

# Use of Performance Information for Evidence based Decision Making

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# Organization of the Presentation

Rationale and objectives

Theory behind PB and its evolution

Institutions and their importance for information use

How information is used for different processes

Enablers

- Data Quality
- Human resources
- IT systems

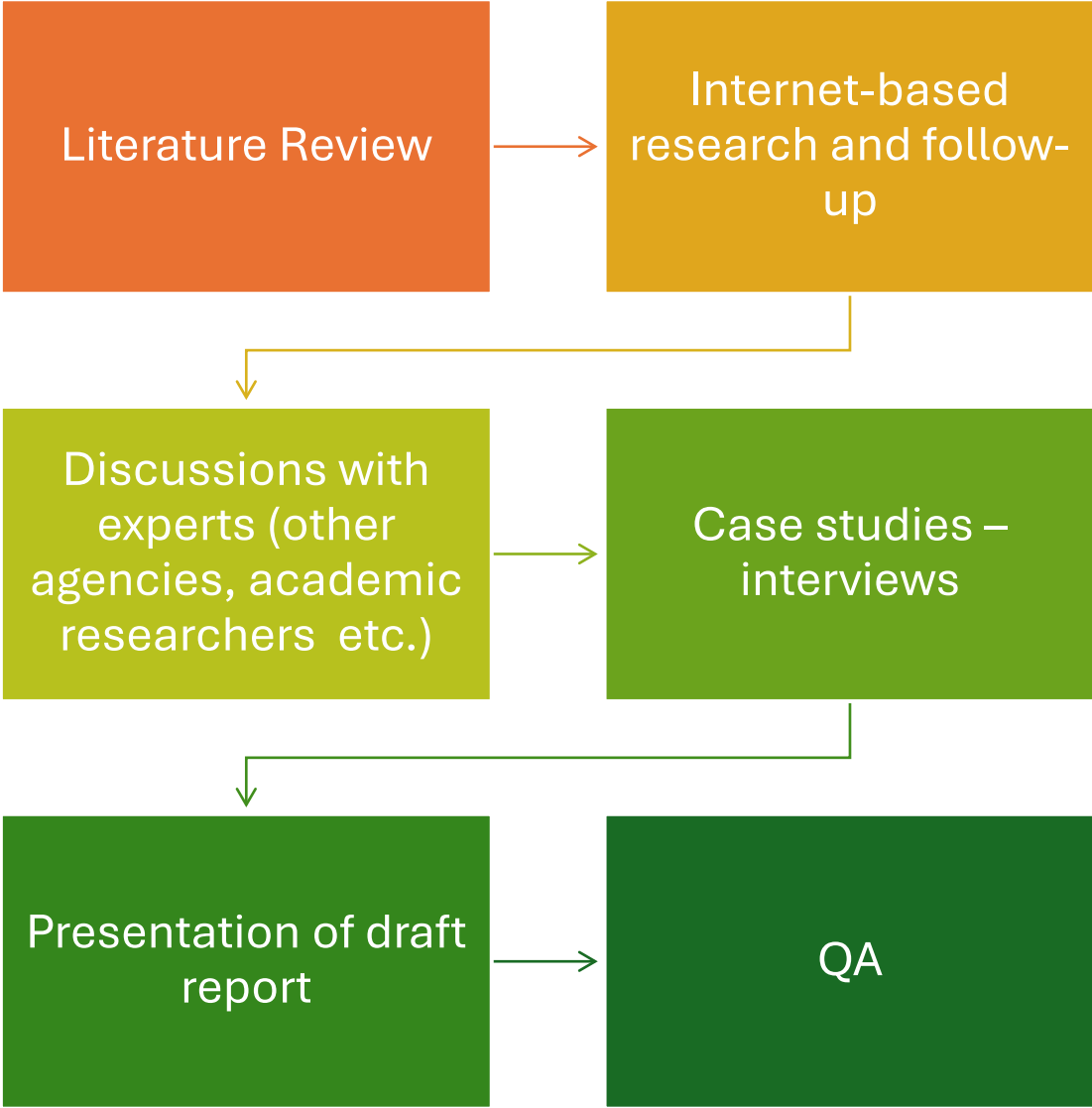
Study approach and case studies



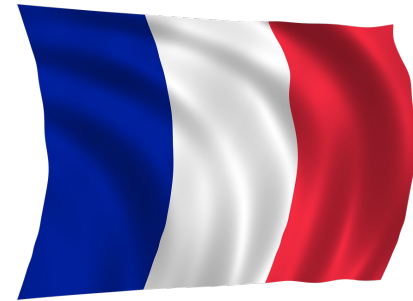
# Rationale and objectives

- Skepticism about the value of the performance budgeting?
  - How to get more value out of performance budgeting?
  - From “Performative” to “Performing”.
  - Presentational use to managerial use.
  - What are the main challenges and how can these be addressed?
  - What can we learn from the countries that have moved the furthest in this direction?
-

# Methodological Approach



# Case Study Country - Examples





# History and theory of performance management in government

- This section briefly outlines the historical evolution of performance management in the public sector. This provides context and helps to clarify key performance concepts with reference international experience and academic studies.
    - New Public Management, theory and practice
    - Performance concepts
    - Budgeting principles and good practices related to performance
-



# Institutional foundations

This section looks at various institutional actors or stakeholders and how their roles and responsibilities can be aligned effectively to promote effective use of performance information:

- **Legal foundations** – looks at different types of laws that shape the use of performance information, e.g. organic budget law, performance laws, laws on use of evidence and audit.
  - **Centre of government leadership and coordination role.** e.g. OMB in the US, delivery units in UK etc.
  - **MoF guidance, monitoring and control.** The disciplines of the budget monitoring and reporting processes are key to ensuring that performance information is applied in post-budget decision making, especially in respect of additional budget, budget cuts or mid-year reallocation.
  - **Line ministries** role as key users of performance information with the objective of more effective and efficient public service delivery.
  - **National Statistics Agency,** is a key provider of data, ensures data quality, and consults with users to ensure that performance measures are relevant, timely etc.
  - **SAI** – role as user, critic of selected Pis, and auditor of reported performance
  - **Parliament** - in its oversight role of government performance overall as well as individual policies and programs.
-

# Examples of legislation – supporting production and use of performance information

## Organic Budget Laws

NZ - Public Finance Act (1989)

Sweden - Budget Act (1996)

Australia - Public Governance, Performance and Accountability Act (2013)

European Union - Financial Regulation (2018)

## Performance and Evidence Laws

UK - Public Service Agreements (1998), replaced by Single Departmental Plans (2015).

USA - GPRAMA (2010)

USA - Evidence Act (2018)

Chile Law on Financial Administration of the State (2006)



# USA Government Performance and Results Modernization Act 2010

## Agency Level

### 4 year agency strategic plans

- Agency mission statement, strategic goals, objectives, and how these align with broader government priorities.
- Agencies must also identify a limited number of Agency Priority Goals (APGs) for high-priority areas, updated every two years.

### Quarterly Performance Reviews

- Reviews aim to assess progress, identify challenges, and develop solutions.

### Agencies appoint Chief Operating Officers (COOs) and Performance Improvement Officers (PIOs)

### Accountability and Reporting:

- Agencies must produce annual performance reports detailing their progress toward goals.
- The reports must highlight successes, failures, and plans for improvement.

## Centre of Government

### White House Office of Management and Budget

Oversees implementation of GPRAMA, coordinating CAP goals, and ensuring alignment of agency activities with broader priorities.

### Cross-Agency Priority (CAP) Goals

- The Act introduces CAP Goals to address challenges that cut across multiple agencies, focusing on government-wide priorities.
- The Office of Management and Budget (OMB) is responsible for coordinating these goals.

### Federal Performance Website [performance.gov](https://www.performance.gov)

- improve transparency by providing public access to strategic plans, performance goals, and progress reports.

# USA - Foundations for Evidence- Based Policymaking Act of 2018

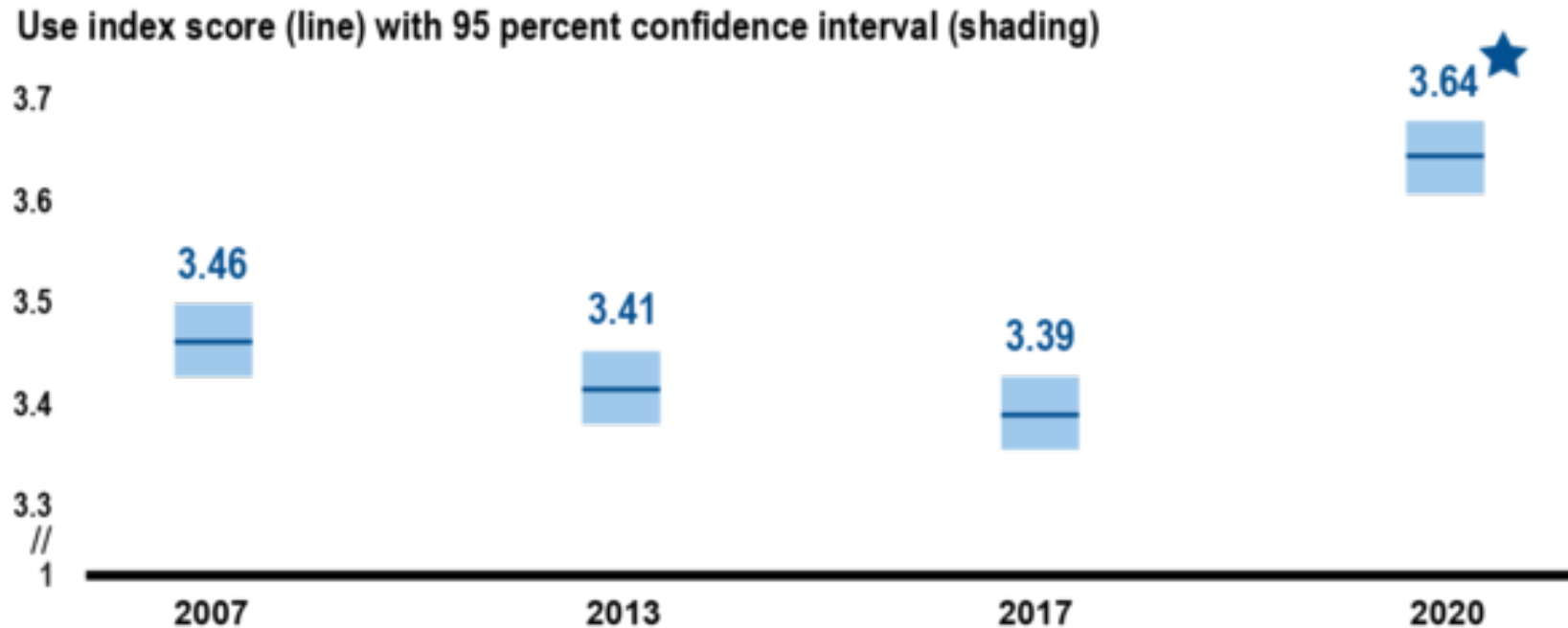
## Federal Level

- **Data Strategy**
  - Office of Management and Budget (OMB) to create a comprehensive Federal Data Strategy to improve the management and use of data across the government.
  - The strategy promotes cross-agency collaboration and the integration of data to support decision-making.

## Agency Level

- **Evidence-Building Plans**
- **Data Inventories**
  - Agencies are required to create comprehensive data inventories to catalog their data assets.
  - These inventories must be listed in a public catalog, making information about the data assets available for use by the public and other government entities.
- **Key Roles**
  - A Chief Data Officer (CDO) to oversee data governance and strategy.
  - An Evaluation Officer to coordinate program evaluations and ensure their rigor and relevance.
  - A Statistical Official ensure the integrity and quality of statistical data
- **Program Evaluation**
  - Strengthens the role of program evaluations in policy and program decisions.
  - Agencies must conduct evaluations that are methodologically rigorous and relevant to their missions.

# Impact of GPRAMA and Evidence Act



★ 2020 result is a statistically significant increase compared to each prior survey year

Source: GAO analysis of survey data. | GAO-22-103910



# Processes

This section looks at the main business processes that make use of performance data and at how these can be optimized. These include:

- **Operational management** of programs and operations
  - **Spending reviews** (various methods and how they use performance data)
  - **Evaluations** (ex-post)
  - **Policy, strategy and program design**
  - **Reporting** – transparency in respect of performance
  - **Legislative oversight and audit**
-

# Operational management of programs

- Timely, periodic reporting of operational and financial data available to decision makers in readily understandable formats.
  - South Africa - Ministry of Finance provides quarterly reporting guidelines that include reporting performance against non-financial targets (e.g. South Africa).
- Detailed analysis at program and activity level (e.g. using BI).
- Use then depends on management routines and freedoms to reallocate resources.

# Example - US Dept. of Agriculture

Data Analytics Division

## Guiding Principles



Create a single, trusted version of the "truth"



Facilitate high-speed performance by empowering stakeholders to turn insights into action



Improve Data Quality & Data Accuracy through iterative process



Stimulate interactive exploration of the story behind the data



Develop a data-driven organizational culture

**FOUNDED ON A TECHNICAL INFRASTRUCTURE  
AND DATA GOVERNANCE STRATEGY THAT ARE  
SCALABLE AND SUSTAINABLE.**



# RD EXECUTIVE DASHBOARDS | Dashboard Directory

For USDA Internal Use Only

Disclaimer: Dashboards are designed to report program-specific performance and should *never* be used as a Rural Development financial report of record



## Loan/Grant Activity



## Loan Performance



## Operations



## Community Impact



## KPI



Tracks loans, grants, and assistance activity across all RD programs.

Provides a financial overview of RD loans, delinquency information, and risk analytics.

Manages workforce activity across programs and organizations and provides access to CXO landing page.

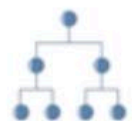
Provides insight into the communities RD serves and opportunities for improving rural prosperity through targeted investment.

Key Performance Indicators to assist leadership with tracking progress toward meeting performance goals.

### Obligations



### NAICS Analysis (Obligations)



### Budget & Funding\*



### Loan Portfolio



### NAICS Analysis (Portfolio)



### Loan Delinquency



### CXO Main Page



### WebTA Dashboard



### Tableau Access\*



### Broadband Access



### Tribal Nations\*



### Risk Analytics (COVID-19)



### Distressed Communities



### Leverage



\* Dashboard is currently under development.

### Eligibility Mapping



Click on the map icon to view geographic locations eligible for specific RD programs.



COUNTY NAME

**Yuma**  
Arizona

COUNTY RISK SCORE

**42.2**

UNPAID PRINCIPAL SCORE

30.4

DELINQUENCY SCORE

9.6

COVID SCORE

53.4

DISTRESS SCORE

62.5

JOB LOSS SCORE

58.3

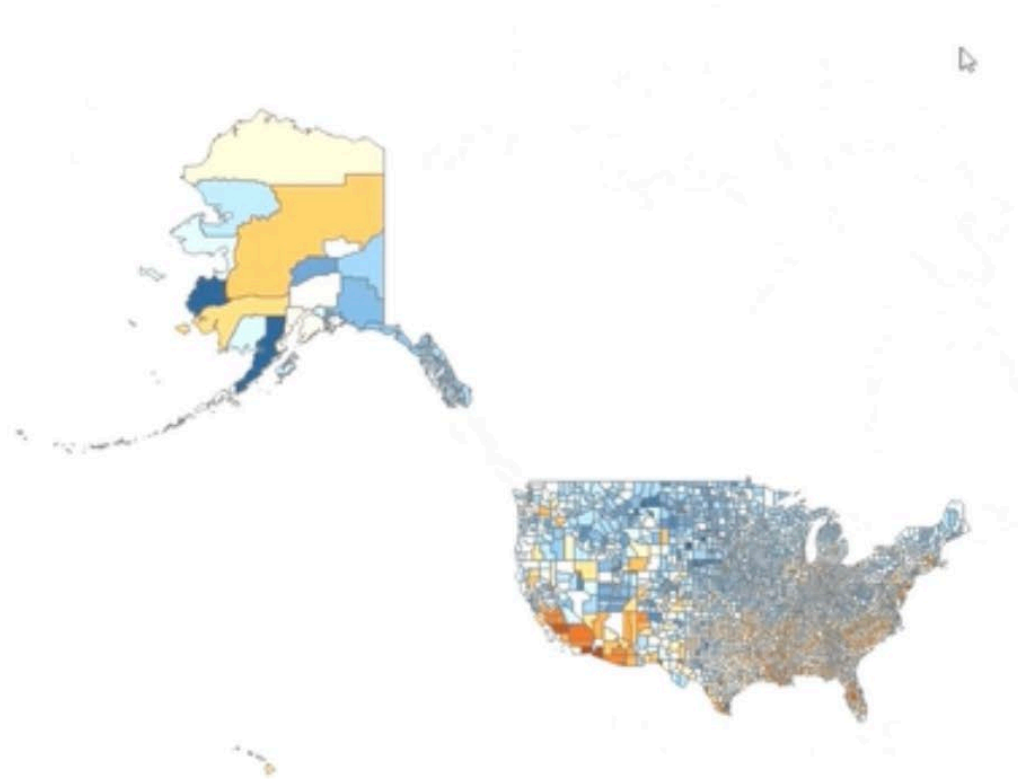
RACIAL EQUITY SCORE

99.0

SCORING METHOD

Select State: (All) | Highlight County: Highlight State County | Select COVID-19 Parameter: Confirmed Cases | Select Delinquency Threshold: >90 DAYS | Select Metro Status: (All) | Select Program Area: (All)

COUNTY RISK SCORE MAP | Click County to update display



COUNTY RISK SCORES | With Quintiles

Arizona	Yuma	5	42.2
California	Imperial	5	42.1
Texas	El Paso	5	41.8
California	Kern	5	41.0
Florida	Polk	5	39.9
New Jersey	Atlantic	5	39.7
South Carolina	Spartanburg	5	38.2
Texas	Maverick	5	38.1
Texas	Bexar	5	37.5
Louisiana	Tangipahoa	5	37.4
California	San Bernardino	5	37.2
Arizona	Santa Cruz	5	37.2
Louisiana	Ouachita	5	37.1
Louisiana	East Baton Rouge	5	37.0
Texas	Indalgo	5	36.9
Alabama	Mobile	5	36.3
Louisiana	Rapides	5	36.2
California	Fresno	5	36.1
Louisiana	Caddo	5	36.1
Louisiana	Lafayette	5	36.1
Louisiana	Terrebonne	5	35.8
Arizona	Pima	5	35.7
Mississippi	Hinds	5	35.6
Arizona	Pinal	5	35.5





# France – MEF Data Lab

1. **Data science:** team in charge of doing the projects, very specific competences needed, challenge is how to grow the competencies internally (trainings, internal sessions, seminars with external researchers)
2. **Data analytics:** responsible for proper data governance programme. Data governance refers to 1. data knowledge (data catalogue and harmonisation across applications and database), 2. data quality, 3. compliance (mostly personal data protection and secrecy) and 4. data exchange management.
3. **Data engineering:** mostly work on data preparation for use in analytics
4. **Data strategy:** accompany also other projects that want to use our data knowledge

Examples of projects initiated by France include detection of tax avoidance schemes, an early warning system for companies at risk of failure helping to target counselling and or financial aid

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# Spending Review

## Example 1 - Program effectiveness review

These are typically based on analysis of performance information to understand;

- what the reviewed intervention was meant to achieve,
- how it measured success,
- whether the stated objectives were achieved and
- the extent to which the results can be attributed to the intervention funded by the government.

Quantitative data can be obtained from program budgets and financial reports, program performance reports, national and international statistics, and surveys.

Qualitative data can be obtained through review of sector strategies, or program objectives and targets, implementation plans, audits and evaluations. In addition to reviewing documents, information may be obtained through interviews, focus groups, case studies and direct observations.

# Spending Review

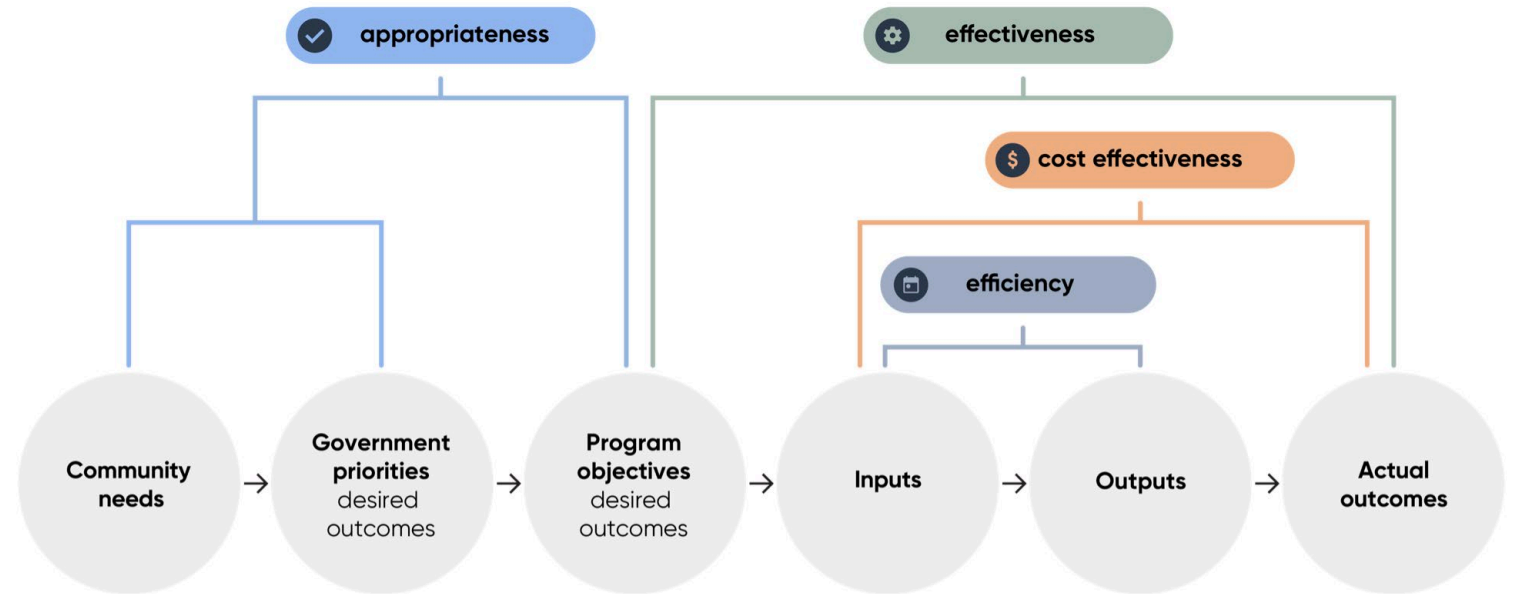
## **Example 2 - Data Envelopment Analysis (DEA)**

One of the most frequently used methods for evaluating efficiency.

In DEA, productivity is evaluated by comparing the volume of output(s) produced in comparison to the number of input(s) used.

The performance of a unit is calculated by comparing its efficiency with the best observed performance in the data set.

# Evaluation model



✓ extent to which program objectives/desired outcomes align with government priorities/policy and client needs

⚙ extent to which program outcomes are achieving program objectives

\$ relationship between inputs and outcomes expressed in dollar terms

📅 extent to which program inputs are minimised/maximised for a given level of program outputs

# Reporting – South Africa

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2023/24  
**PEQR**  
Guidelines on the  
**PUBLIC ENTITIES**  
**QUARTERLY REPORTING**



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA







Source: Olivier Le Moal/stock.adobe.com | GAO-25-900570

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# Reporting – USA GPRAMA

- Major management challenges
- Cross Agency Priority Goals
- Unmet goals
- Performance improvement plans
- Punitive or corrective actions recommended by OMB

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# Parliament and SAIs

- Finance Committee, Sectoral Committee hearings
- Legislation on performance and evidence-based decision making.
- SAI – Performance/VFM audits + reviewing performance indicators



# Enablers

This section looks at closely related reforms that support more effective use of evidence in government. These should ideally be coordinated with financial management reforms.

**Data quality.** Quality standards, relevance, timeliness, accuracy etc.

**Digitalization.** Development of FMIS and other IT systems that capture and process performance information.

**HRM** - Skills and training in effective use of data. Performance agreements and individual performance management.

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# Data quality - issues

**Clear program objectives.**

**Consistency and completeness.**

**Relevance.**

**Attribution.**

# Data quality – enhancement examples

Using data from independent Office of National Statistics (UK) and working with ONS as a source of expertise and of high-quality data.

SAls monitor and comment on the quality of performance indicators contributing to improvement (e.g. GAO in the USA).

Use of internationally standardized indicators e.g. from OECD or UN.

Actions to improve data governance such as those mandated by the US Foundations for Evidence-Based Policy Making Act.

Systematic review and evaluation of performance metrics including assessment in relation to national policy objectives. (Korea – National Performance Management Act).

# HRM

Investment in training

Key appointments

Community of practice on performance

Civil service ethos.