

## 2ND ANNUAL PERFORMANCE REPORT SCORECARD:

*Which Federal Agencies Inform the Public?*

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MAY 16, 2001

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DISTRIBUTION STATEMENT A:  
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20010927 117

AQM01-12-2544

# EXECUTIVE SUMMARY

Federal agencies' annual performance reports should give Congress and the public accurate, timely information documenting the tangible public benefits the agencies produce. The Bush administration has indicated that it will begin using agency performance information later this year when making budget decisions for fiscal year 2003. Researchers at the Mercatus Center conducted our second annual evaluation of the reports produced by the 24 agencies covered under the Chief Financial Officers Act, employing the same criteria to evaluate the fiscal year 2000 performance reports that we employed to evaluate the fiscal year 1999 reports. Our scorecard continues to address three questions:

- Does the agency report its accomplishments in a transparent fashion that makes accomplishments and problems clear?
- 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?

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.

**BEST REPORTS:** For fiscal 2000, the Department of Veterans Affairs performance report scored highest, followed closely by the Department of Transportation. The fiscal 2000 report of the U.S. Agency for International Development ranked third, down from first place in fiscal 1999.

**REPORTS MOST IN NEED OF IMPROVEMENT:** Of the 23 agencies that released reports by April 27, the National Aeronautics and Space Administration's report scored lowest. The Department of Health and Human Services and Nuclear Regulatory Commission rounded out the bottom three. The Department of Agriculture released its report on May 1, more than a month after the statutory deadline and too late to be included in our analysis.

**MOST IMPROVED REPORTS:** The National Science Foundation exhibited the most improvement since last year, jumping from last place in fiscal 1999 to sixth in fiscal 2000. The Department of Justice showed the next largest improvement, rising from 21st place to fifth.

**MOST COMMON STRENGTHS:** (1) Readability of the reports, (2) clear articulation of results-based goals, and (3) discussion of major management challenges.

**MOST COMMON WEAKNESSES:** (1) Failure to make reports accessible to the public, (2) failure to demonstrate a cause and effect relationship between the agency's action and observed outcomes, and (3) failure to link performance data to costs. Notwithstanding these common weaknesses, a number of agencies did well on these three attributes.

**MODEST BUT WIDESPREAD IMPROVEMENT:** The average score was approximately 5 percent higher for the fiscal 2000 reports than for fiscal 1999 reports, in spite of the fact that scoring was more stringent. More than half of the reports scored higher in fiscal 2000 than in fiscal 1999.

# SCORECARD SUMMARY AND RANKING FOR FISCAL 2000

RANKING IS FROM HIGHEST TO LOWEST TOTAL SCORE.  
MAXIMUM POSSIBLE SCORE IS 60.

	Transparency	Public Benefits	Leadership	Total	Rank
Veterans	16	15	18	49	1
DOT	16	16	15	47	2
USAID	16	13	14	43	3
Labor	15	11	14	40	4
Justice	12	13	13	38	5
EPA	13	9	15	37	6
NSF	13	10	14	37	6
GSA	10	14	12	36	8
SBA	10	12	14	36	8
HUD	10	13	12	35	10
Energy	10	12	13	35	10
Interior	12	9	12	33	12
Treasury	10	12	10	32	13
State	11	9	10	30	14
DOC	9	10	11	30	14
FEMA	10	8	11	29	16
Education	7	11	10	28	17
Defense	12	8	7	27	18
SSA	11	8	7	26	19
OPM	9	6	10	25	20
NRC	8	8	6	22	21
HHS	7	8	6	21	22
NASA	5	6	7	18	23
USDA	Not evaluated (late)				24
Average	10.96	10.48	11.35	32.78	
Median	10	10	12	33	

# COMPARISON OF FISCAL 1999 AND FISCAL 2000 SCORES AND RANKINGS

	Total	Rank	99 Rank	Rank Change	99 Score	Score Change
<b>Veterans</b>	49	1	3	+2	48	+1
<b>DOT</b>	47	2	2	0	51	-4
<b>USAID</b>	43	3	1	-2	52	-9
<b>Labor</b>	40	4	5	+1	36	+4
<b>Justice</b>	38	5	21	+16	23	+15
<b>EPA</b>	37	6	11	+5	31	+6
<b>NSF</b>	37	6	24	+18	21	+16
<b>GSA</b>	36	8	9	+1	32	+4
<b>SBA</b>	36	8	9	+1	32	+4
<b>HUD</b>	35	10	13	+3	28	+7
<b>Energy</b>	35	10	14	+4	27	+8
<b>Interior</b>	33	12	11	-1	31	+2
<b>Treasury</b>	32	13	5	-8	36	-4
<b>State</b>	30	14	17	+3	25	+5
<b>DOC</b>	30	14	22	+8	22	+8
<b>FEMA</b>	29	16	17	+1	25	+4
<b>Education</b>	28	17	4	-13	37	-9
<b>Defense</b>	27	18	7	-11	34	-7
<b>SSA</b>	26	19	8	-11	33	-7
<b>OPM</b>	25	20	14	-6	27	-2
<b>NRC</b>	22	21	17	-3	25	-3
<b>HHS</b>	21	22	20	-2	24	-3
<b>NASA</b>	18	23	14	-9	27	-9
<b>USDA</b>	N/A	24	22	-2	22	N/A
Average	32.78				31.21	
Median	33				29.5	

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# INTRODUCTION

For several years, federal agencies have developed strategic plans, performance plans, and (most recently) performance reports to explain what they are trying to accomplish, identify performance measures, and report on their results. The upcoming fiscal year will see the next logical step as policymakers start to take account of performance information when they make budget decisions.

President Bush's fiscal year 2002 budget proposal calls upon the federal government to produce better results for citizens by enhancing accountability for dollars raised and dollars spent. Later this year, the administration will begin using information on agency performance to establish fiscal year 2003 budgets for a selected set of programs.<sup>1</sup> Performance-based budgeting means that money will be allocated not just on the basis of perceived needs and policy priorities, but also according to the federal government's ability to effectively address those needs and priorities. A desire to accomplish a goal or solve a problem will no longer be enough; program proponents will have to demonstrate that the programs they advocate can actually accomplish their goals.

For performance budgeting to work, performance information must be transparent, accessible, and reliable. The Government Performance and Results Act requires federal agencies to produce annual performance reports. 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. In line with expectations under the legislation, agencies published their first reports (for fiscal year 1999) in March 2000. Their reports for fiscal year 2000 were due on March 31, 2001 (April 9 if combined with the fiscal year 2002 Annual Performance Plan).

While the goal of public agencies is community benefit rather than private profit, government performance reports should meet or exceed the standards for transparency and disclosure established by the best annual reports produced by publicly-held corporations. A well-crafted corporate annual report provides a comprehensive, concise, accurate, and reliable assessment of the company's operating and financial performance. Effective accountability in public service requires that government present a comprehensive, concise, accurate, and reliable assessment of the benefits it created for the public and the full cost of producing those benefits. Equipped with such information, the administration and Congress can allocate federal resources in ways that continually advances government's contribution to citizens' quality of life.<sup>2</sup>

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<sup>1</sup>Office of Management and Budget, Budget for Fiscal Year 2002-1. Improving Government Performance, available at <http://www.whitehouse.gov/omb/budget/fy2002/bud01.html>.

<sup>2</sup>The Mercatus Center has developed a seven-step process, called "Outcome-Based Scrutiny," that provides a framework for comparing the results and costs of programs with similar objectives and assessing the likely impact of reallocating resources to the most effective programs. For a pilot study applying Outcome-Based Scrutiny to federal vocational training programs, see [www.mercatus.org/obs/](http://www.mercatus.org/obs/)

To help policymakers assess this year's reports and help agencies improve the quality of next year's reports, an eight-member research team at the Mercatus Center evaluated the reports produced by the 24 agencies covered under the Chief Financial Officers' Act. This marks the second year that researchers at the Mercatus Center's Government Accountability Project have evaluated agency performance reports. Our first *Performance Report Scorecard*, published in May 2000, generated a large number of inquiries from both the public and the federal government.<sup>3</sup> We hope this annual assessment will help inform decisionmakers and promote the American spirit of competition in government performance reporting.

## EVALUATION CRITERIA

The Mercatus research team employed 12 criteria to address 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?

The purpose of this assessment is not to evaluate the quality of the actual results the agencies produced. Our goal is to ascertain *how well the agency reports inform the public* about the results they produced.<sup>4</sup>

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<sup>3</sup>Of the 24 CFO Act agencies, 8 contacted us to arrange followup meetings to discuss our evaluation of their reports.

The scorecard for agencies' FY 1999 performance reports is available at [www.mercatus.org/scorecard/](http://www.mercatus.org/scorecard/)

<sup>4</sup>The General Accounting Office evaluated the quality of agencies' results after the fiscal 1999 reports were published and will do so again for fiscal 2000.

# EVALUATION CRITERIA

## TRANSPARENCY

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1. Is the report easily accessible and easily identified as the agency's Annual Performance Report?
2. Is the report easy for a layperson to read and understand?
3. Are the performance data reliable, credible, and verifiable?
4. Did the agency provide baseline and trend data to put its performance measures in context?

## PUBLIC BENEFITS

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5. Are the goals and objectives stated as results?
6. Are the performance measures focused on results or activities?
7. Does the agency demonstrate that its actions have actually made a significant contribution toward its stated goals?
8. Did the agency link its goals and results to costs?

## LEADERSHIP

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9. Does the report show how the agency's results will make this country a better place to live?
10. Does the agency explain failures to achieve targets outlined in its strategic plan?
11. Does the report identify major management challenges?
12. Does it describe changes in policies or procedures to do better next year?



## TRANSPARENCY

Inherent in the Government Performance and Results Act'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. In the absence of a report that clearly indicates achievements and problems, an agency's benefits to the community will remain secret to all but a few insiders, and budget decisions will fail to reflect realistic assessments of what agencies can accomplish.

## PUBLIC BENEFITS

The clear intent of the Government Performance and Results Act is to focus on meaningful results produced for the community. In the absence of information about public benefits, budgets reflect decisionmakers' wishes rather than a sober assessment of the government's ability to make those wishes come true. 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 benefit produced or harm avoided for a particular set of clients or the public at large. In the past, goals and measures often emphasized day-to-day activities and procedures, such as levels of effort, expenditures, or internal project milestones. This reporting practice implicitly assumed that the amount of effort spent on activities automatically translates 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 Government Performance and Results Act to inform the public of the success or failure of government programs.

## FORWARD-LOOKING LEADERSHIP

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.

## 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 for the community. Ideally, an agency's report reflects more about its managers' capabilities than just their ability to write reports. 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, budgeting and policy decisions.

An additional word on information quality is also in order. The researchers assessed the quality of each report's disclosure of 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: ROLE MODELS AND BAD INFLUENCES

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. Reports for fiscal year 2000 were due on March 31, 2001, or on April 9 if combined with the fiscal year 2002 Annual Performance Plan.

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 find it, whether the report was clearly labeled as the fiscal year 2000 performance report, and whether it was broken into clearly-labeled sections for convenient downloading.

**Role models:** *Department of Labor (DOL) and Environmental Protection Agency (EPA).*

Featured on the home page, DOL's fiscal 2000 Annual Report can't be missed. The link has a nice graphic, and a few sentences describe the contents. An index offers about two dozen separate sections for Portable Document Format (pdf) download - all <500KB.

EPA's report was online at the beginning of March, with easy-to-find links on EPA's home page, clear explanation of the combination of this report with the Accountability Report and convenient separation into sections for downloading.

**Bad influences:** *As of April 27, nine agencies had not yet made their reports available on their web 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 to a wide range of readers than an internal memo for management. Key elements for scoring purposes include clarity of text, absence of jargon and acronyms, sentence and paragraph structure, general organization, and effective use of visual features like graphics, tables, and headings.

**Role models:** *Department of Energy (DOE) and Department of the Interior (DOI).*

Both reports are well-structured, clear and easy to read. Acronyms are defined. They also use attractive charts to aid understanding. DOE makes excellent use of photographs to bring its story to life.

**Bad influences:** *Department of Education (Education) and National Aeronautics and Space Administration (NASA).*

Education's report is almost impossible to decipher. First of all, its organization is very confusing; two volumes are not integrated and their relationship is not made clear. It is an "interim" report with a text box on the cover warning that it does not contain the (intended) Fiscal Year 2002 Performance Plan information because of the president's pending proposal that evidently has large department-wide policy implications. That's understandable. This label misleads readers, though, because one finds upon closer inspection that the report is also missing most fiscal 2000 results. A thorough explanation of the circumstances and a presentation limited to actual data that are available would be a more honest and considerate approach.

The organization of NASA's report is confusing, as it attempts to discuss both "enterprises" and "cross-cutting processes." The summary tables are hard to decipher, technical language and acronyms are excessive, measures are too numerous and editing is poor.

Even attempts to improve the overall feel of the report with photos are ineffective because captions fail to explain the images. For example, an appealing picture of Earth has the caption "Global vegetation index map acquired by MODIS instrument." There is no reference to the associated objective or performance target. On close inspection, the reader can find the acronym definition (Moderate Resolution Imaging Spectroradiometer). The target is "Continue the development of a global land cover/use change data set based on Landsat and EOS instrument, at seasonal refresh rate." The objective is "Understand the causes and consequences of land cover/land use change."<sup>5</sup>

### **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 are desirable. People outside the agency should be able to access and check the data.

**Role models:** *Department of Transportation (DOT) and National Science Foundation (NSF).*

DOT's data are selected, presented and discussed in a convincing way. Furthermore, an extensive appendix describes their scope, source, limitations and verification/validation procedures in a very thorough fashion.

NSF discusses in detail its procedures for collecting and assessing data. NSF hired a private consulting firm (PricewaterhouseCoopers) to audit its performance measurement process; in PwC's opinion, it is "valid and verifiable." NSF's Inspector General notes that data verification is a problem, but NSF seems to be taking a lot of steps to address it.

**Bad influences:** Some agencies rely solely on internal data sources and fail to discuss data validity and verification. These include the *Department of Justice, Department of State, and Social Security Administration*. The *Federal Emergency Management Agency* apparently has significant data problems, but the details are a mystery. A full paragraph of the three-paragraph director's letter apologizes for FEMA's data. Such candor is praiseworthy, but data quality and sources are not discussed elsewhere in the report.

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<sup>5</sup>See p. 25 of NASA's report.

#### 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 quantity and presentation of baseline and trend data.

Some measures have been changed since FY 1999 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 models:** *Department of Transportation (DOT) and Department of Justice (DOJ).*

DOT frequently provides as much as 10 years of data that assist understanding not only of trends but of target selection as well. In several cases, additional information is supplied that adds meaning, such as sample size (if the target is a percentage), a breakdown of causal factors, and classification by mode of travel.

DOJ's graphical presentation of data reveals both trends and projections. Design and labeling is uniform and helpful.

**Bad influences:** *Nuclear Regulatory Commission (NRC) and NASA.*

NRC presents hardly any meaningful data, despite a wealth of quantified data that was surely reported by licensees for many years prior to 1999. NRC seems to aim for mere compliance with the Office of Management and Budget's guidelines.

Most of NASA's performance measures are detailed activities, making year-to-year comparison impossible. Trend Data tables fail to present these activity lists in a manner that would indicate trends. A column labeled "Trend Assessment" actually says little about trends. Most targets are new, completed or eliminated; for those remaining, we get a status report.

## 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 models:** *Department of Veterans Affairs and Department of Housing and Urban Development.*

Virtually all of these agencies' strategic goals and objectives focus on results. They are concise and should lead to relatively easy establishment of performance measures.

## DEPARTMENT OF VETERANS AFFAIRS STRATEGIC GOALS

- Strategic Goal 1:** Restore the capability of disabled veterans to the greatest extent possible and improve the quality of their lives and that of their families
- Strategic Goal 2:** Ensure a smooth transition for veterans from active military service to civilian life
- Strategic Goal 3:** Honor and serve veterans in life and memorialize them in death for their sacrifices on behalf of the Nation
- Strategic Goal 4:** Contribute to the public health, socioeconomic well being and history of the Nation
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## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT STRATEGIC GOALS

- Strategic Goal 1:** Increase the availability of decent, safe and affordable housing in American communities
- Strategic Goal 2:** Ensure equal opportunity in housing for all Americans
- Strategic Goal 3:** Promote housing stability, self-sufficiency and asset development of families and individuals
- Strategic Goal 4:** Improve community quality of life and economic vitality
- Strategic Goal 5:** Ensure public trust in HUD

**Bad influence:** *Office of Personnel Management.*

Strategic goals are clearly activities and read more like policy statements whose outcomes are vague:

Goal II: Protect and promote the merit-based Civil Service and the employee earned benefit programs through an effective oversight and evaluation program

Goal III: Provide advice and assistance to help Federal agencies improve their human resources management programs to effectively operate within the economy, demographics and environment of the 21st Century

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 there is confusion surrounding the difference between activities and 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 (DOT) and U.S. Agency for International Development (USAID).*

The vast majority of DOT's measures indicate results of interest to citizens rather than activities or outputs. Result-based measures include:

- Percent of runways in good or fair condition
- Average condition of rail vehicle fleet
- Percent of days in shipping season that locks are available in waterways
- Hours of delay per 1000 vehicle-miles-traveled on federal-aid highways

USAID's measures are all results. The only problem is that they measure countries' or regions' results, not the agency's results. The agency acknowledges the difference and makes a commendable effort to explain the link between its activities and results in particular countries.

**Bad influence:** *NASA.*

Targets are extremely activity-based. Agency targets are "things to do" that are so specific, they must be discarded when accomplished and replaced with new things that are entirely different. While the activities may be necessary and logical, their documentation is meaningless to outsiders. For example, one goal for space science is "Demonstrate performance of the Superconductor-Insulator-Superconductor (SIS) mixer to at least 8hv/k at 1,120 GHz and 10hv/k at 1,200 GHz." This may be an important operational goal, but the link to results is unclear.

## 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:** *General Services Administration (GSA).*

Because of the nature of GSA's role in the government, which is to serve other agencies' business needs, improving its own processes often automatically benefits its customers in the federal government and presumably citizens/taxpayers. The connection between what GSA does and the expected result is obvious. This report gives tangible evidence of savings to its customers. The story isn't told at the highest level, but at the performance goal level, impact is clear.

**Bad influences:** *Department of Health and Human Services (HHS).*

Although HHS enunciates very good results-based goals, its report demonstrates no causal link between HHS activities and results. Anecdotes and selected data points tell no story at all about performance against objectives, and the department offers no conclusions in any major area of concern.

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

Performance budgeting will begin with fiscal 2003. 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 models:** *Department of Veterans Affairs (VA), Small Business Administration (SBA), and Department of Energy (DOE).*

Various sections in the VA report show spending by program, organization, and strategic goal. VA is far ahead of most other agencies in reporting cost information.

SBA does an impressive job of linking costs with results; it identifies costs at the performance indicator level for FY 2000. All that is missing is a summary of costs at higher levels, and perhaps some analysis.

DOE shows net costs for each "Decision Unit." Because of goal overlaps, the cost/benefit relationships are not very clear. Nevertheless, the amount of resource information and progress in mapping out a performance budgeting scheme is quite impressive.

**Bad influences:** *Department of State, Federal Emergency Management Agency (FEMA), and Department of Health and Human Services (HHS).*

These agencies report no cost information – not even HHS, whose report cover includes a subtitle, "Justification of Estimates for Appropriations Committees."

## 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 models:** *National Science Foundation (NSF) and Department of Veterans Affairs (VA).*

NSF's report has a very strong opening: mission, exciting vision, compelling message from the director, excellent Executive Summary and interesting Agency Profile and Examples of Achievement. The import of NSF investments is supported by numerous highlights throughout the report.

In the VA report, Secretary Principi's transmittal letter, plus sections titled Who We Are, Who We Serve and What We Accomplished all do a good job of promising care to veterans and reminding the rest of us why the department exists. They also describe how the VA uses strategic planning to deliver benefits that meet veterans' expectations.

**Bad influences:** *Social Security Administration (SSA).*

No sense of mission emerges from this report. The first paragraph of the report reads as follows:

"The Government Performance and Results Act of 1993 (GPRA) requires Federal agencies to develop and institutionalize processes to plan for and measure mission performance. GPRA defines specific efforts, at the highest level, that agencies must undertake to fulfill this requirement."

The rest of the document is just as clinical. Nowhere does SSA speak directly to citizens about how the agency is being managed strategically in order to improve lives.

### 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 models:** *U.S. Agency for International Development (USAID), Department of Veterans Affairs (VA).*

With very few exceptions, USAID illustrates failures just as thoroughly as successes. Unfortunately, it isn't clear that these belong to USAID. Problems with data and external factors are all out in the open, though.

At the very front of the VA's document, a one-page table appears listing all 29 key performance goals. Two columns under "Was the Goal Achieved?" are labeled "Yes" and "No." One could not ask for more straightforward presentation. And since (unfortunately) less than half of them were successes, the VA cannot be



accused of "sandbagging." In fact, VA had plenty of explaining to do; in every case, the department accepts full responsibility for missing targets and offers explanations and strategies for improvement.

**Bad influences:** *Nuclear Regulatory Commission (NRC), Department of Health and Human Services (HHS).*

NRC reports no failures because of the way it defined its goals – no deaths, no releases of nuclear materials, etc. Given this definition, "performance measurement" consists of moving data from mandatory reports filed by operators of nuclear plants to the annual performance report. This is a risky strategy. If failures do occur, it is hard to imagine how this scheme (in the context of other shortcomings of the report) will make any explanation credible. A more helpful approach would be to find ways of assessing the risk of nuclear accidents, track changes in risk over time, and identify what portion of these changes could be attributed to the NRC's activities.

The reader has no idea whether HHS was successful or not in any area, since only "selected performance stories" are told. For the rest, it would be necessary to read the 13 separate bureau reports. Even for the items highlighted in the HHS report, it is difficult to tell if targets were met.

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

Most agencies have some 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:** *Department of Labor (DOL) and Department of Veterans Affairs (VA).*

DOL devotes an entire section of its report to major management challenges. The Inspector General's top 10 areas of concern are identified and strategies for addressing each are discussed in detail. Problems identified by GAO in its series of "High Risk" reports are even mentioned in the Executive Summary.

In the VA's report, a section on Major Management Challenges discusses the problems, the Inspector General's recommendations, current status, and adds the department's comments. Issues identified by GAO are given similar treatment. In addition, brief descriptions of the impact of these management problems on individual goal achievement are included throughout the report (where applicable).

**Bad influences:** *Social Security Administration.*

This report contained no discussion of major management challenges at all.

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

The intent of the Government Performance and Results Act is not just reporting for its own sake. The legislation enunciates a different way of managing federal agencies that holds them accountable for results rather than activities. The 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 models:** *Environmental Protection Agency (EPA), Small Business Administration (SBA).*

The EPA does this particularly well in its discussion of management challenges and selection of performance goals and measures. Efforts appear to be in earnest. The only thing missing is evidence that proposed activity will produce the desired effect.

A section called "Major Issues Facing SBA" in the front of its report discusses how the agency is changing the way it does business. A results-based management approach is evident in adoption of better strategic goals and measures, new data quality assurance methods, investments in training and modernization, and even proposed legislation.

**Bad influences:** *Department of Education.*

This report seems to have been stripped of any reference to the future. Postponed publication of the planning document seems warranted by President Bush's interest in a swift change of direction. Unfortunately, the department does not even bother to describe the new concept or attempt to generate enthusiasm and anticipation. Citizens deserve to know what's going on, and this report completely misses the opportunity to offer an explanation.

# TRENDS AND OBSERVATIONS

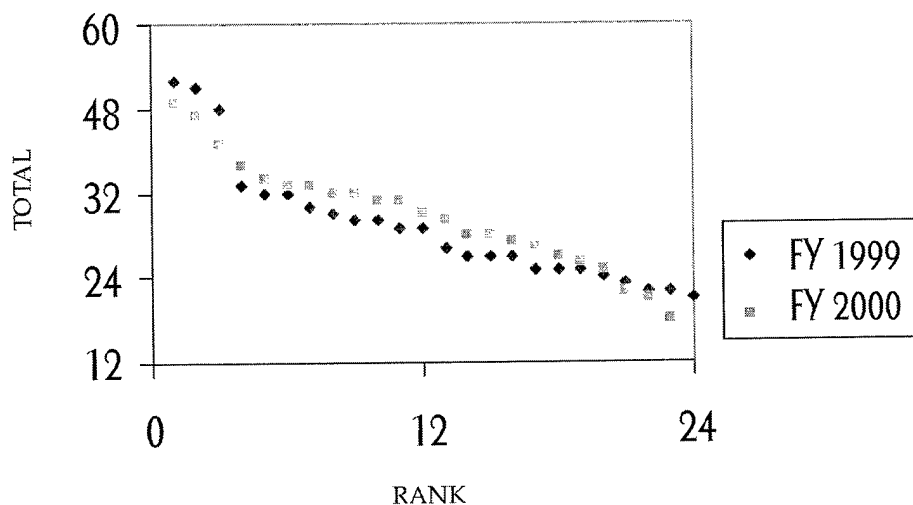
## IMPROVEMENT IS MODEST, BUT WIDESPREAD

We employed the same criteria to assess the fiscal 2000 reports that we used for the fiscal 1999 reports. The principal difference is that our expectations were higher, since agencies have had a year to learn from public and congressional response to their fiscal 1999 reports. For example, an agency could receive a high score for our first transparency criterion -- making its fiscal 1999 report available to the public -- if the report could be found easily on the agency's web site. For fiscal 2000 reports, a perfect score required that the agency make the report available in clearly-labeled segments that are easy to download. Thus, an agency had to improve the absolute quality of its fiscal 2000 report in order to receive the same numerical score as it received for its fiscal 1999 report. We believe rising expectations are appropriate, because no reports yet meet the standards for transparency and disclosure that have been set by the annual reports of publicly-held corporations.

Changes in an agency's ranking from fiscal 1999 to fiscal 2000 depend on two factors: the quality of the agency's report, and the quality of all of the other agencies' reports. Improvement in an agency's ranking generally means that the agency improved its reporting to a greater extent than other agencies.

Although scoring was more stringent for fiscal 2000, the average score improved by about 5 percent over fiscal 1999. This suggests that there has been some modest improvement in the overall quality of federal performance reporting. As the chart below indicates, improvement was widespread; the majority of fiscal 2000 reports received better scores than in fiscal 1999, in spite of tighter scoring. The quality of reports is also somewhat more even for fiscal 2000. In fiscal 1999, quality dropped off sharply from the level of the three best reports.

## SCORECARD SCORE DISTRIBUTION



## BIG IMPROVEMENT IS POSSIBLE

The two most-improved reports were those produced by the National Science Foundation and the Department of Justice. NSF leapt from 24th (last) place in fiscal 1999 to sixth place in fiscal 2000, with a gain of 16 points. DOJ's 15-point gain allowed it to rise from 21st place in fiscal 1999 to fifth place in fiscal 2000.

The reports of both agencies showed the most improvement in the areas where they were weakest in fiscal 1999. Half of NSF's improvement came in the forward-looking leadership category, suggesting that the foundation is doing a much better job of explaining how information on past performance will influence future plans. Half of DOJ's improvement occurred on the public benefits criteria. Compared to fiscal 1999, DOJ's fiscal 2000 report was much better at articulating how its actions improve citizens' lives.

These agencies clearly focused on improving the areas of their reports that were least adequate in fiscal 1999. At the same time, they managed modest improvement in other categories as well.

## SUBSTANCE MATTERS MOST

Our evaluation of the fiscal 2000 reports also sheds some light on the importance of format versus substance. Each agency presented its report in one of three different ways: as a stand-alone document, merged with the fiscal 2000 accountability report, or merged with the fiscal 2002 performance plan. In theory, either type of combination might produce a better report. Combining the performance report and the accountability report for the same year could provide better integration of operating and financial information. Combining the performance report with the performance plan could create much tighter linkages between observed performance and plans for improvement in the future.

In practice, some agencies achieved these synergies, but others did not. As the table shows, merely combining the performance report with another report does not necessarily lead to a better report; high-ranking and low-ranking reports can be found in each format. The actual substance of the report matters much more than whether it is combined with other documents.

Stand-alone Report	Rank	Combined with fiscal 2000 accountability report	Rank	Combined with fiscal 2002 performance plan	Rank
Veterans	1	Labor	4	DOT	2
NSF	6	EPA	6	USAID	3
GSA	8	SBA	8	Justice	5
Treasury	13	Energy	10	DOI	12
State	14	HUD	10	DOC	14
FEMA	16	SSA	19	Education	17
NASA	23	OPM	20	Defense	18
USDA	24	NRC	21	HHS	22

# RESEARCH TEAM AND PROJECT DESIGN

## THE SCORECARD RESEARCH TEAM

The scorecard research team is 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. Dr. Tyler Cowen, general director of the Mercatus Center, served as advisory director for the study. A 10-member advisory panel, made up of experts in public management, corporate strategy, and communications, reviewed our evaluations and analysis.

## PROJECT MANAGEMENT

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## WEIGHTING THE EVALUATION FACTORS

To report the results of this study as transparently as possible, the researchers 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 (transparency, public benefit and forward-looking leadership), 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. (For example, agencies that provide direct services, such as the General Services Administration or Federal Emergency Management Agency, may find it easier to identify and quantify their contributions than an agency like the State Department.) A majority of agencies produced better reports for fiscal year 2000 than they did for fiscal 1999, but there is still room for improvement in even the best reports. It will probably take several years before the inherent nature of agency missions becomes the binding constraint that prevents some agencies from producing better performance reports.



## ABOUT THE AUTHORS

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Dr. Jerry Ellig (jellig@gmu.edu) is a Senior Research Fellow at the Mercatus Center at George Mason University. Prior to joining the Mercatus staff, Dr. Ellig served as a Senior Economist for the Joint Economic Committee of the U.S. Congress and as an Assistant Professor of Economics at George Mason University. He received his B.A. in economics from Xavier University and his M.A. and Ph.D. in economics from George Mason University.

Dr. Ellig has published numerous articles on management and government regulation of business. He is editor of *Dynamic Competition and Public Policy: Technology, Innovation, and Antitrust Issues*, (Cambridge University Press, 2001). Other publications include articles in *The Wall Street Journal*, *New York Times*, *Washington Post*, *Journal of Regulatory Economics*, *Antitrust Bulletin*, and *Competitive Intelligence Review*, as well as numerous contributions to edited books. For the Mercatus Center's Government Accountability Project, Dr. Ellig also authored *Learning from the Leaders: Results-Based Management at the Federal Emergency Management Agency*, *Performance Report Scorecard: Which Federal Agencies Inform the Public?* and *Putting a Price on Performance: A Demonstration Study of Outcome-Based Scrutiny*.

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The Hon. Maurice P. McTigue, QSO (mmctigue@gmu.edu) is the Director of the Government Accountability Project at the Mercatus Center. He came to the U.S. in 1997 as a Distinguished Visiting Scholar to George Mason University after completing his term as New Zealand's Ambassador to Canada. Previously, as a Cabinet Minister and a Member of Parliament, he led an ambitious and extremely successful effort to restructure New Zealand's public sector and to revitalize its stagnant economy in the 1980s and 1990s. In recognition of his public service, Queen Elizabeth II bestowed upon McTigue the prestigious Queen's Service Order during a ceremony at Buckingham Palace in 1999. This is one of the highest honors attainable for civil service in New Zealand.

At Mercatus, McTigue is sharing the lessons of his practical experience with policymakers in the United States. He works with officials in the Administration, members of Congress and executives in scores of federal agencies on applying the principles of transparency and accountability in the public sector. He frequently speaks at conferences on performance issues and testifies before congressional committees on issues of government reform. McTigue co-authored the Mercatus Center publication *Putting a Price on Performance: A Demonstration Study of Outcome-Based Scrutiny*.

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## ABOUT THE MERCATUS CENTER

The Mercatus Center at George Mason University is a research, education, and outreach organization. Through the interdisciplinary study of economics, law, and the humanities, Mercatus seeks to advance our knowledge of how societies achieve freedom, prosperity, and peace.

Under the direction of Holbert Harris Professor of Economics Tyler Cowen, the Mercatus Center is at the core of a community of students, scholars, and decision-makers. This community works together to build and apply an understanding of how individuals cooperate through the market and political processes.

## ABOUT THE MERCATUS CENTER'S GOVERNMENT ACCOUNTABILITY PROJECT

The Government Accountability Project's goal is to help improve government's funding and policy decisions by making transparent the public benefits produced with citizens' resources. Full transparency brings praise and criticism of results – and, eventually, change – based upon maximizing outcomes and minimizing expenditures.

Since 1997, the Mercatus Center's scholars have used a variety of tools to focus attention on public benefits produced as the most critical factor in government decision-making. When quality information is available, effective use of public resources can be maximized by linking performance and appropriations.

For more information about the Mercatus Center and the Government Accountability Project, visit our adjoining websites ([www.mercatus.org](http://www.mercatus.org) and [www.GovernmentAccountability.org](http://www.GovernmentAccountability.org)), or you can call us at (703) 993-4930.

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.



APPENDIX:  
EVALUATION SUMMARIES

# DEPARTMENT OF VETERANS AFFAIRS (VA)

## EVALUATION SUMMARY

**FY 2000 rank: 1**

FY 1999 rank: 3

Transparency:	16
Public Benefits:	15
Leadership:	18
<b>TOTAL:</b>	<b>49</b>

<i>Min. per category:</i>	4
<i>Min. total:</i>	12
<i>Max. per category:</i>	20
<i>Max. total:</i>	60

### TRANSPARENCY

- Report can be found via several different routes from VA home page, and it is clearly labeled "Annual Performance Report FY 2000."
- Several sections in the front of the report help provide an overview that adds perspective and offers an alternative for readers not interested in detail.
- Methods, definitions and sources are provided for each goal, but data quality is an admitted problem. Not all data are accessible, and external checks are limited.
- All key performance goals with data are displayed in readable charts with planned targets for fiscal 2000 and desired trends indicated. Many have five years of data.

### PUBLIC BENEFITS

- Virtually all of the strategic goals and objectives are outcomes.
- VA has outcome-based performance indices for chronic care, prevention, and pensions/insurance – but many other measures focus on outputs and activities.
- Since VA seldom measures veterans' well-being directly and doesn't discuss external factors to any significant extent, it is difficult to isolate the department's contribution to veterans' welfare.
- Various sections show spending by program, organization, and strategic goal. VA is far ahead of most other agencies in reporting cost information.

### LEADERSHIP

- Secretary's letter, plus sections on Who We Are, Who We Serve and What We Accomplished, all explain what the department does for veterans and remind non-veterans why the department exists.
- A chart lists 29 key performance goals and states whether they were achieved. The department gives reasons when goals were not achieved.
- Major management challenges are discussed throughout the report and also grouped into a special section.
- Report describes means and strategies for the future to remedy failures.

## APPENDIX 1

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF TRANSPORTATION (DOT)

## EVALUATION SUMMARY

**FY 2000 rank: 2**

FY 1999 rank: 2

Transparency:	16
Public Benefits:	16
Leadership:	15
<b>TOTAL:</b>	<b>47</b>

<i>Min. per category:</i>	4
<i>Min. total:</i>	12
<i>Max. per category:</i>	20
<i>Max. total:</i>	60

### TRANSPARENCY

- A link titled DOT Performance Plan/Report in the middle of the home page downloads the entire report in pdf format. No warning of size or partial download options.
- Structure, sequence, tables, and graphs are user-friendly. Only thing missing is an overview.
- Data are selected, presented, and discussed convincingly, with an extensive appendix discussing scope, sources, limitations, and verification. DOT's inspector general notes there are some problems with reliability and timeliness of data.
- Report often presents up to 10 years of data to aid in assessing trends.

### PUBLIC BENEFITS

- Goals are clearly stated in terms of outcomes.
- Vast majority of measures are outcomes.
- Agency sometimes demonstrates that its actions are responsible for achievement of its goals, but often fails to do so.
- Budget information is presented for each performance goal and measure, including comparison of fiscal 2001 with fiscal 2002.

### LEADERSHIP

- Mission and results-oriented management are clear for safety and mobility programs, but less clear in other areas.
- Progress report tables indicate "targets met" and "good trend" but have no indicator of targets missed outright. Failures are explained, but explanations often place the blame on external factors.
- An index indicates where major management challenges can be found in the report and the source – Inspector General, the General Accounting Office, or the Office of Management and Budget. Challenges are integrated in a substantial way to link them to goal areas most affected.
- Assessments are made and future plans are described in detail at the performance goal level, but not at the strategic goal level.

## APPENDIX 2

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID)

## EVALUATION SUMMARY

**FY 2000 rank: 3**

FY 1999 rank: 1

Transparency:	16	<i>Min. per category:</i>	4
Public Benefits:	13	<i>Min. total:</i>	12
Leadership:	14	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>43</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- Link on agency's home page is clearly labeled and includes a description of the document and 300-word overview. A Table of Contents indexes the report into at least a dozen convenient (<200KB) pdf downloads.
- Generally readable and well structured.
- Abundance of data with all sources mentioned (including web links). Quality problems are admitted.
- Most data document general trends only marginally influenced by USAID.

### PUBLIC BENEFITS

- Strategic goals are results-oriented; objectives would be more results-oriented if not preceded by modifiers like "promote" and "encourage."
- Indicators are all results, but it's unclear whether USAID influences the results.
- It is not clear how the agency actually conducts its business. The report says good things are done by organizations which are "funded by" USAID without offering specifics (like how much the programs depend upon this agency).
- One table shows costs by strategic goal - no mention of costs elsewhere.

### LEADERSHIP

- Report makes a good case that the U.S. will be a better place if the rest of the world has higher standards of living. The crucial question that isn't answered is whether USAID is affecting that.
- The report illustrates failures just as thoroughly as successes.
- Plans to address management challenges are discussed in some detail, but without clearly defining the problems. It would be helpful to see relevant recommendations from the agency's inspector general and the General Accounting Office.
- Future plans (a section under each strategic goal) appear extensive but usually only discuss new projects - not how ongoing operations will be improved.

## APPENDIX 3

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF LABOR (DOL)

## EVALUATION SUMMARY

**FY 2000 rank: 4**

FY 1999 rank: 5

Transparency:	15	<i>Min. per category:</i>	4
Public Benefits:	11	<i>Min. total:</i>	12
Leadership:	14	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>40</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- Featured on DOL's home page, the report can't be missed. An index offers about two dozen separate sections for pdf download - all <500KB.
- Summary, structure, language, headers, pictures and human interest stories all make it easy to understand what DOL is saying.
- Report has a quite sophisticated discussion of data problems, but DOL's inspector general still identifies data quality as a major problem.
- Data are in readable charts, and an appendix explains all baselines. It would be helpful to have more than a few years' worth of data to establish trends.

### PUBLIC BENEFITS

- Simplicity and outcome orientation of the strategic goals would be hard to improve upon. Headings for performance goals are clearer and more outcome-oriented than the goal statements themselves.
- Measures attempt to focus on outcomes but don't always succeed. Many goals target participation levels or development/implementation of a specific plan.
- Discussion of connection between DOL actions and statistics reported includes little discussion of factors outside the agency's control.
- No linkage between costs and results. Report admits that the department's two largest agencies have not cooperated with the chief financial officer to accomplish this.

### LEADERSHIP

- Vision of DOL's role in worker preparation, safety and security is sound, but information in report is not linked to show how DOL is achieving the vision.
- Except by setting its goals low in the first place (admitted in "Goal Assessment" discussions), DOL does not seem afraid of admitting failure.
- The inspector general's top 10 major management challenges are identified and strategies for addressing each are discussed in detail.
- Strategies for improving results are found for performance goals that were not met, but outcome goal summaries only acknowledge need for continuous improvement without telling how that will be accomplished.

## APPENDIX 4

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF JUSTICE (DOJ)

## EVALUATION SUMMARY

**FY 2000 rank: 5**

FY 1999 rank: 21

Transparency:	12
Public Benefits:	13
Leadership:	13
<b>TOTAL:</b>	<b>38</b>

<i>Min. per category:</i>	4
<i>Min. total:</i>	12
<i>Max. per category:</i>	20
<i>Max. total:</i>	60

### TRANSPARENCY

- Link on home page labeled "Performance Reports and Plans" leads to Table of Contents with numerous sections for download in pdf.
- Format is sound and uniform, but report suffers from excessive detail and lack of navigation aids (executive summary, tables, cross-references, etc.)
- All information sources are internal and reliability of data is not discussed.
- Data presentation is uniform, though only a few years of data are presented.

### PUBLIC BENEFITS

- Goals and objectives are mostly outcomes.
- Measures are related to goals but mostly activities.
- DOJ appears to carefully link actions with goals, so theoretically, successes at annual goal level would add up to achievement of objectives and strategic goals. No overview discussion demonstrates that this actually occurred; readers must draw own conclusions.
- For each annual goal, there is a table of dollar and human resources for the current year and two succeeding fiscal years (through 2002). Cost figures are presented as "needs," not an accounting of expenditures.

### LEADERSHIP

- Message from the attorney general does a good job of describing public benefits. The rest of the report provides good background but buries results in minutia.
- Hard to determine how successful DOJ was at accomplishing strategic goals and annual goals. Failures to achieve targeted performance measures are explained.
- Report includes inspector general's description of major management challenges and DOJ's responses.
- Plenty of program evaluations are under way, yet no change in department-wide approach is apparent. In most cases, the automatic solution is to "do more," and what happened or did not happen this year does not inform future plans.

## APPENDIX 5

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# ENVIRONMENTAL PROTECTION AGENCY (EPA)

## EVALUATION SUMMARY

**FY 2000 rank: 6**

FY 1999 rank: 11

Transparency:	13	<i>Min. per category:</i>	4
Public Benefits:	9	<i>Min. total:</i>	12
Leadership:	15	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>37</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- Report was online in March, with a clear explanation that it is combined with Accountability Report and convenient separation into downloadable sections.
- Well-organized and readable, despite abundant use of acronyms. Overview section lists activities rather than providing a comprehensive picture.
- Data sources and quality are discussed in great detail; concern is evident and efforts to improve and make data accessible are laudable. EPA appears more optimistic about current data quality than its inspector general and the General Accounting Office.
- Trend data are often shown, but many charts show data that do not actually measure the performance goal. Goals are changed too frequently.

### PUBLIC BENEFITS

- Mission and strategic goals are outcomes, but report also contains numerous internal management goals that describe processes. Annual performance goals are mostly activity-oriented, not outcome-oriented.
- Measures are seldom clearly connected to outcomes. Multiple measures that overly specify targets for a single goal obscure whether goals were met.
- Despite sincere efforts to achieve positive environmental outcomes that are described in the text of this report, EPA fails to make a convincing case that its actions were responsible for the results that are reported.
- The overview and pie charts in each section present some cost information, but lack of outcome measures makes it difficult to link costs with public benefits.

### LEADERSHIP

- Quality of life issues are clearly the focus of the strategic discussion. This emphasis disappears at the performance goal level.
- Failures to achieve targets are explained only for annual performance goals.
- Extensive discussion of management challenges.
- For management challenges and performance measures, prospective changes for the future are discussed extensively.

## APPENDIX 6

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001



# NATIONAL SCIENCE FOUNDATION (NSF)

## EVALUATION SUMMARY

**FY 2000 rank: 6**

FY 1999 rank: 24

Transparency:	<b>13</b>
Public Benefits:	<b>10</b>
Leadership:	<b>14</b>
<b>TOTAL:</b>	<b>37</b>

<i>Min. per category:</i>	<b>4</b>
<i>Min. total:</i>	<b>12</b>
<i>Max. per category:</i>	<b>20</b>
<i>Max. total:</i>	<b>60</b>

### TRANSPARENCY

- The report is posted online in pdf format but not easy to find.
- Language, layout, and format make the report easy to understand, with just a few unexplained technical terms.
- Procedures for collecting and assessing data are discussed in detail and have been reviewed by an external party, PricewaterhouseCoopers.
- Trends are difficult to identify because only a few years of data are presented and outcomes are evaluated only as "successful" or "not successful."

### PUBLIC BENEFITS

- Strategic goals are outcomes; goals for supporting management and investment processes are outputs.
- Performance measures are usually outcomes if the goal is an outcome, and outputs if the goal is an output.
- It is not clear what opportunities for discoveries would have been forgone but for NSF support.
- No link between goals/results and costs.

### LEADERSHIP

- Mission and vision enunciate the potential for NSF to improve our quality of life.
- Discussions of success and failure are frank and thorough; only drawbacks are a few cases where unconvincing explanations offered for lowering goals.
- Management challenges are listed but discussed only briefly.
- In each goal area, plans for improvement are shared that indicate strategic thinking and earnest effort to put the Government Performance and Results Act to good use.

## APPENDIX 7

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# GENERAL SERVICES ADMINISTRATION

## EVALUATION SUMMARY

**FY 2000 rank: 8**

FY 1999 rank: 9

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

### TRANSPARENCY

- Report not found on the GSA web site.
- Report is in four pieces and not well integrated, making it hard to assess GSA's overall performance.
- Information on data sources and methodology is good, especially for the Public Buildings Service. Federal Supply Service provides a helpful discussion of data validity.
- Data for several years are included, though inconsistently.

### PUBLIC BENEFITS

- Strategic goals are not outcomes for the public, but internal management goals for operating divisions.
- Performance measures are largely appropriate, given the goals.
- At the performance goal level, there is a clear connection between GSA's activities and the savings to its U.S. government customers.
- Goals and measures all revolve around fiscal responsibility and efficiency. Despite failure of the agency to highlight its own cost of operations, one cannot read this report without obtaining a fair picture of the costs and benefits of its activities.

### LEADERSHIP

- Benefits to the general public seem to be assumed, not stated. The separate parts of GSA seem to know what they are doing and can demonstrate achievement.
- Targets appear to have been reachable but not easy, and failures are explained.
- Appendix summarizes challenges noted by the inspector general, General Accounting Office, and Congress, and it responds to them. Presentation appears to minimize importance, though, because it does not link these issues to the agency's mission.
- Prospective changes for next year are explained adequately at the performance goal level, but not at the organization-wide level.

## APPENDIX 8

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# SMALL BUSINESS ADMINISTRATION (SBA)

## EVALUATION SUMMARY

**FY 2000 rank: 8**

FY 1999 rank: 9

Transparency:	<b>10</b>
Public Benefits:	<b>12</b>
Leadership:	<b>14</b>
<b>TOTAL:</b>	<b>36</b>

<i>Min. per category:</i>	<b>4</b>
<i>Min. total:</i>	<b>12</b>
<i>Max. per category:</i>	<b>20</b>
<i>Max. total:</i>	<b>60</b>

### TRANSPARENCY

- Report not found on SBA website.
- Layout and format sometimes make the report hard to follow.
- Data Validity section discusses strategy, a pilot project to test relevancy and quality, and program evaluations. No sources are named – even for the few data (national statistics on businesses) that originate outside the agency.
- Display of data in tabular format is not that helpful for visualizing trends, and data are too focused on process details to lend context.

### PUBLIC BENEFITS

- New strategic goals and strategies are expressed as outcomes, but it is not clear how they are related to older items called “outcomes” in the rest of the report.
- Virtually all performance measures assess whether the right amount of money got to people – outputs. Statements are more results-based than the actual measures.
- Intentions and strategies are very good. Significant goal changes have been made, and they are in the right direction. In the meantime, though, results do not support the SBA’s success claims.
- Goals and results are linked to costs at the performance indicator level.

### LEADERSHIP

- Agency appears competent but focused on a single constituency and traditional processes instead of benefits to the American public.
- Failures are admitted and explained at the performance goal level. At the strategic goal level, it is hard to tell if SBA was successful, or not.
- A 15-page section includes auditors’ recommendations, actions taken and actions planned (including target dates).
- Results-based management approach is evident in adoption of new goals and measures, data quality assurance methods, investments in training and modernization, and even proposed legislation.

## APPENDIX 9

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

## EVALUATION SUMMARY

**FY 2000 rank: 10**

FY 1999 rank: 13

Transparency:	10	<i>Min. per category:</i>	4
Public Benefits:	13	<i>Min. total:</i>	12
Leadership:	12	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>35</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- Report not found on the HUD web site.
- Organization and language are clear and simple, generally. One source of confusion is the habit this agency has formed of referring to its programs in terms of the legal codes that created them - e.g. Section 221 (d) (4).
- For outcome measures, source agencies are listed, and a footnote says to consult the Annual Performance Plan for sources of other data. This is not adequate, since there isn't a statement of any kind as to the quality of said data.
- Graphs present trend data for most indicators for at least three years. Graphs need explanation to render them more meaningful.

### PUBLIC BENEFITS

- Strategic goals, objectives, and outcome measures all focus on results.
- Agency's contribution toward its target population's well-being is not clearly established. HUD appears aware of this deficiency and is trying to correct it.
- No systematic link of results with costs.

### LEADERSHIP

- Direction of change (more strategic, results-based approach) and attitude toward accountability are encouraging. Ability to deliver on promises and degree of commitment to implementation is not emphasized.
- Explanations of failures are clear and adequate at the objective and indicator levels. At the strategic goal level and occasionally for objectives, it is difficult to tell if HUD is successful or not.
- Management challenges identified by the inspector general are discussed. No discussion of management issues raised by the General Accounting Office in its "High Risk" report.
- This report focuses on past activities. Admission of numerous external factors and unknowns would logically indicate need for program evaluations, but no such plans are evident.

## APPENDIX 10

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF ENERGY (DOE)

## EVALUATION SUMMARY

**FY 2000 rank: 10**

FY 1999 rank: 14

Transparency:	10	<i>Min. per category:</i>	4
Public Benefits:	12	<i>Min. total:</i>	12
Leadership:	13	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>35</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- This report is posted on DOE's website, but it is not easy to find. The link is labeled "Performance and Accountability Report" - a single 8MB pdf file.
- This report is well structured; its style is clear and easy to read. Acronyms are always defined.
- Selection of quantifiable measures makes verification straightforward; these (internal) procedures are discussed. No information on data sources and quality.
- By articulating its measures in the form of a "to-do list," DOE renders year-to-year comparison extremely difficult.

### PUBLIC BENEFITS

- Intention to focus goals and objectives on outcomes is clear, though they are often expressed as activities, such as "promote," "foster" and "strive."
- Performance goals are complex and unique to the fiscal year.
- Link between actions and accomplishment of goals is clear, but only because goals are stated as activities rather than outcomes.
- The amount of cost information and progress in mapping out a performance budgeting scheme is quite impressive.

### LEADERSHIP

- DOE appears focused more on its own processes than on a central mission that emphasizes public benefits.
- In the overview, each discussion of objectives summarizes relevant successes and failures and closes with a frank self-assessment. In the appendix, the Results section explains what happened and is followed by an action plan.
- The report mentions major management challenges briefly.
- A sincere desire to clean up management messes and evidence of willingness to change appear throughout. The various plans aren't held together by any comprehensive strategy, though.

## APPENDIX 11

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF THE INTERIOR (DOI)

## EVALUATION SUMMARY

**FY 2000 rank: 12**

FY 1999 rank: 11

Transparency:	12	<i>Min. per category:</i>	4
Public Benefits:	9	<i>Min. total:</i>	12
Leadership:	12	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>33</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- Not found on the DOI web site.
- Well-organized and generally easy to read.
- Data validation and verification "matrix" (in pilot stage), developed in concert with the IG, appears excellent. Most sources and data checks are internal.
- Actual and planned figures are shown for 3-5 years for "key" performance measures.

### PUBLIC BENEFITS

- Most goals are outcome-oriented, though many are ambiguous and could be interpreted as activities.
- Most performance measures are activities, not outcomes.
- Connection between DOI's actions and outcomes is discussed only briefly.
- Minimal discussion of costs, though the report says DOI is "beginning to capture costs at the goal level."

### LEADERSHIP

- Report enunciates laudable goals but little vision of how DOI will achieve them.
- Failures to achieve annual goals are explained, but discussion of failure at any other level is either confusing or absent.
- Management Issues section identifies major management challenges, states which bureau(s) are responsible for addressing each one, and identifies relevant performance measures.
- Desire to improve management and to become more accountable appears sincere. Overall, though, the long-standing management challenges seem to have overwhelmed the department's ability to achieve a clear focus on results.

## APPENDIX 12

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF THE TREASURY (TREASURY)

## EVALUATION SUMMARY

**FY 2000 rank: 13**

FY 1999 rank: 5

Transparency:	10	<i>Min. per category:</i>	4
Public Benefits:	12	<i>Min. total:</i>	12
Leadership:	10	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>32</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- The report is posted on the department's website but quite difficult to locate.
- Organization and language are fine, but it reads like a database with approximately 300 performance measures.
- Limited discussion of data reliability. Report claims data are sufficiently accurate, but Treasury's inspector general disagrees.
- Charts include several years of data but say little about Treasury's performance.

### PUBLIC BENEFITS

- Most goals and objectives are outcomes.
- Vast majority of performance measures focus on processes, but the connection to outcomes is usually explained.
- Actions and results are linked at the objective level but not at higher levels, such as mission and strategic goals.
- Costs are reported only by mission and not linked to strategic objectives, strategic goals, or results.

### LEADERSHIP

- Contribution of Treasury to public welfare is clear only because it can be inferred easily from goals; no overview makes this link explicitly.
- Failures to achieve performance goals are discussed adequately. Failures to achieve targets for mission and strategic goals are not explained even though most of them were not met.
- An appendix lists management challenges identified by the inspector general and General Accounting Office and explains how the department is addressing them.
- This is a very backward-looking report with no discussion of plans to improve performance in the future.

## APPENDIX 13

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF STATE (STATE)

## EVALUATION SUMMARY

**FY 2000 rank: 14**

FY 1999 rank: 17

Transparency:	11
Public Benefits:	9
Leadership:	10
<b>TOTAL:</b>	<b>30</b>

<i>Min. per category:</i>	4
<i>Min. total:</i>	12
<i>Max. per category:</i>	20
<i>Max. total:</i>	60

### TRANSPARENCY

- Program Performance Report link on home page brings up description of the report and separate sections for download in pdf.
- Text is easy to read and informative, but would benefit from headings and formatting that would guide the reader more easily through it.
- Data sources are given, but not very useful to outsiders because reference is made only to bureaus and their internal data or reporting systems.
- Trends are difficult to identify because few outcome measures are defined in ways that facilitate year-to-year comparison.

### PUBLIC BENEFITS

- Strategic goals are mostly outcomes; performance goals are mostly outputs.
- Our researchers had difficulty identifying performance indicators, their relationships to performance goals, outcomes and strategic goals, and why they would matter to anyone outside the department.
- Report claims successes without explaining why State is responsible for them.
- No discussion of costs.

### LEADERSHIP

- Brief history and description of the department, national interest areas and strategic goals make the role of State and its link to citizens' well-being clear. On the other hand, the mission statement is focused inward and activity-oriented.
- Use of "partially successful" assessments obviated the need to admit failure in 90 percent of the cases where targets were not met. State admits not meeting targets but generally ought to be more introspective and critical in evaluating outcomes.
- Major management challenges are briefly mentioned, without discussion of how long the problems have existed or progress in addressing them.
- No indication of how the information in this report will be used to improve State's performance in the future.

## APPENDIX 14

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001



# DEPARTMENT OF COMMERCE (DOC)

## EVALUATION SUMMARY

**FY 2000 rank: 14**

FY 1999 rank: 22

Transparency:	9
Public Benefits:	10
Leadership:	11
<b>TOTAL:</b>	<b>30</b>

<i>Min. per category:</i>	4
<i>Min. total:</i>	12
<i>Max. per category:</i>	20
<i>Max. total:</i>	60

### TRANSPARENCY

- The report is not on DOC's website.
- Essential information is easily found. Opportunities for improvement: somewhat technical presentation in spots, excessive detail, insufficient graphics and "stray" comments or terms that are undefined or unexplained.
- Most bureaus describe data verification and validation procedures without assessing reliability of data. Secretary's foreword acknowledges data weaknesses.
- So many measures are new that there is little trend data. Reasons for changes can be ascertained only with great effort.

### PUBLIC BENEFITS

- Strategic goals and objectives are related to outcomes but stated as outputs (provide, support, promote, observe). Performance goals are mostly outputs.
- Performance measures at bureau level are a mix of outcomes and outputs.
- No information on whether outcomes are improving in the three major mission areas, or whether the department is responsible for any improvement.
- Each bureau presents a four-year budget history, portrayed as "resource requirements," for each of its performance goals.

### LEADERSHIP

- A highlights section lists some attractive outcomes for citizens that are not reflected in departmental goals or objectives.
- Failures to achieve performance goals are thoroughly explained, but the explanations often fail to identify core problems.
- Most bureaus discuss major management challenges, with varying levels of quality; some interpret the term simply as a chance to ask for more resources.
- Department's desire to improve implementation of the Government Performance and Results Act is evident. But it is not clear that a commitment exists outside these documents.

## APPENDIX 15

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)

## EVALUATION SUMMARY

**FY 2000 rank: 16**

FY 1999 rank: 17

Transparency:	10	<i>Min. per category:</i>	4
Public Benefits:	8	<i>Min. total:</i>	12
Leadership:	11	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>29</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- This report could be easier to find, but it is on FEMA's website in pdf format.
- Layout, writing style and use of graphics combine to make this report very easy to read. It needs a table of contents, executive summary, and clearer labels for goals.
- Director's letter apologizes for poor data quality. No discussion of this elsewhere.
- Baseline and trend data are supplied where possible, along with explanations when performance goals have changed.

### PUBLIC BENEFITS

- Strategic goals are outcomes. Performance goals are mostly activities.
- Most indicators are activity-oriented.
- Internal focus of goals and indicators hampers connection of activities with results. Links between achievements and indicators are often unclear.
- No discussion of costs.

### LEADERSHIP

- Introduction provides excellent explanation of how FEMA makes this country a better place to live. Rest of report provides occasional glimpses.
- Failures are explained when they can be identified. It is often hard to identify failures from the information presented.
- Discussion of management challenges appears outdated, since it references challenges identified in fiscal 2000 Annual Performance Plan - a document now two years old.
- Discussion of plans for improvement, in the context of specific activities, is scattered throughout the report.

## APPENDIX 16

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF EDUCATION (ED)

EVALUATION SUMMARY	
<b>FY 2000 rank: 17</b>	
FY 1999 rank: 4	
Transparency:	7
Public Benefits:	11
Leadership:	10
<b>TOTAL:</b>	<b>28</b>

<i>Min. per category:</i>	4
<i>Min. total:</i>	12
<i>Max. per category:</i>	20
<i>Max. total:</i>	60

## TRANSPARENCY

- Report not found on ED web site.
- Organization is confusing; it is divided into two volumes that are not integrated.
- It is labeled an "interim" report because President Bush's education proposals could substantially alter the department's activities – but it also omits most fiscal 2000 results.
- Few data are presented, data quality is flagged as a major problem, and no solution is discussed.
- Where data are presented, trends through fiscal 1999 and goals for fiscal 2000 are well documented.

## PUBLIC BENEFITS

- Three of four strategic goals are outcomes, as are the strategic objectives.
- Performance measures are a mix of outcomes and outputs.
- Agency fails to show it has made a difference – in part because it reports few results.
- Funding history is provided by program but not linked to goals.

## LEADERSHIP

- Goals and objectives are results most Americans would view as desirable, but failure to report results instills little confidence that the department is making a difference.
- Failures to meet targets are explained thoroughly...when failures can be identified.
- A 25-page section in Volume II identifies four areas of concern expressed by the inspector general and General Accounting Office. It furnishes background information, lists strategies, and assesses progress on each. Missing are specific recommendations and plans for the future.
- This report seems to have been stripped of any reference to the future.

## APPENDIX 17

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF DEFENSE (DOD)

## EVALUATION SUMMARY

**FY 2000 rank: 18**

FY 1999 rank: 7

Transparency:	12	<i>Min. per category:</i>	4
Public Benefits:	8	<i>Min. total:</i>	12
Leadership:	7	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>27</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- Released late. Listed on DOD's web page under "Reports" as the "Government Performance and Results Act - DOD FY 2000 Performance Report."
- Easy to read, but acronyms are overused and it needs a more thorough overview.
- Data verification and validation is discussed for each measure. All checks are internal, making it harder for outsiders to verify data. Most discussion focuses on methods of gathering data rather than assessment of quality.
- Fiscal 1998 baselines and fiscal 2001 targets bracketed actual data for the last two years and targets for the current year in tables.

### PUBLIC BENEFITS

- Corporate Goals and Annual Performance Goals are all stated as activities. Two goals - readiness and capability - are somewhat outcome-oriented.
- Most performance measures are activities.
- Outcomes for the public are never defined; nowhere is actual performance in military action mentioned.
- Report briefly describes numerous cost measures related to acquisition, infrastructure, and financial management. No discussion of cost-effectiveness.

### LEADERSHIP

- Document reads like a piece of internal reporting, not an attempt to explain to citizens how DOD improves their lives.
- Failures to meet goals are noted and explained, but there is little critical assessment of strategies or actions.
- A table lists performance indicators corresponding to management challenges identified by the department's inspector general and the General Accounting Office. There is no discussion of what the department is doing to address the challenges.
- Rarely describes changes to improve performance next year. A surprising number of factors are considered outside DOD's control, including personnel retention.

## APPENDIX 18

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# SOCIAL SECURITY ADMINISTRATION (SSA)

## EVALUATION SUMMARY

**FY 2000 rank: 19**

FY 1999 rank: 8

Transparency:	11	<i>Min. per category:</i>	4
Public Benefits:	8	<i>Min. total:</i>	12
Leadership:	7	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>26</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- Posted on SSA's web site. It is a chapter in the Accountability Report.
- Language is readable, but meaning is more difficult to extract due to goal structure and formatting.
- No sources listed for data; reader is simply assured that data collection is automated and reports are subject to review.
- Multiple years of data were presented for most goals. Some goals involve completion of specified activities, so there is no opportunity to examine trends.

### PUBLIC BENEFITS

- The first three strategic goals are outcomes but the other two are not. Objectives are input or output-oriented (e.g. providing information, making payments on time or having a well-trained workforce).
- Almost all measures focus on activities, and many are meaningless to people outside the agency.
- SSA doesn't demonstrate effectiveness of its programs - impact on "economic well-being of the public." New barometer measures are a step in that direction.
- No useful information linking goals and results to costs.

### LEADERSHIP

- Nowhere does SSA speak directly to citizens about how the agency is being managed strategically in order to improve their lives.
- Some unmet targets are explained thoroughly, but others are not.
- No discussion of major management challenges.
- No discussion of strategies for the future.

## APPENDIX 19

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# OFFICE OF PERSONNEL MANAGEMENT (OPM)

EVALUATION SUMMARY	
<b>FY 2000 rank: 20</b>	
FY 1999 rank: 14	
Transparency:	9
Public Benefits:	6
Leadership:	10
<b>TOTAL:</b>	<b>25</b>

<i>Min. per category:</i>	4
<i>Min. total:</i>	12
<i>Max. per category:</i>	20
<i>Max. total:</i>	60

## TRANSPARENCY

- The report is not available on OPM's website.
- Readability is good – language is plain and acronyms are explained. Structure, though (especially sheer length), inhibits understanding.
- Some data sources are offered. Most are internal, however, and the inspector general reports that barely half are reliable indicators. Known weaknesses are discussed and a new measurement framework is under development.
- Measures are still very new, so data are limited in many cases to baselines. Effort to present emerging trends is commendable.

## PUBLIC BENEFITS

- Strategic goals are clearly activities and read more like policy statements whose outcomes are vague.
- Aside from a few survey-based measures, all performance measures focus on activities. Indicators are too numerous (458) to be meaningful in a single performance report.
- It is difficult to isolate the contribution of OPM to its "ultimate objective" – "...that the Federal workforce be citizen-centered, results oriented, efficient and effective."
- No cost data linked to goals or results.

## LEADERSHIP

- Director's letter and a management section attempt to offer a vision of how OPM benefits Americans, but this is unsupported by the rest of this activity-focused report.
- Most failures are blamed on insufficient resources.
- Some management challenges are discussed.
- Some plans for the future are discussed, but it's not clear how they reflect what the agency has learned from past performance.

## APPENDIX 20

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# NUCLEAR REGULATORY COMMISSION (NRC)

EVALUATION SUMMARY	
<b>FY 2000 rank: 21</b>	
FY 1999 rank: 17	
Transparency:	8
Public Benefits:	8
Leadership:	6
<b>TOTAL:</b>	<b>22</b>

<i>Min. per category:</i>	4
<i>Min. total:</i>	12
<i>Max. per category:</i>	20
<i>Max. total:</i>	60

## TRANSPARENCY

- The report is online but difficult to locate. A link to "Planning and Financial Management brings up a list of budget documents, one of which is "NRC's Accountability Report," a pdf download.
- The report is well organized and easy to follow.
- Extensive discussion of data verification procedures and reliability; data sources are not disclosed.
- Hardly any meaningful trend data are reported, even though licensees surely must have reported much of the data before 1999.

## PUBLIC BENEFITS

- Strategic goals are outcomes, but basically limited to avoiding disaster.
- Performance measures focus on occurrence of nuclear incidents. This approach captures nothing about how risks are changing over time, and by itself it tells us little about the agency's, rather than facility operators', performance.
- The agency conveys an image of responsible enforcement. But due to very poor measurement choices, they fail to convince readers that safety is greater as a direct result of their activities.
- Costs not linked to performance or outcomes.

## LEADERSHIP

- While the report shows there were no significant nuclear accidents, it shares no overall strategy or specific actions that can attribute this result to the NRC.
- NRC goals of no deaths, no releases, etc. are an easy way out, reducing the performance measurement task to simply moving data from mandatory operator reports to the annual performance report.
- A summary of the inspector general's assessment in the appendix is inadequate, because problems aren't really defined.
- NRC seems to be changing a few systems. Report reveals no strategic thinking.

## APPENDIX 21

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)

## EVALUATION SUMMARY

**FY 2000 rank: 22**

FY 1999 rank: 20

Transparency:	7	<i>Min. per category:</i>	4
Public Benefits:	8	<i>Min. total:</i>	12
Leadership:	6	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>21</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- Report not found on HHS web site.
- The document ineffectively combines the fiscal 2002 performance plan and the fiscal 2000 performance report. The first section, called a "user guide," is a 50-page treatise on GPRA that contains no overview of goals, strategies, or results.
- Half of HHS has not yet even reported all fiscal 1999 performance goal data.
- No trend data are presented, and most fiscal 2000 data are unavailable.

### PUBLIC BENEFITS

- Strategic goals are mostly outcomes. "Selected" performance goals included in this report are a mix of outcomes and outputs.
- HHS has 950 annual performance goals. It reports on a couple hundred of them in this summary without offering any rationale or methodology for making its selections. Some are outputs and some are outcomes.
- No causal link is demonstrated between HHS activities and outcome goals.
- A label on the cover reads "Justification of Estimates for Appropriations Committees," even though report includes no discussion of service delivery costs.

### LEADERSHIP

- Departmental goals are laudable. This report fails to inspire, though; there is no department-wide strategy and no overview of results.
- Only "selected performance stories" are told - making it very difficult to judge either success or failure. Others are supposedly presented in the 13 separate bureau reports.
- Management and Coordination section mentions the inspector general's and General Accounting Office's attention to this matter without identifying the challenges - even though 12 of the 14 are deemed "serious." Instead, a half-dozen are selected and presented without discussion of their threats to performance or current status.
- It isn't clear what worked and what did not last year. No strategy or commitment evident for improving performance.

## APPENDIX 22

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001



# NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)

## EVALUATION SUMMARY

**FY 2000 rank: 23**

FY 1999 rank: 14

Transparency:	5	<i>Min. per category:</i>	4
Public Benefits:	6	<i>Min. total:</i>	12
Leadership:	7	<i>Max. per category:</i>	20
<b>TOTAL:</b>	<b>18</b>	<i>Max. total:</i>	60

### TRANSPARENCY

- Report not found on NASA web site.
- Organization is confusing (enterprises and cross-cutting processes), summary tables are hard to decipher, technical language is excessive, use of acronyms is tiresome, measures are too numerous and editing is poor.
- Reliability of data is suspect. The inspector general conducted audits only on "selected" measures, the Advisory Council review of agency performance is considered part of the data verification and validation process, and sources and reliability checks are all internal.
- Trends cannot be discerned because most measures take the form of activity lists.

### PUBLIC BENEFITS

- At the organization-wide level, NASA has not stated goals at all; instead, it has identified "enterprises" and "processes" - each of which contains numerous goals and objectives.
- Most performance measures are activity-based, usually reading like a "to do" list.
- It is very difficult to discern links between activities and the agency's ultimate objectives. Some progress is evident, and since NASA has few competitors in the field, it is reasonable to credit them with whatever results are obtained. This also begs the question, however, of what is achievable.
- No link between goals, results, and costs.

### LEADERSHIP

- Though NASA arguably has the most exciting and visionary job of any federal agency, its report fails to communicate the benefits of NASA's activities.
- Failures at the performance target level are explained, but strategic failures are most often blamed on external factors.
- International Space Station is the only major management challenge discussed.
- No convincing discussion of how NASA plans to improve in the future.

## APPENDIX 23

2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

# DEPARTMENT OF AGRICULTURE (USDA)

## EVALUATION SUMMARY

**FY 2000 rank: 24**

FY 1999 rank: 22

Transparency:	N/A
Public Benefits:	N/A
Leadership:	N/A
<b>TOTAL:</b>	<b>N/A</b>

<i>Min. per category:</i>	4
<i>Min. total:</i>	12
<i>Max. per category:</i>	20
<i>Max. total:</i>	60

NO REPORT WAS AVAILABLE AS OF 4/27/01.

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## APPENDIX 24

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2ND ANNUAL PERFORMANCE REPORT SCORECARD: WHICH FEDERAL AGENCIES INFORM THE PUBLIC?

MAY 2001

## INTERNET DOCUMENT INFORMATION FORM

**A . Report Title :**2<sup>nd</sup> Annual Performance Report Scorecard: Which Federal Agencies Inform the Public

**Downloaded From the Internet 16 May 2001**

**C. Report's Point of Contact: (Mercatus Center George Mason University Fairfax Va 22030**

**D. Currently Applicable Classification Level: Unclassified**

**E. Distribution Statement A: Approved for Public Release**

**F. The foregoing information was compiled and provided by:  
DTIC-OCA, Initials: \_\_JC\_\_ \_\_\_\_\_ Preparation Date: 2001/09/27**

The foregoing information should exactly correspond to the Title, Report Number, and the Date on the accompanying report document. If there are mismatches, or other questions, contact the above OCA Representative for resolution.