

DATA VALIDATION AND VERIFICATION

Managing for results and producing an Annual Performance Plan and Performance and Accountability Report require valid, reliable and high-quality performance measures and data. The SBA is committed to the continuous improvement of its performance and financial management data. The Agency has established a multifaceted strategy to achieve this goal; some of the main points of this strategy are:

- Electronic collection of data
- Independent program evaluations
- Data validation systems
- Source documentation
- Documentation of estimates calculation methodology
- Standardization of client definitions

Data validation is defined as determining if the performance indicator actually measures the goal or objective of interest and is a useful guide to policy making decision. Data validations present a systematic way of assessing the quality and integrity of the performance indicators published in the Performance and Accountability Report (PAR). They also provide the public with an opportunity to understand how the performance indicators—measured in terms of outputs, intermediate outcomes, and outcomes—are connected to the Agency's Strategic Goals.

In providing this data validation, the SBA program offices must reference any limitations to the data, including the completeness and accuracy of the data, and plans to address these limitations. They should also identify other factors affecting data quality, such as the frequency with which the data is reported, the data source of the indicators, and the policy implications of the performance indicators.

Online data validations are organized by Strategic Goal and further sub-grouped into Long-Term Objective categories. The performance indicators within each Long-Term Objective section can be viewed by choosing the type of the SBA assistance to which the performance measure is connected. The top of each data validation table identifies the program office and the name of the program being evaluated. Additionally, the data validation for each indicator can be accessed by clicking in the indicator of interest.

The data validation table on the next page and the example in Appendix 11 illustrate the information-gathering behind the data validation tables published in the PAR. This type of example data validation is also available online to the SBA program offices. The online tool allows program offices to review examples of appropriate responses for the information required in the data validation form. Data Validation Tables were selected as a best practice by the GAO.

Additionally, the Agency is devoting resources to formally validate the performance indicators within the context of measuring the SBA's impact on the formation and growth of small business. Three current efforts are:

- An independent external evaluation of the indicators of the programs contributing to the SBA financial assistance.
- A longitudinal survey of the economic impact of technical and management assistance programs.
- An electronic survey of economic effects of HUBZone certification on small business.

The methodology for the calculation of estimates can be accessed by clicking the FY 2005 estimated value for and indicator in the Performance Statements tables.

Validation of Data Used in Performance Measure	
Office:	
Program	
Performance Indicator (PI)	
Strategic Goal	
Long-Term Objective	
Nature of the PI	Indicate whether PI is an <input type="checkbox"/> (1) Output <input type="checkbox"/> (2) Outcome <input type="checkbox"/> (3) Intermediate Outcome
Qualitative definition of PI	
Outcome(s) this PI contributes to	
Explain for each outcome its connection with the PI	
Verification (done or planned) of the outcome/PI connection	
Limitations of the PI connection with the outcome	
Describe plans to address limitations to the connection	
Data source for PI	
Data system	
Frequency of collection and reporting	
By the end of this FY, the PI's value will be identified as either an estimate or actual	
If PI values are rounded, please provide actual values	
Describe any issues with completeness of data	
Methods used to determine accuracy of data	
Limitations to accuracy of data (records without data, wrong data, double counting, etc.)	
Describe plans to address limitations to accuracy of data	
Formula to calculate the PI (if appropriate)	
How is this PI being used for policy decision making?	
Limitations to the PI use for policy decisions	
Describe plans to address use limitations	
Are all the contributors to this PI using the same definitions?	
Were all data points for this PI produced during the current FY?	
Describe any outstanding OIG or GAO recommendation that may affect this PI	