



Strengthening Results-Focused Government

Strategies to Build on Bipartisan Progress in Evidence-Based Policy

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Executive Summary

The Trump administration has an enormous opportunity to build on bipartisan momentum around evidence-based policy and make a significant push to improve the results and cost-effectiveness of existing federal programs, while also making informed choices about what to stop doing. A bold effort of reform, *if done in a bipartisan way that emphasizes program improvement*, would benefit millions of Americans and increase the return on investment from current spending. Just as important, it would help increase Americans' confidence that their federal government is able to effectively and efficiently tackle the challenges we face as a nation.

Recommendation #1: Put the OMB director in charge of performance improvement initiatives and create a Results Team within OMB

- Creating a more effective government will require White House leadership and coordination. The President should designate the director of the White House Office of Management and Budget (OMB) as the lead for performance improvement initiatives, including coordinating the administration's efforts around program evaluation and evidence, data analytics, performance management and innovation.
- To implement this work, the OMB director should set up a Results Team, combining existing complementary resources such as the OMB Evidence Team and the OMB Office of Performance and Personnel Management. This would reduce the current silos within OMB between evidence and performance efforts.
- Specifically, the team should lead the administration's efforts to:

- Coordinate and integrate White House performance improvement initiatives
- Advise on implementation strategies for presidential priorities
- Remove barriers to using dollars more effectively at the federal, state and local levels
- Create a set of design principles to assess portfolios of related programs
- Lead an update or replacement of Government Performance and Results Modernization Act
- Coordinate efforts to strengthen the availability and use of government data
- Launch and oversee an Evidence-Based Policy Fellows program
- Encourage more cross-agency collaboration on presidential priorities
- Connect agencies with experts in the field to help tackle policy and program challenges
- Work with the Office of Personnel Management to focus training for senior leaders and managers on how to build and use evidence about what works

Recommendation #2: Launch an intergovernmental reform initiative led by the Vice President's Office and OMB

- Significantly improving results in government will require a reinvention of how the federal government works with state and local governments, providing more flexibility to encourage innovative approaches while also increasing accountability for results.
- This type of ambitious intergovernmental reform initiative would require a high-level champion. As a former Governor who has invested political cap-

ital reforming government, Vice President Pence would be an ideal person to lead that effort. The initiative could be a joint effort of the Office of the Vice President and OMB.

- In particular, the three prongs of the initiative should be to:
 - Choose a high-priority, bipartisan policy issue for the administration that involves federal, state and local partnership and creates a model for collaboration across levels of government. Examples include addressing the opioid epidemic and improving early childhood programs.
 - Require that every federal agency undertake a review of their grant programs and contracts—essentially a “spring cleaning”—to remove unneeded reporting requirements and identify ways to refocus grants and contracts on results.
 - Encourage state and local grantees to use their program dollars to conduct data analyses and program evaluations in order to facilitate continuous improvement.

Recommendation #3: Strengthen OMB’s focus on evidence and innovation

- OMB must play a central role in creating a more results-focused federal government, given its role not only in the budget process, but also in helping and pushing agencies to adopt more innovative and evidence-based approaches using existing authority.
- Besides creating a Results Team, OMB leadership should make it clear that they expect all budget offices at OMB to work in partnership with agencies to build capacity around continuous improvement strategies.

- OMB should also lead an evidence-based policy spring review process, working with agencies to develop learning agendas that can guide evidence efforts and create more effective programs.

Recommendation #4: Amend or replace the Government Performance and Results Modernization Act (GRPA-MA)

- GPRA-MA requires Federal agencies to undertake certain performance management activities, but much of it has become a check-the-box exercise that wastes agency resources and does not lead to actual performance improvements.
- OMB should work with Congress to either amend or replace GPRA-MA.
- To amend it, OMB should add an exception that allows agencies to forgo the agency priority goal process if they can demonstrate that they are meaningfully using state of the art improvement strategies related to evidence, data and innovation.
- To replace it, OMB should implement a new version of the George W. Bush administration’s Performance Assessment Rating Tool (PART). Rather than focusing on assessments of effectiveness of individual programs as the original PART did (which had unintended consequences, as will be discussed) a new version—a Program and Portfolio Assessment Tool—could assess the effectiveness of individual programs as well as portfolios of programs supporting related objectives. The most successful elements of the PART could be included, but with a new emphasis on how to redesign programs and administrative processes so that funds flow to either evidence-based approaches or to other promising strategies that can be tested.

Recommendation #5: Reform the Paperwork Reduction Act (PRA)

- The PRA is a critical barrier to continuous improvement in the federal government, often cited by Federal evidence experts as the biggest barrier to evidence building within agencies today.
- Getting PRA clearance for program evaluation can take a year or more to obtain, causing significant time delays that impede learning and doing what works.
- The administration should work with Congress to reform the PRA as it relates to rigorous program evaluation—an area that was never the intended target of the PRA.
- Specifically, OMB should exempt any rigorous program evaluation that meets either of these criteria:
 - Has a sample size of 1000 or less (the current exemption is 9 or less); or
 - Is conducted or overseen by an agency with robust evaluation capacity.

Suggestions for broader restructuring efforts of federal programs

- If the Trump administration wants reforms that drive evidence and innovation even deeper into federal agencies, three bold ideas represent more radical restructuring while remaining within the bipartisan spirit of the evidence agenda:
 - Integrating evidence into large formula grant programs
 - Imbedding an innovation fund into every large social program or portfolio of related programs
 - Allowing broader use of waivers in social programs to encourage state and local innovation, while requiring rigorous evaluation of the results.

Introduction

Despite partisanship and gridlock in Washington D.C. in other policy areas, there has been a growing movement, championed by both Republicans and Democrats, to improve program results and get more “bang for the buck” from federal spending. The movement is called the evidence-based policy agenda or simply the evidence agenda. It focuses on helping and encouraging federal agencies to use rigorous evidence and program evaluation, data and innovation to achieve better outcomes for the American people and increase taxpayer value. It dovetails with similar efforts at the state and local levels, including in Colorado, New Mexico, Minnesota, Mississippi, Rhode Island and the District of Columbia.¹ At the federal level, the movement has roots in the George W. Bush Administration and was expanded by the Obama Administration. Its bipartisan support was recently underscored by the 2016 launch of the Commission on Evidence-Based Policymaking, sponsored by Democratic Senator Patty Murray and Republican Speaker of the House Paul Ryan.

What are some examples of the evidence agenda in practice?

- When the Department of Housing and Urban Development and Department of Veterans Affairs shifted their strategy to prevent and end chronic homelessness among veterans based on rigorous research, thousands of homeless veterans could leave the streets and lead more stable and productive lives.
- When the Federal Emergency Management Agency (FEMA) used data-driven meetings with senior managers, called FEMAStat, to focus on key challenges related to disaster response, Americans received better and faster help in their time of most need.
- When the Department of Education used rapid, low-cost tests of different email messages to hone its outreach strategy to borrowers in default on student loans, they helped thousands of individuals shift to more manageable repayment plans.
- When a Home Visiting program within the Department of Health and Human Services required its largest grantees to use evidence-based approaches, more first-time low-income mothers received quality help to ensure their children were healthy and ready to learn.

The Trump administration has an enormous opportunity to build on this movement and make a significant push to improve the results and cost-effectiveness of existing federal programs, while also making informed choices about what to stop doing. A bold reform effort, *if done in a bipartisan way that emphasizes program improvement*, would benefit millions of Americans. It would improve service quality and increase the return on investment from federal spending. Just as important, it would help strengthen Americans’ confidence that their government is able

to effectively and efficiently tackle the challenges we face as a nation.

Why better results are important

Three additional reasons underscore why significantly improving the results of existing federal investments is critical:

- **We need faster progress on key economic and social policy issues.** Today, many Americans are understandably frustrated and angry by the pace of progress for themselves and their children. On the one hand, our nation has made strong progress in recent years in a number of important areas, including the longest streak of job creation on record, a sharp drop in the percentage of Americans who lack health insurance, the highest high school graduation rate on record. The United States, however, continues to face pressing challenges and needs better paths to mobility into the middle class. As Jon Baron has noted, “despite a myriad of new government programs and spending over the last 40 years, the system has failed to improve economic and social well-being for an astonishingly large segment of the American population.”² For example, reading and math achievement of 17-year-olds has remained virtually unchanged over the past 40 years, the poverty rate has shown little overall change since the late 1970s, and the average yearly income of the bottom 40 percent of American households has changed little since 1980.³ To jumpstart progress on long-term economic and social challenges, as well as to address new challenges that arise such as the opioid crisis, we need new strategies. Strengthening the results of existing federal investments should be one of those strategies.

- **We need to make the federal government more results focused.** Even with notable progress on

evidence-based policy, most federal programs today are *not* using high-performance practices that can improve customer service, strengthen impact, and increase cost-effectiveness. They are practices that can help agencies identify effective programs and interventions, while also helping them identify what to stop doing that is not effective. Those practices include:

- **Using evidence** by applying high-quality research findings to focus spending on what works.
- **Building evidence** through rigorous program evaluation and other analytical methods to learn what works—and what does not—and how to improve programs.
- **Harnessing administrative data**, meaning data produced by programs, to improve service delivery.
- **Rapid experimentation and innovation** to test new approaches that can lead to better results or even breakthroughs in our ability to address policy challenges.

More broadly, government’s response to policy problems is often to create new, overlapping, compliance-focused programs to fill perceived gaps, rather than creating feedback loops and mechanisms that automatically drive existing investments to more effective approaches. In government, moreover, success tends to be defined in terms of spending levels, outputs, or compliance with rules and regulations, rather than outcomes or impact. And there is often strong inertia around the status quo, with the assumption that what programs will do next year is largely what they will do this year. All of these factors underscore the need to create a more results-focused government.

- **Federal programs do important work for the American people.** Political debates in our

nation, including the presidential race that just concluded, generally focus on a small set of high-profile policy issues. Those issues are consequential and deserve our attention. They are, however, only one part of a much larger picture of how our government serves the American people. Out of the spotlight of national political debates, there are hundreds of federal programs that serve our citizens everyday—programs that represent hundreds of billions of dollars in taxpayer investment in our nation. They are in areas of workforce development, education, health, criminal justice and safety, housing, antipov-erty, infrastructure, the environment, and more. Improving the results of those programs would positively impact millions of Americans, across a variety of areas, including creating more opportunity and upward mobility.

Learning from leading companies

One influence of the evidence agenda that should particularly resonate with the new administration is the example of leading companies in the private sector. Today, those companies use a range of practices to drive results and create a culture of continuous improvement.⁴ For example, they use *data analytics* to track key performance measures of their businesses, diagnose problems, and identify opportunities. They also encourage *innovation and rapid experimentation*, called A/B testing, to test new approaches and make refinements based on the results, whether small operational improvements or larger strategic changes.

Another insight is from venture capital (VC) firms, which make *strategic investments* that maximize a return on investment and reduce risk. To do that, VC firms place bigger bets (make larger investments) on approaches that have more evidence of being successful, while making smaller bets on innovative but less-tested approaches. Even beyond VC firms, in fact, this

approach is similar to how private companies often develop new ideas, moving from development and preliminary testing of ideas, to rigorous evaluation of prototypes, to funding successful concepts.

Today, the gulf between data-driven, evidence-based management among leading companies and standard practices in the federal government is slowly starting to narrow.⁵ For example, in the last decade, more agencies have expanded their capabilities to use data for management and research; are assessing potential improvements using rigorous A/B testing; and have implemented tiered evidence grant programs that provide larger grants for approaches backed by stronger evidence of effectiveness.

Of course, there are good reasons why government will always be different than the private sector. But learning from results-focused business practices can help agencies better achieve their missions, both in terms of outcomes and cost-effectiveness. The Trump administration, especially given the business background of the President, has the opportunity to broaden the use of these approaches.

Opportunities and risks for the evidence agenda

The beginning of a new administration is a valuable opportunity to refresh and reframe efforts to improve government. In particular, the Trump Administration has the chance to make the use of data, evidence and innovation a central principle that guides every aspect of the President's strategy for strengthening government effectiveness, generally known as the President's Management Agenda. To advance that goal, this report provides five concrete steps that the Trump administration can take to significantly ramp up the evidence agenda, building on momentum created during previous administrations.

A new administration, however, also brings uncertainty and risks to the evidence agenda. If the Trump administration reframes the evidence agenda to emphasize partisan approaches, the agenda as we know it—a bipartisan effort—will quickly evaporate. Partisan approaches include giving broad flexibility to states to spend federal dollars without an accompanying push to increase accountability for results for populations in greatest need—accountability such as rigorous evaluation to learn if new state approaches improve outcomes or not. Another partisan approach would be to use evidence only to identify program cuts, rather than also for program improvement. Moreover, if the new administration works to dismantle the evidence capacity that certain agencies have built in recent years, such as robust evaluation offices, it would be a significant setback in terms of results-focused government.

More broadly, and independent of the change in administrations, the evidence agenda sits on a precarious ledge. On the one hand, many Republicans see the evidence movement as mainly about Democrats justifying social spending and rarely about identifying and cutting programs that do not work. On the other hand,

many Democrats are concerned that evidence will be used by Republicans to unfairly cut programs, harming the most vulnerable in our society. With this level of mutual wariness about the role of evidence-based policy, it is remarkable that the movement has made progress. That progress is because of thoughtful Democrats and Republicans who have championed *bipartisan* reforms and rigorous definitions of evidence. They include White House officials, agency leaders and members of Congress and their staffs who cared deeply about the outcomes achieved by government and about respecting taxpayers by using public funds wisely. The next administration has the opportunity to ensure that the evidence agenda not only remains bipartisan, but also gains a firmer foothold in terms of the way government does business.

The next section provides background on the bipartisan progress made on the evidence agenda over the last two administrations. Section III then presents five detailed recommendations for advancing the evidence agenda. Finally, Section IV provides additional suggestions if the administration wants to undertake even broader restructuring efforts.

Progress to Build On: Prior Administrations' Efforts to Expand the Use of Evidence and Innovation

The evidence agenda has bipartisan roots. For example, one of the best examples of an effort to build agency capacity to use and build evidence was launched during the George W. Bush administration. The Institute of Education Sciences (IES), created in 2002 by Congress, is the evaluation, research and statistics arm of the Department of Education. IES has helped substantially increase our knowledge of what works in education policy and practice by funding rigorous research. It has also helped education decision makers access credible evidence through an online database called the What Works Clearinghouse. When the Obama team arrived in 2008, they supported IES and developed it further.

Another Bush initiative was the Performance Assessment Rating Tool (PART), led by OMB. The PART categorized agency programs—almost 1,000 of them, in the end—by their evidence of effectiveness, including “effective,” “moderately effective,” “adequate,” “ineffective” and “results not demonstrated.” PART helped focus agencies on the level of evidence behind their programs and created an incentive for programs to undertake rigorous evaluation. While it did not continue into the Obama administration, it helped set the stage for future evidence efforts.

The Obama administration took the nascent momentum around evidence-based policy and catalyzed it, particularly in social policy areas such as education, human services, workforce issues and housing. OMB played a key role, starting with the administration's

first OMB director, Peter Orszag. As he wrote in a blog post in 2009, “Wherever possible, we should design new initiatives to build rigorous data about what works and then act on evidence that emerges — expanding the approaches that work best, fine-tuning the ones that get mixed results, and shutting down those that are failing.”⁶ OMB's efforts included a series of directives to department heads encouraging them to do more rigorous program evaluation, outcome-focused grant making, rapid experimentation and other evidence-based strategies.⁷ OMB staff also worked with a number of agencies to help them design and implement new evidence-related initiatives.

Senior agency leaders who championed the use of evidence and data played another key role in the Obama evidence agenda. That included Deputy Secretaries and other senior leaders who pushed their agencies to set clear goals, track results and strengthen the use of program evaluation. These leaders did not necessarily arrive in their jobs with backgrounds or expertise in evidence-based policy, performance management or data. Instead, they all shared a deep commitment to improving results and saw evidence as a way to better achieve their agencies' missions.

A third catalyst was a “bottom-up” factor: state and local initiatives to improve outcomes that influenced the federal government. An example is Social Impact Bonds (SIBs), also known as Pay for Success, which harness private or philanthropic capital to

fund evidence-based preventive services. Growing interest in SIBs by states and localities helped spur the federal government to find ways to support these efforts, including through funding from the Department of Justice, Department of Labor and the Social Innovation Fund. Another example came from state and local officials working with disconnected youth, meaning youth who are out of school and not working. These officials compellingly articulated the challenges of serving this population in the face of multiple federal programs, each with different rules and reporting requirements. That led Congress to authorize Performance Partnership Pilots for disconnected youth, which provide greater flexibility in the use of federal funds in exchange for clear goals about outcomes for those youth.

Themes and strategies of the Federal evidence agenda

Three overarching strategies that champions of evidence-focused government have emphasized are:

- *Using evidence* where it exists, meaning applying existing research findings to focus programs and policies on what works.
- *Building evidence*, meaning using rigorous program evaluation to learn what works and improve programs.
- *Encouraging innovation*, meaning encouraging the development of new ways to tackle important policy challenges.

OMB articulated these themes during the Obama administration through memos to agency heads, budget-related guidance, workshops for agency officials, and language in the President's Budget. Emphasizing both evidence and innovation underscores the complementarity of these strategies. For example, if agen-

cies only focus dollars on programs or interventions backed by strong evidence, they will miss opportunities to develop and test new approaches that could work even better. On the other hand, if agencies only focus on innovation—continually developing new approaches without rigorous testing or scaling up of what works—it will limit their impact.

More specific themes and strategies of the evidence agenda include:

- **Apply existing research evidence to focus on what works.** A good example of this was mentioned in the introduction: The joint effort by the Department of Housing and Urban Development and the Department of Veterans Affairs to combat homelessness among veterans. Rigorous research showed that providing chronically homeless individuals and families with permanent housing and supportive services was more effective, and costs less, than traditional approaches such as transitional housing. The two agencies acted on this research and shifted their funding to support permanent supportive housing—a shift that has been credited with helping sharply reduce veterans who are homeless. In fact, the rate of veteran homelessness has dropped by almost half (47 percent) since 2010.⁸ It is an example of how agencies can use existing high-quality research evidence to do what works and to improve outcomes for those they serve.
- **Build evidence where it is lacking, especially through rigorous evaluation focused on program improvement.** In many policy areas there is only a limited research base about effective programs or interventions, so building evidence through rigorous program evaluation and other analytical methods is critical to enabling more evidence-based policy.⁹ However, when evaluation efforts focus on whole programs—i.e., asking “does this program work or not?”—it can be

threatening to program managers and advocates. That, in turn, can lead to resistance to evaluation. It is one reason the Obama evidence agenda encouraged evidence building that looks within programs in order to determine, for example, which version of an intervention works best. Of course, traditional up/down evaluation is still be important in particular contexts. But evaluation that is designed to inform continuous improvement can open up wider opportunities for its use within agencies. Moreover, that framing can be more policy relevant too, especially for large and established programs where the most actionable question is how those programs can be improved, not whether they should exist or not.

- **Use and link administrative data for analytics, research and evaluation.** A valuable and often untapped resource within agencies is the data that programs produce as part of their normal operations, called administrative data. That is especially true when data can be linked between programs to see broader patterns. A main goal of administrative data efforts is making these data available to program managers and agency researchers to better understand program outcomes and to inform improvements to operations and customer service.¹⁰ Another goal is allowing greater access to these data to approved external researchers, such as university experts, to leverage their insights into addressing agency challenges. Whether using data internally, linking it, or sharing it with external researchers, protecting privacy is obviously critical. Today there are well-established ways to do that, including removing personally identifiable information and only allowing access to data through secure remote connections and secure facilities.
- **Use rapid experimentation to test operational improvements.** Rapid experimentation involves testing out operational changes, whether small

program tweaks to larger changes, often using low-cost randomized controlled trials to see if those changes improve results. Because it is quick and often low cost (since it uses data already being collected), it can be particularly useful to managers looking to improve program outcomes. Moreover, this type of experimentation can benefit from insights from the social and behavioral sciences, such as behavioral economics—insights that are often called nudges. In fact, the Obama administration launched a Social and Behavioral Sciences Team (SBST) to help agencies use behavioral insights.¹¹ The team's experience shows that rapid experimentation can open doors within agencies to evidence building and innovation, even for agencies with little history of experimentation. An example comes from the Federal Student Aid (FSA) office within the Department of Education. FSA wanted to find a way to encourage more people with delinquent student loan debt to consider an income-driven repayment plan, where payments are based on ability to pay. The office worked with the SBST to develop an email campaign and test differently worded letters. At very low cost and within a few weeks, the experiment showed that the emails increased take-up of these plans over the status quo (no emails) and that some versions of the emails worked better than others. This sparked FSA's interest in using rapid experimentation to hone other aspects of its services to borrowers.

- **Build agency capacity around evidence.** For agencies that want to use evidence and data to improve results, they need staff with expertise on those topics who can help the agency do this type of work. Typically, these are staff within research and evaluation offices. Today, some agencies have robust capacity around evidence, while many do not, underscoring the need to keep building capacity across agencies. Moreover, true evidence capacity is more than having a research or eval-

uation office on the organizational chart. It also means having agency leaders who empower those experts to be in the room when policy decisions are made. In doing that, leaders enable evidence experts to be honest brokers who can say what the evidence says about different policy options, or whether there is any evidence at all behind certain choices. Of course, policy decisions will always be influenced by a variety of factors, but the goal is for evidence to have at least a “seat at the table” in those discussions. An example of an agency that significantly increased its evidence capacity in the past decade is the Department of Labor. It implemented a three-pronged approach. First, it created a Chief Evaluation Office that serves as a resource for the Department’s seventeen operating agencies for evidence, evaluation and data analytics. Second, it requires each operating agency to create a five year “learning agenda,” updated every year, that identifies key research questions the agency would like answered in order to improve results. Third, Congress passed a set aside provision that allows the Department to use up three-fourths of one percent (0.75%) of its budget for evaluation and evidence building. The appendix provides further details about the Department of Labor’s approach.

- **Launch agency “what works” clearinghouses.** While producing evidence is important, it will only lead to improved results if the evidence is accessible and put to use. One way agencies can facilitate that is by putting research findings online in a clearinghouse for research. These databases allow users to search by topic and find effectiveness studies of different interventions. An example is the What Works Clearinghouse at the Department of Education, which to date has reviewed over 10,000 studies of education interventions. Other federal clearinghouses today include the Department of Justice’s CrimeSolutions.gov, the Substance Abuse and Mental Health

Services administration’s National Registry of Evidenced-based Programs and Practices, and the Department of Labor’s Clearinghouse of Labor Evaluation and Research (CLEAR). There are also a few clearinghouses outside of the federal government, including the California Evidence-Based Clearinghouse for Child Welfare.

- **Use tiered evidence grant programs (aka innovation funds).** Because a significant share of federal dollars flows to states and localities in the form of grants, if you want to make *government* more outcomes focused, you need to make *grants* more outcomes focused. An important strategy is known as tiered evidence grant programs, also called innovation funds.¹² Its bipartisan support is notable, having been championed by the Obama administration and endorsed by Speaker of the House Paul Ryan and House Republicans, which called on Congress to require social programs to use a tiered evidence model.¹³ These types of programs bake evidence and innovation into the competitive grants process. They emphasize funding what works, but also supporting field-initiated approaches to addressing policy goals. The most common version has three tiers to which applicants can apply:
 - **Scale up tier**, providing large grants for approaches backed by strong evidence, such as from multi-site randomized controlled trials.
 - **Validation tier**, providing medium-sized grants for approaches backed by moderate evidence, such as from single-site randomized controlled trials or well designed quasi-experiments.
 - **Development (or proof of concept) tier**, providing small grants for innovative but less tested approaches.

Importantly, grants also come with support for rigorous program evaluation so that grantees

can continue to build evidence about their programs or interventions and (for development and validation grants) hopefully move up tiers over time. The federal government currently has six tiered evidence grant programs totaling \$800 million—a threefold increase since 2010, but still a small share of competitive grant dollars. A good model for this type of grant program is the new Education Innovation and Research (EIR) grant program at the U.S. Department of Education. It includes a matching requirement that can be fulfilled by states and localities using their (much larger) formula dollars. This creates incentives for states to use their formula dollars to fund evidence-based approaches.

■ **Implement other types of outcome-focused grant reforms.** Aside from tiered evidence grant programs, other ways to refocus grants on outcomes and evidence-based approaches include:

- *Adding incentives to competitive grant programs for applicants to use evidence to choose evidence-based approaches.* For example, if in a given grant competition each applicant is scored based on 100 possible points, an agency could allocate five of those points to any applicant that cites a rigorous study that supports the efficacy of their program or initiative.
- *Using Social Impact Bonds, also known as Pay for Success.* This relatively new approach uses private or philanthropic resources to pay for evidence-based preventive services delivered by nonprofit service providers. Government then pays back investors, with a profit, if specific results are met. While only one federal agency so far has launched a Pay for Success project of its own (the Department of Veterans Affairs, focused on veterans' employment), several have provided support to states or localities to try out the approach,

including for efforts to reduce prison recidivism.

- **Integrate cost analysis into program evaluations.** A final theme has yet to get much traction, but deserves greater attention. As background, imagine two interventions with the same goal—say, connecting jobless individuals with jobs. Program A is three percent more effective than Program B, but costs 50 percent more. If a federal agency only has impact findings (about which program was more effective in getting people jobs) and nothing on the costs involved, it may be misled about which program is the better investment. Examples like these underscore why OMB sought to encourage agencies to more frequently include either cost analysis into program evaluations conducted by them or their grantees.¹⁴ The OMB Evidence Team, for example, shared with agency officials the example of the Washington State Institute of Public Policy (WSIPP), a nonprofit that helps state decision makers choose cost effective approaches to address specific policy goals. (The Pew MacArthur Results First Initiative is currently replicating WSIPP in more than 20 states and four counties.) Encouraging agencies to do more in tracking and using cost-effectiveness data remains an opportunity for the next administration to further emphasize.

An important takeaway from the progress in evidence-based policy in recent years is the indispensable role of leadership. Strategies like the ones described above will only be seen as useful to program leaders (and therefore put into practice) if their agency leaders create a culture that values data and evidence and that challenges their senior managers to improve results. For example, there is no substitute for leaders regularly asking their staffs: *What are the data and evidence behind your recommendation on this topic? What do we know about the results and the impact this program is producing? And what are we doing to*

continually test and learn better ways to achieve better results in this program? Questions like these signal that data-driven decision-making is valued and expected. As a result, they create demand for strategies that use evidence, data and innovation to improve program performance or improve an agency's ability to achieve a particular policy goal. Also critical is the role leaders play in establishing a clear organizational mission, so staff know where they are aiming; and creating stretch goals that push agencies to rethink current processes and policies in order to produce significantly better results.

The evidence agenda today: Challenges and opportunities for next administration

As background to the recommendations in the next section, where do we stand today, in terms progress, challenges and opportunities going forward? On the upside, the progress made under the Bush and Obama administrations on evidence-based policy has produced real momentum within the federal government. That includes a growing number of examples of agencies using research evidence, rigorous evaluation, data analytics, experimentation and outcomes-focused grant reforms to improve their results. It also includes a growing number of success stories, where those strategies have helped improve lives and increase value for taxpayers.

At the same time, the evidence agenda faces several important challenges that motivate the recommendations in the next section. They include:

- **The evidence agenda is not yet embedded into agencies' cultures:** The evidence agenda is simply too new to be a robust or permanent part of how agencies operate. Nor is the agenda a broad-based movement, since only a small fraction of programs are using rigorous evidence and innovation to continually improve results and increase return on investment.¹⁵ This underscores the importance

of helping, encouraging and pushing Federal agencies and their programs to strengthen a culture of continuous improvement.

- **White House performance improvement efforts need better coordination and integration:**

Although having a variety of offices involved in improvement efforts can be useful, stronger coordination in the next administration would help link and integrate these types of efforts to make them more effective. In the Obama administration, for example, performance improvement initiatives were scattered across different White House offices and Executive Branch councils. The administration's efforts included:

- An OMB evidence team focused mainly on evidence and evaluation.
- An OMB performance team focused mainly on performance management.
- The President's Management Council (PMC), made up of department deputy secretaries, led specific management-related efforts to improve government.
- The Domestic Policy Council and Office of Science Technology Policy, working with the PMC, led an initiative called the Deputies Evidence Initiative to encourage agencies to use evidence.
- The Chief Technology Officer ran technology-focused innovation initiatives.
- The OMB Office of Information and Regulatory Affairs (OIRA) launched an effort to help agencies use and link administrative data.
- The Performance Improvement Council (PIC), located within the Government Services Administration but reporting to the performance team at OMB, helped agencies strengthen their use of performance management.
- Within the West Wing, the Assistant to the President and Deputy Chief of Staff for Implementation focused on high profile management challenges.

- **There is an unnecessary performance/evidence divide:** Although performance management and evidence-based policy are two fundamental results-focused strategies, they are largely separate efforts within the Executive Branch. For example, most agencies have separate performance and evaluation offices, and often those offices do not work closely together. The same goes for OMB, which has an evidence team and a separate performance team. The Government Performance and Results Modernization Act reinforces this bifurcation, since as currently implemented it focuses almost solely on performance management, giving only token reference to using and building evidence. The stark performance/evidence divide is unfortunate since it reduces opportunities for synergies between the approaches.
 - Too often does not encourage or require evidence-based approaches with federal dollars.
 - Makes it challenging for states and localities to address certain policy issues when there is a maze of overlapping programs, each with different rules and reporting requirements.
 - Provides too few opportunities for states and localities to innovate in order to find new ways of tackling policy challenges.
- In short, the federal government needs a reinvention in its relationship with states and localities—one that emphasizes evidence-based approaches and flexibility in exchange for stronger accountability for results. In certain cases this will require statutory and regulatory changes to emphasize outcomes.
- **The federal government’s relationship with states and localities focuses on compliance, not on evidence or outcomes.** Billions of dollars flow from the federal government to states and localities in the form of grants. Also, many federal policies are implemented at the state and local levels. Because of these factors, the federal government’s relationship with states and localities is a critical opportunity to advance results-focused government. Today, however, there are serious barriers to stronger state and local performance. In particular, the federal government:
 - Has a heavy focus on tracking compliance with rules, not on accountability for results.
 - **Specific policies impede a stronger culture of continuous improvement.** As will be discussed further in the recommendations, this includes parts of the Government Performance and Results Modernization Act, especially agency priority goals, which have become too much of a compliance exercise rather than a meaningful driver of results. It also includes the Paperwork Reduction Act, which creates a significant barrier to agency program evaluation and rapid experimentation. And it includes federal training policies, such as training for Senior Executive Service candidates, that largely ignore strategies to build and use evidence.

Recommendations for the Trump Administration

This section presents six detailed recommendations to address the challenges just discussed and to help the Trump administration strengthen a culture of continuous improvement in government.

Recommendation #1: Put the OMB director in charge of performance improvement initiatives and create a Results Team within OMB

Making the federal government more results focused will require strong leadership and coordination by the White House. As a result, the President should designate the head of OMB as the lead for performance improvement initiatives. The OMB director should be charged with coordinating and integrating efforts around evidence and evaluation, data analytics, performance management and innovation, in support of a more modern and effective federal government. These activities should be at the core of the Trump administration's government-wide management agenda. Other management reform initiatives tied to information technology, procurement, financial management, and human resources should be focused on helping agencies improve their impact and cost-effectiveness in achieving policy outcomes.

The idea of putting the OMB director in command of improvement efforts would likely enjoy biparti-

san support. For example, OMB played a leading role in the evidence agenda during the Obama Administration. Moreover, the Heritage Foundation recently underscored the importance of leadership in its recommendations to the new administration, noting, "Leadership is crucial to setting an evidence-based agenda...The next President needs to send a clear message to the OMB and the entire federal bureaucracy that the West Wing believes evidence-based policymaking should influence budget decisions."¹⁶

Creating a Results Team within OMB

The OMB director should set up a Results Team to help him or her carry out this work, with an ambitious agenda focused on creating a more effective government. The team should report on a day-to-day basis to the Deputy Director for Management or another senior official with a direct line to the Director, the White House councils, and agency Deputy Secretaries. In terms of composition and staffing, the new Results Team should:

- Be staffed by OMB budget and management staff, as well as by agency detailees.
- Integrate the current OMB Evidence Team and the OMB Office of Performance and Personnel Management (PPM) into its structure. This would

reduce the silos that currently exist at OMB between evidence and performance efforts—a bifurcation that encourages similar silos within agencies.

- Also integrate OMB administrative data efforts, such as those currently within the OMB Office of Information and Regulatory Affairs

The team should work closely with the management councils, including the Performance Improvement Council (PIC) located within the Government Services Administration. During the Obama administration, the PIC acted as an internal consulting team within the federal government, helping agencies primarily around performance management and GPRA-MA implementation. A close link with the Results Team would help raise the PIC's profile and give it a broader mandate of helping modernize government through the use of performance management, evidence, data and innovation.

Before getting into the specific suggested functions of the team, it is worth underscoring what the team should *not* be. If the OMB Evidence Team were simply to be moved into the performance team (PPM), it would likely kill off the evidence agenda, at least in terms of OMB leadership. That is because PPM is focused on performance management (via GPRA-MA implementation), not on advancing the broader evidence agenda and a learning culture. Instead, a Results Team should have a new mission, with a multidisciplinary focus on evidence-based policy, performance management, data and innovation. Integrating the current Evidence Team and PPM into this new function would be a useful, but only in the context of an innovative new effort with a clear mandate: harnessing the full suite of results-focused strategies in order to improve the performance of government.

Key functions of an OMB Results Team

The team should have a broad portfolio of activities that advance a results-focused federal government. It would work closely with OMB's budget, management and regulatory staff to facilitate an aggressive, coordinated OMB strategy to carry out the following nine functions.

1. Coordinate and integrate White House performance improvement initiatives so they form the core of the President's management agenda

The need for stronger coordination and integration of White House performance improvement efforts was discussed above in the list of challenges for the evidence agenda. The OMB director, with the support of the Results Team, should be tasked with providing the needed coordination. This would ensure that agencies see the connections between different performance improvement efforts, avoiding the perception of a scattershot approach that can undermine the importance of various initiatives. It would also ensure that a key consideration in developing other government-wide management initiatives (e.g., information technology, procurement, financial management, credit management, human resources) is how much they will help agencies improve their impact and cost-effectiveness in achieving important policy goals.

2. Advise on implementation strategies for presidential priorities

The new team could work with the White House policy councils (especially the Domestic Policy Council and National Economic Council) on implementation strategies for presidential initiatives that are led by those councils. In any administration, the President assigns these councils with policy-specific initiatives to lead. The councils, in turn, bring in policy experts from agencies, as well as external experts, who have

expertise on those issues, but generally not expertise with running government programs. The result is that policy proposals are sometimes developed without a strong sense of how those policies will be implemented—or without building in the use of data and evidence to ensure that those policies are effective over time. For this reason, the OMB Results Team should be in service to the President’s initiatives by working closely with the policy councils developing those initiatives and ensuring that relevant implementation experts from OMB and other agencies are included.

3. Remove barriers to using dollars more effectively at the federal, state and local levels

Another focus of the Results Team should be on setting up processes to remove barriers to better performance. These include barriers that agencies create for state and local partners as well as those that OMB creates for agencies. They are rules and regulations that, no doubt, began with good intentions, but today obscure a focus on results and waste public resources. The team can play a facilitating role in identifying the most important barriers to better government performance and working with OMB’s budget, management, and regulatory staff to help remove those barriers. The team’s efforts could be carried out in conjunction with an intergovernmental reform initiative led by the Vice President, described above.

In particular, the team and relevant OMB experts should:

- Work with agencies to **reduce unneeded compliance reporting requirements** for grants to state and local governments. Today, federal agencies collect a lot of compliance-focused data that are the result of layers of reporting requirements added over time. Sometimes those data are not being actively used by agencies to monitor or improve grantee performance, creating unneeded

burdens for states and localities and shifting the focus away from outcomes. The team should encourage and help agencies to review their current grantee reporting practices and remove unneeded requirements.

- Work with agencies to **adopt grant models that focus on outcomes**, not just compliance. In particular, the team should help agencies increase accountability for outcomes, build in incentives for the use of evidence, and allow grantees more flexibility in the strategies they use to achieve those outcomes. The goal is for grants to be less prescriptive, but more effective, while maintaining adequate safeguards to protect vulnerable populations.
- Work with agencies and state and local governments to **develop contract models** that states and localities can use to focus on outcomes. This is particularly important given that states and localities often use federal grant dollars to provide services that are implemented via contracts with providers.
- Work with the Office of Information and Regulatory Affairs at OMB to **reform the Paperwork Reduction Act (PRA)**, which today is a critical barrier to strengthening evidence-based policy through the use of rigorous evaluation and experimentation. Detailed suggestions for reform are provided below.

4. Create a set of design principles to assess portfolios of related programs and guide restructuring proposals

Having a set of design principles by which to assess existing federal programs, in terms of their focus on evidence, data and innovation, would be valuable. It would clarify where programs should be aiming, in terms of results-focused practices, and help the administration identify where reforms are needed. The first step would be for the OMB Results Team

to identify a set of agreed-upon principles, working with White House and agency colleagues as well as Congressional staff. An example set of design principles is that any federal program should:

- Have clear primary and secondary **outcomes** that it will be accountable for achieving.
- **Avoid prescriptive requirements** for how those outcomes should be achieved.
- Use **existing evidence** to focus spending on what works (and, for grant programs, create incentives for grantees to use evidence).
- Build **new evidence**, using rigorous research methods, about what works best for different populations in different contexts (and, for grant programs, create incentives for grantees to build evidence).
- Use data and evidence for **program improvement**.
- Encourage **innovation** by rewarding entrepreneurial innovation, provided there is rigorous testing and learning which strategies are most effective.
- Make **administrative data** (that is, data that programs produce or collect) available to program managers and researchers to facilitate improvements in customer service and service delivery, while protecting privacy and confidentiality.
- Help **state and local partners** be results-focused by focusing grant and contract reporting requirements on outcomes, not just process.
- Enable the ability to do **long-term follow-up** of participant outcomes in order to better understand the effects of the program.

Next, the Results Team, working with other relevant OMB staff, should review portfolios of programs that share similar goals (for example, all STEM-related education programs across agencies). In particular, the reviews should examine:

- Which programs adhere to the principles
- Which programs do not
- What should be done to embed the principles into existing programs
- What new programs or program restructuring (including consolidation) is needed to maximize the share of resources that align with the principles

Today, most programs will not meet the design principles, at least if they are similar to the example set above. That means that reforms will be needed, some of which will require Congress's help. To shift resources to programs that have a stronger focus on results, a suggested approach is to: (1) modify some of the existing programs, particularly those with large funding streams that are the most important to reform; (2) eliminate or consolidate programs that do not come close to the design principles; and (3) in place of what is eliminated, create innovation and research funds. For example, grant-making agencies can establish a competitive tiered evidence grant program (as described above) that focuses spending on what works but also encourages new innovations.

This type of portfolio review and reform effort would be an enormous catalyst to evidence-based policy and to achieving better return on investment from federal dollars. That said, this would be very difficult work for two main reasons. First, there are strong political forces that will protect program constituencies who have vested interests in status quo. Second, related programs are on different reauthorization cycles,

making it virtually impossible to carry out simultaneous reforms. Even so, a bipartisan set of principles for program and portfolio redesign could spur constructive discussions about how to move from the status quo to a desired state—a more results-focused government—over several years, using administrative, regulatory, and statutory levers.

5. Lead an update or replacement of GPRA-MA

The OMB director, supported by the Results Team, should also be charged with creating a plan to reform or replace the Government Performance and Results Modernization Act. After more than six years on the books, GPRA-MA needs at least a refresh. Parts of the law are working relatively well, such as the Cross-Agency Priority Goals. Other parts have become too much of a “check the box” exercise, focused on reporting data up the chain to OMB rather than on meaningful improvements. Detailed suggestions on how to reform or replace GPRA-MA are provided below.

6. Coordinate efforts to strengthen the availability and use of government data, including the recommendations of the bipartisan Commission on Evidence-Based Policymaking

As mentioned in the discussion of the Obama evidence agenda, one of the most important ways the federal government can strengthen a culture of continuous improvement is by better using the administrative data that its programs produce. Those data can be used (and sometimes linked across programs) to strengthen customer service, such as eliminating the need to fill out multiple forms; improve program operations, such as identifying and closing gaps in service delivery; and for research, such as understanding trends and patterns in program usage. Experience has shown that federal agencies can take these steps while protecting privacy and confidentiality—for example, by removing personal identifiers or by looking at aggregate rather than individual-level statistics.

Today, however, government agencies often have the attitude of “no, unless” in making data available within the agency or to approved agency or research partners. As economist Maria Cancian has explained, “We need to move to what some have called a “yes, unless” attitude [in the federal government] where we make data usable and accessible unless there is a strong reason to the contrary.”¹⁷ The Results Team should coordinate the Executive Branch effort to achieve that goal, including working with the Census Bureau and the OMB Office of Information and Regulatory Affairs.

That effort will hopefully be assisted by recommendations (coming in 2017) from the Evidence-Based Policymaking Commission. The 15-member Commission is charged with identifying strategies to increase the availability and use of government data to build evidence and inform program design, while protecting the privacy and confidentiality of those data. The Results Team should take the lead in overseeing the implementation of those recommendations.

7. Launch and oversee an Evidence-Based Policy Fellows program

A valuable way to support and advance the evidence agenda is to attract top researchers into government and provide them with opportunities to work on high-impact projects. To do that the administration should launch an Evidence-Based Policy Fellows program. The Office of Evaluation Sciences (OES) within the Government Services Administration should take the lead, working closely with the OMB Results Team. The program could involve partnerships with philanthropic and non-profit organizations that would help identify and fund top researchers to serve in government agencies under the Intergovernmental Personnel Act. Specifically, it would recruit and place researchers into term-limited federal positions within agencies. The mission of the Fellows would be to:

- Carry out an important research project within their agencies.
- Help build internal agency capacity to conduct evaluations and data analysis on their own, including low-cost randomized controlled trials using administrative data, A/B testing, and other types of research.
- Be part of a network of Evidence-Based Policy Fellows in other agencies to share best practices and explore opportunities for multi-agency studies.
- Strengthen ties with outside researchers who could help agencies address important problems.

In terms of logistics, OES should work closely with OMB (including OIRA within OMB, given its expertise on administrative data issues) in order to coordinate projects and ensure that projects are focused on priority issues for the administration. OMB can also support the fellows program by signaling to agencies the importance of the resources that the fellows program provides, by reinforcing the need for research integrity to ensure evidence is not distorted for ideological purposes, and by providing the political cover that fellows need to be successful.

The idea of an Evidence-Based Policy Fellows program builds on other recent successful efforts to bring in expertise from outside the federal government to help solve important challenges. An example is the White House Innovation Fellows program launched in 2012, which recruits private sector IT specialists into government for a year. Another example is from OES itself: It recruits fellows (applied researchers) from outside government to its team to assist federal agencies in using insights from the social and behavioral sciences to improve programs. An Evidence-Based Policy Fellows program would complement, not duplicate, these efforts. It would focus on specific

agency projects that would run over a longer-term and involve deeper agency commitment, including creating a strong and productive working relationship with the fellows embedded in agencies. It would also simultaneously search for agency projects and researcher talent—a formula that is better suited to finding subject experts who can lead in-depth projects that rely heavily on agency-specific data resources.

8. Encourage more cross-agency collaboration on presidential priorities

The Results Team should build upon the progress made during the Obama administration to catalyze cross-agency collaboration.¹⁸ That progress is important because many of the critical policy challenges facing our nation are issues that span several departments or agencies, yet the federal government tends to operate in silos. That makes cooperation across department and agencies less frequent. Several existing initiatives are designed to help bridge those silos and create more effective and efficient policy responses—initiatives that the Trump administration should support and build upon. They include:

- Launching Cross-Agency Priority (CAP) Goals that are required by GPRA-MA and have been a bright spot in terms of substantive improvements catalyzed by the legislation.¹⁹ The seven current CAP goals include goals related to customer service, open data and STEM education, among others. New funding will help facilitate this work: In 2016, Congress appropriated \$15 million to support the implementation of CAP goals.
- Creating a White House Leadership Development Program to develop high-potential career GS-15s, with a focus on helping them gain skills in implementing cross-agency projects, including the CAP goals. The first cohort of 16 federal managers began in 2015.

- Starting an Office of Executive Councils that provides support to, and encourages collaboration across, the various cross-agency councils for mission support “chiefs,” such as the Chief Financial Officers Council and the Chief Information Officers Council.
- Creating new fellowship programs to foster cross-agency experience, such as the Presidential Management Council Interagency Rotation Program and the Chief Executive Officer Fellows Program.
- Requiring agencies to rotate more of their Senior Executive Service members to other agencies in order to increase their exposure to other agencies and facilitate an enterprise-wide outlook.

9. Connect agencies with experts in the field to help tackle policy and program challenges

A final useful role of the Results Team would be partnering with the Council of Economic Advisors (CEA) to help agencies connect with leading academics and other experts to address agencies’ policy or program challenges. Of all the White House offices, the CEA likely has the most connections to leading experts, given that most CEA staff are on leave from top universities. What CEA staff generally lack, however, are natural connections to work with agencies, including on their policy or operational challenges, even though CEA staff are interested in helping. OMB, on the other hand, has direct connections with federal agencies, but generally lacks good connections with academic experts. An informal partnership between the Results Team and CEA could help bring CEA connections with top external researchers and other experts to help agencies tackle key challenges.

10. Work with the Office of Personnel Management (OPM) to focus training for senior leaders and managers on how to build and use evidence about what works

One of the keys to encouraging broader use of results-focused strategies within the federal government is to help administration and agency leaders become more familiar with those strategies. Training sessions could help those leaders understand the value of evidence, evaluation and data analysis for continuous program improvement. That includes helping leaders to:

- Use evidence in order to answer, “How can I make a more informed decision based on existing research and lessons from the past?”
- Build evidence by asking, for example: “Should we roll out a policy in a phased approach so we can test and learn as we go, rather than creating a traditional across-the-board policy?”

Training sessions could range from a couple of hours for senior leaders to more in-depth workshops for senior manager candidates. The Results Team should work with OPM to design and deliver this type of training and to set standards for similar training that would be developed by contractors and non-governmental organizations. Recommendations include:

- **Provide quick, high-level workshops for senior agency and White House staff.** These could be two-hour interactive presentations, with the goal of getting officials interested in how evidence and data can help the administration achieve its goals. They could highlight some of the best examples of results-focused strategies, both in the U.S. and elsewhere. And a particular focus could be on applying a test-and-learn approach to government, drawing on how leading companies continually test out operational improvement and implement

changes in a way that allows them to learn and improve along the way and make informed choices about what to stop doing. The workshops would be designed to get senior officials excited about these strategies in order to create demand for them within agencies.

- **Provide training for Senior Executive Services (SES) candidates on results-focused strategies.** OMB and OPM should update the required competencies for SES employees, called executive core qualifications, to include information about evidence, program evaluation, data and innovation. That, in turn, would ensure that information on these topics are integrated into SES candidate training. Today those topics are not part of SES training—a barrier to ensuring that senior managers are knowledgeable about how their agencies can use and build evidence about what works. The topics should be added, with a focus on how managers can use results-focused strategies to improve program results, not on the antiquated view that program evaluation is something done *to* programs. In doing this, the U.S. can take a page from the United Kingdom, which has competency standards and training for senior managers—and, in fact all civil servants—that include topics around data and evidence.²⁰

Recommendation #2: Launch an intergovernmental reform initiative led by the Vice President

To significantly improve results in government, the nation needs to reinvent how the federal government works with state and local governments around issues that cross federal agency lines. Important improvements in this area will require a high-level champion in the administration to make those reforms a reality. As a former Governor who has invested political cap-

ital in reforming government, Vice President Pence would be an ideal person to lead this effort. He and the Vice President's Office could partner with the new OMB Results Team (proposed above) to lead the initiative. Involving OMB would bring unique knowledge about agencies to the table and help ensure that reforms are institutionalized so that they last beyond the Trump administration.

Goals of the initiative

An intergovernmental reform initiative could help modernize programs and policies that are implemented at the state and local levels. Today many of those programs and policies are overly prescriptive, focused on compliance rather than outcomes, and generally have few incentives for continuous improvement through the use of evidence and data. Because a significant portion of federal policy is implemented at the state and local levels, the task of making government more results focused cannot simply be done by changing internal federal operations. It also requires ensuring state and local partners have the ability and incentive to focus on results as well.

An intergovernmental reform initiative could work to:

- **Reduce unnecessary requirements** within federal programs and grants that inhibit state and local innovation.
- Encourage a shift in focus by federal agencies from monitoring states' and localities' **compliance to tracking outcomes.**
- Add incentives to federal **competitive grant programs** (which are smaller but more flexible than larger formula grant programs) for states and localities to build and use evidence about what works.

- Add incentives and flexibility in federal **formula grant programs**—large funding streams that flow to states and localities—to focus those dollars on what works.

Components of the initiative

An intergovernmental reform initiative led by Vice President Pence could advance those goals through a multi-pronged approach. Three specific ideas are presented here.

1. Choose a high-priority issue with strong bipartisan support that involves federal, state and local partnership and create a model for collaboration across levels of government

In many policy areas, there are a range of overlapping federal programs and funding streams, each with their own rules and reporting requirements. While all of these programs and funding streams may be valuable, together they can make it more difficult for state and local officials to craft coherent policy responses to specific policy challenges. As part of the Vice President’s intergovernmental reform initiative, therefore, the administration should create a model for what improved collaboration across levels of government could look like.

To do this, the administration should choose a policy priority that involves federal, state and local partnership to achieve shared objectives. Two examples are addressing the opioid epidemic and improving early childhood programs. The administration should work with state and local partners to find ways to bridge existing programs and allow for more flexibility in addressing that policy priority, while also creating stronger accountability for outcomes, not just for inputs or outputs. It is this balance of more flexibility and more accountability for results that could demonstrate a bipartisan way to improve government at all levels.

Specific tools and strategies could include:

- Expanded waiver authorities to enable states and localities to test innovative approaches around the priority issue, while requiring rigorous evaluations to determine if those approaches are successful and cost effective.
- Having philanthropy and academic researchers work with government on shared learning agendas and rigorous experimental evaluations to build the body of evidence about what works in addressing to the priority issue.
- Launching Performance Partnership Pilots around the priority issue. These types of pilots also involve waivers, but they are specifically designed to help jurisdictions pool a portion of different federal funding streams in order to better serve a specific population. In 2014, Congress authorized the first set of ten Performance Partnership Pilots focused on serving disconnected youth. Today three rounds of pilots have been launched, allowing communities to pool federal discretionary funds in exchange for a commitment to measure and track specific cross-program outcomes.

Taking these steps would help create a high-profile example of best practices in intergovernmental innovation and performance improvement. That example, in turn, would encourage other agencies to explore outcome-focused strategies with their state and local partners.

2. Require that every federal agency undertake a “spring cleaning” of their grant programs, removing unneeded reporting requirements and identify ways to refocus grants and contracts on results.

Grant making is an important way in which the federal government achieves outcomes for the American people. If you want to make government more results-focused, therefore, you need to make

grants more results focused. In particular, this initiative should require that every federal agency take stock of their current portfolio of grant programs. (Alternatively, if more feasible, the initiative could start with a set of volunteer agencies in the first year to achieve some quick wins, then broaden the initiative in future years by involving other agencies.) It would essentially be a “spring cleaning”: Just as we need to periodically get rid of clutter in our homes that we do not use, agencies need to (but rarely do) see what reporting requirements have been added over time that are not useful or reliable—ones that can be simplified or eliminated. The initiative would also involve finding ways to modernize grants and contracts by making them more evidence-based and outcome focused. Importantly, the goal is to maintain accountability for tax dollars, while acknowledging that accountability to taxpayers and citizens also means focusing on results and giving grantees the necessary flexibility to achieve those results.

Specifically, the initiative should ask agencies to review their grants and contracts to determine:

- What compliance-focused reporting requirements do we currently impose on our grantees? In other words, what data are we currently collecting?
- Which of those requirements actually inform agency oversight and improvement efforts? In other words, what data do we actually use?
- Could the grants be made more outcomes-focused, including by adjusting goals, milestones and reporting requirements?

- For competitive grant programs, could we add incentives for using and/or building evidence—for example, by designating competitive preference points related to evidence? (Relatedly: Do we currently have the capacity to oversee that process? If not, what would it take?)
- For formula grant programs, could we create stronger incentives and needed flexibility for states and localities to focus their formula funds on evidence-based approaches? See Box 1 for an overview of options to do this.
- For both competitive and formula grants, what barriers prevent or discourage grantees from allocating funds to effective strategies and what could be done to remove these?

Each agency would be asked to report back to the initiative on their findings and to create an action plan focused on proposed changes based on those findings. Agencies should be asked to focus on changes they can make with existing authority, but to also list important changes that would require Congressional action to implement. The initiative would then work with these agencies to support the implementation of these changes and track progress over time.

This type of “spring cleaning” would modernize grant making, which is long overdue. It would also represent a unique contribution of the Trump administration to creating better and more result-focused federal, state and local partnerships.

Box 1: How agencies can create incentives for the use of evidence in federal formula grant programs

Billions of dollars flow to states and localities in the form of formula grants. Examples include Title I funding from the Department of Education; Temporary Assistance for Needy Families funding from the Department of Health and Human Services; and Community Development Block Grant funding from the Department of Housing and Urban Development. As their name suggests, allocations of these dollars are based on formulas, such as how many low-income individuals or children are in a state or locality.

Today, unfortunately, very few formula grants have any provisions related to evidence. This means that most dollars flow to states and localities without any incentives to use evidence-based programs or practices with those funds or to build evidence that can inform improvements. And while formula programs are more flexible than competitive grant programs, many restrict activities in ways that inhibit focusing funds on evidence-based approaches. Federal agencies, however, can create these types of incentives in the following ways.

- **Use competitive grants as “bonus funds” for states and localities that use their formula funding for approaches backed by rigorous evidence of effectiveness.** The idea here is to give preference, in awarding an agency’s competitive grants, to states and local grantees that plan to use (at least a significant portion of) their formula funds to build evidence or to fund evidence-based approaches. For example, the Department of Housing and Urban Development might structure one of its competitive grant programs to act as an incentive for communities to build or use evidence with their Community Development Block Grant funding. There is a precedent for using com-

petitive grants in this way, from the George W. Bush administration. Under the Bush administration, the Department of Health and Human Services used a \$10 million competitive fund for home visiting programs as seed grants—essentially bonus funds—for states that planned to use their formula funds (from any of several formula grant programs that qualified) to scale up evidence-based home visiting strategies. This same approach could be used in a wide variety of other policy areas, taking a small amount of funds and leveraging it to have a much bigger impact.²¹ Another example is the new Education Innovation and Research (EIR) Program at the Department of Education, enacted as part of the Every Student Succeeds Act of 2015. As noted earlier, it includes a matching requirement that can be fulfilled by states and localities using their formula dollars, creating incentives for states to use their bigger-dollar formula funds for evidence-based approaches.

- **Restructure formula programs to have a tiered evidence design.** Working with Congress, agencies may be able to modernize a traditional formula grant program to become a tiered evidence grant program. With this design, jurisdictions would receive more formula funds if they use approaches (programs or practices) backed by stronger evidence of effectiveness. Tiered-evidence formula grants would also promote learning and improvement by requiring evaluations of state and local approaches.
- **Add requirements for grantees to use and/or build evidence.** An alternative restructuring approach is for agencies, working with Congress, to add requirements that states and localities spend a certain percentage of their formula

grant dollars on evidence-based approaches—say, 10 percent to start, with the percentage rising to 50 percent over time. Likewise, to build evidence, agencies could require that states and localities conduct rigorous program evaluations of grant-funded activities.

With any of these three strategies, jurisdictions should be expected to demonstrate the level of evi-

dence behind their programs or practices by citing a *body of evidence* rather than a single study. The reason is because there are single studies that can be found to justify many if not most policy decisions. A body of evidence, on the other hand, is a much more reliable indicator that the program or practice will lead to the desired result and will produce a positive return on taxpayer dollars.

3. Encourage state and local grantees to use their program dollars to conduct data analyses and program evaluations in order to facilitate continuous improvement.

Would a successful business ever operate without data analysis—in other words, without closely and regularly examining how the business is doing across a range of indicators? The answer, of course, is no. The federal government, on the other hand, spends billions of dollars on programs administered at the state and local levels, but typically does not encourage those jurisdictions to undertake data analysis and program evaluation using program funds. In some cases, federal agencies may even tell states and localities (or other grantees) that using program funds for data analysis and evaluation is not allowed, which is often mistaken. As a result, too many state and local partners “fly blind,” without analytics for continuous improvement.

To ensure federal funds are spent effectively, the Trump administration should provide guidance to federal agencies through a Presidential or OMB memo. The memo should encourage agencies to make jurisdictions and grantees aware that (in most cases) they can, and are encouraged to, use program funds for data analysis and evaluation.

The memo could also encourage agencies to consider creating (with Congressional approval) a budget set

aside, or pooled funding, for evaluation activities. This is another way that agencies can support state and local partners with data analysis and evaluation. Currently a few agencies have this authority, such as the Departments of Labor (a 0.5% set aside) and Education (pooled evaluation funding for K-12 programs).

Recommendation #3: Strengthen OMB’s focus on evidence and innovation

The White House Office of Management and Budget must play a central role in creating a more results-focused federal government. That is because OMB not only oversees the budget for the President, but it also has the ability to help, encourage, and push agencies to adopt more innovative and evidence-based approaches using their existing authority, outside of the budget process. Therefore, along with the creation of a Results Team (described above), other changes at OMB would be important.

1. OMB leadership should make it clear that they expect all budget offices to work cooperatively with agencies to build capacity around continuous improvement strategies.

For OMB to be an effective force in helping and pushing federal agencies to strengthen their results, those

agencies need to be open about their challenges and problems. That, in turn, requires agency leaders to have enough trust in their White House overseers to work collaboratively with them to design solutions to those problems. However, this raises a concern: If agencies view OMB mainly through a budget negotiation lens, where information is shared only if it gives them a strategic advantage, how will OMB budget examiners—as well as the new OMB Results Team—have the full picture of what needs improving?

In reality, OMB budget offices (known as Resource Management Offices) currently exist on a continuum, in terms of their relationships with agencies. Some have built productive relationships with the agencies they oversee: They work collaboratively to help those agencies to tackle their challenges, strengthen their capacity around evidence and data, and adopt more outcomes-focused approaches. At the same time, they say no to unwarranted agency budget requests or proposals that are not aligned with administration priorities. On the other end of the continuum, some budget offices at OMB have a more antagonistic relationship with their agencies, seeing their role as mainly blocking bad ideas. Agencies in their portfolios are unlikely to be open about their performance challenges. Both to focus OMB budget offices on performance improvement and to facilitate a more open relationship with agencies, OMB needs more of its budget offices to look like the former (collaborative) group and less like latter (antagonistic) one. Therefore, the OMB director and other senior leaders should:

- Make it clear that he or she expects all budget offices to work cooperatively with agencies to build capacity around continuous improvement strategies.
- Reorient the energy and role of budget staff so that a key part of their jobs is helping agencies make better use of their existing resources.

- Track OMB progress by surveying agencies every year about the extent to which agency leaders view OMB budget staff as adding value to their efforts to improve results. If OMB staff are not seen by agencies as adding value in this way, they should be viewed as not doing their jobs.

2. OMB should lead an evidence-based policy spring review process

Spring is a valuable time in the federal budget process. The rush of the upcoming year's budget process has not yet kicked into gear. During this period, OMB budget examiners have the time—if given the opportunity and the right set of expectations from leadership—to think strategically about how to tackle priority agency and cross-agency challenges within the federal government and, just as important, to help agencies become more evidence and results focused.

To harness that opportunity, OMB should launch an evidence spring review process focused on *learning agendas*. A learning agenda identifies priority questions, related to programs or policies, that if answered would help an agency tackle its priority challenges or problems—in other words, helping the agency get better results and be more cost effective. It also identifies how that learning be conducted, such as through program evaluation, rapid experimentation and data analytics. For example, one spring review session could bring together agencies involved in efforts to reduce opioid addiction. The process would identify important unanswered research questions and develop a plan to fill those gaps, helping our nation address the opioid crisis. Of course, developing learning agendas does not preclude the government from taking immediate action on urgent issues. It does, however, ensure that agencies continue to learn what works so that future action is based on stronger evidence and has more bang for the buck.

Practically speaking, focusing a spring review process on learning agendas would be particularly useful be-

cause it is a non-threatening way for OMB to engage all of the key players, both inside and outside government, including program managers to outside experts. Because the discussion would focus on improvement, not on the more typical OMB focus (budgets), agencies would be more willing to get involved and more open about their challenges. More broadly, it is an approach rooted in a humbling but realistic fact: For many of our most important policy challenges, especially around expanding opportunity and reducing poverty, there is still much we do not know in terms of what works and what is cost effective.

In terms of specifics for a spring review process, OMB and agencies would work together to develop the learning agendas for agencies and portfolios of related programs. The process would include policy and research experts from within government (agencies and White House policy councils) and externally. The goal would be to:

- Identify important policy and operational challenges.
- Review existing evidence that could be put to better use.
- Identify gaps in knowledge about important questions that should be addressed through data analysis, rigorous evaluation, and rapid experimentation.
- Prioritize the focus of:
 - Internal agency evaluations
 - Cross-agency evaluations
 - Collaborations with state and local governments to build evidence
 - Collaborations with outside researchers

In the private sector, we celebrate companies that are known as learning organizations. In government on the other hand, deliberative strategic planning around

learning happens too rarely, outside of certain agencies that are leaders in evidence-based policy. (The Department of Labor, as noted earlier, requires learning agendas of each of its operating agencies.) Moreover, it is unrealistic for OMB to lead this type of work during the very busy fall budget season. A spring review process would therefore provide a unique opportunity to strengthen a culture of learning within government.

Recommendation #4: Amend or replace the Government Performance and Results Modernization Act

Performance management, which means tracking performance data and using those data to improve results, is a foundation of results-focused agency management. The theory behind the Government Performance and Results Modernization Act of 2010 (GPRA-MA), therefore, is laudable, since it requires agencies to undertake basic performance management activities. Unfortunately, the theory has not matched reality.

Today, key parts of GPRA-MA have become a compliance exercise, not a meaningful catalyst of results. This not only wastes agency resources but also sends the unfortunate signal that performance management is mainly about “reporting data up the chain,” not driving actual improvements. Moreover, because GPRA-MA focuses mainly on performance management, not on building and using rigorous research evidence, it has created unnecessary silos within agencies between performance and evidence efforts.

Therefore, OMB should work with Congress to reform or replace the law, depending on the administration’s preference.

- To amend GPRA-MA, OMB should add a GPRA-MA exception that allows agencies to forgo the agency priority goal process if they can

demonstrate that they are meaningfully using evidence, data and innovation to improve results.

- Alternatively, OMB should replace GPRA-MA with an improved version of the George W. Bush administration’s Performance Assessment Rating Tool (PART), focusing the initiative more strongly on program improvement, as well as the redesign and restructuring of related programs. The modified law could also call upon agencies to develop learning agendas, in partnership with stakeholders, researchers, and philanthropies to accelerate learning on how to improve effectiveness.

GPRA-MA overview

GPRA-MA requires agencies to create four-year strategic plans and annual performance plans, identify a set of priority goals and targets, meet quarterly as an agency to discuss progress on those goals, and publish their annual performance plans on a public website. It also requires the White House to report to Congress about any agencies that fail to meet their performance goals and to submit reform plans if poor performance continues. The Act established Performance Improvement Officers (PIOs) in every agency that help lead GPRA-MA activities. Finally, it requires the White House to set cross-agency priority goals.

On the positive side, the cross-agency priority goals are a worthwhile idea to encourage agency cooperation on policy challenges that span agencies. The Trump administration should choose cross-agency goals that are important priorities for the administration and then develop an ongoing process to monitor and drive progress. Ideally that process would bring together all of the relevant senior officials around each goal on a regular basis.

The main problem with GPRA-MA, on the other hand, is the agency specific elements—especially the

agency priority goals—that have become largely a make-work exercise. The rest of this section focuses on reform efforts around those agency-specific requirements.

The main problem: GPRA-MA as a compliance exercise

The most obvious weakness of GPRA-MA’s agency requirements is that they have largely become a compliance exercise. In particular, agencies dutifully send data on their priority goals to OMB with the required frequency and format, but the process has little impact on actual agency behavior. The reason is because GPRA-MA ran into something that could be called (to coin a phrase) the “Iron Law of Top-Down Management Initiatives.” It states: *For any top-down initiative in government, if neither the legislature nor executive-branch leadership really cares, it will become a compliance exercise.*

In the case of GPRA-MA, neither the legislature (Congress) nor the Obama administration’s senior leaders really cared. If they had—if Congress had closely tracked GPRA-MA goals and used those data to push agency improvements, or if the President’s senior advisors saw GPRA-MA as a tool to advance the President’s top priorities—the Iron Law would be broken. Agencies would know that the initiative was important and that they needed to meaningfully engage with it. That was not the case.

To be specific, Congress has not closely monitored GPRA-MA’s progress. Neither members of Congress, nor their staff, have seen GPRA-MA priority goals as an important tool through which Congress oversees federal agencies. For example, take the reflections of Seth Harris, the Deputy Secretary of Labor from 2009 to 2014. Speaking about Congress’s oversight of GPRA-MA (which he refers to by the acronym GPRAMA) as well as the earlier version of the law,

the Government Performance and Results Act of 1993 (GPRA), he notes:

“During my nearly five years [at DOL], I was never called to testify before the department’s congressional authorizing committees...or its appropriations subcommittees, regarding the Labor Department’s performance, or even its compliance with GPRA and the GPRAMA. Further, I was never invited to meet with those committees’ and subcommittees’ staffs to discuss the Labor Department’s compliance with GPRA and the GPRAMA...Simply, Congress played no role in overseeing the Labor Department’s compliance with either GPRA or the GPRAMA during President Obama’s first five years in office.”²²

Within the West Wing, meanwhile, GPRA-MA was largely off the radar of senior Obama administration officials. There are several reasons for this. First, White House officials never saw GPRA-MA as a tool for advancing the President’s top priorities. Also, the budget staff at OMB, who work with the White House and agency leaders to make key budget decisions, have only limited interaction with the Act. A separate, small office on the management side of OMB, the Office of Performance and Personnel Management, oversees GPRA-MA implementation. By all accounts, PPM staff, with the help of the Performance Improvement Council, did their best to make the Act meaningful and useful for both OMB and agencies, but they could not break the Iron Law discussed above.²³

Because of these factors, agency leaders know that GPRA-MA is mainly about satisfying OMB (and in particular, PPM) by providing quarterly performance data on time and in the correct format. It is also about choosing goals that are not too challenging, so that agencies avoid the embarrassment of being on the “failure report” to Congress. There is no reason to think that the situation would be any different under a Trump administration.

It is important to underscore that many federal agencies *are*, in fact, skilled and committed to using performance management strategies to improve their results. Some agencies are exemplars in doing so. The key issue, instead, is whether agencies are doing anything *differently* because of the existence of GPRA-MA, in terms of meaningful performance improvement and creating a stronger culture of data-driven decision making. The evidence, unfortunately, points to no.

For example, the U.S. Government Accountability Office (GAO) assesses agencies’ use of performance information based on surveys of federal managers at 24 agencies.²⁴ Its federal index is the most objective measure we have about the use of data-driven decision making in the federal government. The results show a small but statistically significant *decrease* between 2007 (prior to GPRA-MA) and 2013 (the most recent data available): The index fell slightly from 3.46 to 3.41, out a maximum score of 5. While longer-term data would be useful to assess GPRA-MA’s impact, the existing evidence from the index does not suggest a meaningful positive effect.

Further evidence comes from agencies that have made noteworthy progress in terms of performance management. The stories behind these agencies’ progress suggest that the advances occurred because of agency leaders’ commitment to data-driven decision-making, not because of top-down mandates from GPRA-MA. An example is the Department of Labor (DOL), which is the only cabinet-level agency that saw a statistically significant increase in the GAO’s index of data-driven decision-making, from 3.37 in 2007 to 3.58 in 2013.²⁵ DOL’s leaders pushed agency managers to be more evidence and data-driven, with a range of new performance management and evaluation practices and capabilities that were not GPRA-MA related.²⁶ Another example is the Department of Housing and Urban Development, whose Secretary Shaun Donovan launched its data-driven leadership strategy, called HUDStat, in 2010, prior to GPRA-MA’s implementation.

If GPRA-MA were simply a compliance exercise, with little benefit but also little cost, it might be easy to simply continue current practice, without a need for reform. But the Act creates important (largely non-monetary) costs that include:

- **A drain on agency resources.** GPRA-MA's reporting requirements for agencies take a significant amount of time, not only by agencies' performance teams, but also by program staff that contribute to the reporting process. After all, there are almost 100 GPRA-MA agency priority goals across the federal government that must be tracked and reported on each quarter. For agencies that are already doing performance management well, GPRA-MA reporting activities drain limited staff resources that could be better spent on more meaningful improvement initiatives.
- **Sending the wrong message about data and goal setting.** An unintended consequence of GPRA-MA is having staff associate performance management with "reporting data up the chain." In other words, the law—at least as currently implemented—sends the signal that performance data are mainly used to satisfy OMB and that goals are used to highlight achievements agencies know they can achieve, to stay off Congress's GPRA-MA "bad" list. This sends the wrong message to agencies that should be associating data and goal setting with meaningful continuous improvement activities.
- **Putting performance management in a silo.** The law reinforces the silos that exist within the federal government between performance and evidence efforts, since GPRA-MA mainly focuses on performance management, not on an integrated set of analytical approaches, including rigorous evaluation, experimentation and evidence building. This gives agency performance staff few incentives to reach out to evaluation staff for input or collaboration. Evaluation staff, meanwhile,

often view performance staff as mainly focused on GPRA-MA compliance, not on actually learning what works and improving programs.²⁷

The point here is not that GPRA-MA does not do any good. As noted above, the Cross-Agency Priority Goals appear to be a bright spot in terms of meaningful engagement by agencies. And there are surely examples where the Act has given agencies a helpful push to strengthen their performance management practices, although clear examples are difficult to find.²⁸ More broadly, GPRA-MA ensures that senior leaders, such as Deputy Secretaries, are at least periodically thinking about performance management and improvement issues, by being involved in meetings around GPRA-MA implementation. Prior research also suggests that GPRA-MA has increased performance information use among managers, although the research did not assess whether the increase translated into better organizational performance (Moynihan and Kroll, 2015). The GAO, meanwhile, documented some "mixed progress" in GPRA-MA's implementation, but noted that agencies' reported use of performance information generally did not improve between 2007 and 2013 (GAO, 2015).

Even with these strengths, the level of cynicism about GPRA-MA is today so high that little tweaks will not be enough for the law, and the process it creates, to regain credibility with agencies. Agencies have learned how to game the GPRA-MA or ignore it. The Trump administration should therefore reform or replace the Act with a more impactful strategy to catalyze results-focused government and increase taxpayer value. Two options are presented next.

Option #1: Amend GPRA-MA by creating a high standard of excellence and allowing GPRA-MA exemptions for agencies that meet it

Every federal agency should be given the opportunity to demonstrate that it is using leading practices

of results-focused government—practices that go significantly beyond GPRA-MA requirements.²⁹ If they do, the White House should exempt them from GPRA-MA agency priority goal requirements for two years, until the next determination.

Importantly, the exemption process should differentiate between agencies that are doing meaningful, exemplary results-focused activities from ones that merely go through the motions. To inform their exemption decisions, OMB should work with the Partnership for Public Service and the National Academy of Public Administration to create a panel of public management experts to conduct reviews of agencies that request exemptions. OMB should identify the criteria used in the reviews, which should draw on private sector business practices as well as strategies used by agencies that are leaders in the use of evidence, data and innovation. A suggested set of criteria is:

1. Agency leadership (the Secretary or Deputy Secretary) can clearly and compellingly **articulate the agency’s approach** to using evidence, performance and innovation. If leadership cannot demonstrate that they are knowledgeable about how to use and integrate different results-focused tools or strategies, it is unlikely that agency staff will receive a clear message to improve results using these approaches.
2. The agency demonstrates a commitment to **using data-driven decision-making** as measured by GAO’s Index (discussed above), judged by whether the agency achieves a score of 3.5 or above. Only 5 out of 24 agencies currently meet this criterion, leaving plenty of room for improvement.³⁰
3. The agency has a well-written **strategic plan**, updated every four years, that includes the agency’s mission statement, goals and strategies to achieve them. It also publishes an **annual performance plan** that provides updates on progress. This

would ensure that transparency is not compromised by GPRA-MA reform.

4. The agency requires all its operating agencies (or divisions, etc.) to develop five-year **learning agendas** that are updated each year. A learning agenda describes priority questions of policy or practice that, if answered through program evaluation or other analytical tools, would improve program results. Learning agendas also highlight priority studies that are needed or planned, including those required by Congress. They are tools for making the best use of analytical resources.
5. The agency has a data-driven leadership strategy, often referred to as a **PerformanceStat (or “stat”) initiative**, which agency leaders use to identify key challenges, diagnose problems, devise solutions, and track results.³¹ The stat initiative should use ongoing, data-driven meetings that have senior leaders in the room, either leading or participating in the meetings. They should be neither backward-looking performance reviews nor “show and tell” sessions that mainly highlight successes.³²
6. The agency has a **chief evaluation office** or equivalent (e.g., a research or evaluation unit) that has strong capacity in terms of staff and skills; has a reputation for producing rigorous and independent evaluations; and is a valued resource by agency leaders for helping the agency learn and do what works.
7. The agency has a published **evaluation policy** that demonstrates the agency’s commitment to conducting rigorous, relevant evaluations and to using evidence from evaluations to inform policy and practice. Evaluation policies should address rigor, relevance, transparency, independence, and ethics in the conduct of evaluations.
8. The agency has a strategy for **improving access to and utilization of its high-value data** for perfor-

mance measurement and evaluation. In doing this, agencies need to show that they have moved beyond the status quo in many agencies, which is collecting and reporting low-quality data that are not useful for accurately assessing outcomes or impact.

9. The agency demonstrates a commitment to **integrating evaluation and performance efforts**. That includes having evaluation staff take part in all PerformanceStat meetings. More broadly, it means that evaluation and performance staffs are working together to help the agency tackle key challenges, not operating in silos.
10. The agency has at least one ongoing, active **joint initiative with another federal agency** that addresses a challenge that spans agencies. The goal here is to encourage cooperative efforts, since too often complex public policy challenges are addressed within specific bureaucratic agency silos.
11. The agency has at least one ongoing initiative to **partner with state and local officials** to strengthen the results produced by federal dollars. Examples include:
 - A pilot program that provides more flexibility to states and localities (e.g., waivers to blend federal funds around a specific policy challenge) in exchange for clear goals, accountability for results, and the generation of evidence to learn what works.
 - An effort to scale back compliance-focused reporting requirements for federal grants, in exchange for having grantees report on a slimmer but more meaningful set of outcome-focused metrics.
 - Efforts to help states and localities build capacity for outcomes-based contracting and to access high-value data to measure outcomes.
12. The agency shows exemplary progress in at least **one additional aspect of results-focused government**, aside from the eight criteria above. That could include:
 - Making agency administrative data available to agency managers and researchers, while protecting privacy, in order to help programs learn what works and improve.
 - Linking administrative data between agencies, while protecting privacy, in order to address key questions of policy or practice for the agency.
 - Advancing evidence-based grant making by adding new incentives for grantees to use evidence-based approaches or by using a tiered evidence design.
 - Using rapid experimentation, including experiments that use “behavioral insights,” such as from behavioral economics, to address agency challenges.
 - Creating a set-aside for evaluation, meaning a half or one percent of agency funds that go to evidence and evaluation activities in order to meet program needs for learning and improvement.
 - Implementing a successful “bottom-up” innovation process to solicit ideas from front-line employees to improve programs and/or save money.
 - Cutting or proposing to cut programs that have been shown, through rigorous evaluations in multiple settings, to be ineffective.
 - Creating an analytics team that helps programs use data and analytics to improve results, understand gaps or shortfalls in performance, and find ways to address those problems.
 - Developing strong internal training programs that help agency managers learn leading practices in performance management and evidence-based policy.
 - Establishing competency standards for what agency managers need to know about re-

sults-focused tools and strategies and for demonstrating that they are using these tools.

By creating a GPRA-MA exemption process, OMB can eliminate administrative burdens (especially reporting requirements) for agencies that already have strong results-focused approaches in place.³³ Even more importantly, it would create incentives for federal agencies to adopt those best practices, with plenty of flexibility for creativity and customization by agencies. In fact, the Trump administration, Congress and the public management community could strengthen those incentives by celebrating agencies that achieve exemptions. For example, the White House could create a new designation called “LEAD” agencies (Leaders in using Evidence, Analytics and Data) and start a tradition of having the President present LEAD designations to each agency at a ceremony with employees. Moreover, OMB could convey that budget requests by LEAD agencies addressing important policy priorities would be given special consideration.

Option #2: Replace GPRA-MA with a new version of the Performance Assessment Rating Tool

Rather than amending GPRA-MA to make it more effective, the Trump administration may prefer to work with Congress to scrap it altogether and replace it with something new. One possibility, for example, is to keep GPRA-MA’s cross agency goal structure (since it provides a helpful push to agencies to cooperate on priorities that span agency boundaries) and eliminate the rest of the Act. In its place, the Trump administration could reinstate a version of Performance Assessment Rating Tool used by the George W. Bush administration. In fact, the Heritage Foundation recently called on the Trump administration to reinstate an improved PART process.³⁴

The PART, under the Bush administration, was a valuable initiative in several respects. It required

agencies to take a hard look at the evidence of effectiveness (or lack thereof) behind their programs and it defined evidence to ensure that agencies focused on rigorous program evaluations rather than less reliable evidence. For programs that lacked a strong evidence base, PART was designed to create incentives for agencies to implement rigorous evaluations in order to grow the evidence base.

The main downside of the PART, however, was that Congress as well as many agencies saw it as a threat. Although PART included five different ratings, and despite OMB’s efforts to frame it as a tool for improvement, PART was generally perceived as producing “up or down” verdicts on individual programs’ effectiveness—assessments that were seen as putting program funding at risk. That perception, in turn, led at least some agency leaders and Congressional staff to be wary of program evaluation and the broader evidence movement, the opposite of what the PART intended.³⁵ Disagreements between agencies and OMB over program ratings further increased opposition to the initiative.

If the Trump administration chooses to reinstate a version of the PART, it has the opportunity to build on prior experience and shift the emphasis more strongly to program improvement. A new version, which could be called the Program and Portfolio Assessment Tool (PPAT), could serve as a diagnostic tool to identify ways to improve the performance and design of individual programs as well as portfolios of programs supporting similar objectives and target populations. Rather than emphasizing summary judgments of program effectiveness, the PPAT should be used to identify what administrative, regulatory and statutory changes are needed so that:

- Funds flow to evidence-based approaches or to new and innovative approaches that can be rigorously tested.

- Programs that lack a rigorous evidence base (i.e., a body of research) have incentives to evaluate their effectiveness in order to promote continuous improvement—including through planned variation evaluation designs that examine which *versions* of a program work best.
- Unproductive activities and programs are eliminated or streamlined so that resources can be re-directed to more cost-effective uses.

In short, the PPAT would be the first step in the redesign process by flagging programs and processes that need reform. The example design principles presented above (see “Create a set of design principles to assess portfolios of related programs”) could be used for that identification process.

Recommendation #5: Reform the Paperwork Reduction Act

The Paperwork Reduction Act of 1995 is a critical barrier to learning what works in the federal government and, therefore, to creating a culture of continuous improvement. In fact, among evidence experts within agencies, the PRA is often cited as the biggest obstacle to conducting rigorous program evaluations.³⁶ This not only hurts outcomes for those served by government, by impeding program improvement, but it reduces taxpayer value as well. As a result, the PRA is badly in need of reform, in terms of its application to rigorous evaluation and other continuous improvement activities. Others have called for reform as well, including the Administrative Conference of the United States in 2012.³⁷ The change in presidential administrations provides another chance to take a fresh look at improving the PRA.

PRA overview

The PRA stipulates that the Office of Information and Regulatory Affairs (OIRA) within OMB must approve any information collection request—in other words, a survey—of ten or more people conducted by a federal agency. Moreover, it must also go through a public comment period and be cleared by the agency’s own regulatory team.³⁸ (The public comment period typically produces very few or no comments on surveys related to program evaluations.) The PRA’s goal is to ensure that information collection efforts by federal agencies are worthwhile and do not overburden the public.

The PRA’s goal is worthy: Ensuring that federal agencies do not survey Americans haphazardly or arbitrarily. But as currently implemented *for rigorous program evaluation* (not for surveys more broadly), the PRA’s good intentions turn into significant roadblocks for agency program evaluation and improvement efforts—barriers that were not intended by the Act.

PRA as a roadblock to agency learning and improvement

Getting PRA clearance from can take a year or more to obtain, including OIRA clearance, the public comment period, and agency clearance. The consequences of this significant time delay are serious, in terms of knowing what works and promoting continuous improvement:

- **Inhibiting rigorous program evaluation.** The PRA inhibits agencies from implementing rigorous program evaluations in a timely way, if at all. For example, if Congress funds a new program, an important question for decision makers is: Is this new program effective in achieving its mission? And which versions of the program, as implemented, work best, in order to inform best practices? These same questions should be applied to current programs as well. To answer these questions, the

agency may decide (or be required by Congress) to conduct a rigorous program evaluation, such as a randomized controlled trial or well-designed quasi-experiment. Because of the PRA, however, the evaluation may not be able to start for a year or more after the program begins. At that point it is often impossible to collect baseline data, which is essential for rigorous program evaluation. In those cases, the result is either an evaluation that is low quality or a decision by the agency to forgo an evaluation altogether, if it is not required.

- **Inhibiting low-cost program evaluations that use administrative data.** The PRA can sometimes even apply to rigorous evaluations that use administrative data from their own or other agencies, including the Census Bureau, which has *already been collected*—i.e., where there is no risk of burdening the public with data collection. This reduces the ability of agencies to conduct timely low-cost evaluations.

It is important to note that the costs of PRA are not simply borne by federal agencies wishing to learn what works and improve their programs. It is also a cost to the American people. That includes individuals and families who use public services that are not as effective or efficient as they could be, had there been more continuous improvement. It also includes taxpayers, who receive less value for their tax dollars. OIRA, to its credit, has emphasized existing flexibilities under the PRA that can speed up information collection in certain circumstances.³⁹ For program evaluation and improvement, however, those flexibilities are inadequate to address the scope of the problem. They do not eliminate the serious barriers to evaluation and learning caused by the PRA.

Specific recommendations

The administration should work with Congress to implement two reforms. These actions would ameliorate

the roadblock PRA creates for evidence-based policy, while at the same time upholding the main purpose of the law. Moreover, the recommendations are in the same spirit as the Administrative Conference of the United States' call for Congress to reform the PRA to enable OMB to focus on information collections that are the intended target of the law.⁴⁰ The recommendations would apply to program evaluations that use a rigorous design, such as a randomized controlled trial or well-designed quasi-experiment.

1. Raise the PRA trigger level to 1,000 for rigorous program evaluation

The sample size at which the PRA is triggered should be raised for rigorous program evaluation from the current micromanaging level of ten or more to a sample size of 1,000 or more. The 1,000 level is arbitrary: 500 would be better than current policy, while 2,000 would be even better. The point is that no federal agency should need permission from OIRA to undertake continuous improvement activities, such as program evaluation, that involve sample sizes that are not a significant burden to the American public.

2. Exempt agencies with robust evaluation capacity from the PRA for rigorous program evaluation

Studies should be exempt from the PRA if they are conducted or overseen by an agency that has strong quality control standards in place to ensure that each study will:

- Generate actionable information to address important programmatic and policy questions.
- Use the most rigorous research design that is feasible and appropriate.
- Utilize existing high quality survey and administrative data, wherever possible, including data held by other federal agencies and the Census Bureau.

Any agency with those standards does not need OIRA looking over its shoulder, causing significant delays that undermine program improvements, but also divert OIRA's focus from more valuable work it could be doing. Moreover, this exemption would create an incentive for agencies to strengthen their own evaluation capacity.

Likely OIRA pushback

At least in the past, OIRA staff have been defensive about the need to significantly reform the PRA for rigorous program evaluation. One reason articulated by OIRA staff is that by reviewing agency evaluation plans, they are able to improve upon evaluation designs even from agencies with substantial evaluation experience. Second, the OIRA staff sees itself as a check on potential information-collection burdens to the public. While each of these arguments have some merit, there are important counterarguments, underscoring the need for reform:

- Evaluation experts within agencies that have substantial evaluation experience and capacity generally report that OIRA's input on its evaluations was not critical and, at worst, was not even relevant, according to interviews for this report.
- Even assuming OIRA adds value to the evaluation designs it reviews, current PRA practices create costs, in terms of significant delays that impede program evaluation and improvement, that outweigh those benefits.
- The recommended PRA exemptions relate only to rigorous program evaluation, not to broader survey efforts, limiting any potential burden on the public while retaining the purpose and spirit of the PRA.
- There are more important functions for OIRA to perform with its limited staff. Specifically, the data experts within OIRA could be helping agencies to use and link administrative data for research and evaluation—an area of huge potential in terms of low-cost evaluation and improving program operations and customer service. In fact, if agencies were better able to use existing data resources, they would need to collect less survey data, reducing burdens to the public. Adding PRA exemptions would help free up OIRA staff time to do this higher-value data work.

Suggestions for Broader Restructuring Efforts of Federal Programs

The recommendations in this report are designed to help the Trump administration take significant, ambitious next steps in strengthening results-focused government. However, the administration may be interested in fast-tracking even more radical reforms that drive evidence and innovation even deeper into federal agencies—particularly social policy and human services agencies that have the most experience with using and building evidence. If so, this section presents three bold ideas that the administration could take that represent more radical restructuring, but still are within the bipartisan spirit of the evidence agenda.

Bold idea #1: Integrate evidence into large formula grant programs

Reforms in recent years that integrate evidence into grant programs have so far focused on *competitive* grant programs, which tend to be relatively small. To catalyze results on a broader scale, the Trump administration will need to integrate evidence into bigger-dollar *formula* grants programs, such as Title I grants (about \$15 billion) administered by the Department of Education and the Community Development Block Grant (about \$3 billion) administered by the Department of Housing and Urban Development. Two ways to integrate evidence into formula grant programs, which could be implemented separately or together, are discussed next.

Focus large funding streams on what works by requiring grantees to use evidence

Earlier in the report (see box) we discussed options for incentivizing the use of evidence in formula grant programs. The suggestion here is a fast track version: The Trump administration, working with Congress, could choose a set of priority formula grant programs and require an increasing percentage of those dollars be spent on programs or practices that have rigorous evidence behind them.⁴¹ In the first year, for example, states and localities might be required to spend at least 25 percent of their formula funds for a given program on evidence-based approaches. That percentage could go up by five percentage points every year until at least half of those funds are spent on approaches backed by credible research. This reform strategy would ensure that a substantial share of grant dollars flows to proven approaches, while still providing jurisdictions with flexibility to develop new, field-generated approaches.

Adding evidence requirements to formula grant programs would be an enormous achievement for evidence-based policy and for results-focused government, but it would require strong leadership by the Trump administration to become a reality. That is because states and localities view federal formula funds as “their money”—meaning something they receive from the federal government with few strings attached. They and program advocates (particularly advocates who run programs without a strong evi-

dence base) would likely oppose any effort to limit state and local flexibility through evidence requirements. Their supporters in Congress would do the same. The Trump administration, however, could emphasize that just as private sector businesses use data and evidence to make judicious investment decisions, the federal government needs to be smarter about putting its dollars behind approaches that achieve the highest rate of return for citizens and taxpayers. Moreover, formula grants flow mainly to disadvantaged communities to support education, economic development and other policy goals. That means that when government uses data and evidence to focus on what works, it especially benefits communities that could use the most help to advance opportunity.

Strengthen accountability for results and drive improvements in service delivery by requiring grantees to conduct rigorous evaluations

The strategy just discussed was about *using* evidence to focus formula grant dollars on what works. But it is also critical to keep *building* evidence about what works so we can strengthen a culture of learning and improvement in federal grant making. That is especially important since the evidence base about effective strategies is relatively thin in many areas of social policy. In particular, the administration, working with Congress, could require that states choose at least one large intervention or program that is funded with formula dollars to be rigorously evaluated, using a randomized controlled trial or well-design quasi-experiment. The federal government could help coordinate this research so that, when feasible, studies span states that have similar programs, in order to not only learn if those programs work, but also which *versions* of those programs work best in different settings.

The rationale for adding evaluation requirements is twofold. First, federal taxpayers are sending funds,

via formula grants, to states and localities to support specific policy goals. They deserve to know if the programs being funded are effective. Second, states and localities can use this information—their own evaluation findings as well as those from other states—to hone their policy strategies and improve service delivery. And finally, most areas of social policy would benefit from a broader and deeper evidence base. Rigorous evaluations would catalyze new knowledge about what works.

Here too, the Trump administration should expect push back from states and localities, including the argument that evaluation requirements would take money away from direct services, especially for underserved communities. The administration could emphasize, however, that the goal of formula grant funding is not simply to supplement state and local spending, but to achieve specific policy goals—helping children learn, reducing homelessness, improving health, and more. Program evaluations are critical to ensuring that federal dollars are actually producing results at the state and local levels. More broadly, just as any private sector business that makes investments would track if those investments actually pay off, government should be doing the same with its investments.

Bold idea #2: Imbed an innovation fund into every large social program using existing resources

To make faster progress on important social policy goals—from increasing college completion rates to strengthening job training to improving health to reducing crime—the United States will need to not only improve existing programs (the focus of Bold idea #1) but also develop new ways to tackle these challenges. To catalyze that type of innovation, the Trump administration, working with Congress, could launch a major effort to develop and test in-

novative social interventions. To do this, it could use *existing resources* to creating tiered-evidence grant programs, also known as innovation funds, for each major federal social program or portfolio of related programs. This strategy would likely have bipartisan support: The Obama administration launched several tiered evidence grant programs, while Speaker of the House Paul Ryan and House Republicans have stated, “To build stronger evidence and focus more dollars on programs that produce real results, Congress should also require that social programs use the ‘tiered evidence’ model.”⁴²

As noted earlier, tiered evidence grant programs take a page from venture capital firms in the private sector. VCs place bigger bets where they see more likelihood (more evidence) of a big return, while placing smaller bets on less tested but promising approaches. For example, a young company already producing revenues might receive a \$10 million investment, while a new start-up with a promising concept might receive \$500,000 to test a prototype. By making larger investments in strategies with more evidence behind them, VCs maximize their rates of return and reduce risk.

This same approach is starting to be applied within the federal government—an approach the Trump administration could significantly catalyze. Instead of making investments in start-up companies as VCs do, federal agencies invest grant dollars in social programs and interventions—helping children gain reading skills, preventing teen pregnancy, and so on. By using a tiered design, grant programs can focus investments on evidence-based programs, while also supporting less tested but innovative approaches. The new Education Innovation and Research (EIR) grant program at the Department of Education is a leading example that could be replicated in other agencies and policy areas.

The Trump administration, working with Congress, could harness the VC approach and ensure that every major social program in the federal government has

an innovation fund.⁴³ Importantly, it could do that with existing resources by directing agencies to restructure their existing discretionary social programs to incorporate an innovation fund into each program. Alternatively, to create one innovation fund per agency (rather than one per program), agencies could be directed to allocate a small percentage of their discretionary social spending, such as half a percent, to a new innovation fund within each agency. Either way, the result would be a major increase in the pace of social innovation by using federal dollars to test, validate and scale evidence-based approaches to important social policy challenges.

Bold idea #3: Allow broader use of waivers in social programs to encourage state and local innovation, while requiring rigorous evaluation of the results

A third bold restructuring effort the Trump administration could take focuses on supporting state and local innovation, especially in social policy areas such as human services, health, workforce and education. In particular, the administration could allow for wider use of waiver authority to allow jurisdictions to modify existing program rules, within limits that protect vulnerable populations. Increased waiver authority, for example, could enable jurisdictions to blend federal funding streams to better serve specific populations, such as unemployed youth, individuals struggling with opioid addiction, or infants and young children at risk of falling behind before they enter school. It could also allow jurisdictions to try out new strategies for achieving particular policy goals and identify unproductive activities that can be stopped in order to improve outcomes and reduce unnecessary costs.

Importantly, any new waiver authority should come with a quid pro quo to protect taxpayers and help the

nation learn what works: Every new approach taken with expanded waiver authority should be required to undergo a rigorous program evaluation to determine how well it works and whether it is cost effective. Jurisdictions could use program funds to conduct the evaluations. An evaluation requirement is critical for understanding if innovative interventions or policies using federal dollars are worth continuing or even expanding to other parts of the nation. It is analogous to a private sector company that encourages its regional offices to develop better ways to serve clients. Any successful business would want to analyze the results to learn from different approaches. Likewise, the federal government should ensure that it has the data and evidence to determine if specific waivers are improving outcomes for citizens and strengthening taxpayer value.

Expanded waiver authority combined with a rigorous evaluation requirement has an important precedent. In the 1990s, the Department of Health and Human Services allowed states to deviate from federal welfare rules in order to test new approaches. However, they were required to conduct rigorous impact evaluations (mostly randomized controlled trials) to determine if those approaches were effective in promoting employment, reducing poverty, and other goals. The learning from those evaluations helped inform broader welfare policy. The same approach could be used by the Trump administration to promote innovation and learning in other policy areas.

Conclusion

Implementing the recommendations in this report will require strong, coordinated leadership to help and encourage federal agencies to harness new tools and resources to generate high-quality data and evidence—information that agencies can use to improve the impact and cost-effectiveness of taxpayer investments. The Office of Management and Budget is the only agency positioned to lead those reforms, working with partners inside and outside government, including high-level champions in the administration.

Today the evidence agenda is at a crossroads: Will the Trump administration build on bipartisan progress over previous administrations and strengthen agen-

cies' use of evidence, data and innovation? Or will it take a more partisan or ideological path that puts an end to what looked to be the beginning of a golden age of evidence-based policy?

The recommendations in this report are designed to help the administration do the former—to build on existing momentum and create a more results-focused federal government. Just as no well-run business would hamstring its capacity to use data and evidence to improve its bottom line, it would be shortsighted for the administration or Congress to cut back investments that are essential for improving government's capacity to achieve better results at lower cost.

Appendix

Case Study: Building Evidence Capacity at the Department of Labor

One theme of the evidence agenda described in Section II is building federal agency capacity around evidence. This appendix provides a brief case study of the Department of Labor's efforts to do that. During the Obama Administration, DOL leaders and their Congressional partners worked to institutionalizing a culture of evidence and learning. Its efforts provide a model that other departments can learn from and adapt. The Department of Labor's evidence capacity also highlights progress that the Trump Administration—including the Department's new leadership team—will hopefully support and build upon.

The key factors in DOL's efforts to strengthen a culture of evidence and learning include:

- **Commitment from leadership.** The commitment of the Secretary and Deputy Secretary to build a culture of evidence and learning was critical. That includes their support for the role of the Chief Evaluation Officer (CEO) as an “honest broker” about evidence issues; the requirement from leadership that operating agencies create learning agendas; and top leadership's inclusion of the CEO in important policy and management discussions (such as agency performance reviews) so that the CEO was knowledgeable about leadership priorities.
- **Budgetary set aside for program evaluation.** From 2012 to 2015, Congress authorized the Secretary to set aside up a half of one percent (0.5%) of operating agencies' budgets for program evaluations. The set aside was increased to 0.75% in 2016. Once set aside, these funds are transferred to the Chief Evaluation Officer's budget. Many of the operating agencies also have separate evaluation funds, so this (up to) half percent supplemented those funds.
- **Learning agendas.** Learning agendas have been an important planning tool at DOL. Each operating agency within the Department (there are 17) was required to create a five-year learning agenda, updated every year. The learning agendas highlighted priority questions and studies that the agencies would like to have done. They also conveyed themes for their upcoming evaluation efforts or discussions of what might be needed to carry out those efforts. Learning agendas drew on a range of tools, including rigorous impact evaluation (i.e., randomized controlled trials or well-designed quasi-experiments), basic analysis or research, and performance analysis (looking at factors that are associated with outcomes). They have been a catalyst for setting priorities for studies and for conceptualizing studies that need to be done. Evaluations that Congress has required of agencies were also included. Importantly, learning agendas created demand from operating agencies for the services of the CEO and her staff.⁴⁴
- **Chief Evaluation Officer (and office).** The role of the CEO has been to coordinate, encourage and build capacity around evaluation throughout the Department. As noted above, the CEO's budget includes set-aside funds for evaluation, which she can then allocate to advance agencies' learning agendas. The CEO role is not designed to direct or centrally control all evaluation activities at DOL, but rather to encourage good evaluation. By 2014, there were 50 studies underway and 40 more

being planned. The CEO was a political appointee during most of the Obama Administration, but the role was changed to a career position in 2016.

- **Working to make program evaluation relevant to operating agencies.** The CEO and her office worked to create strong and productive relationships with operating agencies and to show that evaluation can be useful to their work. First, the Office emphasized a spirit of customer service, rather than focusing on requirements (although learning agendas were required). Second, the Office's focus was primarily on promoting learning and performance improvement, not on "up or down" verdicts on particular programs.⁴⁵ That helped agency staff reduce their wariness about evaluation and see the CEO's office as useful to them. These efforts appear to have been successful. For example, an increasing number of agency staff requested help from the CEO's office around analytic issues and evaluations—so much so that the office expanded its staff to meet the demand.
- **Connecting performance and evaluation efforts.** As was discussed in this report, performance management and program evaluation efforts are often siloed within federal departments, including

separate teams that sometimes have little interaction with each other. DOL has separate teams too, but it built bridges between these analytical approaches and staffs. For example, the CEO sat in all agency quarterly performance reviews run by the Deputy Secretary and, in most meetings, there was some discussion of evaluations underway. The CEO also provided input and assistance about existing or proposed performance measures, including identifying ways to add outcome measures and build more knowledge about whether an agency's or program's performance measures were correlated with impacts. That, in turn, sometimes led to updates of agencies' learning agendas.

- **The Department's evaluation policy statement.** DOL's evaluation policy, which is posted on its website, describes the principles that guide the Department's planning, conduct, and use of program evaluations. It emphasizes a commitment to conducting rigorous, relevant evaluations and to using evidence from evaluations to inform policy and practice. The statement also addresses the topics of rigor, relevance, transparency, independence, and ethics in the conduct of evaluations.⁴⁶

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Endnotes

1. These states participate in the Pew-McArthur Results First Initiative, which uses a cost-benefit analysis approach to help jurisdictions invest in policies and programs backed by rigorous evidence of effectiveness. Washington D.C., meanwhile, has launched the “Lab @ DC” within the mayor’s office to create capacity to use and build evidence within the District’s operations.
2. Baron (2012).
3. Coalition for Evidence Based Policy (2015).
4. See Manzi (2012).
5. See Greenblatt, Jonathan and Scott Hartley (2014).
6. Orzag (2009).
7. See OMB (2010), OMB (2012) and OMB (2014).
8. U.S. Department of Defense (2016).
9. Evidence-building activities can range from early knowledge-generating projects to studies of full-scale implementation of programs, policies, or practices. For more information, see U.S. Department of Education and National Science Foundation (2013).
10. An example of using administrative data is the partnership between the Department of Health and Human Services and the Department of Housing and Urban Development to better understand the possible health implications of different housing options. The two agencies created a data sharing agreement that allowed HUD researchers to examine the health patterns of individuals in different HUD housing programs.
11. For an overview of the SBST’s projects, see Social and Behavioral Sciences Team (2016).
12. For more information, see Feldman and Haskins (2016).
13. Republican Caucus in the House of Representatives (2016), p. 20.
14. That includes both cost-benefit analysis and cost effectiveness analysis. Cost-benefit analysis typically compares the cost of a single program to the value of the outcomes it achieves for taxpayers. Cost-effectiveness analysis, on the other hand, considers how much each program costs to achieve the same outcome.
15. This is not to say that most federal spending lacks basic evidence of effectiveness. For example, more than two-thirds of federal spending goes to healthcare (mainly Medicare and Medicaid), Social Security, the military and interest on the debt—all areas that serve important purposes. Among the remaining dollars, much of it goes to programs with evidence of effectiveness, including social programs such as Supplemental Nutrition Assistance Program (formerly known as the Food Stamp Program) and the Earned Income Tax Credit. The main challenge, instead, is that too few government programs use evidence, data and innovation to continually improve results.
16. Heritage Foundation (2016), p. 67.
17. Feldman (2016)
18. See John Kamensky (2016) and Fountain (2016).
19. See GAO (2016).
20. See U.K. Civil Service (2015).
21. The home visiting example is about creating incentives for states and localities to use evidence, but incentives could also be created to build evidence. In particular, bonus funds via competitive grant programs could be provided to jurisdictions that integrate rigorous evaluations into their formula-funded programs in order to grow the evidence base about what works.
22. Harris (2015), p. 110. Harris also describes how the DOL sought to organize a meeting with Congressional staff to disclose and discuss the department’s performance. No Congressional staff showed up.
23. Another problem with GPRA-MA is the lack of engagement with state and local partners who deliver services and benefits within federal programs. In those cases, it is these partners’ performance that matters for results, yet the law is virtually silent on state and local governments. OMB has not created useful processes for bringing states and localities into the conversation.
24. GAO (2014)
25. GAO (2014), p. 10.
26. For a detailed account of these efforts, see Harris (2015).

27. In a few agencies, such as the Department of Labor, the performance and evaluation staff have actively tried to work together. That includes having the Chief Evaluation Officer participate in quarterly performance reviews in order to add the evidence and evaluation perspective to discussions of agency goals and progress. This type of collaboration, however, is the exception rather than the rule.
28. The GPRA-MA Agency Priority Goal that OMB has frequently cited as a success story is reducing violent crime in four Native American tribal areas from 2009 to 2011. Even here, however, the story is more complicated than it appears at first. According to a former senior official overseeing the Bureau of Indian Affairs (BIA) interviewed for this report, the BIA naturally wanted to choose a priority goal that would show success. That led the BIA to focus additional crime-fighting resources on four target areas, resources that otherwise would have been more evenly distributed across a broader set of tribal areas. (The BIA also hoped this would demonstrate to Congress that increased crime-fighting resources help reduce crime.) While crime dropped sharply in three out of four of the targeted areas, it is worth noting that other tribal areas received fewer resources than they would have, potentially raising their crime rates. The overall net affect on crime was never calculated.
29. GPRMA exemptions should be offered to small- and medium-sized federal departments (e.g., the Departments of Education, Labor, Housing and Urban Development, and so on) and to sub-agencies within very large departments (e.g., sub-agencies within the Departments of Health and Human Services and Homeland Security).
30. This criterion would not apply to agencies that are not part of the Index.
31. For a brief primer on the PerformanceStat approach, see Feldman (2016a).
32. For transparency, the agency should publish the slide decks used in stat meetings, including core metrics and targets, following each meeting, with sensitive information redacted.
33. Exemptions would free agencies of the requirement to hold quarterly performance reviews, since they are already holding PerformanceStat meetings. They would also be able to skip the annual meeting with the White House (currently the OMB performance team) about their progress. But most importantly, in terms of time saved, the agency would be exempted from identifying and reporting on priority goals. Note, however, that agencies already list their goals in their strategic plans and annual performance plans, so Congress, the administration and the public would still have a way to track agency goals.
34. Heritage Foundation (2016), p. 67.
35. The fact that the PART was part of the President's Management Agenda, which assigned red, yellow and green lights (on a website) to the ratings, further underscored the perception that PART was about judgments rather than about identifying opportunities for improvement.
36. This is based on conversations by the author with agency evidence experts.
37. See Administrative Conference of the United States (2012).
38. In particular, the PRA process includes: The development of the agency's information collection request; a 60-day federal Register Notice; the agency's incorporation of public comments; a 30-day federal Register Notice and submission to OMB for review; OMB review; and agency review. The agency review is often overlooked in discussions of the PRA, but it can add months to the process, especially if the PRA request is a low priority compared to other regulatory actions that must be reviewed by agency lawyers.
39. See OIRA (2016).
40. Administrative Conference of the United States (2012), p. 6.
41. Rigorous evidence could be defined as research findings from randomized controlled trials or well-implemented quasi-experiments. To demonstrate evidence, jurisdictions should be required to show a body of evidence (multiple studies), not just one study.
42. Republican Caucus in the House of Representatives (2016), p. 20.
43. This suggestion is based on Coalition for Evidence Based Policy (2015).
44. Several agencies within DOL began to include their learning agendas in their operating plans, even though that was not required. That at least suggests that agencies saw the agendas as useful.
45. For example, particularly for agency leaders who have limited experience with evaluation, the

CEO may emphasize a “differential treatment” (also known as planned variation) approach to test whether some approaches within a program is more effective than others, rather than a treatment/no treatment design.

46. DOL’s evaluation policy is based on the evaluation policy of the Administration for Children and Families (ACF) at the Department of Health and Human Services, available on the ACF website.

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