Using Performance Measures for Program Improvement

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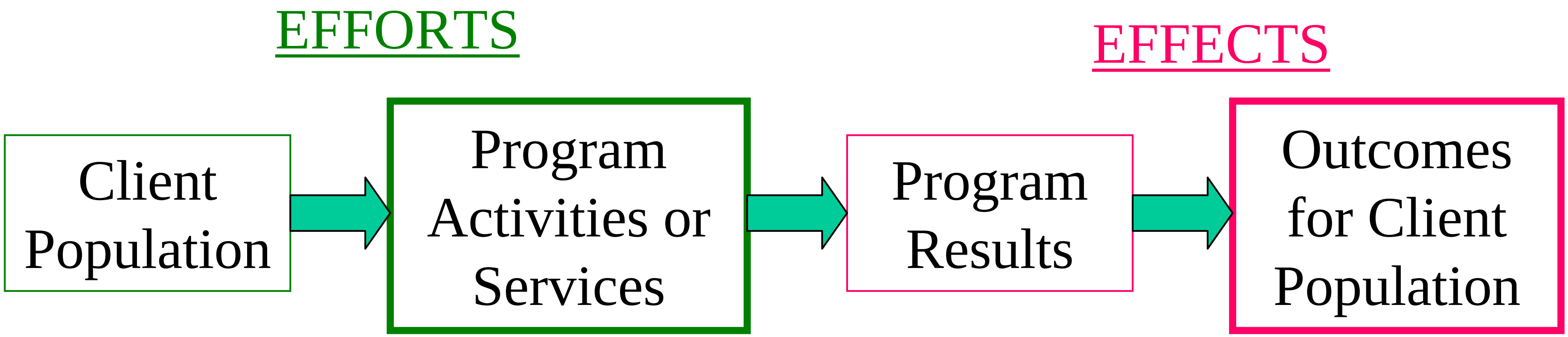
Outline

1. Performance measures in the context of program design
2. Concepts in and limits of performance measurement
3. Using measures to guide programs
4. Example structure

Start From Logic Model: Ideally Focus on Outcomes But May Need to Track Efforts



Example: Child Care Assistance For At-Risk Children

Client Population: Children at risk of removal for neglect or abuse

→

Program Activities: Child care vouchers, enhanced placement, visits to care setting

→

Results: Children placed in stable care, providers trained in child dev’t, more info to social workers

→

Outcomes Increased employment, reduced neglect, fewer child removals

"Four Quadrant Model" Distinguishes Efforts and Effects, Quantity and Quality

	Quantity *How much…*	Quality *How well…*
Efforts *Services delivered*	How much service did we deliver to our clients?	How well did we deliver service?
Effects *Change produced*	How much change did we produce for our clients?	What quality of change did we produce for our clients?

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A good performance/outcome measure is…

1. **Meaningful**
   - Relevant to audience and linked to activities
   - Understandable and clearly defined
   - Comparable over time or across organizations
2. **Reliable**
   - Accurately represents what is being measured
   - Not susceptible to manipulation
   - Balanced or complementary with other measures
3. **Practical**
   - Feasible and affordable to collect in a timely manner

A measure is *just* a measure

- A performance or outcome measure just quantifies the current status of the program.
- Making a comparison is the next step:
  - Option 1: Baseline
    - The initial level or trend against which to compare future performance. (Is it up? Down? Up or down more than before?)
  - Option 2: Target
    - A specific goal established by the agency or other stakeholders.
  - Option 3: Benchmark
    - A high performance threshold based on level achieved by other comparable agencies.

A Performance Measurement System

- Combines measures and targets
- Focuses on a small, balanced set of key measures – especially client outcomes
- Links between different organizational levels
- Reflects how government activities lead to client outcomes
- Makes readily available information that is shared, understood and used by the agency

What Performance/Outcome Measurement Can Do

- Determine whether the agency is fulfilling its vision
- Demonstrate progress towards goals and objectives
- Detect potential problems
- Justify programs and their costs for the public and policymakers

What Performance/Outcome Measurement Can’t Do

- A performance measure does not prove your program caused the outcome
- Poor measured performance doesn’t tell you what went wrong
- Measured efforts and effects are only a shadow of the actual efforts and effects
- Performance measures do not ensure compliance with regulations

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DON'T think of performance measures as *answers* to old questions.

The measures should trigger new *questions*.

Ask Questions That Will Guide Performance Improvement

- **Why has this measure changed?**
  - *Has the child care supply expanded? Are there more families in jobs because of the economy?*
- **If this is the average across all clients, what is the distribution across all our clients?**
  - *Do some families stay on the waiting list for a very long time?*
- **Do specific subgroups perform differently?**
  - *Are Spanish-only speakers less likely to use licensed care?*
- **How do the clients served this year compare to those served in earlier years?**
  - *Are families entering child care now more likely to retain care than families who entered earlier?*

Toolkit For Questioning Measures

1. Distributional information:
   – Look beyond just averages
2. Time series information:
   – Examine trends in other relevant data
3. Subgroup information:
   – Get breakdowns by client characteristic
   – Focus on characteristics linked to services
4. Cohort information:
   – Conduct comparison across cohorts

Managing With Data

SUMMARY MEASURE
Share of families with subsidies using regulated care

Use for high level or general monitoring, public reporting

MEASURE BY DIMENSION(S)
Share using regulated care among families…
Receiving TANF …
With Two or More Children…
In Rural Areas…

Use for understanding changes in summary measures, finding key subgroups, etc.

DETAILS ON SPECIFIC CASES

Use for investigating or acting on specific concerns

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Time to Exit

How long do OHA residents typically receive assistance?

A feasible method for measuring **Time to Exit** is by tracking the number of years, a typical OHA household spends living in Public Housing or receiving a rent subsidy voucher.

The average number of years a household receives housing assistance can change over time. Tracking these changes over time reveals possible trends and possible changes in trends at particular points in time that may be attributable to specific policy changes.

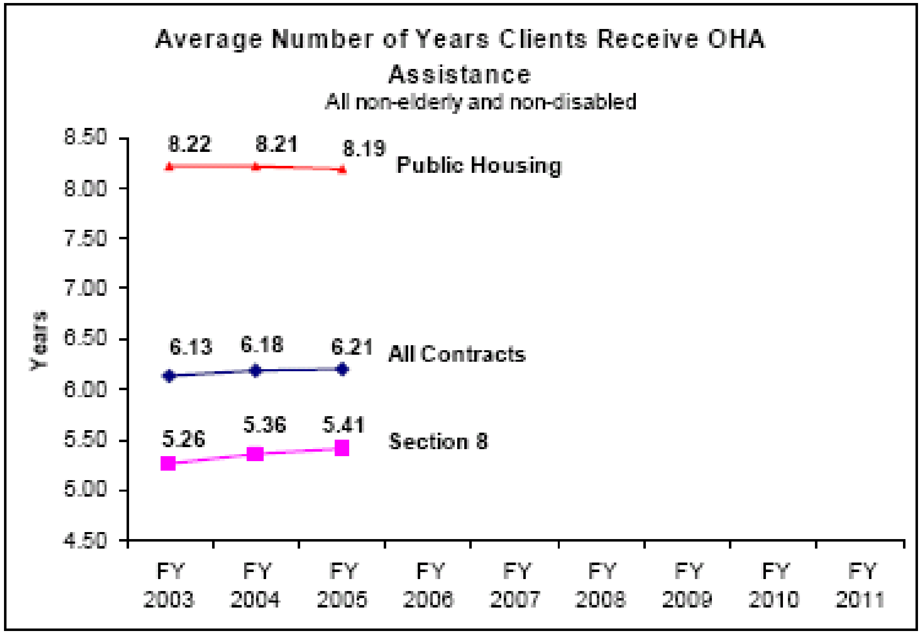
How is Time to Exit *related to other Outcome Measure Concepts?*

The concept of **Time to Exit** is related to other Outcome Measure Concepts such as **Tenant Self-Sufficiency** and **Employment** as well as other Process Measures such as Number of People Served and Participation in Job Training.

What do the results tell us?

The data available for establishing the reference point, or **baseline**, for tracking changes in Time to Exit include fiscal years 2003, 2004 and 2005.

The results show the average time a household receives OHA assistance (Public Housing and Section 8), and this average changes over time. They may be compared to the average number of years reported in the baseline period, as illustrated in the graph below.



Enacted Policy Changes Expected to Influence *Time to Exit*

Policy Change	Affected Population	Date Enacted	Expected Direction

Specific Measure of *Time to Exit*

Outcome Measure:

Average number of months on OHA assistance, by housing program.

- Exited OHA assistance during *Year X*
- Continuing on OHA assistance as of *Year Y*

What does the result mean?

The value *decreases*:	Residents are leaving OHA assistance sooner
The value *reflects no change*:	The typical amount of time households receive OHA assistance remains unchanged
The value *increases*:	Residents are spending more time with OHA assistance When time with OHA assistance appears to continually increase, the rate of increase may actually be slowing. This would indicate a leveling-off in lengthening tenure.

Baseline: For Time to Exit, Fiscal Year 2003 serves as the reference point.

Key Subgroups to Track:

Exited OHA assistance during year X, continuing on OHA assistance as of Year X

Exits excluding evictions

Exits due to income increases above program limit

Preliminary Results

Average number of years on OHA assistance,
Years on OHA assistance change from Previous Year
Reporting Period: FY2003-05
All non-elderly and non-disabled

	Fiscal Year 2003				Fiscal Year 2004				Fiscal Year 2005				% Change	
	N	Mean Years	Min	Max	N	Mean Years	Min	Max	N	Mean Years	Min	Max	2003-04	2004-05
All Contracts	10894	6.1	0.0	39.7	10188	6.2	0.0	39.7	9508	6.2	0.1	39.7	0.9%	0.4%
Exit	706	5.3	0.3	33.2	680	5.8	0.0	35.6	852	5.9	0.2	35.7	10.0%	1.5%
Continuing	10188	6.2	0.0	39.7	9508	6.2	0.1	39.7	8656	6.2	0.1	39.7	0.4%	0.4%
88 Contracts	7711	5.3	0.0	28.8	7245	5.4	0.0	28.8	6790	5.4	0.5	28.8	1.8%	1.1%
Exit	466	3.8	0.3	19.7	455	4.5	0.0	23.3	613	4.8	0.5	24.8	18.4%	6.7%
Continuing	7245	5.4	0.0	28.8	6790	5.4	0.5	28.8	6177	5.5	0.5	28.8	1.1%	1.1%
PH Contracts	3183	8.2	0.1	39.7	2943	8.2	0.1	39.7	2718	8.2	0.1	39.7	0.0%	-0.3%
Exit	240	8.2	0.4	33.2	225	8.5	0.2	35.6	239	8.8	0.2	35.7	3.8%	3.0%
Continuing	2943	8.2	0.1	39.7	2718	8.2	0.1	39.7	2479	8.1	0.1	39.7	-0.3%	-0.7%

Policy Changes Expected to Impact *Time to Exit*:

1. **Time-limits on assistance**
Philadelphia Housing Authority has implemented a 7-year time-limit in Section 8 for non-disabled, non-elderly residents (PHA MTW Annual Report 2004, page 12).
Advocates of time-limits see them a motivating factor for acquiring job skills and pursuing gainful employment as well as an effort toward fairness with respect to the many needy families on waitlists (Abravanel, Smith, Turner, Cove, Harris and Manjarrez, 2004, page 86).

Tradeoff Issues: Strict time-limits have the potential of ending assistance prematurely in cases in which an extended amount of time would be legitimate.

2. **Implementation of incentives for becoming gainfully employed and maintaining employment**
A minimum rent policy requires payment regardless of employment status (See Abravanel, Smith, Turner, Cove, Harris and Manjarrez, 2004, page 73. See also CHA Oct. 12, 2005, page 7; and PHA Annual Report 2004, page 49).
SHA offers residents above a certain income level participation in Tenant Trust Accounts in which share of rent paid is deposited in the tenant's account for use toward self-sufficiency goals or emergencies. SHA also offers Individual Development Accounts with matching funds (SHA Annual Report 2004, pages 50-51 and Appendix C, pages C-7 – C-8).

Tradeoff Issues: There are possibly minor administrative costs associated with implementing such incentive systems and monitoring employment of residents.

3. **Raising the level of assets excluded from the income calculation**
See CHA Rent Simplification Proposal, Oct. 12, 2005, pages 7-8.

Tradeoff Issues: Raising the level of assets excluded from the income calculation would allow for greater potential for Tenant Asset Building; however, it would also result in fewer families incoming-out of assistance or more families taking longer to do so.

4. **Implementation of "stepped" or flat rents**
See CHA Rent Simplification Proposal, Oct. 12, 2005, pages 7-8; SHA Annual Report, Dec. 20, 2004, pages 19-20; Abravanel, Smith, Turner, Cove, Harris and Manjarrez, 2004, page 69.

Tradeoff Issues: "Stepped" or flat rents would allow greater potential for Tenant Asset Building; however, it would also result in fewer families incoming-out of assistance or more families taking longer to do so.

Interaction with other Concepts:
Time to Exit may impact OHA Dwelling Rental Income. For example, allowing part of rental payments to be contributed to tenant accounts for use toward self-sufficiency may improve (shorten) Time to Exit but worsen (decrease) OHA Dwelling Rental Income.

Related Process Measures:
Number of people served, Participation in job training

References:

Abravanel, M., R, Smith, M. Turner, E. Cove, L. Harris and C. Manjarrez. *Housing Agency Responses to Federal Deregulation: An Assessment of HUD's "Moving to Work" Demonstration.* Washington, D.C.: Urban Institute, 2004.

Bahchieva, R. and A. Hosier. "Determinants of Tenure Duration in Public Housing: The Case of New York City." *Journal of Housing Research*, Vol. 12, Issue 2. New York City: Fannie Mae Foundation, 2001.

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Philadelphia Housing Authority (PHA). *Moving to Work Year 3 Annual Report.* Philadelphia: PHA, June 1, 2004.

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