

Performance Measures in Government

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BROWN
The Policy Lab

Learning Objectives



1. Understand why and how performance measures (PM) are useful
2. Understand how PMs fit into telling your program's story
3. Learn some tips for creating good PMs
4. Understand limitations and potential misuses of types of PMs
5. Practice creating PMs

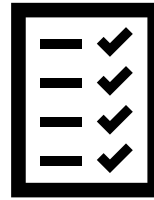
**Why performance
measures?**

Performance measures and management

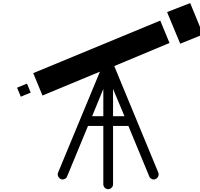
Data-driven decision-making is required for robust management



Transparency and attention: Provides more objective clarity to the public and decision-makers.



Have a plan: You can't create an actionable plan without quantifying milestones.

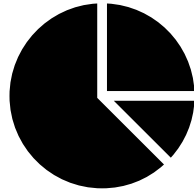


Clarify accountability: What is the program truly responsible for.

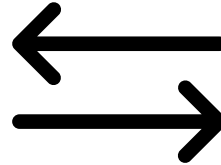
Executive Order 2023-01: State Agency Collaboration and Data Sharing

Performance measures and management

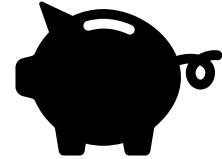
Poor performance
doesn't necessarily
mean less funding



Prioritize: How to negotiate time and budgets.



Make adjustments:
Allows you to see lags and acceleration that enables you to adjust resource allocation.

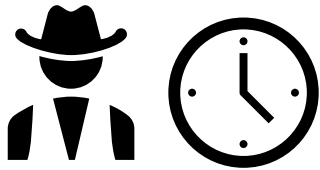


Return on investment:
Let's you measure what you got for your money.

Tell your story

First, what is the objective of this program or budget item?

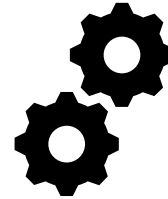
Explain first,
measure second



Who, what, when:
Cover the basic facts.
Who is doing it, what
are they doing and
when will it be done?



Why: Why is this
important? This is the
“glue” of the causal
chain.



How: How will this
activity change the
world for the better?

Describe in
narrative

Create a causal chain

How strong are the links?



Program Activities:
What will the new FTE be doing and how will they lead to more inspections? Connect the investment to the output.

Outputs: How will more inspections improve health? Cite evidence on the connection between the output and the outcome.

Outcome and Impacts:
Hard to see these in a year and many other things affect them other than your program. Still, the ultimate goal.

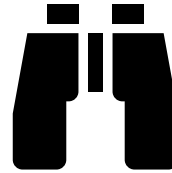
Tips for good PMs

Budget requests and performance objectives

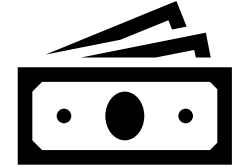
Measure what
you manage



Focus on the important: What measure is at the heart of your story.



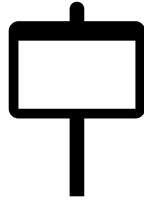
Data Problem: Don't settle for what is easy. The right data is usually out there.



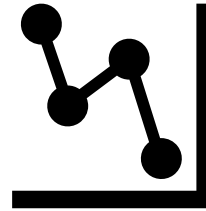
Rational for resources: Remember the bottom line. Does this measure help demonstrate this is all worth it?

Budget requests and performance objectives

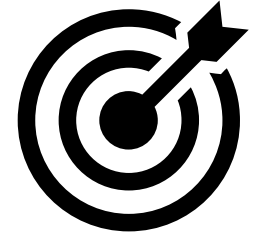
But manage
how you
measure



Guide post to understanding: It must help connect the causal chain. It is still about the story.



Existing Measure: Your program might already be tracking a vetted measure, consider those first.



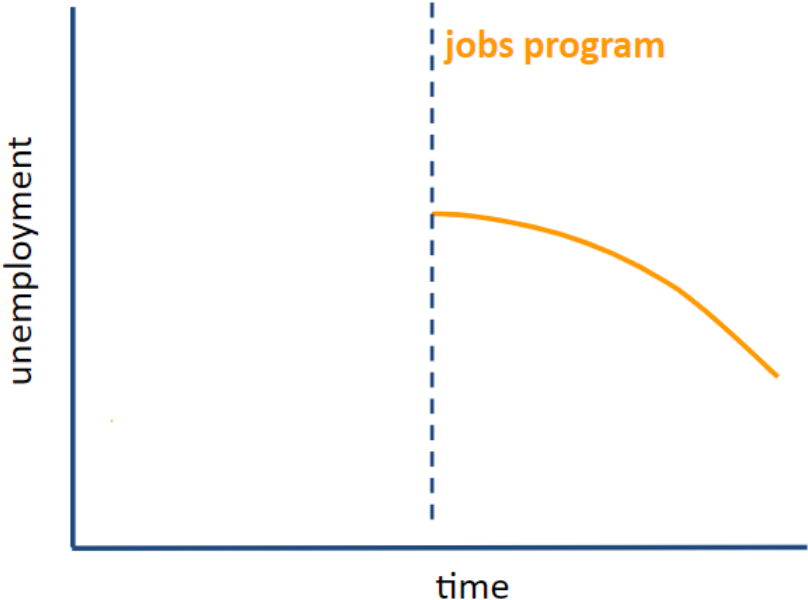
No ultimate measure: Programs will maximize the measure at the expenses of everything else.

Limitations & Misuses: Creating the Baseline and Target

**“There are three kinds of lies:
Lies, Damned Lies, and
Statistics” —Mark Twain**

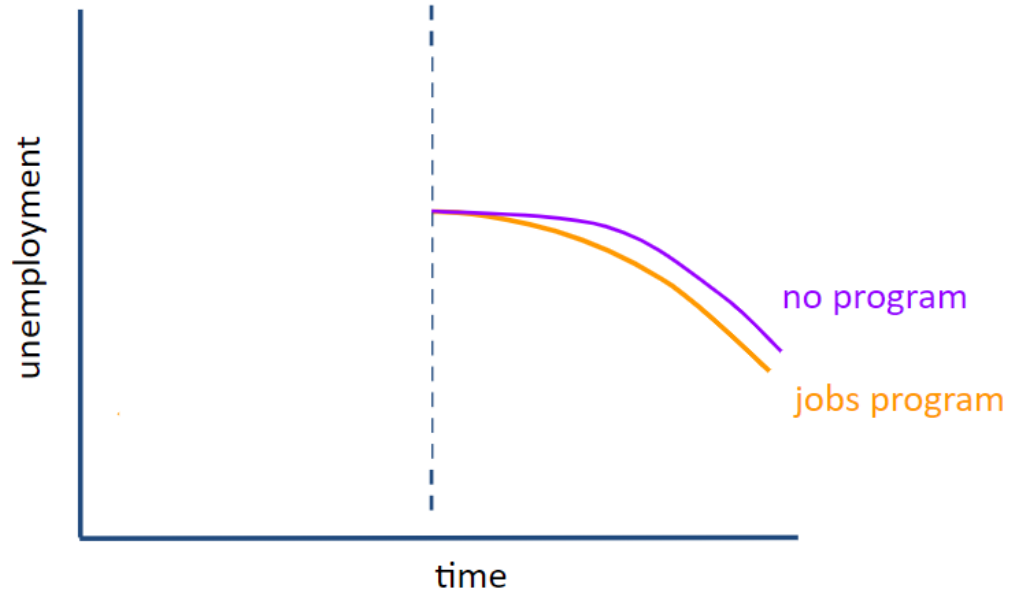
Observational vs. causal claims

What did the program really do?



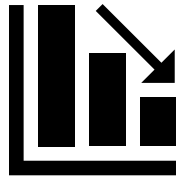
For causal claims, you need a compelling counterfactual

What is your evidence?

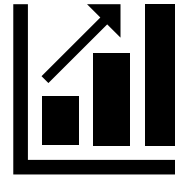


What is the baseline? What should be the target?

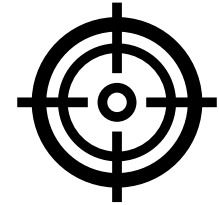
This is often the hardest part



What else is impacting outcomes? Is the economy changing? Did federal regulations change? Is another force gaining strength?



Establish the counterfactual: Not what happened last year! What would the world look like if this investment didn't happen?



Meaningful target: Not too much of a stretch, not too conservative

Examples

Information Technology Upgrade

Internal infrastructure can be tricky because it can serve multiple programs

Possible Measures and Targets:

- Reduction in cyber security incidents or fraud
- Reduction in downtime
- Improved processing time
- More employs/clients with access
- Access to more data or functionality



Issues and Questions:

- Are cost/incidents going up?
- Will something be out of compliance or is there a risk of catastrophic failure?
- Can user improvements be tied to programmatic outcomes?
- Is new functionality tied to cost reduction?



Increase in Economic Development Spending

Baseline, baseline and baseline – Is an output measure better?

Possible Measures and Targets:

- Increase in companies attracted
- Increase in number of jobs
- Increase in main streets cleaned up
- Tax revenue generated
- Increase in agreements signed



Issues and Questions:

- What would have happened without the investment?
- Was new business generation already increasing?
- Construction jobs are not permanent
- Explain the rationale that this spending changes the marketplace



Expanded Eligibility of Reading Program

It can take awhile to see results from an education program

Possible Measures and

Targets:

- Increase in number of kids served
- Number of reading hours or books read increases
- Reading test scores increase
- Equity improvements



Issues and Questions:

- How quickly can you get the expansion up and running?
- How long does it take to see results?
- What is the evidence that the program really improves reading ability?
- Is the expansion for the same client population or one with different characteristics?



Questions?

thepolicylab.brown.edu

Agency Examples

Help these agencies think through their performance measures

Children's Health Insurance Program Expansion: \$4.5 million

Dean Weedon – Department of Health and Human Services

Prison Staff Pay Raises: \$19.3 million

Steve Gehrke – Department of Corrections

Hale Center Foundation – The Ruth Theater: \$3 million

Kristin Mead – The Department of Cultural and Community Engagement