

How Federal Programs Use Outcome Information Opportunities for Federal Managers

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Summary of Findings

Here we identify three major overarching findings of this work. We continue by discussing problems in identifying examples of use, and we conclude with observations.

Many Federal Programs Have Already Made Use of Regularly Collected Outcome Data to Help Them Improve Their Programs

Do federal agencies collect outcome data solely to respond to reporting requirements? This report indicates that by no means is this universally the case. The last section of this report, "Federal Program Examples," presents the 16 individual federal programs we examined and their uses of outcome data to help them improve their programs.

We found examples of use of outcome information in all three *categories of federal programs* we examined: programs that provide services directly to ultimate customers (whether citizens or businesses); programs that provide indirect services by working through other levels of government or other organizations that, in turn, provide service to the ultimate customers; and regulatory programs. (See Table 2 for more detail. Table 1 lists our categorizations for each example.) Our small group of examples indicates that considerable potential exists for the use of regularly collected outcome information in all three categories.

The examples of use include a range of *program sizes*—small, medium, and large—and describe applications of outcome information in terms of the likely effects of the use. Whether small or large, all the uses described appear to be ones likely to be ultimately beneficial to the public. Even managers of small federal programs can make a difference, and they should be encouraged to make use of the outcome data on their programs.

Some of the examples involve *field offices/facilities*. Outcome information has been passed down to local offices for their use in their decision making or to motivate local offices to improve outcomes. Usually the data provided to the local field offices include data on other similar offices, thus also providing a motivational effect for field offices to keep up with, or exceed, the outcomes of their peers. See examples 15 (Internal Revenue Service) and 13 (Supplemental Security Income).

Federal Managers Have Used Outcome Data in a Variety of Ways

Federal managers reported using outcome data in numerous ways. Federal managers we interviewed often identified three or more uses of outcome data for a single program. Table 2 provides a summary of the types of uses we found, along with an identification of the particular examples in Table 1.

Table 2: Uses of Outcome Information by Federal Agencies

The numbers after each use correspond to the program numbers summarized in Table 1. The uses identified in the examples do not always map cleanly into these use categories. Some overlap exists among these categories.

Trigger Corrective Action	<ul style="list-style-type: none"> • Identify problem areas and modify service provision/operational practices (present in numerous examples) • Identify root causes of problems and develop action plans to address them (1, 15) • Trigger enforcement activities (5, 8, 11) • Identify grantee technical assistance and compliance assistance needs (2, 3, 4, 8, 11) • Develop training or guidelines for regulated entities (14) • Identify staff training needs and provide training (10) • Reduce or de-fund poor performers (grantees or contractors) (4) • Require grantees to provide corrective action plans (5, 8) • Evaluate the extent to which changes in practices and policies have led to improvements in outcomes (9, 13) • Identify the need for policy or legislative changes (4, 13) • Identify underserved "client" groups (4)
Identify and Encourage "Best Practices"	<ul style="list-style-type: none"> • Identify successful grantee practices (4, 8) • Disseminate good practices information (4, 8)
Motivate	<ul style="list-style-type: none"> • Motivate staff (present in numerous examples) • Develop employee performance agreements (16) • Use as basis for "How are we doing?" meetings (4, 6, 7, 10, 16) • Recognize and reward high-performing federal offices or employees (12, 13, 16) • Recognize and reward high-performing grantees or regulated entities (2, 8) • Motivate grantees or regulated entities (2, 3, 4, 8, 11)
Plan and Budget	<ul style="list-style-type: none"> • Allocate resources and set priorities (1, 2, 5, 8, 11, 16) • Develop plans and set targets (9, 15) • Justify requests for funds (1, 3, 10) • Determine grantee funding (3) • Inform budget projections (2)

We believe the uses discussed in this report are just the tip of the iceberg. Many of these examples may appear to be routine and obvious—hardly earthshaking. But that is the point. As outcome information increasingly becomes routinely available to federal program managers, they are likely to use the information routinely in their decisions, such as to help them allocate their inevitably limited resources.

A few of our examples include use of outcome data not only *in aggregate form* but also for *individual cases*. For example, in the Occupational Safety & Health Administration (OSHA) and Supplemental Security Income (SSI) examples, the outcome data are reported by individual employer or claimant. Department of Housing and Urban Development (HUD) housing assessment data are provided for individual public housing authorities. When important problems are found in these particular cases, federal employees can subsequently take action to correct those problems, as indicated in those examples.

Many Obstacles to Outcome Data Use Do Indeed Exist

Although our findings on use of outcome data are encouraging, obstacles exist to the use of outcome data. Here we identify four major types of obstacles. "Recommendations to Federal Program Managers," the next section, provides suggestions for alleviating many of these obstacles and problems in outcome data use.

Lack of Authority or Interest to Make Changes

We have frequently heard the view that federal program managers and their staffs have little authority to make changes or interest to do so. Obviously, upper level officials in the executive branch and Congress have considerably more and broader authority. In effect, program managers have only delegated authority. They, of course, must act within their (and the department lawyers') interpretations of their program's legislative wording and their perceptions of what executive branch and congressional leaders want. Seldom are the limitations of their authority fully fleshed out. The incentives for program managers tend to be to walk cautiously and not upset applecarts.

Nevertheless, we believe that the examples presented here make a real case that program managers have sufficient responsibility, if not the actual authority, to make many changes. They may not have sole authority to make changes; they may need the approval of upper level government officials to make certain types of change. Nevertheless, the program manager has a major role in identifying and implementing such improvements.

Limited Understanding of Use of Outcome Data

It was difficult for many program managers to identify uses of outcome data for this report because they did not appear to recognize that they were using these data. Similarly, it appears that at least some managers may not be aware of the variety of ways in which they can use outcome data, or which particular data can be used for specific purposes. We hope the examples provided in this report help address this.

Outcome Data Problems

Outcome data use is sometimes limited by data problems:

- Some data are old by the time they reach program managers; data that are two or three years old do not have the currency program managers usually need to react.
- Even if the outcome data are not "old," the timing at which the data become available may not appear to permit certain uses. For example, decisions on continuation grants due at the end of a federal program year may need to be made before outcome data are available for that program year.
- Some of the data may not be broken out in sufficient detail to be useful to particular program managers.
- Some data may not be sufficiently specific to particular federal programs; the data may be about issues that primarily provide information for higher level use. The data collected may be on a much broader scale than that needed by the program. For example, national samples may be obtained that do not provide the detailed data needed by specific programs.
- Many federal programs, such as those that work through other levels of government, require long periods of time before they can be expected to yield the major outcomes sought. Other data on intermediate outcomes are also needed to provide program managers with actionable information in the short term.

Fear of "Rocking the Boat"

Reluctance to make changes works against use of outcome information. This can be caused by the program's, or upper management's, fear of rocking the boat or being perceived as running an ineffective program.

Problems in Identifying Examples of Use

We found that it was not always easy to get people to identify their internal use of outcome data. In our discussions with agency personnel about their programs (including personnel from programs that we have not included in this report), it was difficult for them to identify ways they used outcome data, beyond responding to upper level requirements to submit the data. We believe this was due to one of these factors:

- They actually have not been using the data.
- They have used the data but do not recognize that they have used it.

There are probably several reasons for the latter. It is common sense to use available outcome information as feedback on programs to help make decisions about those programs. Managers may do this unconsciously, and such uses may not come to mind when they are asked how they use outcome information. And because outcome data are only part of the information managers consider before taking action, they may not recall the role that the outcome information played.

Another reason for not recognizing the use of outcome information is that, in some cases, programs use too narrow a view as to what can be labeled an outcome. This tends to occur in situations in which the program considered an indicator as being an "output" when it could legitimately be considered as an "intermediate outcome." An example is that of the Food and Drug Administration (FDA). It labeled a key performance indicator—"length of time to approve (or reject) prescription drugs"—for which data have been frequently used by the administration to make program adjustments, as an output. However, because the length of time is of considerable importance to citizens who might be helped by using the drug, it can legitimately be considered an intermediate outcome indicator.

Observation

We believe that the examples in "Federal Program Examples" touch only the surface of the numerous uses commonly being made by federal program managers of regularly collected outcome information.

But even this modest effort captured a rich variety of uses. The types of uses shown in "Uses of Outcome Information by Federal Agencies" provide examples that cover a great variety of ways that federal program managers can use outcome information to better manage and ultimately improve services to the public.

Recommendations to Federal Program Managers

In this section we identify three major areas for action. Each includes a number of action steps that federal program managers should consider to increase the use, and usefulness, of the outcome information they receive. Recommendations 1 through 6 focus on making data more useful to managers. Some of these actions need to be implemented by those who provide outcome data to program managers. Program managers may want to request that these actions be adopted to make data more useful to them. Recommendations 7 and 8 focus on providing guidance or training to encourage greater use of outcome information. These actions generally need to be undertaken by higher level managers in an agency. Recommendations 9 through 17 are examples of widely applicable uses of outcome information that can be made by federal program managers.

Make Outcome Data More Useful

1. Consider the uses presented in Table 2.

Assess the extent to which each is applicable, in some version, to the outcome information collected for your program. Implement those uses if you are not already using outcome information this way.

As noted previously, even managers of small federal programs can make a difference. Be encouraged to make use of the outcome data relating to your programs.

2. Break out (disaggregate) the outcome information you receive by important customer and service characteristics, if that is not already being done.

Consider breakout categories of customers such as geographical location, age, gender, income group,

race/ethnicity, educational level, and household size. Consider service characteristics breakouts such as by specific office, facility, or other managerial units (so each manager and supervisor has outcome data specific to his or her area of responsibility), and by the type and/or amount of service provided (so you can identify which are leading to successful outcomes and which are not).

The resulting information can be used in many ways, particularly in identifying problem areas and allocating resources to improve the outcomes for customer groups whose outcomes lag behind other groups. See examples 14 (Coast Guard) and 4 (Rehabilitation Services Administration).

Regulatory agencies may similarly use breakout information to identify types of regulated entities or geographic areas with poorer outcomes in order to focus their efforts on these poorer performers. See examples 5 (EPA's Office of Air and Radiation) and 11 (Occupational Safety and Health).

A key element in effective use of outcome information is to continually ask why differences occur and then assess whether actions can be taken to improve results.

3. Request reasonably frequent outcome reports (at least quarterly, for example).

This permits program personnel to spot problems earlier, pursue special studies to identify the reasons for the shortfalls, and suggest improvements.

4. Seek data that are timely.

Try not to settle for reports on outcomes that are delayed unduly. Develop procedures to obtain outcome information more quickly after the period for which the data are being reported. Timely feedback is likely to be more useful to programs and gives the program personnel a greater sense of being able to affect outcomes. Advances in information technology (IT) should increasingly help programs speed up collection and analysis of outcome data, and improve the data's quality and timeliness.

5. Present outcome data in user-friendly forms.

For example, include bar charts or other graphic presentations in addition to, or in place of, data tables or spreadsheets. User-friendly presentations help managers identify good or poor performance, or spot variations in performance among different client groups or geographic regions. Such presentations make it more likely that managers or other staff will actually use the data.

6. Include data from previous time periods (such as the last year or two) in outcome information reports.

This enables managers to see trends in outcomes over time, which helps them identify where outcomes are declining and what action may be needed.

Provide Help to Staff to Encourage Greater Use

7. Develop guidance materials on the use of outcome information.

Guidance materials might provide agency- or program-specific examples of ways managers and staff can use outcome information routinely collected by that agency or program. Guidance materials could be developed in the form of manuals (see example 6—EPA's Office of Enforcement and Compliance Assurance), computer-based material, or memos from higher level administrators. Consider identifying categories of common management decisions and linking them to specific outcome information that can be used to guide managers in making those decisions.

8. Provide training in uses of outcome information for managers and other staff who can use outcome information.

This could be incorporated in training routinely provided for new managers and staff. Training for long-standing staff and managers could be offered in the form of workshops or seminars focused on outcome data use.

Adapt Widely Applicable Uses of Outcome Information

9. Hold regular "How are we doing?" sessions with staff soon after each outcome report becomes available.

Discuss what appears to be working well and not so well, and seek suggestions for improvements. In later sessions, identify whether the improvement actions led to the desired improvements in outcomes. See examples 4 (Rehabilitation Services Administration) and 10 (National Park Service).

10. Identify and reward offices, grantees, and facilities with good outcomes.

These might include offices or grantees that continue, over multiple reporting periods, to meet or exceed their outcome targets. Recognition of such achievements can serve as a reward, especially if other forms of reward are not possible.

11. Develop grant allocation guidelines that reward improved performance.

See example 8 (Public and Indian Housing).

12. Use the outcome data to help identify successful ("best") practices within the agency or on the part of grantees or regulated facilities.

Promulgate those successful practices to other offices, grantees, and facilities. See examples 8 (Public and Indian Housing) and 4 (Rehabilitation Services Administration).

13. Use outcome data to help identify common problems and, if possible, solutions.

See examples 15 (Internal Revenue Service) and 8 (Public and Indian Housing).

14. Include a question at the end of regularly used survey questionnaires that asks respondents to provide suggestions for improving the service.

This applies to programs that survey clients (whether these "clients" are other organizations through which services are delivered to the end clients, or are the end clients themselves). Use that information as another input into your program decisions.

15. Use outcome information to assess whether a new program or procedure is working well.

See example 9 (Bureau of Land Management). Similarly, use outcome information to determine the extent to which changes in practices and policies have led to improved outcomes. See example 13 (Supplemental Security Income).

16. Use outcome information to identify needs for training for staff or technical assistance for grantees.

See examples 8 (Public and Indian Housing), 10 (National Park Service), and 4 (Rehabilitation Services Administration).

17. Use outcome information to help prioritize use of resources.

This use can be appropriate to improve programs or offices whose outcomes are lower than others or to address "underserved" client groups. See examples 5 (EPA's Office of Air and Radiation), 8 (Public and Indian Housing), and 11 (Occupational Safety and Health).

Summary

Many, if not most, of the uses that program managers make of outcome information are not as "glamorous" as large-scale changes made by upper level government officials (whether departmental, White House, or congressional). The uses made by programs tend to be "lower level" and of smaller scale. *Nevertheless, program managers can take actions that are substantive and important to the clients and the outcomes of their programs.* Program managers can make a difference, as illustrated in the examples that follow.

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