Assessment of Customer Satisfaction with the Department's Performance Reporting System

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Office of Evaluations

Office of Inspector General

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United States Department of the Treasury

OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

February 24, 2000

MEMORANDUM FOR LISA ROSS, ACTING ASSISTANT SECRETARY FOR MANAGEMENT/CHIEF FINANCIAL OFFICER

FROM: Dennis S. Schindel
Assistant Inspector General for Audit

SUBJECT: Assessment of Customer Satisfaction with the Department's Performance Reporting System

The attached report presents our assessment of customer satisfaction with the Department's Performance Reporting System (PRS) and identifies areas for possible improvement. We identified several suggestions that the Office of Strategic Planning and Evaluation could address to improve PRS implementation. According to management's comments, some of our suggestions are currently being implemented while timeframes have been provided for implementation of others.

We received your written comments in response to the draft report. We are pleased to note that your office concurs with our findings of this assessment, plans to implement the suggestions, and did not identify any information that would need protection under the Freedom of Information Act.

We appreciate these comments, and have included them where appropriate throughout the report. We would also like to extend our appreciation to your managers and staff for their cooperation and courtesies extended to our staff during this assessment.

If you have any questions or require any further assistance, you may contact me at (202) 927-5400, or a member of your staff may contact Christopher Heppe, Deputy Director, Office of Evaluations, at (202) 283-1596.

Attachment

TABLE OF CONTENTS

TABLE OF CONTENTS i

OVERVIEW 1

BACKGROUND 2

OBJECTIVE, SCOPE AND METHODOLOGY 3

EVALUATION RESULTS 4

Organizational Climate/Bureau User Satisfaction 4
Suggestions 5

Potential System Enhancements 6
Suggestions 7

Organizational Climate/Executive Management Needs 7
Suggestions 8

Usefulness of PRS for Decisionmaking 9
Suggestions 9

APPENDICES

Appendix 1 Financial Analysis and Reporting System 11
Appendix 2 Management Response 12
Appendix 3 Abbreviations 15

OVERVIEW

This report presents the results of our assessment of customer satisfaction with the Department's Performance Reporting System (PRS), and identifies areas for possible improvement. This review was included in the Office of Inspector General's (OIG) Annual Audit Plan for Fiscal Year 1999 as part of our responsibilities to evaluate implementation of the Government Performance and Results Act of 1993 (the Results Act).

Our assessment revealed that the Office of Strategic Planning and Evaluation (OSPE) has devoted significant effort toward development and implementation of an effective system for performance reporting. PRS is designed to lower the overall burden on bureau staff by making it easier to keep the Department up-to-date on performance information. Many bureaus use performance information from existing systems for management and budgeting purposes. Specifically, bureau users told us they already make use of performance information, both from manual and information systems not integrated with PRS, that track more data than is necessary for Department level reporting. In several of the bureaus we visited, specific questions were raised concerning the redundancy of the data that would be produced by PRS. However, OSPE officials and staff have coordinated implementation issues with bureau personnel, whose support is necessary in order to implement the system. PRS is continually evolving, and OSPE is still making system improvements. We observed OSPE frequently modified PRS in response to bureau users' needs.

Despite these positive accomplishments, a sustained staff effort will be required and a more balanced approach to implementation will be necessary at the Departmental level. OSPE devoted an extensive amount of time and collective effort to PRS implementation at the bureaus. However, we encourage OSPE to work with Departmental executive management to obtain direct feedback on the system, particularly with regard to report development. In addition, efforts underway to integrate PRS into larger financial management systems must be sustained for PRS to be effective as a management tool.

We identified several suggestions that OSPE could address to improve PRS implementation. We acknowledge in this report that some new initiatives have already begun.

BACKGROUND

The Results Act requires that each Federal agency report annually on its performance – specifically, on the degree to which the agency is meeting its annual performance goals and on the actions needed to achieve those goals that have not been met. Federal agencies are also required to develop five-year strategic plans describing their overall goals and objectives, annual performance plans containing quantifiable measures of their progress, and performance reports to the Office of Management and Budget (OMB) and the Congress describing their success in meeting those standards and measures.

Departmental officials agreed that the capacity to regularly and accurately report on performance for Results Act purposes is a key challenge that needs to be addressed[1]. In addition, OIG reports on the Department's financial statements cited the lack of an integrated financial management system that provide integrated performance, budget, and financial information. Towards these ends, the Department's OSPE is developing the Performance Reporting System to routinely report the results of performance in accordance with requirements of the Results Act.

The current version of PRS is being developed as a stand-alone system accessible on the Department's Intranet at the address http://prsprod.cio.treas.gov. PRS is intended to enable staff, program managers and policy officials to access performance information and use it to assess the overall effectiveness and performance of the Department's major program areas. Over the past several months, staffs from each bureau were trained in using the PRS and to input PRS performance data for the Fiscal Year (FY) 1999 Mid-year Performance Plan reviews. OSPE staff assisted the bureaus with this data input, and the bureaus provided data for comparing the actual and planned results of the first 6 months of performance. The PRS currently contains information on bureaus' FY 1999 Performance Plans, FY 1999 interim progress reports, and FY 2000 Performance Plans. It is being designed to ultimately integrate performance measurement information into a broader financial management system entitled the Financial Analysis and Reporting System, or FARS. When integrated with FARS, the FARS

[1] Results Act: Observations on Treasury's Fiscal Year 1999 Performance Plan (GAO/GGD-98-149, June 1998)

development plans call for PRS to generate these reports, along with the associated costs and Full Time Employees (FTE) expended. PRS is funded through the Working Capital Fund. In Fiscal Years 1998 and 1999, development, hardware, and software costs for PRS totaled $245,875. This includes upgrades to the system, contractor time for technical support, and various enhancements to enhance user-friendliness of the system's reports. It is estimated that future enhancements will cost $25,000 in the next fiscal year.

OBJECTIVE, SCOPE AND METHODOLOGY

The objective of our review was to assess customer satisfaction with the Department's Performance Reporting System and to identify areas for possible improvement. We performed our review from May 1999 through October 1999 in accordance with the President's Council on Integrity and Efficiency Quality Standards for Inspections. We reviewed U.S. General Accounting Office, Office of Inspector General, and other relevant reports, audits and materials for use in our assessment.

We reviewed information and documentation on system features such as data entry screens and operational reporting features. We interviewed OSPE officials and staff to discuss current and future challenges regarding PRS implementation. We conducted extensive discussions with OSPE analysts during training sessions and system testing. We also determined how OSPE is using feedback from Departmental users to meet current challenges and establish future priorities for PRS implementation.

We observed bureau users entering and modifying data in PRS on mission statements, budget activities, annual performance goals, performance measures, and fiscal targets for the FY 1999 mid-year performance report. We also interviewed specific users of the system in 11 bureaus, including the OIG, who keep the system updated, as well as obtain their views on system features, resolution of problems, and responsiveness to concerns. We also interviewed select users at the Departmental level to discuss the potential for enhancing the general usefulness of PRS in providing them with the information needed to assess progress.

EVALUATION RESULTS

Our assessment revealed that the OSPE devoted significant effort toward development and implementation of a system for an effective performance reporting system. Although a few bureaus told us that OSPE did not always provide information on actions taken on articulated concerns, most agreed that OSPE was responsive to their concerns.

Treasury bureaus used information from existing systems for management and budgeting purposes. Specifically, bureau users told us they already make use of performance information, both from manual and information systems not integrated with PRS, that track more data than is necessary for Department level reporting. In some of the bureaus we visited, specific questions were raised concerning the redundancy of the data that would be produced by PRS. OSPE officials and staff have tried to coordinate implementation issues to reduce redundancy with bureau personnel, whose support is necessary for such a system to work. PRS is continually evolving, while OSPE is still making system improvements.

OSPE has devoted an extensive amount of time and collective effort to PRS implementation at the bureaus. We encourage OSPE to work with Departmental executive management to obtain their direct feedback on the system, particularly with regard to report development. In addition, efforts underway to integrate PRS into larger financial management systems must be sustained for PRS to become an effective management tool.

Organizational Climate/Bureau User Satisfaction

In implementing PRS OSPE officials and staff dealt directly with bureau personnel, whose support is necessary for such a system to work. For example, OSPE analysts have entered baseline data from FY 1996, which when compared to successive years' data shows the bureaus' progress over time. Bureau users agreed that this data provides a sufficient historical perspective to compare this year's and previous years' performance with performance in past years.

We observed numerous opportunities and formats provided by OSPE for bureau users to express their concerns. The bureau users we interviewed agreed that they have had ample access to OSPE analysts.

PRS is designed to lower the overall burden on bureau staff by making it easier to keep the Department up-to-date on performance information. We observed that bureaus already use information from existing systems for management and budgeting purposes. Specifically, bureau users told us they make use of performance information, both from manual and information systems not integrated with PRS, that track more data than is necessary for Department level reporting. In some of the bureaus we visited, concerns were raised regarding the redundancy of the data that would be produced by PRS.

OSPE analysts stated that because the system was on the Intranet, it was relatively easy to use, since it does not require special software or extensive training. Most bureaus agreed that PRS accommodates simple word changes reasonably well, and that it is a straightforward procedure to update performance measures and goals. Several bureaus told us that the reporting of information in this standardized format imposed an unnecessary burden on management and staff, because PRS currently does not have the capacity to extract information from their databases for automatic uploading.

Suggestions

Overall, OSPE officials and staff dealt constructively on PRS implementation issues with bureau personnel. We offer the following suggestions to enhance this effort:

- Incorporate ways to keep users informed of what happens to their ideas by providing additional information on the Intranet and Internet sites. We believe that bureau concerns regarding PRS would be mollified if more information were provided on specific tasks that OSPE is trying to accomplish; and

- Increase efforts enabling the extraction of information from existing bureau databases for automatic uploading into PRS. We believe this would reduce any burdens on bureau

management and staff currently resulting from manual data entry and updating.

Potential System Enhancements

Generally, OSPE filters PRS enhancement or change requests through component lead analysts, who review existing data collection and reporting, and determine what is still appropriate and what should be changed or deleted to match user concerns. We observed that OSPE frequently modified PRS in response to bureau users' needs.

For example, OCC and OTS indicated that adjustments are necessary in PRS to accommodate their bureaus' calendar year operations. In response, OSPE adjusted the system to make "fiscal year" "calendar year" each time the bureau enters their system, and their reports read "Calendar Year XXXX". For example, when the bureau users enter "fiscal" targets, they get a Target End Date of 31-DEC-2000.

OSPE staff told us that if a bureau has a large number of discontinued measures, they might be presented in a separate table in the future. Currently, PRS presents information on performance measures in one location. OSPE is considering setting up an Archives database with all discontinued measures. All of the information currently available for all of those measures will be carried over to the Archives. Therefore, all Definitions and Validation, Explanations and any other data or narrative associated with those measures would be available.

In addition, most bureaus believed that reliance on HyperText Markup Language (HTML) in PRS development made the system cumbersome and tedious to use. Several users cited problems with the report format that is causing data to be left off of the margins. Other specific concerns cited include:

- On the Fiscal Targets, Measures List, and Goals pages, it is often necessary to drop down many screens to get to different levels. It would be preferable to have a button to click on that would take the user immediately back to the first screen to update data on annual performance goals; and

- To keep the hierarchy of Activities, Goals, and Measures accurately linked, the user must go down many levels to constantly enter new data or to modify it.

Suggestions

We believe the following suggestions would accommodate the modified enhancements:

- Establish an Archive database with all discontinued measures that includes Definitions and Validation, Explanations and any other data/narrative associated with those measures; and

- Encourage use of more sophisticated software development packages such as JavaScript in developing PRS screens. We believe that this use will accommodate bureau concerns reasonably well.

Organizational Climate/Executive Management Needs

OSPE devoted an extensive amount of time and collective effort to PRS implementation at the bureau level. Despite this positive accomplishment, a sustained staff effort will be required and a more balanced approach to implementation will be necessary at the Departmental level. Executive managers, in particular, often require data presentations and displays that focus on bottom line performance results. When presented in this manner, they can quickly digest information, focus on problem areas, seek pertinent follow-up data, and be more efficient in making or recommending project or program decisions.

OSPE is attempting to design PRS reports that are concise, easy to understand, and tailored to various executive management needs and audiences. For example, the Under Secretary (Enforcement) expressed an interest in an interim FY 1999 performance report for the law enforcement bureaus. In response to his request, OSPE staff developed a report for his use. It presented detailed performance information generated by PRS and listed, by bureau, all of the FY 1999 performance measures, final performance plan targets, mid-year actuals, end-of-year projections, and explanations for any FY 1999 final targets expected to be unmet at

year end. It included performance measure definitions and data accuracy estimates for each measure.

OSPE completed some work to develop user requirements for additional PRS reports through a voluntary PRS Report Design Task Force composed of PRS bureau users. For example, a new interim report is available to enable users to print a report on all the information that was entered into PRS for 1999. The new Graphs report is available which illustrates information by performance measure. OSPE staff has also developed Performance Report and Performance Plan reports, which are easier to read. These and other changes will be developed and implemented during FY 2000. OSPE believes that PRS will enhance the Department's ability to track performance; however, there is not yet an executive level acceptance of PRS as the ultimate source of Treasury performance reporting.

Suggestions

The following suggestions could assist OSPE in the development of PRS on meeting management needs:

- Additional feedback should be obtained from management to present the performance information and facilitate better decisionmaking;

- Performance reports should be customized for the various audiences for which the information is intended. Operational managers may need more details and supporting, contextual information while executive managers may require far less; and

- PRS reports should generally use clearly defined terms and appropriate, user-friendly reports and graphs to convey information as readily as possible. Also, the performance data should be reported in a format that includes objective, definition, rationale, and data source. The data should also include a discussion of past performance and the plan to achieve targets.

Usefulness of PRS for Decisionmaking

PRS, in its present form, has shown potential to be a useful tool in decisionmaking. For example, the Assistant Secretary for Management conducted internal budget conferences with bureau heads earlier this year to discuss policy goals and programmatic requirements underlying their FY 2001 budget requests, and to make recommendations for the Department's FY 2001 submission to OMB. Using PRS data, users could develop trends and use that information to justify budget requests.

No picture of what the Department is accomplishing can be complete without adequate performance and program cost information. This information must be presented in a way that is useful to the many audiences who rely on it to help them assess and manage. Consistent with the Result Act's requirement that annual performance plans be tied to budget requests, the annual performance reports, which are to report progress toward achieving the goals established in the plans, are to link levels of performance to the budget expenditures. The Department is developing the Financial Analysis and Reporting System, or FARS, to integrate its financial management systems to provide financial information that is timely, accurate, and relevant. Currently, Treasury bureaus maintain their own financial and mixed systems to support their own unique business needs. The Department maintains a financial management data warehouse for meeting Departmental consolidation, analysis, and reporting requirements. On a monthly basis, Treasury's bureaus submit financial data to the data warehouse to satisfy central information reporting requirements.

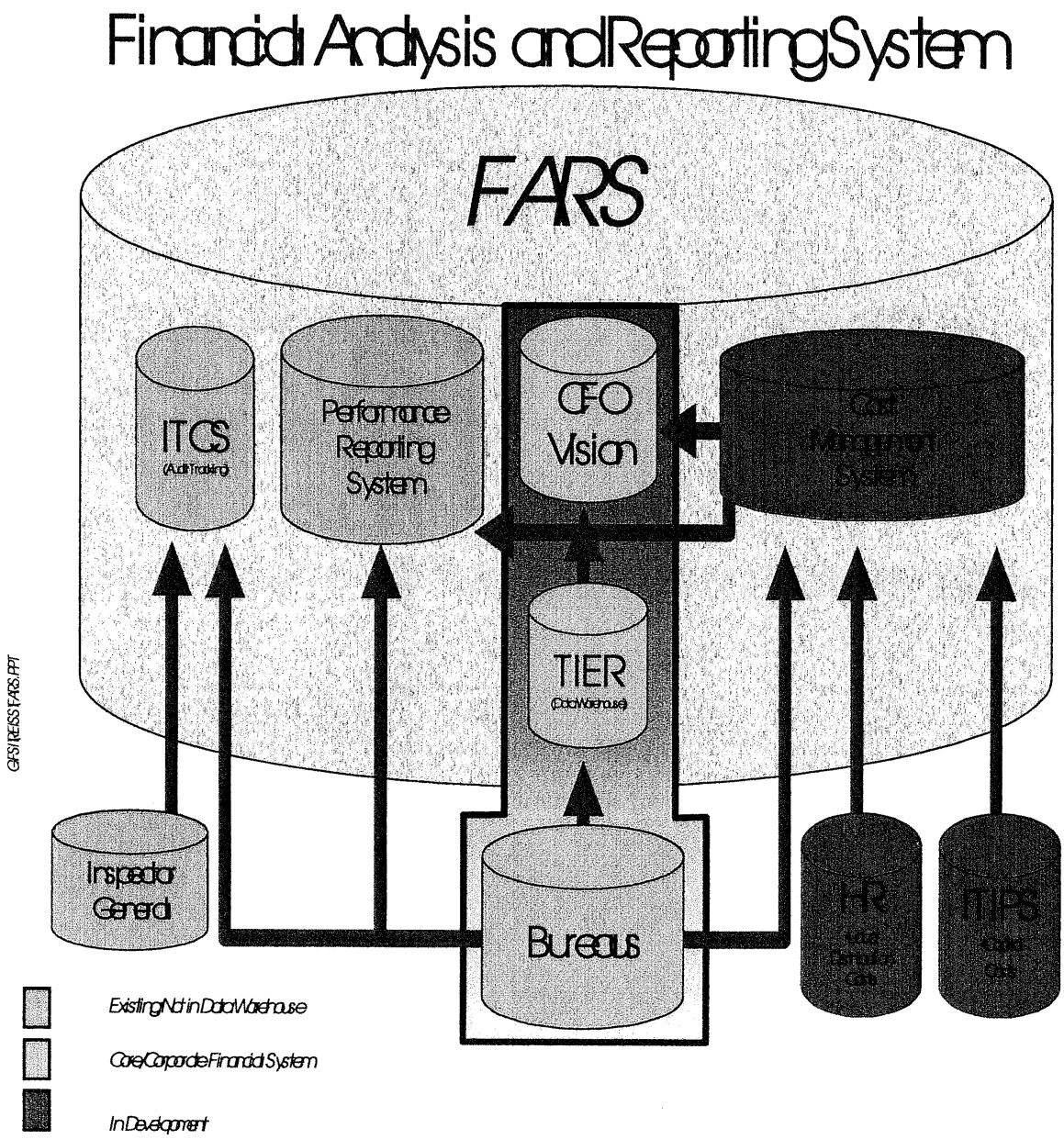
As a result of the FARS integration effort, the Department hopes to produce accurate, efficient and timely performance information and financial statements.

Suggestions

We believe the following suggestions would further improve the PRS for management decisionmaking:

- Efforts underway to integrate PRS into larger financial management systems must be sustained in order for PRS to become an effective management tool; and

- The Deputy Chief Financial Officer should ensure that end users are provided ample opportunities for reviews of the PRS prior to its implementation.


Financial Analysis and Reporting System
FARS
ITCS
(Audit Tracking)
Performance Reporting System
CFO Vision
Cost Management System
TIER
(Data Warehouse)
Inspector General
Bureaus
HR
ITIPS
GPS/REISS FARS.PPT
Existing Not in Data Warehouse
Core Corporate Financial System
In Development

ASSISTANT SECRETARY

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

JAN 31 2000

MEMORANDUM FOR DENNIS SCHINDEL
ASSISTANT INSPECTOR GENERAL FOR AUDIT

FROM: Lisa G. Ross Lisa Ross
Acting Assistant Secretary (Management)
and Chief Financial Officer

SUBJECT: Evaluation Report on the Performance Reporting System

Thank you for the opportunity to review the draft evaluation report assessing customer satisfaction with the Performance Reporting System (PRS). Overall, we feel the evaluation was fair and balanced and the recommendations useful. Per your request, attached are our comments concerning each of the findings and suggestions.

We appreciate the staff time devoted by your office to review PRS and suggest ways to improve its effectiveness.

Attachment

cc: DCFO

Comments on Draft Evaluation Report

"Assessment of Customer Satisfaction with the Department's Performance Reporting System"

Suggestion	Response
Organizational Climate / Bureau User Satisfaction: Incorporate ways to keep users informed of what happens to their ideas by providing additional information on the Intranet and Internet sites.	OSPE will include updates on PRS changes and improvements to the DSF website. Also, OSPE staff will provide the bureaus with updates on PRS at each monthly GPRA Advisory Panel meeting. Target: Beginning February, 2000, and monthly thereafter.
Organizational Climate / Bureau User Satisfaction: Increase efforts enabling the extraction of information from existing bureau databases for automatic uploading into PRS.	Management agrees that system to system data uploads is the preferred approach to maintaining PRS. OSPE has been pursuing this strategy with the IRS and, once the capability has been successfully tested, will offer all bureaus the opportunity to download their data directly. Target: September, 2000.
Potential System Enhancements: Establish an Archive database with all discontinued measures that includes Definitions and Validations, Explanations and any other data/narrative associated with those measures.	Management agrees with this suggestion and will include this upgrade in the PRS workplan for FY 2000. Target: September, 2000.
Potential System Enhancements: Encourage use of more sophisticated software development packages such as JavaScript in developing PRS.	Data entry into PRS has already been significantly improved using JavaScript. Users can now drill down to the desired level from one screen. Feedback from the bureaus has been positive. Target: Completed. (Additional opportunities to simplify data entry will be sought with bureau input.)

1

Organizational Climate / Executive Management Needs: Additional feedback should be obtained from management to present the performance information and facilitate better decisionmaking.	OSPE is currently working to develop a more user-friendly and robust management report capability in PRS. The new capability will allow various executives to view summary performance status information for the bureaus or offices under their purview, as well as being able to easily drill down to obtain status data for specific measures of interest. Once this basic reporting capability is available, OSPE will solicit any additional needs from executive management regarding the presentation of performance data. Target: September, 2000.
Organizational Climate / Executive management Needs: Performance reports should be customized for the various audiences for which the information is intended.	See above. The management report capability being developed will allow the user to "self-customize" by drilling down to the level of detail of interest.
Organizational Climate / Executive management Needs: PRS reports should generally use clearly defined terms and appropriate, user-friendly reports and graphs to convey information as readily as possible.	See above. The new reporting capability will be based largely upon graphic presentations of the status of performance targets, i.e., the percentage of targets projected to be met vs. the percentage where shortfalls are projected. For each measure, the user will be able to drill down to compare present with past performance.
Usefulness of PRS for Decisionmaking: Efforts underway to integrate PRS into larger financial management systems must be sustained in order for PRS to become an effective management tool.	Management fully agrees and will continue to explore ways to integrate PRS performance data with financial information available through the Department's Financial Analysis and Reporting System. At this point, the plan is to link the two types of data at the budget activity level of detail. Target: September, 2001.

2

ABBREVIATIONS

Financial Analysis and Reporting System	FARS
Full Time Employees	FTE
Fiscal Year	FY
HyperText Markup Language	HTML
Office of Inspector General	OIG
Office of Management and Budget	OMB
Office of Strategic Planning and Evaluations	OSPE
Performance Reporting System	PRS
The Government Performance and Results Act of 1993	the Results Act