)*. At the center of Labor's home page is a link to the "U.S. DOL Annual Report on Performance and Accountability for Fiscal Year 1999." Similarly, a link to OPM's report was at the very top of its home page in the headlines section (labeled FY 1999 Annual Performance Report.)

**Bad influences:** Even some of the better reports, such as the one produced by the *Department of Veterans' Affairs (VA)*, could not be found on the web. In some cases, we obtained agency reports only after repeated phone calls. The *Department of Energy's (DOE)* report is on the department's web site, but it is hard to find and not labeled as the performance report. Only GPRA groupies are likely to identify it as the performance report -- after they waded through its pages.

#### 2. Is the report easy for a layperson to read and understand?

Style and language should allow a non-specialist to grasp significant information quickly. It should read more like a corporate annual report than an internal memo. Key elements for scoring purposes include clarity of text, absence of jargon and acronyms, sentence and paragraph structure, general organization, and use of visual features like graphics, tables, and headings.

**Role model:** *Agency for International Development (USAID)*. The report contains a massive amount of detail for those who are interested, but it is easy to pick out the highlights without having to read all of the text. Use of consistent headings, sidebars, tables and charts makes this report easy to scan. For example, a reader interested in finding out where performance goals were exceeded need only look for a boldfaced heading in each section titled “Achievement Beyond Fiscal Year 1999 Plan Levels.” Similar headings indicate where the reader can find information on goals that were met, goals that were not met, proposed actions to remedy unmet goals, and revisions to next year’s performance plan that are based on lessons learned from this performance report. Readers interested in only a few countries can easily search for them in the hard copy, since country names are always boldfaced in the text. Clarity and relative lack of jargon make the report understandable to readers who are not specialists in foreign aid.

**Bad influences:** The *Department of Agriculture (USDA)* served up more than 600 pages of technical, acronym-laden discussion. The *Department of Commerce (DOC)* produced only 180 pages of similar quality text, but also included poorly designed tables that confuse more than enlighten. The *Department of Health and Human Services (HHS)* offers access to complete information on 750 performance measures – far too many to give most readers a comprehensible overview of the agency’s accomplishments. *NASA*’s performance measure discussion puzzled us all with technical language such as “Studies found that the recovery of sensorimotor postural control [after flight] strongly implicates disrupted processing of otolith inputs....”

### 3. Are the performance data reliable, credible, and verifiable?

The report should discuss data quality and verification/validation procedures and should provide a summary of the Inspector General’s report. Outside audits of are desirable. People outside the agency should be able to access and check the data.

**Role model:** *Department of Education (ED)*. Discussion of validation procedures, data limitations and use of outside sources was thorough and comprehensive. It is clear that although many data are not of the best quality, the department is aware of this and working to improve. For example, because the federal government accounts for a small fraction of expenditures on K-12 education, states have a primary role, and the department must secure their cooperation in order to have consistent national data. The department offers a series of strategies and goals to develop new databases, improve data quality, and ensure unqualified (clean) financial audits.

**Bad influences:** There are two principal types of problems – complete omission and lack of verification. The *National Aeronautics and Space Administration (NASA)* cites no data sources and offers no discussion of data quality. All *Department of Justice (DOJ)* data sources are acronyms indicating internal databases, with no discussion of verification.

#### **4. Did the agency provide baseline and trend data to put its performance measures in context?**

Performance information is meaningless unless it is easily tracked over several years. To assign scores under this criterion, we considered both the presence and quality of baseline and trend data.

Many measures are new and therefore lack baselines. In some cases, proper measures have *just* been identified and systems have not been established to provide the necessary data. These circumstances should be explicitly stated in the report.

**Role model:** *Department of Defense (DOD)*. Report includes three years of actual data in addition to goals of each program for the next three years, thus painting a clear picture of progress or lack thereof.

**Bad influences:** The *National Science Foundation (NSF)* develops no baselines or trends whatsoever, and many of its fiscal 1999 performance measures include the results of the entire past 30 years of activity. The *Environmental Protection Agency (EPA)* reports some data from past years, but the method of presentation makes it difficult or impossible to gauge progress over time.

### **BENEFITS TO THE COMMUNITY**

#### **5. Are the goals and objectives stated as results?**

A “result goal” is defined as the intended benefit (or harm avoided) due to the agency’s programs or activities. All goals should also clearly be of value to the community. Activity measures, such as number of participants in a particular program or completion of a study, may contribute to achievement of a result but do not constitute results of interest to the public at large.

**Role model:** *Department of Transportation (DOT)*. All five strategic goals are result-based.

### **Department of Transportation's Strategic Goals**

**Safety-** Promote the public health and safety by working toward the elimination of transportation-related deaths, injuries, and property damage.

**Mobility-** Shape America's future by ensuring a transportation system that is accessible, integrated, efficient, and offers flexibility of choices.

**Economic growth and trade-** Advance America's economic growth and competitiveness domestically and internationally through efficient and flexible transportation.

**Human and natural environment-** Protect and enhance communities and the natural environment affected by transportation.

**National security-** Advance the nation's vital security interests in support of national strategies such as the National Security Strategy and National Drug Control Strategy by ensuring that the transportation system is secure and available for defense mobility and that our borders are safe from illegal intrusion.

**Bad influences:** Agencies often offer a mixture of activity and result goals. It is not clear whether activity goals are offered out of desperation to find something measurable, or because the report's authors do not understand the difference between activities and results. For example, two of five of the *Department of Energy's* strategic goals are clearly activities: "Support U.S. energy, environmental, and economic interests in global markets," and "Carry out information collection, analysis, and research that will facilitate development of informed positions on long-term energy supply and use alternatives." The frustrating aspect of such examples is that it should not have been too difficult to identify the ultimate results the department seeks to achieve through these means, and then express the goal in terms of results rather than activities. Without such thought, the department may remain wedded to a set of activities even if they fail to produce the unarticulated but implicitly intended results.

### **6. Are the performance measures focused on results or activities?**

Direct measures, surrogate measures and indicators should tell whether or not intended results were achieved. For instance, if the goal is to reduce suffering from disease, a direct measure would be a detailed accounting of costs in time, money and "quality of life;" a surrogate measure might be a nationwide study that included physicians' assessments of severity; and an indicator would be incidence of the disease. None are perfect but all deal with results.

Data measuring activities, funding, or effort do not usually qualify as results, unless the agency makes a compelling and documented case that there is a tight link between activity and

achievement of results. For the disease example, inappropriate measures would include the number of treatment centers, dollars spent on treatment or number of hotline phone calls. All of these may contribute to the result but do not in and of themselves show a reduction of suffering from disease.

**Role model:** *Department of Transportation.* Not all performance measures are results, but the majority of measures for most goals are.

<b>DOT Strategic Goal</b>	<b>Examples of Performance Measures</b>
Safety	Fatality and injury rates for all highway traffic, trucks, airlines, railroads, public transit, recreational boaters, maritime workers, etc.
Mobility	Highway pavement condition, highway congestion, runway pavement condition, aviation delay, all weather access to airports, Amtrak and transit ridership, transportation accessibility.
Economic Growth	Flight route flexibility, Great Lakes winter navigation, openness of international aviation markets.
Environment	Energy efficiency, wetland protection and recovery, aircraft noise exposure, fisheries protection.
National Security	Aviation security, sealift capacity, mariner availability, military readiness, percent of illegal drugs interdicted.

**Bad influences:** Many agencies measure virtually nothing but activities, including the *Small Business Administration, Department of the Interior, Environmental Protection Agency, and Department of Health and Human Services.* *NASA* focuses so much on internal project milestones that its measures may not be of use to anyone outside the agency. Example: “Conduct Remotely Piloted Aircraft (RPA) demonstrations to validate the capability for science missions of greater than 4 hours duration in remote deployments to areas such as the polar regions above 55,000 feet.” All but a few indicators at the *Department of Justice* track internal activities, such as prosecutions, training, investigations, sales of seized property, prisoners or victims assisted, and reinvention labs sponsored.

**7. Does the agency demonstrate that its actions have actually made a significant contribution toward its stated goals?**

Does the report make a case that there is a clear cause/effect relationship between the agency’s work and results valued by the public? It should be obvious to the layman that the agency’s programs influence results in a positive way. Additionally, the agency should not take credit for

other positive influences. For example, if traffic fatalities fell because everyone decided to stay home, then the Department of Transportation would not deserve credit for the drop in fatalities.

**Role model:** *Agency for International Development.* USAID's report explains the agency's contribution to results that were achieved in particular cases, and it specifically acknowledges the role played by other factors. The report (p. ix) notes, "While USAID plays an important role in achieving the high-level development goals set in the FY99 Annual Performance Plan, not all changes can be attributed to USAID. The efforts of host country governments assisted by the donor community will be critical to success in reaching those goals. The global economy and the absence of natural disasters will also heavily influence success." The report attempts to identify specific initiatives that came to fruition, such as the nation of Senegal's legislation prohibiting female genital mutilation, which was enacted in response to a pilot citizen mobilization and education program supported by USAID.

**Bad influences:** Even when they could cite improvements in results, most agencies failed to demonstrate that their actions made the difference. Some, such as the *Department of Education*, make a strong case that their actions influence the results they measure. However, the department made little effort to explain other factors that could affect results or determine what portion of the results were due to the department's initiatives. The *National Science Foundation's* report tends to assume that if NSF gave money to bright scholars who produced scientific breakthroughs, then NSF funding must have caused (or at least contributed to) the scholars' achievements. The *Small Business Administration* offers no evidence that its clients are any more successful than similar small businesses that do not receive SBA assistance.

## 8. Did the agency link its goals and results to costs?

Performance budgeting is in the pilot stage, so little is expected in the first annual reports. In addition, the Office of Management and Budget did not explicitly require agencies to include cost information in their performance reports. Nevertheless, we included this factor in order to give credit to agencies that took the initiative to include cost information in highly useful and informative ways. For example, an agency could show the quantity of funding or other resources that are allocated to each of its major results-based goals, or it might report the cost per unit of some more specific performance measure.

**Role model:** *Department of Veterans' Affairs.* A set of charts juxtaposes personnel and costs by program area against the performance measures relevant to each program area. Some sections include even more detail, such as cost per pension claim, administrative costs per beneficiary of VA educational programs, administrative costs per housing loan, and percent of medical care operating budget derived from non-appropriated revenue streams. These kinds of information help the reader understand what we pay per unit of the VA's results.

**Bad influences:** Most reports simply fail to offer any discussion of costs, even for agencies that engage in a substantial volume of financial transactions. For example, the *Small Business Administration's* report contained no discussion of risk, cost of capital, and similar factors that are crucial to the financial performance of an agency that makes a substantial volume of loans.

## FORWARD-LOOKING LEADERSHIP

### 9. Does the report show how the agency's results will make this country a better place to live?

The report should make a solid case for the agency's value and create excitement about the challenges and opportunities ahead – regardless of actual past performance.

**Role model:** *Department of Transportation.* The effect of DOT on the national transportation system, and the resulting effect on Americans' quality of life, is explained well. The biggest factor contributing to this success is the way that the strategic goals are written. Each goal identifies a broad result that is of interest to citizens, then briefly describes the means DOT will employ to affect that result. This pattern of "We will accomplish X by means of Y" naturally promotes an understanding of how the performance measures – including the activity-based ones – affect people's lives.

**Bad influences:** Many agencies seem to assume that they do not need to prove that their results are valuable to the average citizen. Several, such as the *Department of Energy* and *Department of Justice*, emphasize what "the department" is doing, rather than what citizens are getting. Both *NASA* and the *National Science Foundation* asserted that advancements in science benefit citizens, but they presented only limited anecdotal evidence. Not even the *Nuclear Regulatory Commission (NRC)*, whose job is to help prevent nuclear accidents, explicitly demonstrated that its actions made this country a better place to live.

### 10. Does the agency explain failures to achieve targets outlined in its strategic plan?

If an agency cannot identify reasons for failure, it is not learning from the performance information contained in the report. While unrealistic goals should be revised downward, they should not be changed to make current performance look better. Achievable but challenging goals should be the intention. Barriers to progress should be labeled as such, and efforts should be made to remove them.

**Role model:** *Agency for International Development.* Discussion of results in other countries provides explanations when targets were not met. Examples include explanations of the effects of the Asian financial crisis on Indonesian economic growth, effects of natural disasters in Latin America and the Caribbean, and public health effects of depleted Haitian stocks of oral

rehydration salts and vitamin A (which donors other than USAID supply). When objectives went unmet in at least some countries, the report includes a section explicitly labeled “Planned Actions for Unmet Fiscal Year 1999 Targets.”

**Bad influences:** Most disturbing is the tendency to avoid discussion of failure to achieve goals by avoiding the reporting of failure altogether. The *Department of Commerce* Defined a goal as “met” if performance came within 10 percent of the target level and “substantially met” if performance exceeded 67 percent of the target level. External reviewers utilized by the *National Science Foundation* were permitted to classify NSF programs as “successful” or “marginally effective”; “unsuccessful” was not an option. In the *Office of Personnel Management’s* report, performance measures that fail to meet goals but exceed the level of performance in 1998 are classified as “progress” rather than “not met.” The *Nuclear Regulatory Commission* virtually guaranteed that few failures would be reported by selecting “no increase” in hazards and “zero disasters” as its most common goals.

## 11. Does the report identify major management challenges?

Most agencies have a few obstacles that impair their ability to achieve success in all programs and activities, such as obtaining clean financial audits from the Inspector General. The General Accounting Office and the agencies’ own Inspectors General have identified many of these challenges. These issues should be addressed somewhere in the report, even if the agency does not explicitly list them.

**Role models:** *Agency for International Development, Department of Veterans’ Affairs, and Department of Transportation.* All of their reports contain thorough discussions of management challenges raised by the General Accounting Office and Inspectors General. DOT even lists the management challenges in a separate index.

**Bad influences:** There are no egregious examples of abuse. The worst cases are simply sins of omission; many reports contain no mention of major management challenges at all.

## 12. Does it describe changes in policies or procedures to do better next year?

This is, after all, the first full cycle of the Act, and the changes it prescribes in the way government does business are very difficult to implement. But the whole idea is to gather information that informs future action – and to use it. Is it evident that knowledge gained from this process is actually being used to make decisions on future activities and priorities?

**Role model:** *Department of Transportation.* This report is quite forward-looking. Changes to improve individual measures are evident throughout. Overall design and the decision to combine

this report with the 2001 strategic plan facilitated continuation of the results discussion in each section. The discussion of each measure includes fiscal year 1999 results, projected performance in 2000, and strategies and initiatives to achieve goals in 2001. Headings clearly mark these items in each section. Plenty of new ideas are presented.

**Bad influences:** The most common problem is reports that are completely backward looking, with no indication that the agency is learning anything that would alter future plans. Reports of this type include those from the *Departments of Interior, State, and Commerce*.

# Appendix: Evaluation Summaries

# U.S. Agency for International Development (USAID)

## EVALUATION SUMMARY

Transparency:	18	
Public Benefits:	16	Min. score per category = 4 (Max. = 20)
Leadership:	18	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>52</b>	

### Transparency

- Report is posted on agency web site and clearly labeled.
- Use of headings, sidebars, tables and charts makes report easy to scan.
- Understandable to readers who are not specialists in foreign aid.
- All data sources were clearly cited so that readers can verify information on their own.
- Report provides baseline data for comparison and supplies “projected 1999” figures when 1998 data are the most recent available.

### Public Benefits

- Five of seven strategic goals are results.
- Most measures are result measures, with the exception of measures tied to one of the activity-oriented goals.
- Report explains contribution of USAID in particular cases, and it specifically acknowledges the role played by other governments. It avoids taking credit for results that were produced primarily by other parties’ decisions rather than USAID activities.
- Expenditures were classified by strategic goal, so the reader can actually match expenditures with reported results.
- No discussion of cost-effectiveness of expenditures.

### Leadership

- Report explains in layman’s terms how USAID affects economic growth in other countries. Explanations of how this affects the American public are provided under each strategic goal and in a separate summary section.
- Discussion of results in other countries provides explanations when targets were not met and discusses what USAID plans to do differently as a result.
- Discussion of management-oriented measures does not clearly identify problems.
- Report contains thorough discussion of management challenges identified by the General Accounting Office and its own Inspector General.
- Agency does not hesitate to criticize its own initiatives and discuss failures.

# Department of Transportation (DOT)

## EVALUATION SUMMARY

Transparency:	17	
Public Benefits:	16	Min. score per category = 4 (Max. = 20)
Leadership:	18	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>51</b>	

### Transparency

- Report was announced at a press conference and was easily to obtained from DOT, but we could not find it on the department's web site.
- Well-organized and easy to understand.
- Discussion of data quality is a model for other agencies to follow. Each measure's scope, source, limitations, statistical issues, verification and validation procedures are covered.
- Trend data were presented as far back as 5-10 years.

### Public Benefits

- All five strategic goals are results-oriented.
- Most measures are results-oriented.
- Report recognizes external factors that affect results but does not isolate influence that can be attributed to DOT.
- Report shows fiscal year 1999 and estimated 2000 and 2001 spending, allocated both by sub-unit and by strategic goal.

### Leadership

- Effect of DOT on national transportation system, and the resulting effect on Americans' quality of life, is well documented.
- Failures to meet strategic goal targets were discussed and explained. Agency was less forthcoming in regard to failures in the section discussing management strategy.
- Major management challenges are discussed and even listed in a separate index.
- Report presents many ideas for change in response to information on actual results achieved in 1999.

# Department of Veterans Affairs (VA)

## EVALUATION SUMMARY

Transparency:	14	
Public Benefits:	18	Min. score per category = 4 (Max. = 20)
Leadership:	16	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>48</b>	

### Transparency

- Report was not found on VA's web site.
- Language is understandable, but inconsistency in formatting and numbering of headings and performance goals caused confusion.
- Data sources and validation methods are provided for each performance goal.
- Several years' worth of data (sometimes as many as five years' worth) places each measure in context.

### Public Benefits

- All but a few objectives focus directly on the well being of veterans or of the U.S. as a whole.
- With very few exceptions, VA chose measures that are meaningful and tied directly to results.
- The financial highlights page (showing costs by program area), measures of cost per patient and "percent of medical care operating budget derived from alternative revenue streams" help the reader understand what we pay for the VA's results.
- Incorporation of information on unfunded liabilities is a fine example of fiduciary responsibility.

### Leadership

- Report never takes the spotlight off of its veteran constituency long enough to focus on benefits to the rest of the public.
- When targets were not achieved, the report gives plausible explanations and describes remedial actions.
- Frank and thorough discussion of management problems was provided, including problems identified by the General Accounting Office and VA's Inspector General.
  - Report sometimes describes future plans for improvement, sometimes not.

# Department of Education (ED)

## EVALUATION SUMMARY

Transparency:	16	
Public Benefits:	12	Min. score per category = 4 (Max. = 20)
Leadership:	9	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>37</b>	

### Transparency

- Report is posted on the web in a user-friendly format and clearly labeled.
- Highly readable due to organization, format, use of graphs and definition of acronyms.
- Discussion of validation procedures, data limitations and use of outside sources was all quite good. It is clear that although many data are not of the best quality, the department is aware of this and working to improve.
- Treatment of baselines and trends is a model for other agencies to follow. Several years' worth of data are given, and baselines are clearly distinguished from goals.

### Public Benefits

- Most goals and objectives are results.
- Most measures focus on results.
- Report makes a strong case that the department influences the results it measures, but makes little effort to explain other factors that could affect results or determine how much of the results were due to ED initiatives.
- No discussion linking results to costs.

### Leadership

- Report does not convincingly attribute positive results to ED programs.
- Failures to meet goals are not explained, but followed by lengthy discussions of ED programs that may or may not have an effect on the measured goal.
- A few major management challenges are discussed.
- Report suggests that ED uses results information in its planning, but it is not clear if this has affected departmental performance yet.

# Department of Labor (DOL)

## EVALUATION SUMMARY

Transparency:	15	
Public Benefits:	10	Min. score per category = 4 (Max. = 20)
Leadership:	11	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>36</b>	

### Transparency

- At the center of the department's home page is a link to the: "U.S. DOL Annual Report on Performance and Accountability for Fiscal Year 1999."
- Organization is clear and simple. Acronyms are kept to a minimum, and generous use of graphics make this report very easy to read.
- Most data come from internal sources, and no statement attesting to data quality was offered.
- Baselines are identified for new measures and plenty of historical data are presented in an effective manner (including outstanding graphics), making progress easy to follow.

### Public Benefits

- About half of the department's goals are results; the rest are activities.
- Some measures are very focused on results, while others just count heads, documents or meaningless facts.
- Where the report's authors choose to show that the department's actions have affected measured performance, they do a good job. But such discussion is often missing.
- No discussion of costs.

### Leadership

- Secretary's letter makes a case that DOL improves the American worker's quality of life, but the rest of the document did little to support this claim.
- Explanation of failures is clear in a discussion of individual goals relegated to an appendix. In the main document, it is hard to tell what succeeded and what failed.
- No discussion of major management challenges.
- Several discussions of future plans and challenges make good use of information contained in the performance measures.

# Department of the Treasury (Treasury)

## EVALUATION SUMMARY

Transparency:	14	
Public Benefits:	10	Min. score per category = 4 (Max. = 20)
Leadership:	12	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>36</b>	

### Transparency

- Report is easy to find on the web and clearly identified.
- Easy to read, but hard to understand due to the paucity of actual result measures.
- Appendix explaining data sources provides confidence that data are fairly reliable; much data is from sources outside the Treasury. However, there is little or no explicit discussion of verification procedures.
- Some measures include previous year's data, but many baselines are being developed.

### Public Benefits

- The department-wide goals and objectives are generally results, except for “management” part of mission, which is activity.
- Measured “performance goals” are usually measures of inputs and activities, not results. Ancillary data presented as “trends” unintentionally provides some insight into results.
- Performance measurement for the financial management goals is the main bright spot. Development of IRS customer satisfaction baselines is a plus that should improve the quality of reporting in future years.
- Report lists programs intended to affect results, but provides no evidence of causality.
- Virtually no discussion of costs. Cost data reported by the U.S. Mint and Bureau of Engraving and Printing are the sole islands of excellence in this regard.

### Leadership

- Department-wide goals affect Americans' quality of life, but this link is not made explicitly and has to be inferred.
- Failures to meet targets are almost always explained.
- Report mentions major management challenges but offers little depth.
- Information is used to support future planning only to the extent that Treasury says it will increase activity or ask for more resources to address areas where performance falls short of goals.

# Department of Defense (DOD)

## EVALUATION SUMMARY

Transparency:	14	
Public Benefits:	9	Min. score per category = 4 (Max. = 20)
Leadership:	11	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>34</b>	

### Transparency

- Report is posted on the web, but hard to find and not labeled.
- Charts, diagrams, brevity, and integration of information on all four branches of the armed forces was helpful. However, the report was larded with unexplained military acronyms and terminology.
- There are detailed descriptions of internal verification procedures, and some descriptions of external verification as well.
- Report includes three years of actual data in addition to goals of each program for the next three years, thus painting a clear picture of progress or lack thereof.

### Public Benefits

- Goals are stated as results, but many objectives are not.
- Most measures are activities. Actual results achieved through military action appear to have no place in the report.
- Report does not establish clear link between DOD activities and extent to which Americans are actually more protected.
- No information tells the reader what the reported results cost, although some good data are presented in relation to some infrastructure cost reduction goals.

### Leadership

- Report's introduction starts with strong statements suggesting the potential for DOD to affect the life of every American, but report does not substantiate this claim.
- Explanations of failures to achieve goals were weak; operations in Bosnia usually received blame for reductions in readiness elsewhere.
- Little discussion of major management challenges.
- Information gathered on 1999 performance seems to have little effect on future plans.

# Social Security Administration (SSA)

## EVALUATION SUMMARY

Transparency:	14	
Public Benefits:	7	Min. score per category = 4 (Max. = 20)
Leadership:	12	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>33</b>	

### Transparency

- Report is posted on the web but may be hard to find, because it is labeled “Accountability Report for Fiscal 1999.”
- Clarity, brevity, organization and definition of acronyms all show concern for the non-specialist reader, though the report contains an excessive amount of jargon.
- All data are from internal sources, with minimal discussion of external checks.
- Numerical data are generally shown for several consecutive years in easy-to-read tables.

### Public Benefits

- Goals of improving service and public understanding of retirement security issues are result-oriented, but all others are activities.
- Customer service measures are all results-based; others are mixed but activities dominate.
- Report largely assumes that administering existing programs is sufficient to accomplish mission to “help protect aged Americans against the loss of income due to retirement.”
- No discussion linking results to costs.

### Leadership

- Agency’s vision largely consists of delivering checks accurately and quickly, with no explanation of why this is the most crucial thing the agency can do to advance its mission.
- Most failures were explained. No discussion of how success/failure on 59 performance goals adds up to success/failure on five strategic goals.
- No discussion of major management challenges, other than fraud in the disability program.
- While they did an excellent job of explaining changes and were quick to discard meaningless measures, SSA could be more innovative and aggressive in using the information to analyze and support policy changes.

# General Services Administration (GSA)

## EVALUATION SUMMARY

Transparency:	8	
Public Benefits:	13	Min. score per category = 4 (Max. = 20)
Leadership:	11	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>32</b>	

### Transparency

- Report was not on the agency's web site.
- Easy to read and understand at performance goal level, but higher-level strategic goals, which were needed to tie performance goals together, were unclear.
- Only two of the four units – Public Buildings Service (PBS) and Federal Technology Service (FTS) – addressed data quality issues. Neither attested to its reliability, though, and source information is very limited.
- Except for the PBS unit, trend data are difficult to understand and often of limited relevance.

### Public Benefits

- Strategic goals are activities, and they are not measured.
- Most performance goals are result-oriented. Result-oriented performance goals have result-oriented measures.
- Report somewhat makes the case that GSA actions actually contributed to achievement of goals.
- Each unit had significant and appropriate financial goals.

### Leadership

- Appeal to federal customers is strong. How GSA results improve the well being of citizens/taxpayers is not really addressed.
- PBS and the Office of Governmentwide Policy explained failures to meet goals, but the other two GSA units did not.
- Little discussion of major management challenges.
- Report includes discussion of changes to improve performance next year.

# Small Business Administration (SBA)

## EVALUATION SUMMARY

Transparency:	13	
Public Benefits:	8	Min. score per category = 4 (Max. = 20)
Leadership:	11	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>32</b>	

### Transparency

- Report is on the web and not hard to find.
- Generally clear, but goals are not well defined and many acronyms are not explained.
- Little discussion of data quality.
- Several years' worth of trend data were furnished for all indicators.

### Public Benefits

- Only one goal is result-based, and objectives derived from that goal are result-based.
- Most performance measures are activities, not results.
- No evidence that SBA clients are more successful than similar small businesses that do not receive SBA assistance.
- Virtually no discussion of costs – especially surprising in an agency for which loans are its primary activity.

### Leadership

- SBA claims it benefits small business, but fails to explain how this helps the average American.
- Report explained failures to meet goals for individual indicators, but failed to explain the implications for whether broader strategic goals were met.
- Management challenges identified by SBA's Inspector General were discussed.
- Some discussion of changes motivated by performance information.

# Department of the Interior (DOI)

## EVALUATION SUMMARY

Transparency:	13	
Public Benefits:	10	Min. score per category = 4 (Max. = 20)
Leadership:	8	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>31</b>	

### Transparency

- Report is easily found on the web.
- Primary focus is on describing what the department does rather than what results it achieved. It is easy to understand, though.
- Readers interested in data quality are referred to another document that provides a thorough discussion indicating that the department lacks confidence in its data.
- Where data are presented, there is information on trends.

### Public Benefits

- Most of the departmental strategic goals are result-oriented and each of the eight bureaus has a clear mission.
- Most numbers in the report measure activities, not results.
- Since the report does not link DOI's activities with results, the reader cannot determine whether DOI has been successful or not.
- Information on costs appears sporadically.

### Leadership

- The introduction to the report presents a strong case that DOI makes this country a better place to live.
- No discussion of failures.
- A small amount of discussion deals with a few major management challenges.
- Report is completely backward looking, with no indication that 1999 performance information will affect future plans or activities.

# Environmental Protection Agency (EPA)

## EVALUATION SUMMARY

Transparency:	8	
Public Benefits:	9	Min. score per category = 4 (Max. = 20)
Leadership:	14	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>31</b>	

### Transparency

- Report is posted on agency's web site but not easily found.
- Technical language and acronyms are generally avoided, but report is still hard to understand due to large quantity of text and poor organization.
- Very little discussion of data quality, and no data sources are cited.
- Baseline/trend data are not presented in a way that facilitates comparison with 1999 results.

### Public Benefits

- Most of the goals are results.
- Only 25 percent of performance measures are results.
- Report fails to demonstrate EPA's impact on its goals, because most of the performance measures are activities whose effects on results are not explained.
- No costs are discussed, even though the report claims EPA has now established a Planning, Budgeting, Analysis, and Accountability System.

### Leadership

- EPA has many results-based goals but has trouble explaining how its activities affect them.
- Most failures to achieve targets were explained in an appendix.
- Significant management challenges are discussed.
- Report places heavy emphasis on long-term goals and performance improvement.

# Department of Housing and Urban Development (HUD)

## EVALUATION SUMMARY

Transparency:	8	
Public Benefits:	8	Min. score per category = 4 (Max. = 20)
Leadership:	12	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>28</b>	

### Transparency

- Report was not found on HUD's web site.
- Performance indicators are not enumerated, acronyms are not always defined, details are not supported with background information and graphics are non-existent.
- Data sources are not mentioned, and occasional comments suggest that HUD has qualms about data quality.
- Trend data are often shown, but could have been better presented.

### Public Benefits

- Strategic goals and objectives are mostly result-based.
- Most performance measures are activities, and the few result-oriented ones are hard to understand.
- No evidence that HUD's activities actually help achieve its goals.
- Results not linked to costs.

### Leadership

- Report language assumes that the reader is already familiar with HUD and that HUD's contribution to Americans' quality of life is obvious.
- Analysis of each performance indicator explained failures, but failures to meet goals were sometimes blamed on poor data.
- Report devotes an entire section to major organizational challenges.
- Report discusses ideas for improvement, but suggests no major changes.

# Department of Energy (DOE)

## EVALUATION SUMMARY

Transparency:	7	
Public Benefits:	9	Min. score per category = 4 (Max. = 20)
Leadership:	11	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>27</b>	

### Transparency

- Report is on the department's web site. It is hard to find, however, and not labeled as the performance report. Only GPRAs are likely to identify it as the performance report, after they find it and read it.
- Much of the report was quite readable, but the best information on results was hidden in a separate "Detailed Performance Results" section that was much more difficult to follow.
- No data sources were given, and there is no discussion of data quality.
- No baseline or trend data.

### Public Benefits

- Five strategic goals are all activities. Some lower-level objectives are results.
- Most measures focus on activities, such as publications, proposals, and reviews.
- Report cites examples in which departmental actions have helped achieve its goals, but this kind of discussion is sporadic.
- A few scattered references to dollar cost figures are included, but there is no systematic analysis of costs.

### Leadership

- Report describes what "the department" is doing, not what citizens are getting.
- Failures are explained only in the hard-to-follow "Detailed Performance Results" section.
- Major management challenges are discussed.
- The only improvements for the future discussed are activity improvements.

# National Aeronautics and Space Administration (NASA)

## EVALUATION SUMMARY

Transparency:	8	
Public Benefits:	8	Min. score per category = 4 (Max. = 20)
Leadership:	11	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>27</b>	

### Transparency

- Report is hidden in an “other reports” section of the CFO’s web page.
- Language is heavily technical, especially in sections covering performance results.
- No data sources mentioned, and no discussion of data quality.
- Baseline data occasionally presented, but NASA’s goals do not lend themselves to such analysis, as they are expressed in terms such as use, document, analyze, set up, enable, complete, demonstrate, produce, initiate, perform, deploy, provide, establish, transfer, etc.

### Public Benefits

- Only one major area, Aerospace Technology Enterprise, has clear result goals.
- Not only are the performance measures all activities, but they are also far too specific to be of interest to anyone outside the agency.
- The nature of NASA’s work implies that the agency will have a strong influence on objectives it chooses to pursue. Even so, some of the connections appear tenuous.
- Some discussion of efforts to improve cost efficiency, but no discussion of what specific achievements cost.

### Leadership

- Report simply assumes that knowledge is good for its own sake, with few attempts to link new knowledge with improved quality of life.
- Failure to achieve targets is explained, but targets are so activity-oriented that success or failure may not matter much.
- Some discussion of major management challenges.
- It is impossible to determine from this report if the agency is using GPRA and performance information to drive improvements.

# Office of Personnel Management (OPM)

## EVALUATION SUMMARY

Transparency:	11	
Public Benefits:	8	Min. score per category = 4 (Max. = 20)
Leadership:	8	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>27</b>	

### Transparency

- The report was at the very top of OPM's home page (in the headlines section) and labeled "FY 1999 Annual Performance Report."
- Executive summary lacked substance, not enough acronyms were defined, use of the legend was overdone, table formats were inconsistent, and there was a confusing switch of major goals and priorities at the beginning of the report.
- With such heavy emphasis on survey results as indicators, more should have been done to ensure their validity.
- Trend data from previous years were provided where available.

### Public Benefits

- At the agency level, strategic goals don't focus very well on results. At the office level, goals articulate benefits that will result from the activities.
- The sole result measures were customer satisfaction surveys, which were not explained satisfactorily.
- Effect of agency's activities on its goals is difficult to judge, because the report first states strategic goals, then offers a different set of "cross-cutting priorities" that frame much of the discussion.
- Virtually no discussion of costs.

### Leadership

- Report fails to link OPM's role in the federal government to citizens' quality of life.
- Report avoids the need to explain failures to achieve goals by classifying any results showing improvement over 1998 as "progress" rather than "not met."
- Sole major management challenge discussed involves audits of financial management by the Inspector General's office.
- Since no agency-wide goals fell into the "unmet" category, there were few opportunities to discuss improvement. However, offices within the agency present ideas for new goals and follow-up.

# Federal Emergency Management Agency (FEMA)

## EVALUATION SUMMARY

Transparency:	7	
Public Benefits:	10	Min. score per category = 4 (Max. = 20)
Leadership:	8	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>25</b>	

### Transparency

- Report could not be found on FEMA's web site.
- Opening section reads well and sets a great tone. Main section documenting performance is loaded with "insider-speak" and looks like an internal planning document.
- No sources are given and no explanations offered for how data are obtained and verified.
- Baselines were referred to but not displayed.

### Public Benefits

- The three agency-wide goals are results. Objectives falling under those goals are a mix of results and activities.
- Some measures were activities; others were results.
- Anecdotes and the nature of many performance indicators suggest that FEMA's activities have an impact on measured performance.
- Costs rarely discussed.

### Leadership

- Director James Lee Witt's letter and the highlights section make a case that FEMA's major activities benefit the American people. More specific result measures are often not closely linked, though in some cases it is intuitively obvious that an improvement in a measure would translate into better quality of life.
- Failures to achieve goals are usually explained, but exceedingly briefly.
- No major management challenges identified.
- Occasional, overly brief mentions of changes proposed to improve performance next year.

# Nuclear Regulatory Commission (NRC)

## EVALUATION SUMMARY

Transparency:	8	
Public Benefits:	10	Min. score per category = 4 (Max. = 20)
Leadership:	7	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>25</b>	

### Transparency

- Report was not found at the NRC website and was somewhat difficult to obtain.
- Several miscellaneous documents inserted at the front of the report added confusion.
- With the exception of Abnormal Occurrence reports, NRC's lack of discussion of data quality is disappointing in light of the potential public safety ramifications of inaccurate data.
- Few trends/baselines were provided, and most of these were zeroes (not meaningful).

### Public Benefits

- All four strategic goals are result-based, and most performance goals are results.
- Most measures are results-based.
- No case is made that NRC actions help achieve the enunciated goals.
- No discussion of costs.

### Leadership

- No explanation of how the NRC makes this country a better place to live – despite an obvious opportunity to do so.
- The commission guaranteed that few failures would be reported by selecting “no increase” in hazards and “zero disasters” as its most common goals.
- Major management challenges are not identified.
- An appendix on program evaluations and self-assessments has some interesting ideas for future improvements.

# Department of State (State)

## EVALUATION SUMMARY

Transparency:	8	
Public Benefits:	10	Min. score per category = 4 (Max. = 20)
Leadership:	7	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>25</b>	

### Transparency

- Report could not be found on the department's web site.
- Most real information is buried in an "Annex" that is complex and larded with unexplained acronyms.
- Sources were given for all indicators, but often in acronyms only decipherable by insiders.
- Baselines were usually established as written descriptions for which it is impossible to imagine trends.

### Public Benefits

- Most strategic goals are result-based. Except for the Diplomatic Readiness area, performance goals are all activities.
- Measures are a mix of activities and results.
- Data in report fail to demonstrate a particular level of performance, or whether that performance has actually furthered departmental goals.
- No discussion of links between results and costs.

### Leadership

- Definition of U.S. interests and articulation of strategic goals are good enough to help Americans understand why the department exists.
- No adequate explanations of failures to achieve targets.
- Little discussion of major management challenges, except in Diplomatic Readiness section.
- No discussion of future plans or improvements.

# Department of Health and Human Services (HHS)

## EVALUATION SUMMARY

Transparency:	8	
Public Benefits:	8	Min. score per category = 4 (Max. = 20)
Leadership:	8	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>24</b>	

### Transparency

- Document on HHS web site is labeled “FY 2001 Performance Plan and Performance Report Summary.”
- Complete information on 750 performance measures can only be obtained by going to other documents.
- This report was written for insiders. 10-15 percent of the report was incomprehensible to a Mercatus reviewer who has 15 years of experience in policy analysis.
- No data sources or verification methods were mentioned, and the report indicates that HHS has little confidence in its own data.
- Some baseline data were provided, but time periods used as baselines varied widely.

### Public Benefits

- Most of HHS’s strategic goals are clear, positive and results-oriented. But program initiatives state vaguely what efforts support the initiative and don’t even establish goals.
- Almost all measures are activities.
- Report draws no conclusion about success in a single program area or for any of the department’s strategic goals.
- Virtually no discussion of link between results and costs.

### Leadership

- Link from HHS activities to quality of life is not well documented.
- Failures to achieve targets were not really explained.
- Various major management challenges were briefly addressed by assertions that the problem had been fixed or that HHS was looking into it.
- New goals were discussed throughout the report, but none seemed to indicate departure from traditional practices.

# Department of Justice (DOJ)

## EVALUATION SUMMARY

Transparency:	8	
Public Benefits:	5	Min. score per category = 4 (Max. = 20)
Leadership:	10	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>23</b>	

### Transparency

- Report is posted on web site but hard to find, because it is labeled “Fiscal Year 1999 Annual Accountability Report” (instead of performance report).
- Tedious reading with lots of insufficiently explained acronyms and tables.
- All data sources are acronyms indicating internal databases, with no discussion of verification.
- For most indicators, '97 and '98 data are supplied. In some cases, though, the trend is not clear, so additional data and/or discussion are needed.

### Public Benefits

- Strategic goals for two functions are result-based.
- All but a few indicators track internal activities, such as prosecutions, training, investigations, sales of seized property, prisoners or victims assisted and reinvention labs sponsored.
- Even after reading this report, one has no idea how much of an impact DOJ had on the problems it is trying to solve or whether they are more or less effective than they were a year ago.
- There is no reference to any cost-benefit analysis for any of the activities described in the report.

### Leadership

- The report is focused inward – not on Americans’ safety, freedom and access to dispute resolution, but on “the diverse activities and major accomplishments of” the DOJ.
- Most failures to meet targets are characterized as “insignificant” shortfalls.
- Numerous management challenges were addressed throughout this report. Highlight of DOJ prosecutor and civil litigator misconduct investigations by the Office of the Inspector General is commendable.
- Some changes are proposed for individual programs, but there is no innovation in the big picture.

# Department of Agriculture (USDA)

## EVALUATION SUMMARY

Transparency:	7	
Public Benefits:	9	Min. score per category = 4 (Max. = 20)
Leadership:	6	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>22</b>	

### Transparency

- Report was not on the web and not easily obtained.
- Consists of more than 600 pages of technical, acronym-laden discussion.
- Overall, information on data sources was inadequate and little confidence in accuracy was expressed or implied.
- The only decent data on trends were presented in highly technical reports on individual agency goals.

### Public Benefits

- Half of the departmental strategic goals are results. Treatment of goals at lower levels is not consistent.
- Majority of measures are activities.
- Descriptions of activity with no conclusive evidence of success for any single program offer the reader no chance of determining whether any of them (alone or in combination) resulted in achievement of the department's goals.
- Prominent displays of "USDA Resources Dedicated to this Goal" in both dollars and staff years at the very beginning of discussions on each of the department's three basic goals is a good start. This should be extended to components and depicted at each level.

### Leadership

- Instead of explaining how it makes the U.S. a better place to live, USDA serves up a litany of programs with little unifying vision.
- USDA appears to consider its results disappointing but offers no explanation of why.
- Management challenges are mentioned, but not discussed very thoroughly.
- Report identifies many things that should be changed, then declines to offer ideas for improvement.

# Department of Commerce (DOC)

## EVALUATION SUMMARY

Transparency:	11	
Public Benefits:	6	Min. score per category = 4 (Max. = 20)
Leadership:	5	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>22</b>	

### Transparency

- Report is on the web, but hard to find.
- Slim chance that many people will read its 180 pages laden with undefined acronyms, technical jargon, and poorly designed tables.
- Discussion of verification and validation for each measure includes source, frequency, baseline, form of storage and method of verification.
- Most measures are new, so no trends are shown prior to 1998.

### Public Benefits

- Mixture of result and activity goals.
- All measures are activity-based except for Economics and Statistics Administration and National Oceanic and Atmospheric Administration.
- No demonstration that the departments' activities further its goals – largely because there is no attempt to integrate goals of 10 different bureaus.
- Results were not linked to costs.

### Leadership

- No vision or explanation of how the department improves Americans' quality of life.
- Avoided classifying anything as a failure by defining a goal as “met” if performance came within 10 percent of the target level and “substantially met” if performance exceeded 67 percent of the target level.
- Solutions to major management problems are listed but not explained.
- Report is entirely backward looking.

# National Science Foundation (NSF)

## EVALUATION SUMMARY

Transparency:	9	
Public Benefits:	7	Min. score per category = 4 (Max. = 20)
Leadership:	5	Min. total score = 12 (Max. = 60)
<b>TOTAL:</b>	<b>21</b>	

### Transparency

- Report is on the web and relatively easy to locate.
- Organization and formatting are thoroughly confusing.
- Evaluation through external review could be a strong point, but not enough information is furnished for readers to evaluate the quality of the process.
- No attempt to compare results to those for previous years or establish any type of baseline.

### Public Benefits

- Relatively few goals focus on results.
- Committee pass/fail votes on vaguely defined goal attainment do not qualify as measures. The few measures appearing in this report are of activities.
- There are just a few good examples suggesting that NSF makes a difference in citizens' lives.
- Results are not linked to costs.

### Leadership

- The report frequently asserts that scientific discovery is important to our lives, promises to show this, and then doesn't.
- The problem of coping with failure was largely avoided by restricting evaluations to "successful" or "marginally effective."
- Major management challenges were not discussed.
- The choices NSF made in establishing goals and measures virtually preclude use of the information to identify opportunities for improvement.



## **About Mercatus**

The Mercatus Center at George Mason University is an education, research, and outreach organization that works with scholars, policy experts, and government officials to bridge academic theory and real-world practice.

Mercatus ("mer-KAY-tus") is the Latin term used to describe the bustling activity associated with markets, trade, and commerce. A Latin name is fitting because in classical society, the world of action and the world of learning were unified. In addition, Roman thought emphasized the fallibility of man and the need for competitive dialogue. Mercatus seeks to foster this dialogue and to highlight the dynamic experimentation and innovation that are essential features of the market process.

Mercatus' ongoing Public Sector Leadership project is the result of research and analysis of the Government Performance and Results Act (GPRA) implementation process, begun after discussions with officials at the Office of Management and Budget (OMB) and Vice President Gore's National Partnership for Reinventing Government (NPR). Mercatus has consulted with over 40 different agencies – meeting with both cabinet secretaries and middle managers – and carefully examined the many opportunities GPRA has to offer and the tremendous opportunity for positive change the act presents for the federal government.



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