
Federal Strategic Planning and Performance

Betsy Newcomer
Office of Management and Budget
Executive Office of the President



Past Government-wide Efforts

Government Performance and Results Act (1993 - 2009)

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- Stable performance planning and reporting framework
- Performance focus

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- Lack of leadership involvement
- No focus on prioritization or management
- Focus on creating plans/reports

Program Assessment Rating Tool (2003 - 2008)

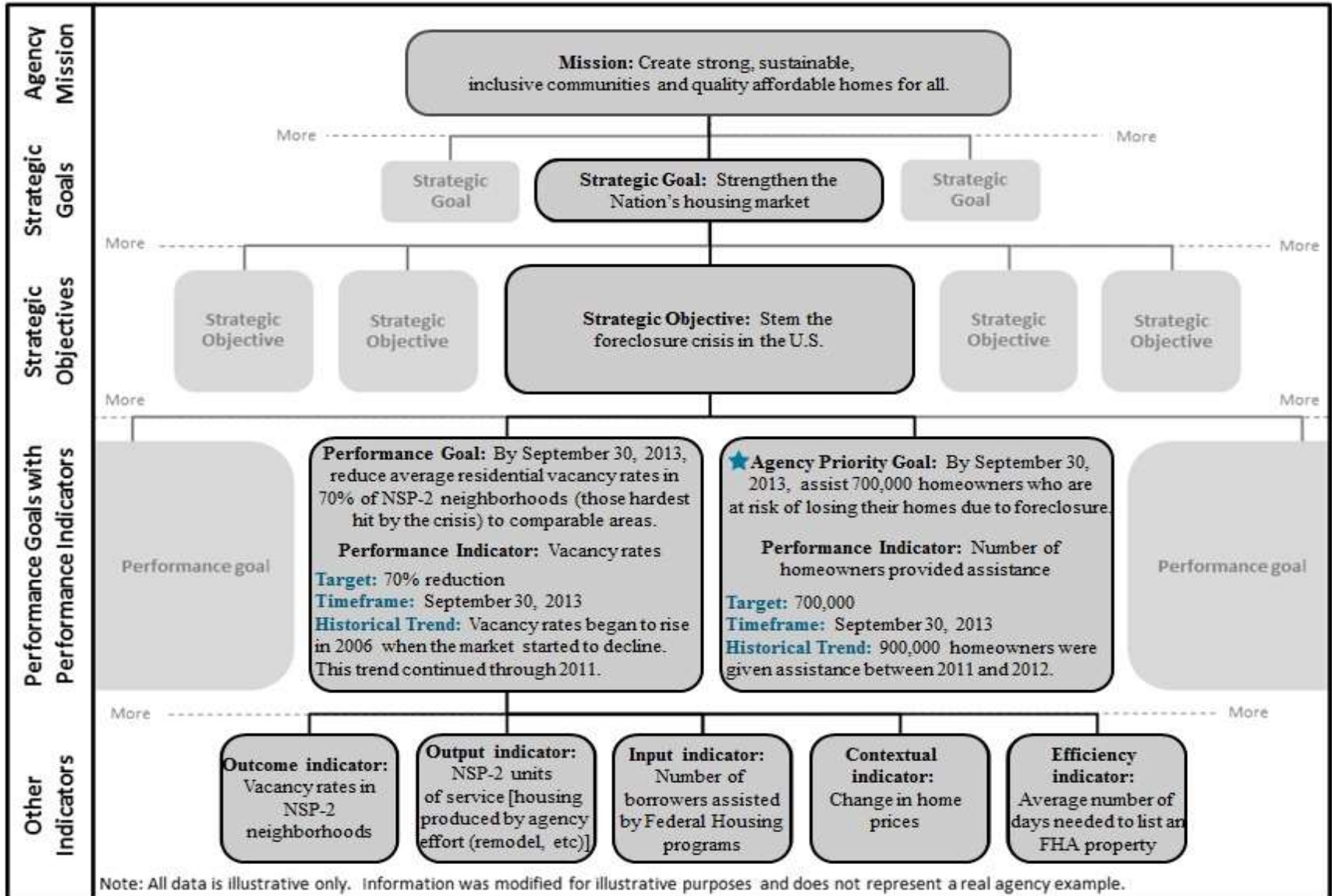
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- Program focused
- Challenging questions on program effectiveness/mgmt

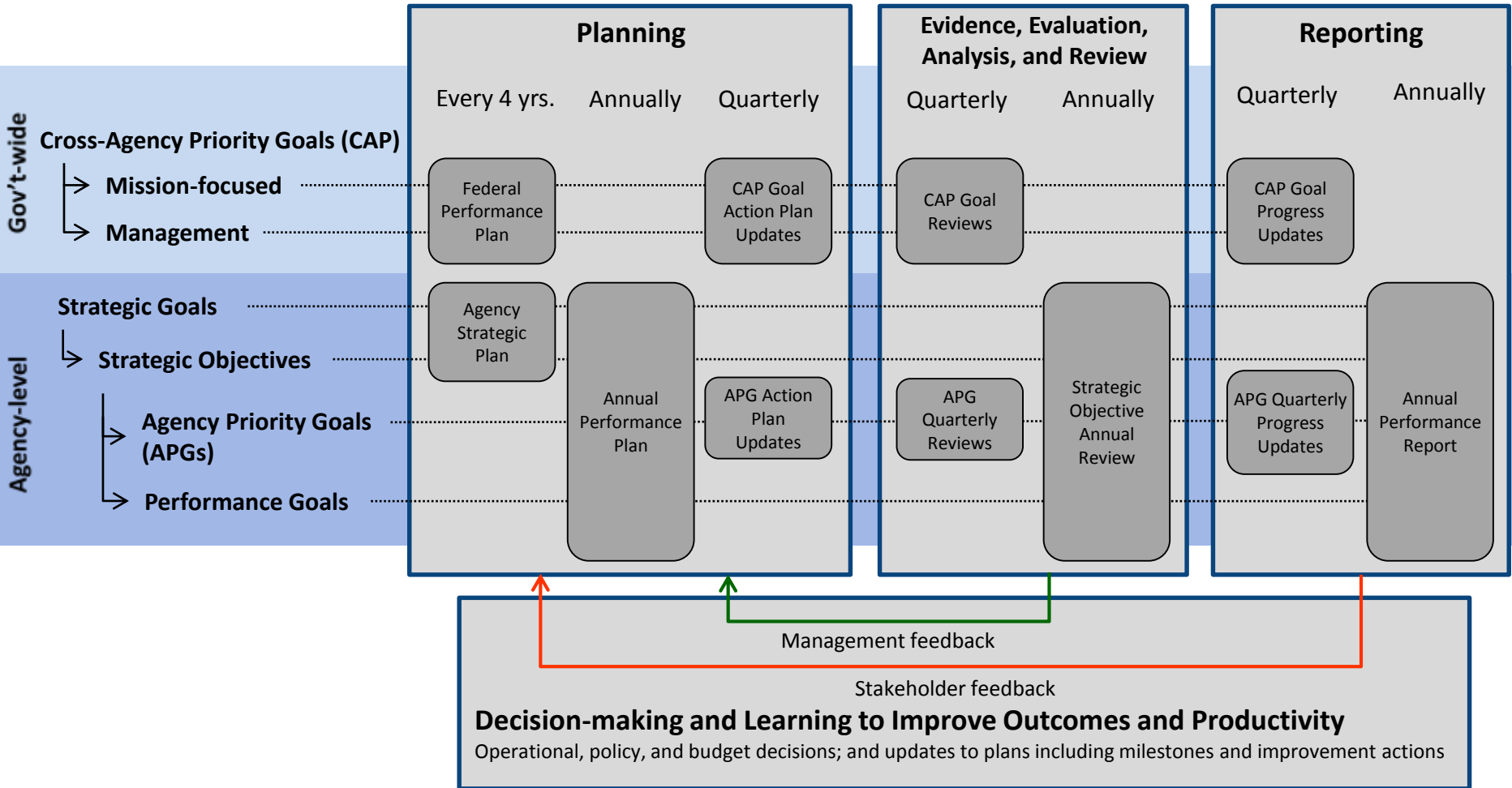
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- Not used by managers
- Not used by Congress to allocate funds
- Reinforced stovepipes

Example Goal Illustration



Performance Management



Information on Performance.gov for each Priority Goal

PERFORMANCE.GOV Search

HOME AREAS OF FOCUS AGENCIES ABOUT FAQ FEEDBACK

HOME » AGENCIES » DEPARTMENT OF HEALTH AND HUMAN SERVICES » REDUCE CIGARETTE SMOKING

DEPARTMENT OF HEALTH AND HUMAN SERVICES

PREP

GOAL LEADER(S) 1 2



Howard K. Koh
M.D., M.P.H., Assistant Secretary for Health

Reduce cigarette smoking

By December 31, 2013, reduce annual adults' cigarette consumption in the United States from 1,281 cigarettes per capita to 1,082 cigarettes per capita, which represents a 17.1% decrease from the 2010 baseline.

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[Download Featured Report](#)
[Agency Plans and Reports](#)
[View Evaluations](#)

Overview Progress And Next Steps Indicator List Contributing Programs

For Executive Branch Use Only - Do not release outside of the Executive Branch

Performance Indicators

Annual per capita adult cigarette consumption

Other Indicators

Percentage of adult smokers aged 18 years and older last smoked 6 months to 1...

ANNUAL PER CAPITA ADULT CIGARETTE CONSUMPTION



Fiscal Year	Annual Per Capita Adult Cigarette Consumption (in thousands)
FY 2000	2.1
FY 2001	2.0
FY 2002	1.9
FY 2003	1.8
FY 2004	1.7
FY 2005	1.6
FY 2006	1.5
FY 2007	1.4
FY 2008	1.3
FY 2009	1.2
FY 2010	1.1
FY 2011	1.0

Actual Values

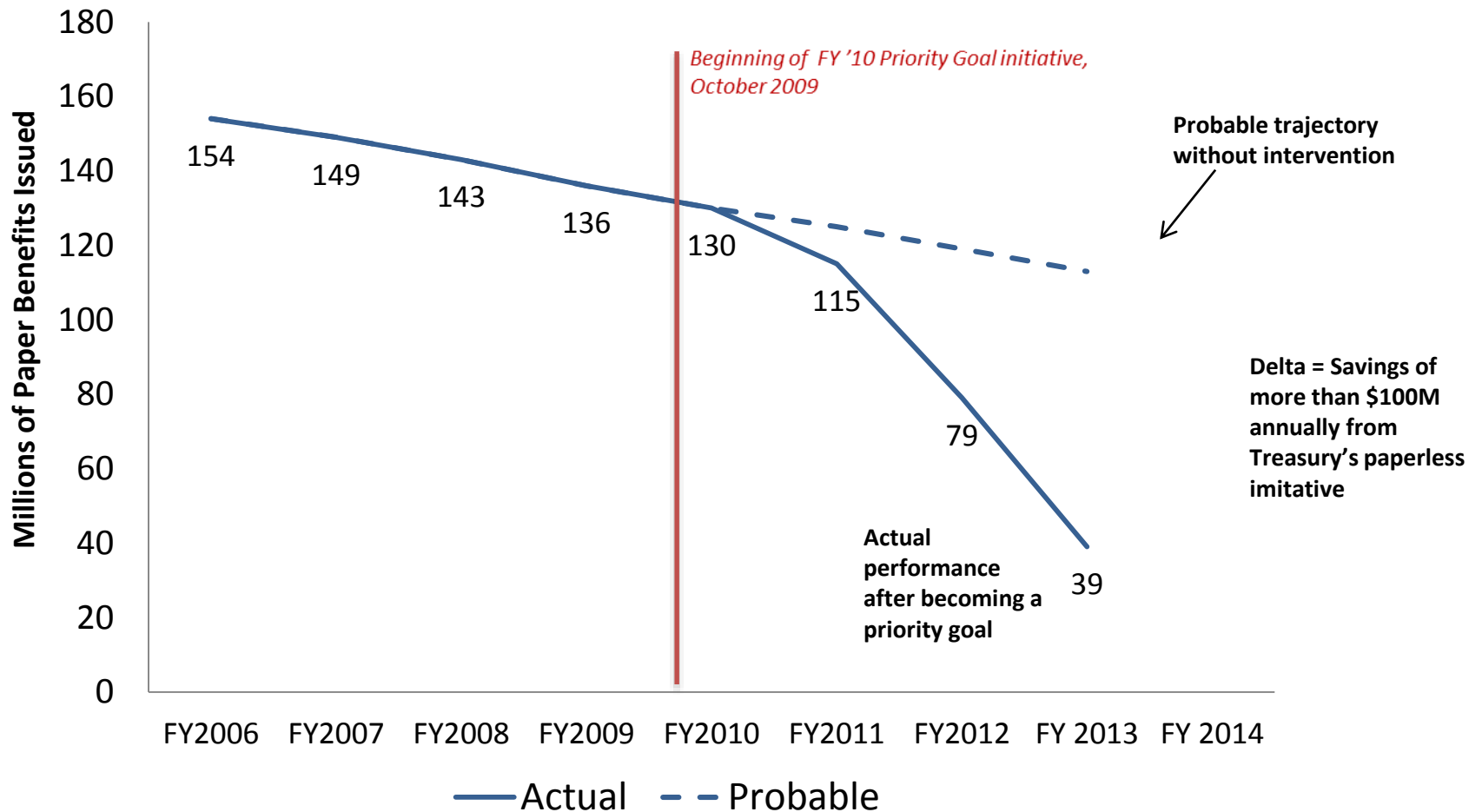
Overview Data & Explanation Indicator Details

Annual per capita adult cigarette consumption in the United States.

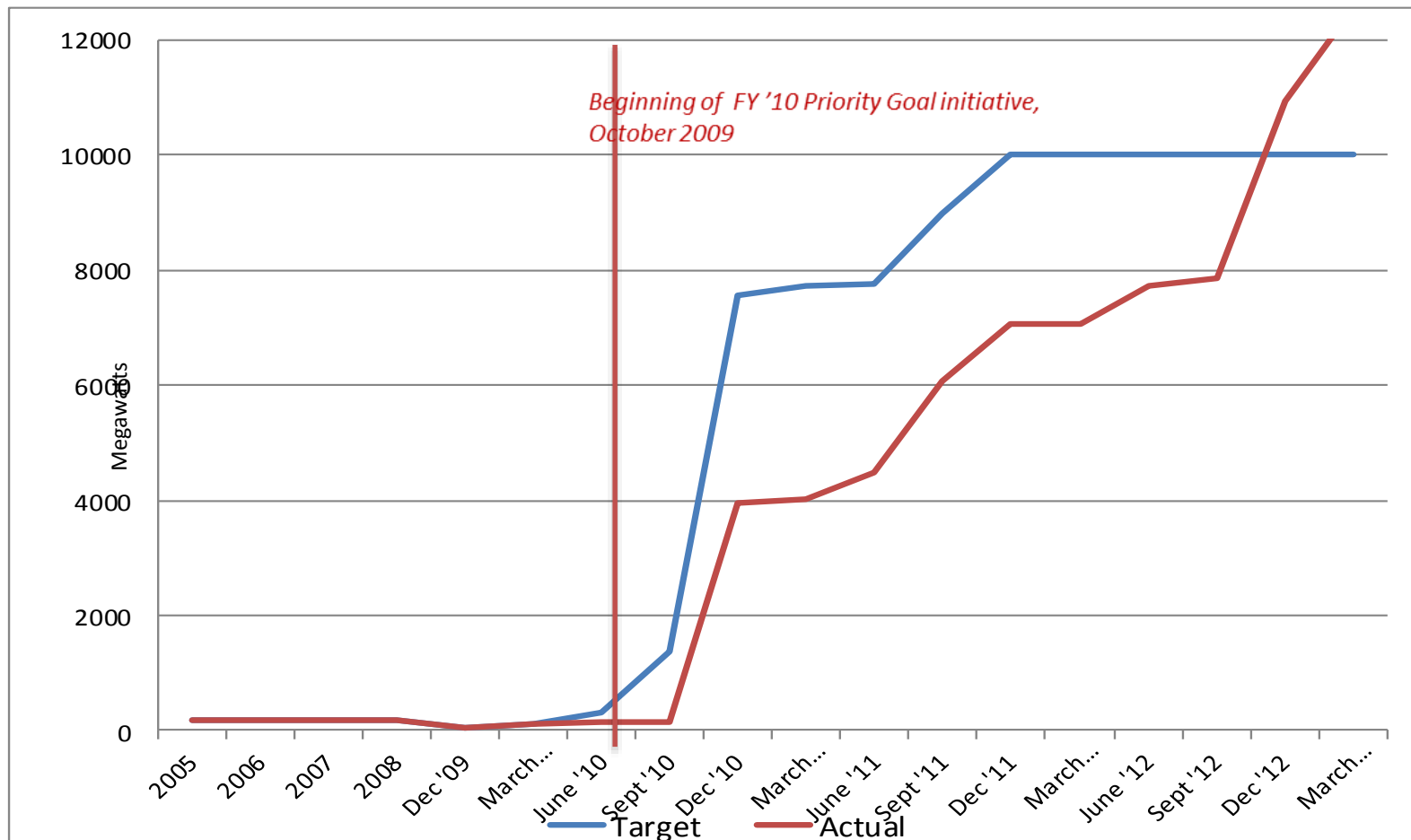
The Power of Senior-led, Data-Driven Performance Reviews

Treasury Department Agency Priority Goal

Actual Number of Paper Benefit Payments Issued



Progress on Interior Renewable Energy Development



Department of Interior has permitted over 12,000 MW of clean, renewable electricity on federal lands – a record number, enough to power almost 4 million homes and create about 14,700 forecasted new jobs.

Strategic Objectives & Reviews

The Strategic Reviews are:

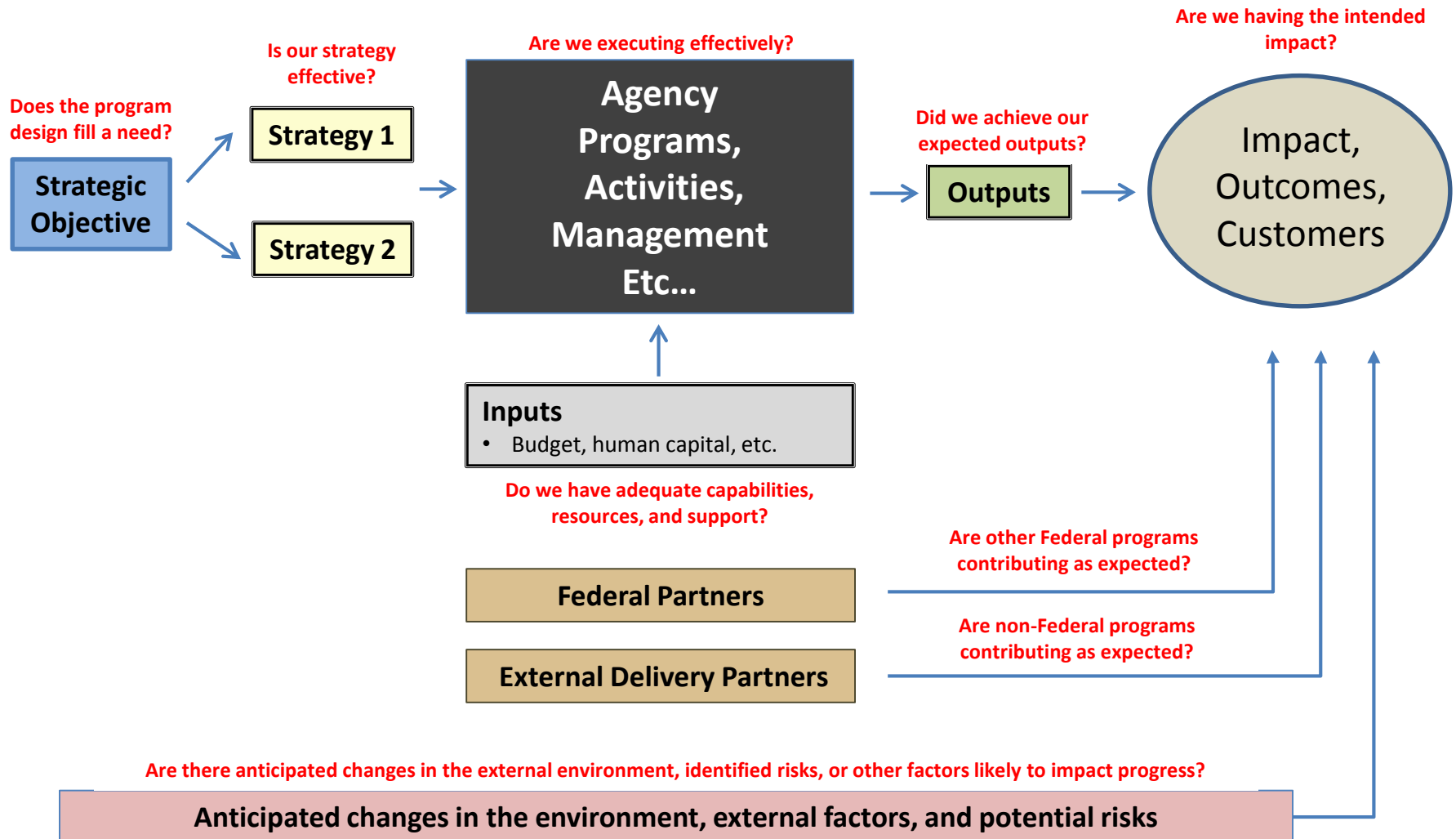
- An annual assessment which synthesizes available performance information and evidence to inform budget, legislative, and management decisions
- Conducted by agencies for each “Strategic Objective” in an agency Strategic Plan, with OMB review

The Strategic Reviews will:

- Help meet the needs of leadership in identifying opportunities for reform proposals, executive actions, communications opportunities, etc.
- Synthesize a broad evidence and information base (indicators, evaluations, risk management, partner contributions, external factors, research, etc.) and prioritize findings for decision-making
- Make meaningful distinctions in performance, such as identifying areas of noteworthy progress and significant challenges
- Incentivize organizations to develop a culture focused on learning and improving performance

Example Goal Illustration

What does the evidence say about the following questions? What evidence is lacking? What conclusions can we draw about progress?



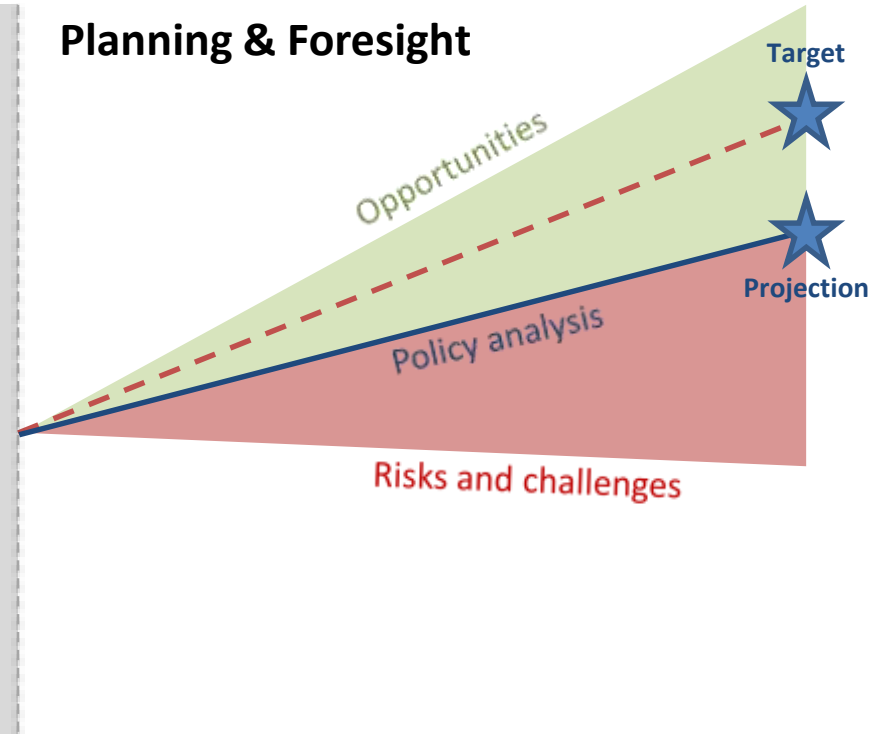
Strategic Reviews are Retrospective and Prospective

Retrospective ← Decision Point → Prospective

Reporting, Review, & Evaluation



Planning & Foresight



Learning

- What happened and why
- Lessons learned
- Research and improved understanding
- Exploration and innovation

Improvement Actions

- Changes to strategy and tactics
- Operational improvements
- Budget and legislative proposals

Assessment Guidelines

Agencies initially use the following guidelines:

Noteworthy Progress (10-20%). Highlights areas of significant progress and identifies opportunities for sharing best practices.

Focus Areas for Improvement (10-20%). Identifies performance challenges and priorities for innovation and improvement.

Other Strategic Objectives. Ongoing improvement efforts will be summarized for each Strategic Objective from the annual performance plan and other sources, including improvement actions; budget, management, legislative proposals; efforts to address GAO recommendations, etc.

Office of Management and Budget's Role

OMB engages in four key ways:

- 1. Review Approach:** Work with agencies to develop review methodology and offer suggestions.
- 2. Discuss Summary of Findings:** Review the agency's findings for each strategic objective; discuss 2-3 key issues that impact budget decisions.
- 3. Inform Budget Decisions:** Apply strategic review findings in decisions during the budget process.
- 4. Review Progress Updates:** Improvement plans and progress updates in the Annual Performance Plan and Report will be reviewed for alignment with Administration policy.

Example Collaboration

Goal / Team	Number of Members	Number of Pieces of Evidence Posted on Collaboration Site	Kick Off Meeting Held (Y / N)
1.1	28	66	Y
1.2	3	17	Y
1.3	13	11	Y
2.1	20	41	Y
2.2	20	92	Y
2.3	7	14	Y
3.1	14	65	Y
3.2	10	41	Y
4.1	21	15	Y
4.2	10	5	Y
4.3	12	16	Y
4.4	9	22	Y
5.1	6	3	Y
5.2	9	6	Y
5.3	9	3	Y
5.4	3	12	Y
6.1	24	40	Y
6.2	5	0	Y
6.3	16	5	Y
6.4	8	11	Y
6.5	9	10	Y
6.6	30	14	Y
TOTAL	286	509	

Example Review Methodology

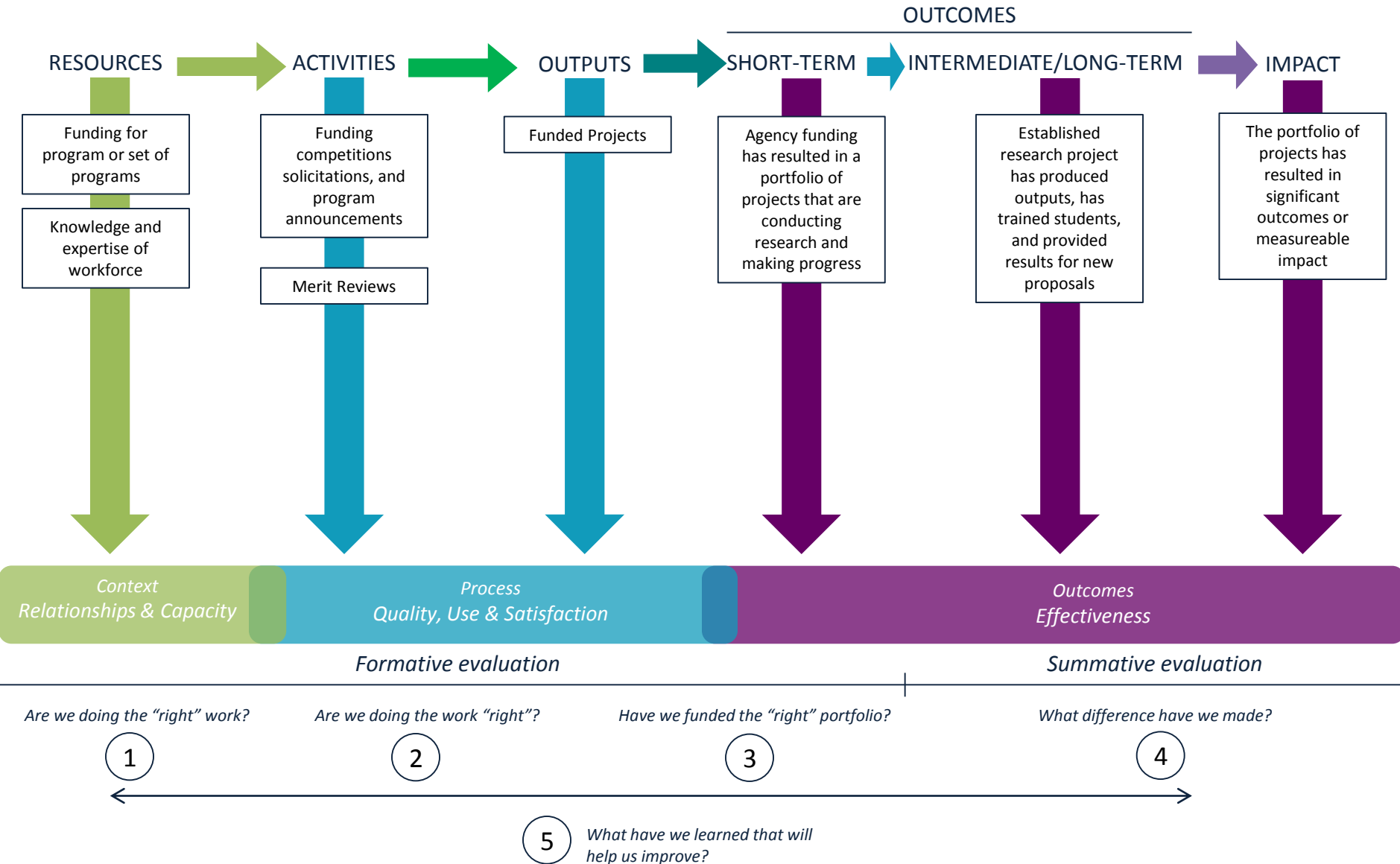
Agencies defined the methodologies for ranking objectives at their organization.

← Past Performance		Future Performance →	
Impact	Implementation	Risks & Challenges	Opportunities
<u>Noteworthy Progress (1 or more)</u> <ul style="list-style-type: none"> Agency exceeded success criteria to date and has surpassed original estimates of impact Strategies are exceeding intended impact and producing favorable unpredicted outcomes 	<u>Noteworthy Progress (1 or more)</u> <ul style="list-style-type: none"> Multiple goals and indicators are exceeding performance Programs and Projects are on cost and schedule 	<u>Noteworthy Progress (1 or more)</u> <ul style="list-style-type: none"> Significant Risks and Challenges have been mitigated Risks and challenges are unlikely and have a proper mitigation approach 	<u>Noteworthy Progress (1 or more)</u> <ul style="list-style-type: none"> New opportunities have been identified that could enhance future progress Best practices have been identified that can help other objectives Best practices have been identified that can help other agencies meet their objectives
<u>Significant Challenge (1 or more)</u> <ul style="list-style-type: none"> Agency has not met the intended success criteria to date Evidence does not currently exist or is weak to assess impact Significant changes in strategy are required 	<u>Significant Challenge (1 or more)</u> <ul style="list-style-type: none"> Multiple goals and indicators have not achieved the desired target Programs and Projects are exceeding cost and schedule 	<u>Significant Challenge (1 or more)</u> <ul style="list-style-type: none"> Significant Risks and Challenges have been identified Likelihood of Risks and Challenges is imminent with no proper mitigation approach Significant external risks outside of agency control could have a significant impact on future progress 	<u>Significant Challenge</u> N/A

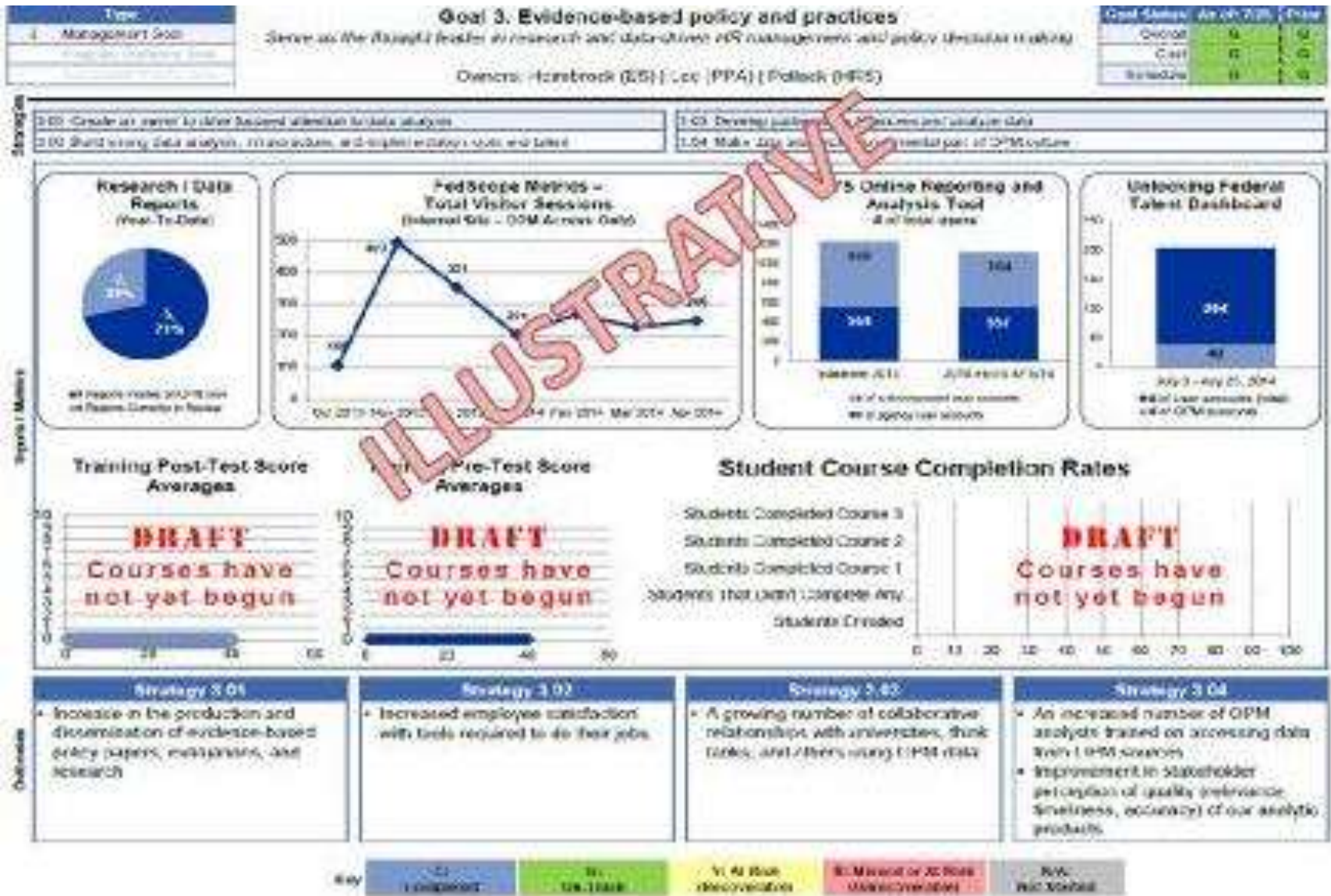
Cross-Cutting Relative Rankings

<u>Noteworthy Progress</u>	<u>Significant Challenges</u>
Tier 1 – Demonstrate Noteworthy Progress in all areas (4 out of 4)	Tier 1 – Demonstrate Significant Challenges in all areas (4 out of 4)
Tier 2 – Demonstrate Noteworthy Progress in both Impact & Opportunities, but not in all areas (2-3 out of 4)	Tier 2 – Demonstrate Significant Challenges in both Impact & Risks & Challenges (2-3 out of 4)
Tier 3 – Demonstrate Noteworthy Progress only in Impact and one other area other than Opportunities (1-3 out of 4)	Tier 3 – Demonstrate Significant Challenges in Impact and one or more other areas other than Risks & Challenges (1-3 out of 4)
Tier 4 – Demonstrate Noteworthy Progress in Opportunities and one other area other than Impact (1-2 out of 4)	Tier 4 – Demonstrate Significant Challenges in Risks & Challenges and one or more other areas other than Impact (1-2 out of 4)

Example Review Methodology



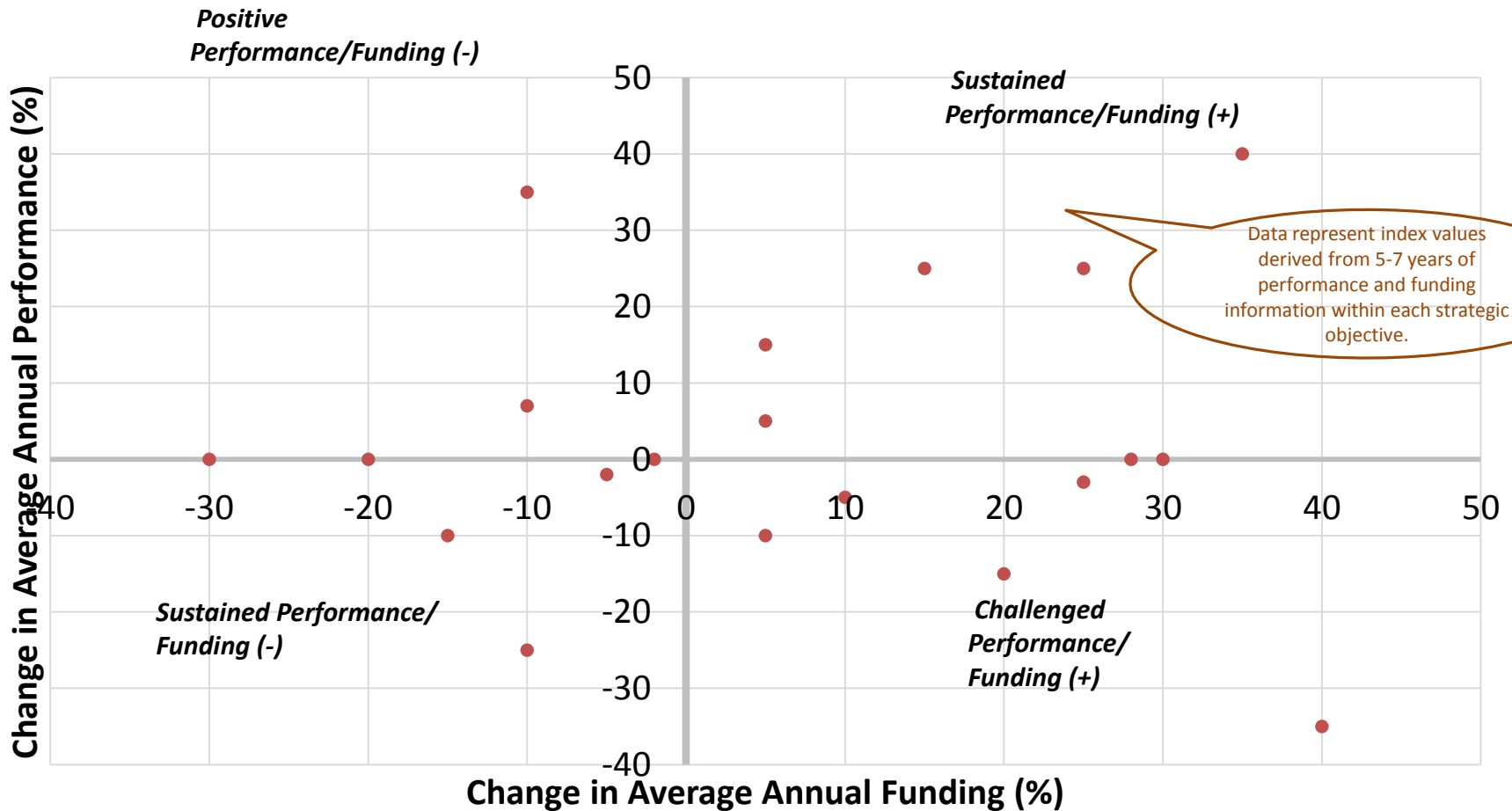
Example Summary of Findings



Example of Strategic Review

Analyze trends in performance measures and funding to identify potential areas of performance needing more attention.

Performance and Funding Index Values FY 2014
(Index values reflect change from past/actuals to future/projected)



Process

Preparation

- OMB issued guidance in 2012, conducted rollout meetings in 2012 and 2103, and engaged OMB staff during policy development and the reviews.
- Hundreds of agency staff attended strategic planning and review summits in March 2013, February 2014, and July 2014.

Conducting Reviews

- **February 2014:** Agencies presented an “approach”.
- **March-June 2014:** 20 of 23 major agencies conducted a review.
- **May-August 2014:** 19 of 23 agencies held briefings with OMB on findings.
- **September 2014:** Draft publication submitted for OMB review.
- **February 2015:** 17 agencies published results in ‘14 Annual Performance Reports and on Performance.gov. Six major agencies did not. Across the strategic objectives analyzed to date, agencies had identified approximately 14% as making noteworthy progress, and 12% as focus areas for improvement. 74% were in neither category.

Observations on Initial Process

- **Breaking Down Silos:** Agencies reported the Strategic Review was the first time certain programs met to discuss cross-cutting, strategic issues.
- **Identifying Evidence Gaps:** Agencies were able to identify objectives with relatively weak evidence and thus identify areas for improving data.
- **Aligning Activities to the Strategic Plan:** Agencies made progress aligning activities directly with strategic goals and objectives.
- **Engagement:** Many agencies' performance staffs reported finding value from strategic reviews, and more engagement with leadership than previous crosscutting efforts.
 - Over 100 agency staff attended strategic planning summit in March 2013
 - Over 100 agency staff attended strategic review summits in both February 2014 and July 2014
 - One PIO stated 'it was the first time in 20 years that their program staff had asked to participate in a performance management effort at the agency.'
 - Some excitement about "moving down the maturity model."
 - More agencies reporting engagement with top leadership than many previous initiatives (e.g., PART)

Promising Practices Conducting Strategic Reviews

Engage the Right People at the Right Time	Engaging the right people, appropriately, at each level matters. HQ leadership, bureau/component leadership, regional staff, budget and program staff and evaluation staff should be appropriately engaged.
Identify Supporting Evidence	If we are making progress or experiencing challenges, how do we know? Incorporating evidence into the process is critical for identifying opportunities, challenges and risks. Using an evidence base to validate and prioritize findings for decision making was important.
Leverage Existing Processes	It is important to leverage existing processes that drive meaningful dialogue and focus on “use” to support Strategic Reviews. Whether it be embedding the process within existing management (e.g. meetings, memos, working groups) or making adjustments to existing infrastructure, all options should be considered before establishing something completely new.
Align Stakeholders and Performance Information	All stakeholders (leadership, bureaus, partners etc.) and performance information (performance goals, program data, measures etc.) need to be clearly aligned to the outcome. If a large gap exists, it will be difficult to successfully conduct a review.
Make Assessments Focused on Learning	It is important to incentivize the right behaviors by focusing on improvement actions, learning and innovation, not target attainment. A fair assessment is objective and supported by evidence that takes into account external factors.
Drive Action and Foresight	The Strategic Review needs to drive action. It is imperative to identify opportunities to make the process useful to decision making and improving performance. Identifying progress and challenges and the plans to fix issues is key. These reviews could drive reform proposals as appropriate.

Challenges and Next Steps

Challenges

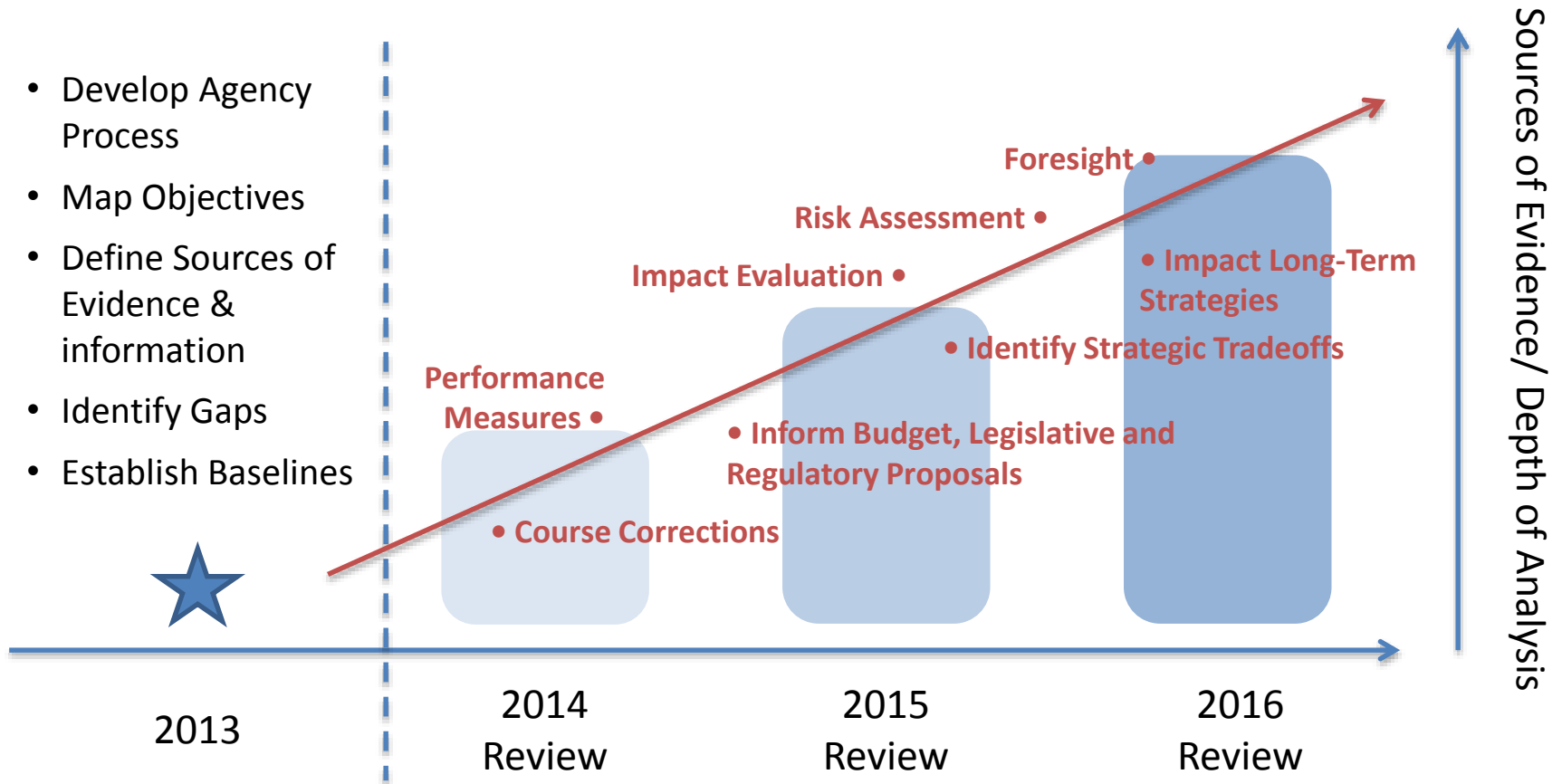
- Agency Capacity and Engagement
- Evidence and Data Availability
- Publication

Next Steps

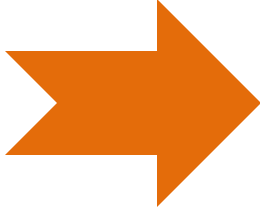
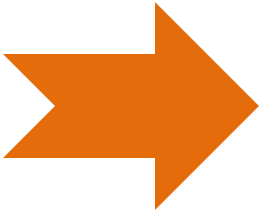
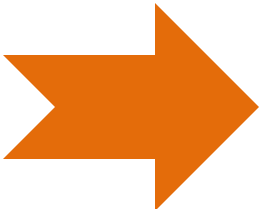
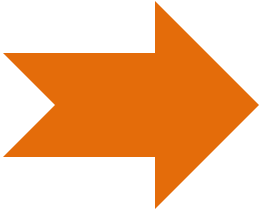
- Integrating management reviews
- Continuing Performance Improvement Council communities of practice
- Engaging leaders

Maturity Over Time

There will likely be maturation as agencies become more adept at synthesizing many sources of performance information and conducting analysis.



Future of Performance Management

	Past		Future
Measures	Count what we can		Being strategic in what we measure to inform strategy
Data Analysis	Primarily for accountability and reporting		Predictive analytics, applied problem solving
Culture	Compliance		Improve impact and results
Mission Delivery	Performance measured according to budget		Measuring outcomes

Promising Practices in Performance Management

- Be clear about outcomes and “what success looks like”
- Build trust to have honest conversations about challenges
- Don’t let the perfect be the enemy of the good - some evidence is better than no evidence
- Asking the right questions is more important than having the right answers
- Persistence and repetition are key to changing behavior
- Celebrate or reward success

Helpful Links

Analytical Perspectives: Delivering a High-Performance Government

https://www.whitehouse.gov/sites/default/files/omb/budget/fy2016/assets/ap_6_performance.pdf

Agency Progress

www.performance.gov

Agency Guidance (OMB Circular A-11 Part 6 Sections 200-290 and Section 51)

http://www.whitehouse.gov/omb/circulars_a11_current_year_a11_toc

Questions?

performance@omb.eop.gov