The Performance Management Playbook: Improving Performance Measurement for Your Grant

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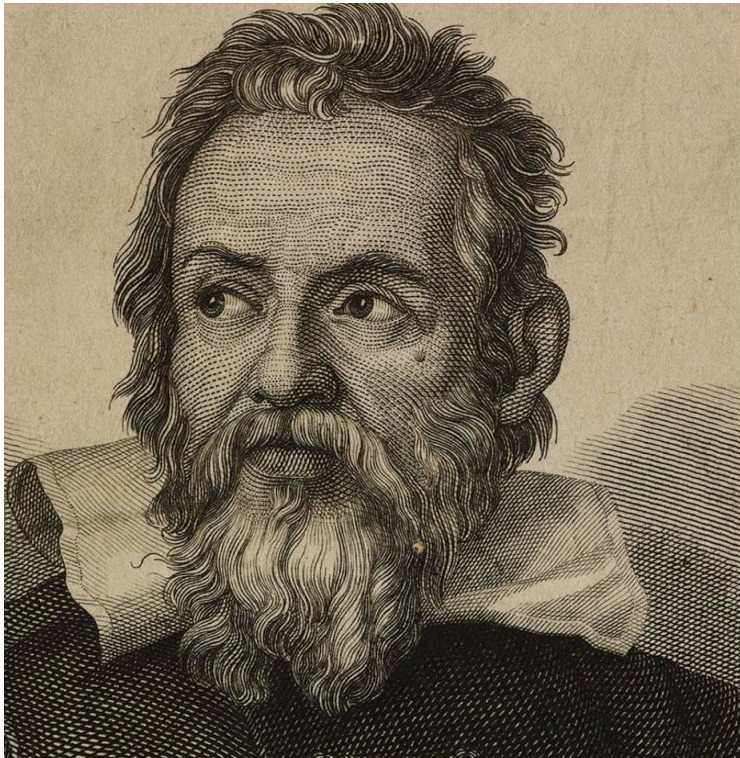
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Objectives

- **Introduce** *The Performance Playbook for Federal Awarding Agencies ("Playbook")*

- **Identify** perennial elements of performance management, including universal practices and actionable strategies for implementation

- **Guide** participants through an interactive performance-mapping activity based on a state level grant

"MEASURE WHAT CAN BE MEASURED, AND MAKE MEASURABLE WHAT CANNOT BE MEASURED."

GALILEO GALILEI

Background of the *Playbook*

- The *Playbook* is a free grants management resource published by OMB.

- The *Playbook* accompanies a directional shift in federal grants away from a compliance mindset and in favor of a results-based focus.

- Released in 2020, it was created to "maximize the value of grant funding by applying a risk-based, data-driven framework that balances compliance requirements with **demonstrating successful results**."

MANAGING FOR RESULTS:
The Performance Management Playbook for Federal Awarding Agencies

April 2020   VERSION I

Key definitions in today's presentation

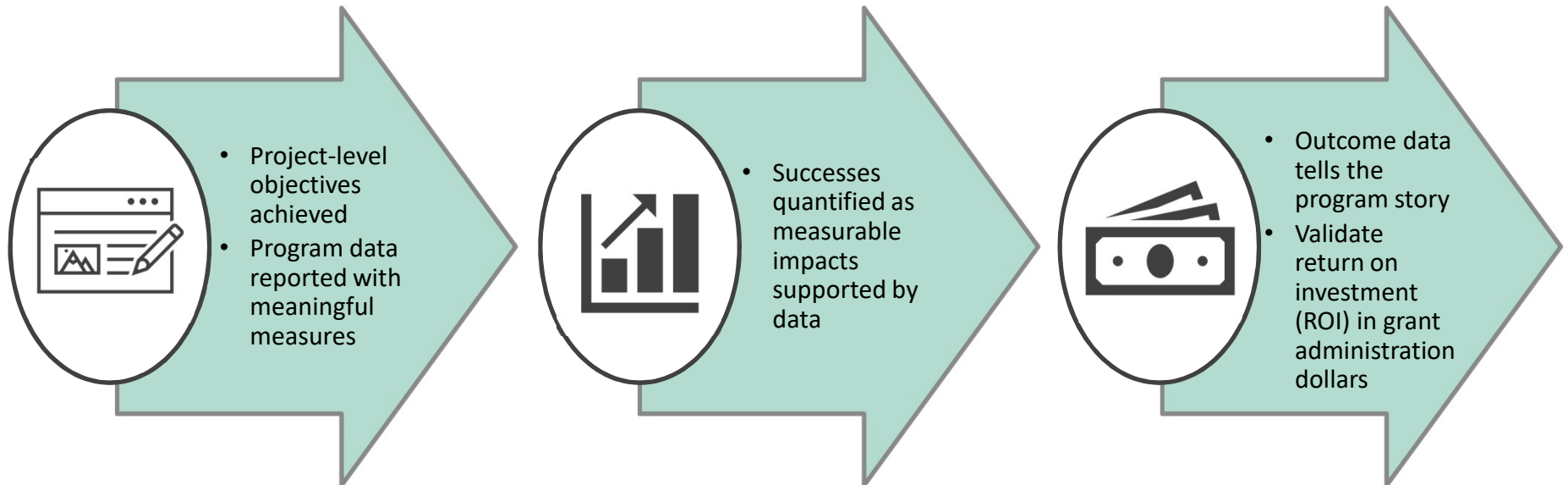| Input	Activity	Output	Outcome
The conditions and needed resources used to implement a program or initiative's activities successfully	The actions (typically executed as a recipient project) needed to achieve a program or initiative's goals and objectives	The quantity of products or services directly generated by program-executed activities (generally reported as quantitative data)	Broad-scale changes or impacts resulting from a program's inputs, activities, and outputs

Importance of effective results reporting

Results = Storytelling!

- Project-level objectives achieved
- Program data reported with meaningful measures

- Successes quantified as measurable impacts supported by data

- Outcome data tells the program story
- Validate return on investment (ROI) in grant administration dollars
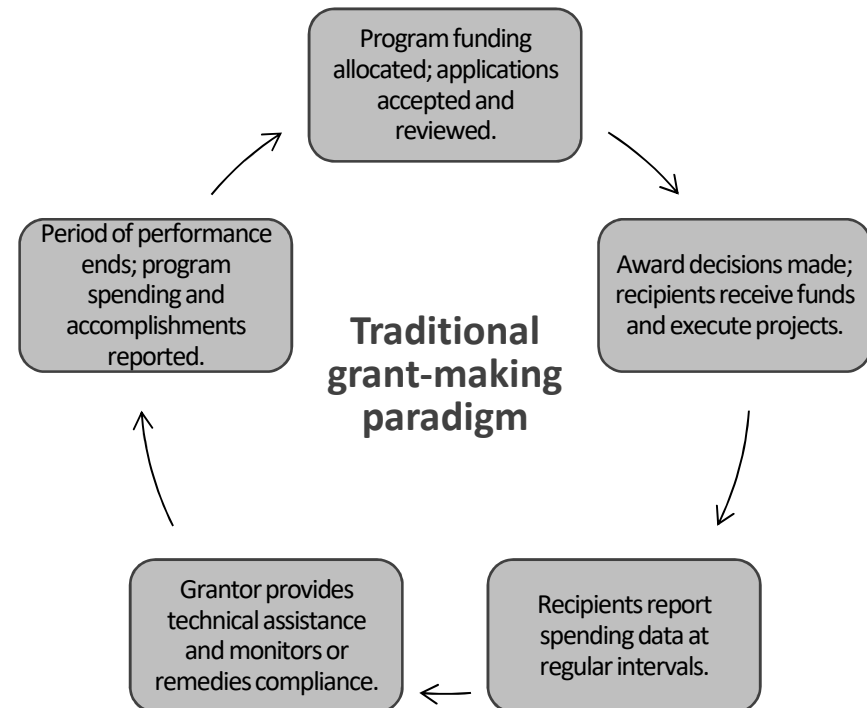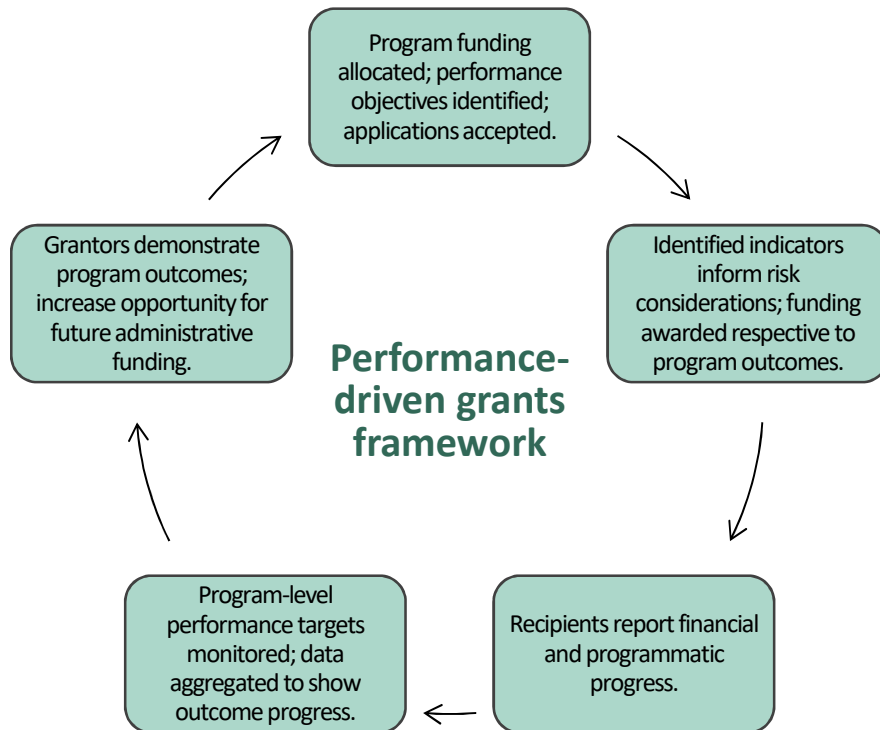
Challenges in the grants paradigm

"[Grantors] often have difficulty showing that award dollars are spent wisely and that those dollars have the intended impact and produce value to the taxpayer."

— *Playbook*, page 2

Traditional grant-making paradigm

Program funding allocated; applications accepted and reviewed.

Award decisions made; recipients receive funds and execute projects.

Recipients report spending data at regular intervals.

Grantor provides technical assistance and monitors or remedies compliance.

Period of performance ends; program spending and accomplishments reported.

Performance focus as a solution

Program funding allocated; performance objectives identified; applications accepted.

Identified indicators inform risk considerations; funding awarded respective to program outcomes.

Grantors demonstrate program outcomes; increase opportunity for future administrative funding.

Performance-driven grants framework

Program-level performance targets monitored; data aggregated to show outcome progress.

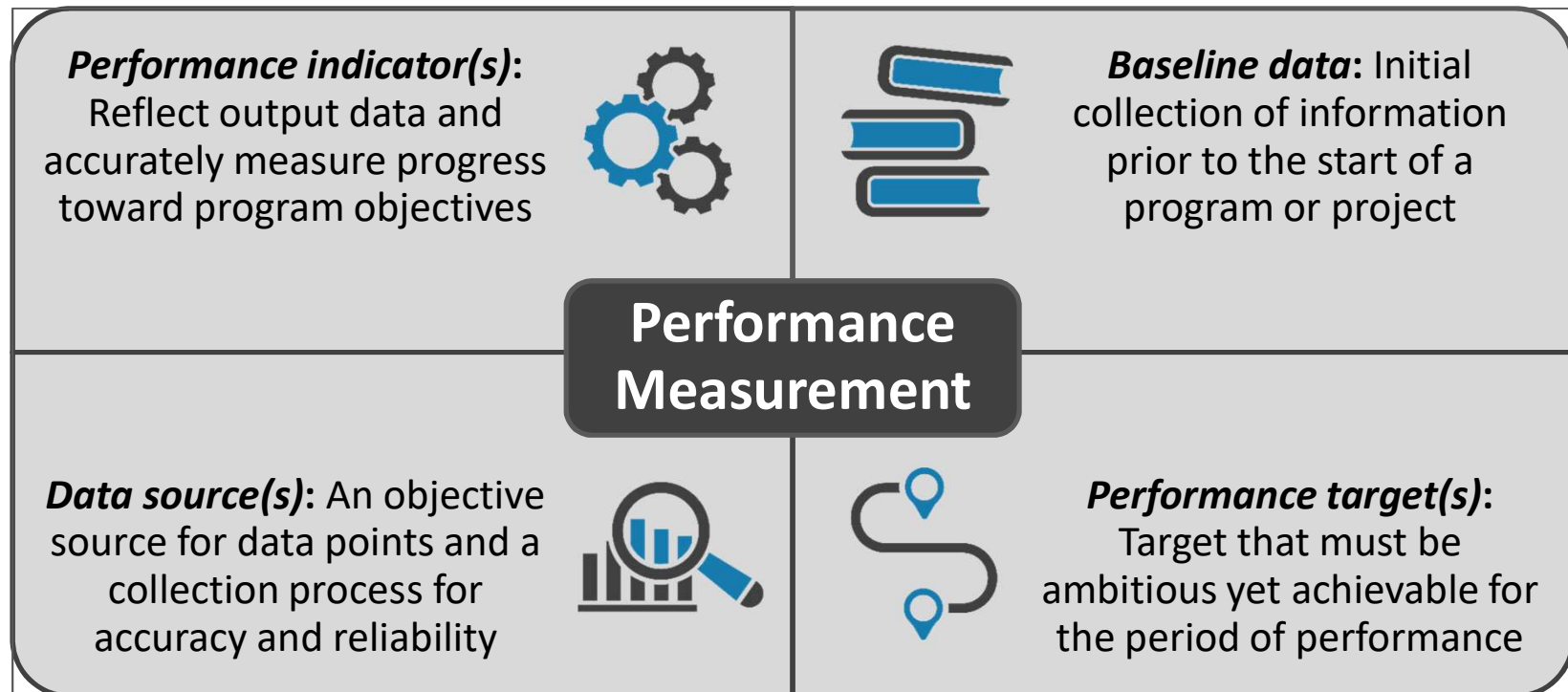Recipients report financial and programmatic progress.

The *Playbook* focuses on strengthening a government's or grantor's approach to grants by incorporating performance considerations and activities throughout the grant life cycle.

Key Components and Universal Performance Practices

Key components of performance measurement in grants

Performance Measurement

Performance indicator(s): Reflect output data and accurately measure progress toward program objectives

Baseline data: Initial collection of information prior to the start of a program or project

Data source(s): An objective source for data points and a collection process for accuracy and reliability

Performance target(s): Target that must be ambitious yet achievable for the period of performance

Translating performance concepts to implementation

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Theory is splendid but until put into practice, it is valueless.

JAMES PENNEY
J.C. PENNEY FOUNDER

Universal performance practice #1: Deliberate program design

1. Engage in thoughtful program design driven by a problem statement.

- Program design begins with understanding what a program intends to achieve.

- A problem statement clearly defines the nature and extent of the problem to be addressed.

- Design often involves a systematic gathering and analysis of information relevant to the problem.

- Design seeks to address and identify priorities, concerns, and perspectives of those with an interest in the problem or addressed need.

Best Practice: Program design is more successful if evidence is gathered (if available) to help inform the methodologies used to advance or achieve the program's goals.

Universal performance practice #2: Linkage to program goals

2. Establish project goals, objectives, and intended results that align with the larger program, often described in a Notice of Funding Opportunity (NOFO).

- Goals establish the direction and focus of a program and serve as the foundation for developing program objectives.

- Goals are broad statements about what should happen because of the program; goals should focus on long-term results that may not necessarily be realized within the period of performance.

Best Practice: State goals clearly, avoid vague statements that lack criteria for evaluating program effectiveness, and phrase goals in terms of the change the program should advance or achieve, rather than as an activity or summary of the services or products the program will provide.

Universal performance practice #3: Sound logic models

3. Develop a theory of change or logic model depicting the program's structure.

- Logic models are the building blocks for developing programs and understanding performance indicators.

- A theory of change explains how and why a program is expected to produce a desired result.
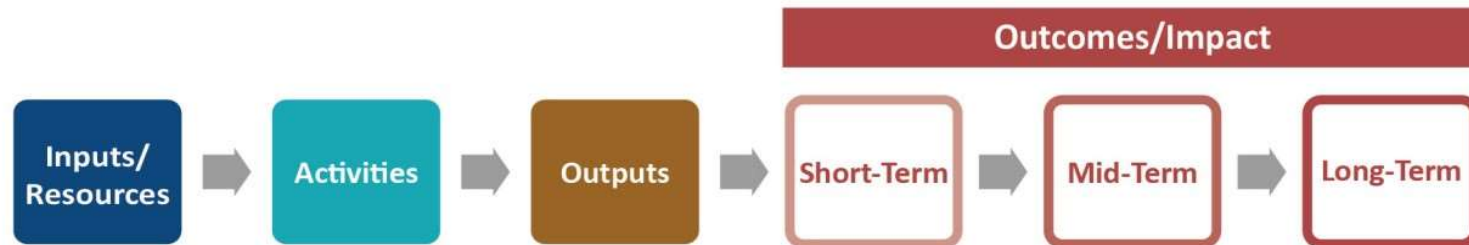
Universal performance practice #4: Valid performance indicators

4. Develop, socialize, and train on performance indicators to measure program and project accomplishments.

- Performance indicator data bridge the gap between outputs and outcomes while answering the questions of leadership or stakeholders.

- Data should capture the results of actions that help to advance the program's goals and objectives.

- Each program's objectives have their own set of performance indicators, and the project should include the subset of indicators and data collection criteria associated with the program objective.

Best Practice: Effective indicators reflect progress toward accomplishments or results. They correspond to a goal and are based on objective data. Indicators should be broadly accepted and have owners within a program.

Actionable Takeaways
from the *Playbook*

Key takeaway: Incorporate SMART principles

Incorporate SMART principles—Specific, Measurable, Achievable, Relevant, and Timebound—into the grant life cycle.
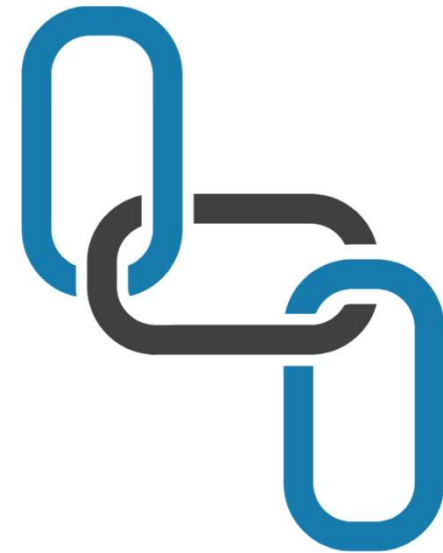
- SMART objectives support identification evaluation plan elements and build structure for a performance management framework, including performance indicators and data collection criteria.

- Links to program objectives serve as the starting point for submitting applications, designing projects, and reporting to funders.
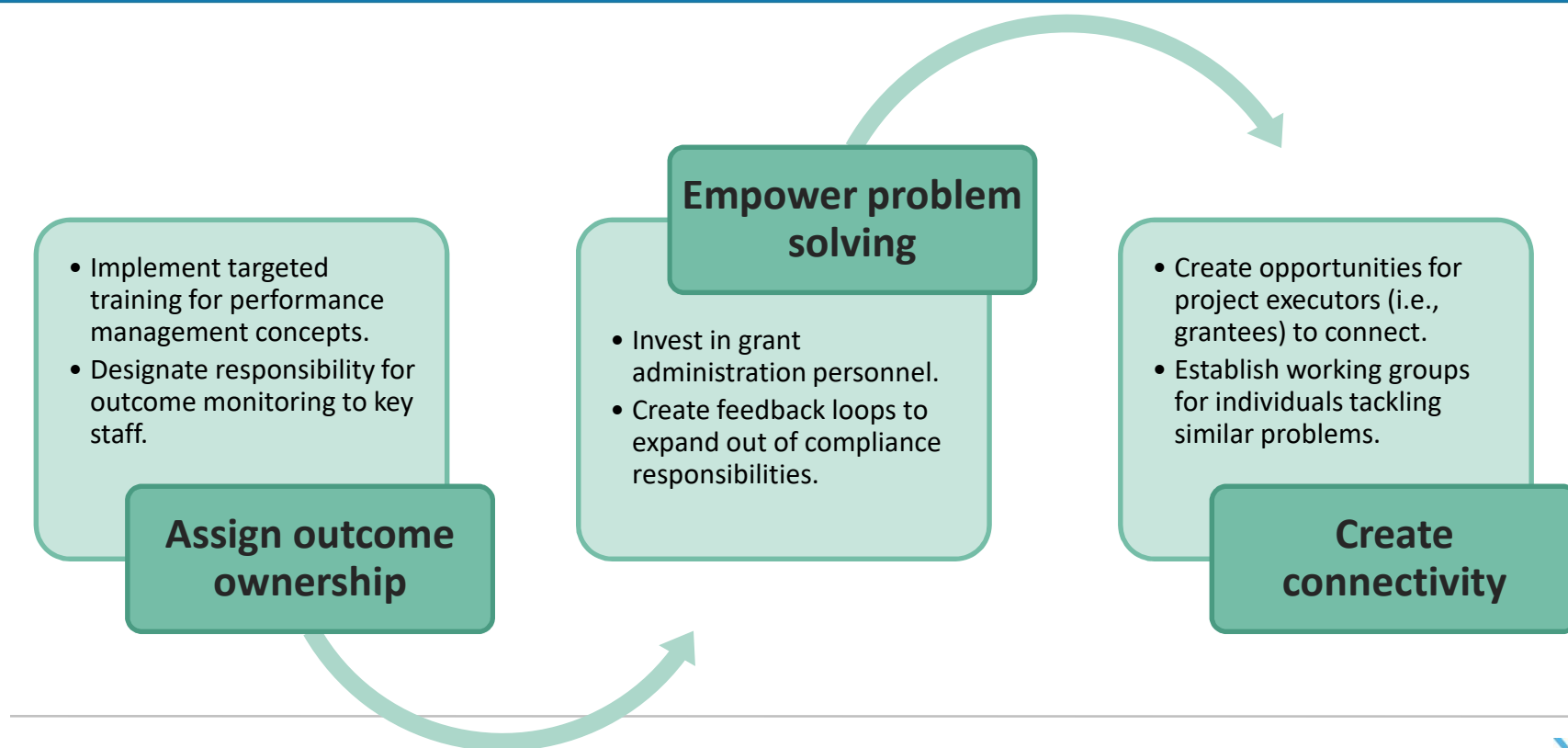
Key takeaway: Incorporate SMART principles

SMART framing is critical for effective story telling.

- The story of a program is clearest when reflected by outcome data fed by performance indicators.

- While there is no one right way to design programs and related projects, program and project success cannot be assessed without demonstrating links to goals.

    – Funders cannot track broad impacts of program and project outcomes when funding objectives are not SMART-ly stated.

    – Outputs and indicators map best to broader success targets when established at the outset.

Actionable steps for growing performance focus

Assign outcome ownership

- Implement targeted training for performance management concepts.
- Designate responsibility for outcome monitoring to key staff.

Empower problem solving

- Invest in grant administration personnel.
- Create feedback loops to expand out of compliance responsibilities.

Create connectivity

- Create opportunities for project executors (i.e., grantees) to connect.
- Establish working groups for individuals tackling similar problems.

Guided Activity: Handout

Save this: Bookmark or download the *Playbook*

https://www.cfo.gov/wp-content/uploads/2021/Managing-for-Results-Performance-Management-Playbook-for-Federal-Awarding-Agencies.pdf

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