Results Matter:
Improving the Performance of Federal Programs

Institute for the Study of Public Policy
Implementation -- Leadership Forum
March 8, 2005
All programs achieve expected results and work toward continuous improvement by:

- Defining success
- Setting clear plans and timelines
- Addressing flaws and improving performance

Use the PART to identify strategies to improve performance:

- Investing in high pay-off or high priority activities
- Increasing accountability, efficiency, and productivity
- Improving program design
Where We Are Today
Distribution of Program Ratings

PROGRAM RATINGS ARE IMPROVING
(Cumulative Program Results by Ratings Category 2004-2006)

<table>
<thead>
<tr>
<th>Ratings</th>
<th>Percentage of Programs by Ratings (Budget Year)</th>
<th>Funding Change (2005 - 2006)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2004</td>
<td>2005</td>
</tr>
<tr>
<td>Effective</td>
<td>6%</td>
<td>11%</td>
</tr>
<tr>
<td>Moderately Effective</td>
<td>24%</td>
<td>26%</td>
</tr>
<tr>
<td>Adequate</td>
<td>15%</td>
<td>20%</td>
</tr>
<tr>
<td>Ineffective</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Results Not Demonstrated</td>
<td>50%</td>
<td>38%</td>
</tr>
</tbody>
</table>
Where We Are Today
Effective PART Follow-up

• Program reassessments demonstrate that implementation of PART recommendations improve program performance

• Trends identified in PART reassessments:
  – Agencies identified effective ways to drive results and implement lessons learned across their programs, especially when focused on similar goals
  – Agencies have used PARTs to justify incremental increases to program budgets highlighting that the PART is not just a tool for decreasing funding
  – PART has caused agencies to think more systematically about how they measure and improve program performance
    • Agencies have improved efficiency measures and marginal costs metrics to better drive results
    • Agencies now have the information and tools to look across similar type programs to identify redundant programs and share best practices with other program managers
Where We Are Today

Use of PART

- Limited success in implementing funding recommendations
  - The Administration proposed cuts totaling $1.14 billion in 14 programs rated “ineffective” or “results not demonstrated”
  - The result after the appropriation process: net cut of only $41 million

- Limited success in implementing 43 legislative recommendations

- Congress has increased its interest in assessments of program performance, but there is more opportunity for growth in our partnership

- Proposed reductions in FY 2006 Budget relative to FY 2005 enacted Budget
  - Total cuts from Ineffective Programs: $7.6 billion
  - Total cuts from Results Not Demonstrated Programs: $2.4 billion
The Path to Success

Next Steps

We commit to the following actions so that programs continue to achieve expected results and work towards continuous improvement:

- Implement cross-cuts through the use of PART in the following program areas:
  - **Block Grant Programs** - Improve performance of large, social service block grants across agencies
  - **Small Business Innovation Research (SBIR)** - Identify best practices, especially in the proposal application, review and scoring process
  - **Credit Programs** – Share best practices information and improve program and financial management performance

- Continue PART assessments and track PART recommendations
  - PART 100% of programs; Reassess selected programs
  - “Results Matter” Website

- Provide high level support for certain legislative / funding recommendations
- Results Commissions
- Sunset Commission