

# Measuring Performance

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# Measuring Performance

- I. Government Performance and Results Act of 1993
- II. Challenges in Implementation of Performance Measures in USDA
- III. Audit Results 1999 to 2005
- IV. Challenges in Implementation of Performance Measures in OIG
- V. OIG Performance Measures
- VI. Action Needed to Fully Benefit from the Utilization of Performance Measures

# Measuring Performance

## Government Performance and Results Act of 1993

### A. Objective

- Federal agencies held accountable for achieving program results.
- Improve the efficiency and effectiveness of Federal Programs.
- Incorporate program results into budget process.

# Measuring Performance

## Government Performance and Results Act of 1993

### B. Requirements

#### Strategic Plans

- a. Establish long term course of action
- b. Annual performance reports accomplishments
- c. First annual performance reports due March 31, 2000

# Measuring Performance

## Challenges in Implementation of Performance Measures in USDA

- A. Developing performance indicators that are clear.
- B. Implementing indicators that measure progress toward achieving performance goals.
- c. Establishing outcomes and not output measures.

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## Challenges in Implementation of Performance Measures in USDA continued

- D. Designing systems to collect needed performance information.
- E. Establishing quality control processes.

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## Audit Results 1999 to 2005

A. Explanations for not achieving performance goals undocumented.

Examples:

- Establish trade opportunities of \$2.2 billion however \$1.2 billion achieved.
- Staff unable to provide reasons for missing goal by \$800 million.

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## Audit Results 1999 to 2005 (continued)

Examples:

- B. Agencies continue to measure outputs instead of outcomes.
  - Approximately 69% of the performance indicators measured outputs and not outcomes.
  - Outcomes difficult to quantify.

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## Audit Results 1999 to 2005 (continued)

- c. Performance measures not linked to long term goals.

Example:

1. Provide an economic safety net through farm income support for producers to help improve economic stability.

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## Audit Results 1999 to 2005 (continued)

Example:

2. Average price per pound of tobacco and ton of peanuts.

1999	2000	2001
\$1.81 lb	\$1.70 lb	\$1.83 lb
\$610 ton	\$610 ton	\$610 ton

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## Audit Results 1999 to 2005 (continued)

### D. Presentation of Performance Results Misleading.

#### Examples:

1. Jobs created and saved by loan program.
2. Data based on borrowed projections and not actual data collected.

(4000 jobs vs. 2,262 actual jobs)

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## Audit Results 1999 to 2005 (continued)

E. Performance measures not integrated in day-to-day business practices or systems.

### Examples:

1. Streams and lakes restored or enhanced for fish habitat.
2. Reliable baseline data not collected; as a result estimates were made.

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## Challenges in Implementation of Performance Measures in OIG

- A. Audit and investigations work does not lend itself to performance measures.
- B. Measure may impact scope of audit work.

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## OIG Performance Measures

- A. Percentage of direct resources dedicated to critical risks or high impact activities.
- B. Percentage of audit recommendations where management decisions are achieved within one year.
- C. Percentage of investigations cases where criminal, civil, or administrative action taken.

# Measuring Performance

## Action Needed to Fully Benefit from the Utilization of Performance Measures

- A. Outcome measure.
- B. Headquarters and field level commitment.
- C. Establishment of internal control processes.
- D. Effective data collection.
- E. Management Accountability.