

TESTIMONY TO THE SENATE HOMELAND SECURITY AND GOVERNMENT
AFFAIRS SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT,
GOVERNMENT INFORMATION, AND INTERNATIONAL SECURITY
June 14, 2005

BERYL A. RADIN, PhD
PROFESSOR OF GOVERNMENT AND PUBLIC ADMINISTRATION
UNIVERSITY OF BALTIMORE

Chairman Coburn, Ranking Member Carper, and Members of the Senate Subcommittee on Federal Financial Management, Government Information, and International Security: My name is Beryl A. Radin and I am a professor of Government and Public Administration at the University of Baltimore and an elected fellow of the National Academy of Public Administration. I will be joining the faculty at American University's School of Public Affairs this coming fall.

For more than a decade, I have been studying the efforts within the federal government to improve the effectiveness and accountability of federal programs and have published a number of articles on this subject. I am currently completing a book manuscript that focuses on some of the unanticipated consequences of performance measurement activities.

Like many others, I believe that it is important to find ways to assure that limited federal dollars are used effectively to carry out the goals and objectives of programs that have been created by both the Congress and the executive branch. Concern about performance attainment and performance measurement has spread beyond the public sector and it is hard to find any aspect of the American society today that does not focus on issues related to performance.

But while the focus on performance is extremely important, I have serious questions about the current procedures that have been put in place to carry it out. While the effort that has been undertaken in OMB through the Program Assessment Rating Tool (PART) may have been motivated by a legitimate and appealing concern, I do not think that this model is an appropriate way to measure program performance. Much of what has been devised in the name of accountability actually interferes with the responsibilities that individuals have to implement public programs. This includes PART as well as some other performance measurement efforts such as GPRA.

The six issues that I will discuss today explain why there appears to be a disconnect between many of the PART evaluations overseen by OMB and the budget proposals that were found in the President's current budget. They illustrate how difficult it is to impose a single model on an extremely complex federal system with a diverse array of programs.

We should heed what H. L. Mencken once said: “Explanations exist: they have existed for all times, for there is always an easy solution to every human problem – neat, plausible, and wrong.”

Let me summarize my six points.

(1) Many federal programs have multiple and conflicting goals.

The dynamics of the legislative process and the need to craft coalitions of support often create programs that try to accomplish several things at once (and they are not always compatible). The PART process does not reflect that reality and most of the evaluations assume that there is a single goal for a program.

(2) Not all federal programs are alike.

There are major differences between competitive grant programs, block grant programs, research efforts, regulatory programs and other program forms. Yet the PART approach largely treats them alike (even though OMB acknowledges the differences that have been analyzed by many others, including GAO). Some programs seek to expand opportunities for those who have not received the benefits of federal programs yet the PART process does not usually measure these goals nor does it seek information from those who represent the program beneficiaries.

Political scientist James Q. Wilson has suggested there are four different types of agencies; in some agencies outputs and outcomes can be observed and in others they cannot. He calls them production organizations, procedural organizations, craft organizations and coping organizations. He argues that in coping organizations outputs and outcomes are very difficult to measure. Yet PART does not really recognize these differences.

Perhaps most importantly, the PART process does not recognize the decisions by Congress to enact programs in different forms. Instead, OMB actually second guesses Congress in terms of assessment of program purpose and design. This is most dramatically shown in the way that OMB has assessed programs that involve block grants to states. Congress decided in these programs to provide discretion to states and let them decide how to use the funds within often minimally defined parameters. This occurs because Congress in its wisdom has noted that problems are quite different in different states and a federally imposed measure is not appropriate in such a setting.

When OMB rated block grant programs in its FY 2005 process, it found no block grant programs effective while finding 11% of programs examined that year rated effective. They also found 43% of the block grant programs to be ineffective while determining that only 5% of all the programs were ineffective. These ratings clearly suggest that the PART process is biased against block grant

programs. The rating of “ineffective” also ignores that programs have problems for different reasons. In some instances, the program does not have adequate staff or funding. In others, the federal government is involved in an issue but moves cautiously to address it because it is not clear how best to act.

3) OMB budget examiners and OMB itself have a limited perspective on programs.

It does not make sense to rely on only one perspective to determine whether programs should live or die. Congress itself has recognized that as it has separated the authorizing and appropriating functions. A yearly budget process is not the only way to look at what are often very detailed and complex programs. In some cases, the PART ratings approved by OMB simply reflect historical views about programs that some budget examiners have held over many years. For example, it is not surprising that some of the health professions programs within HRSA in HHS receive low PART ratings since for many years OMB has recommended that these programs be defunded. Focusing only on the OMB perspective seems to have eliminated the possibility that stakeholder views will be included in the PART assessment process.

(4) There are many different types of information that are useful to those who are charged with running or assessing programs.

The information that is used in the PART process is not value neutral. Rather, it reflects markedly different reasons for a concern about performance.

There are at least three agendas at play that are difficult to disentangle. Some advocates seek to eliminate programs and find it helpful to blame bureaucrats for problems. Others simply want to find a way to modify programs and argue that what worked in the past does not always make sense in a current or future environment. And still others believe that performance information will allow them to make a case for their programs and respond effectively with that data to those to whom they are accountable. PART does not allow a disentangling of these three agendas.

Significantly, the information that is emphasized by OMB often is not always useful to program managers, policy planners, or evaluators or, judging from the quite tepid reaction on Capital Hill, to those charged with appropriations recommendations.

(5) OMB calls for new data sources but does not acknowledge that agencies are not able to collect this data.

A number of agencies would like to collect data on the achievement of program outcomes. However, they are constrained both by the mandates of the Paperwork Reduction Act (which has required that they reduce the number of data elements collected) as well as by their inability to receive appropriations that would give them the resources to develop these data systems. In addition, there are sometimes limitations on data collection that are created by congressional decisions. For example, Congress has prohibited the Consumer Product Safety Commission from following cost/benefit analysis for some programs. Yet the PART evaluation criticized the Commission for failing to use cost-benefit analysis.

- (6) PART focuses on an executive branch perspective and is not easily transferred to the congressional branch.

The one-size-fits-all approach that is found in the PART process is not compatible with a legislative branch with multiple committees and subcommittees as well as separation between authorizing and appropriations perspectives. The multiple venues within the Congress for discussing issues are one of the strongest attributes of our democracy even though the complexity it creates is sometimes frustrating. But that multiplicity itself makes it difficult to devise a single congressional perspective on performance. And as we know, legislation is constructed for a wide range of political reasons that may not be clear or relevant to OMB budget examiners. Deferring to the executive branch and accepting PART wholesale cedes program effectiveness analysis to the executive branch.

In conclusion, I suggest that this Subcommittee (and the Congress) avoid attempting to adopt the PART process and, instead, by focusing on accountability and results, emphasize the existing resources that are unique to the legislative branch. Instead of searching for a one-size-fits-all approach, the Congress has rich resources within the appropriations and authorizing committee structure that could be used to craft definitions of results within the framework of specific programs. Performance can best be handled within the confines of specific program development and traditional congressional oversight.

The Congress has oversight capacity that can be used to provide more robust information than that from the PART process. The oversight process gives the Congress access to a range of information from GAO, CBO, CRS and the Inspectors General as well as from non-governmental sources. Each of these sources has a somewhat different perspective but collectively they offer a rich view of program performance. Congress has the ability to develop a regularly scheduled assessment of programs within its oversight role.

Thank you for inviting me to testify before this Subcommittee; I am available to work with the Subcommittee and its staff to continue this conversation.

