The Challenge of Developing Cross-Agency Measures: A Case Study of the Office of National Drug Control Policy

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Foreword

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On behalf of The PricewaterhouseCoopers Endowment for The Business of Government, we are pleased to present this report by Patrick J. Murphy and John Carnevale, "The Challenge of Developing Cross-Agency Measures: A Case Study of the Office of National Drug Control Policy."

The report by Professor Murphy and Mr. Carnevale presents a firsthand account of how the Office of National Drug Control Policy (ONDCP) created and implemented a Performance Measurement and Evaluation System (PME). Mr. Carnevale served as director of ONDCP's Office of Programs, Budget, Research, and Evaluation during the time period discussed in this important report. The report addresses one of the major challenges facing government executives in managing federal programs for results: to develop common *crosscutting* goals, strategies, and performance measures that tie together dozens of agencies and programs to achieve outcomes that none of them could reach alone. While federal agencies have made great strides in the past decade in measuring program performance and results *within* their organization, the next great challenge will be measuring performance for programs that cut across both federal departments and layers of government.

This case study of ONDCP is important because it demonstrates that it is possible to develop a *crosscutting* performance plan focused on results reaching across the boundaries of individual agencies and programs. In developing the PME system, the ONDCP organized over 250 individuals representing over 50 agencies to assist in developing the system. The authors conclude, "… the case should be enlightening for public managers seeking to implement performance measurement in other policy areas. At the federal level, there already have been efforts to improve the coordination of programs for issues such as poverty, AIDS, and race relations."

We trust that this report, like others in the *Managing for Results* series, will prove helpful to government executives at all levels—federal, state, and local—as they confront the major challenge of managing and improving the performance of public sector programs.

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Executive Summary

Over the past decade, there has been a notable push for improving how government programs measure performance. The desire for improved management, more effective programs, and accountability have motivated much of the interest and activity in this area. At the federal level, the Government Performance and Results Act (GPRA) of 1993 took these concepts and put them into statute. GPRA requires federal departments to develop performance measures for their programs and report on their progress relative to those indicators. The law's focus on individual departments as its unit of analysis, though, can be misleading relative to causes and effects. Concentrating on individual departments implies that a single government program would be responsible for any change in the measure. The relationship, unfortunately, often is not so clear-cut. In addition to a variety of external factors, programs in other departments often attempt to address related facets of the same problem.

The measurement of performance for crosscutting programs, therefore, falls outside of the GPRA provisions. The problem of illicit drug use is an example of such a crosscutting issue. What is unique about the drug issue, however, is the fact that the federal government established the Office of National Drug Control Policy (ONDCP) to manage the nation's anti-drug efforts. Created by the Congress in 1988, the ONDCP was charged with coordinating drug policy and establishing priorities government-wide. As the policy office began to mature in the mid-1990s, and buoyed by the momentum generated by

GPRA, the ONDCP began the process of creating a system to gauge the efficacy of anti-drug programs. This report is a case study of the ONDCP effort. It describes how the office set out to construct a performance measurement system and the lessons learned from that effort.

The development of a system to manage these programs and monitor performance would require a considerable investment in terms of time and staff resources. In 1996, the ONDCP began its collaborative process to develop a performance measurement system. This ambitious undertaking would require coordinating with the more than 50 agencies and departments involved in drug control efforts. In the end, the process would utilize the input of over 250 people representing numerous government agencies and other organizations. To organize the effort, the ONDCP constructed a complex set of steering committees and working groups designed to address the specific tasks of developing a performance measurement system. From that process would emerge the ONDCP Performance Measurement and Evaluation System (PME) in 1997.

By most accounts, the PME system has been deemed an impressive and credible attempt to introduce accountability into the management of federal drug policy. It is clearly the most extensive and institutionalized effort to measure performance for a crosscutting program in the federal government. To create it, the ONDCP had to overcome the challenges associated with measuring perfor-

mance in general, as well as the added complication of working across organizational lines. To understand how the ONDCP managed to overcome these obstacles, we interviewed individuals who participated in the process of creating the PME system. The respondents were current and former officials in the ONDCP, the Departments of Justice, Education, Treasury, and Health and Human Services (HHS).

The positive features of the process that emerged from these interviews included the inclusiveness of the effort and how that inclusiveness encouraged agency officials to buy into the process. Participants also appreciated the opportunity to debate basic principles surrounding the drug issue and the fact that they were encouraged to think beyond existing structures and programs. The criticisms of the PME effort focused primarily on the fact that it was a very cumbersome and time-consuming endeavor. Participants also expressed frustration regarding the ONDCP's eventual imposition of goals that stretched the performance targets further than the agency working groups had initially set.

The report concludes that the change in administration places the PME system at a crossroads, with its future uncertain. The system itself, as well as the process used to develop it, however, should serve as an important model for other managers seeking to measure the performance of crosscutting programs. The report's recommendations highlight several valuable lessons that emerged from this case study. While some elements of the ONDCP's experience with the PME system may be unique to the illicit drug issue, the story of the PME system should be enlightening for public managers seeking to implement performance measurement in other crosscutting policy areas such as poverty, terrorism, AIDS, and race relations.

Introduction

How do elected officials and public managers hold programs accountable for their activities and achieve intended results? Absent some scale against which progress toward a program's goals can be measured, it is difficult to assess how effective a given government program may be. Performance measurement has long been seen as the key to holding public agencies responsible for their programs and for ensuring they deliver expected outcomes.

The 1993 Government Performance and Results Act (GPRA) took this concept of performance and public reporting and put it into statute as a set of tasks to increase accountability and better manage for results. GPRA requires federal departments to develop performance measures for their programs and report on their progress relative to those indicators. The intent is clear. Once fully implemented, the Congress and executive branch managers will have a tool to monitor and better manage program outcomes. In turn, they will be able to hold individual programs accountable for the impact, or lack thereof, that they have on the problems they were designed to address. Perhaps as important, the institution of performance measurement systems should enable the public to see whether their taxpayer dollars produce any results.

GPRA's emphasis on monitoring program outcomes clearly advances the goal of making government more accountable and results-oriented. Its focus on individual departments as its unit of analysis, though, can be misleading relative to causes and effects. Concentrating on individual departments implies that a single government program would be responsible for any change in the measure. The relationship, unfortunately, often is not so clear-cut. In addition to a variety of external factors, programs in other departments often attempt to address related facets of the same problem. For example, few would hold the Department of Housing and Urban Development (HUD) solely responsible for improving the plight of the homeless. HUD's role may be critical in addressing this issue. Homelessness, however, is a problem with dimensions that extend well beyond HUD's authority. The problem's overlap with issues such as substance abuse, mental health, job training, and domestic violence are well documented. The federal government's response to the problem of homelessness, consequently, cuts across several different departments, programs, and levels of government.

The measurement of performance for *crosscutting* programs falls outside of the GPRA provisions. Indeed, some observers already have noted the lack of crosscutting analysis to be something of a blind spot in the effort to improve accountability of federal programs (O'Neill, 2001). The problem of illicit drug use is an example of such a crosscutting issue. What is unique about the drug issue, however, is the fact that the federal government established the Office of National Drug Control Policy (ONDCP) to manage the nation's anti-drug efforts. Created by the Congress in 1988, the ONDCP was charged with coordinating drug policy and establishing priorities government-wide. As the policy office began to mature in the mid-1990s, and buoyed by the momentum generated by GPRA, the ONDCP began the process of creating a system to gauge

the efficacy of anti-drug efforts. It would prove to be a daunting task.

Complicating the effort is the fact that what constitutes *the* drug problem is really a broad set of issues that range from health and education concerns to criminal justice issues. Not surprisingly, the government response has been equally expansive. At the federal level, over 50 federal agencies claim some role in efforts to reduce the use of illicit drugs. The federal drug control budget totals over $19 billion. Simply cataloging these wide-ranging activities presents a significant challenge. The development of a performance measurement system to manage these programs and monitor their progress would require a considerable investment in terms of time and staff resources. Despite these difficulties, the ONDCP embarked on a process to bring 50 different agencies together to develop joint measures and strategies to both drive and monitor the performance of the government's anti-drug efforts. From that process would emerge the ONDCP Performance Measurement and Evaluation System (PME) in 1997. By most accounts, the PME system has been deemed an impressive and credible attempt to introduce accountability into the management of federal drug policy.

That the ONDCP was able to create the PME system is a success story. The difficulties in developing meaningful performance measures are well documented. The ONDCP, however, faced the additional obstacles of trying to develop performance measures for programs that cut across many organizational lines. In addition, the ONDCP had to contend with its own limited authority. As a policy office, the ONDCP office has few formal powers. Despite these obstacles, it managed to produce an impressive set of goals, objectives, and performance measures intended to improve management of federal drug control efforts. In fact, the PME system represents the most extensive and systematic attempt to date at measuring performance for a crosscutting issue at the federal level. Just as important, the system is a credible one and, for the most part, has been bought into by key stakeholders in the federal drug control agencies.

This report describe the evolution of the PME system as a case study to illustrate how one agency coped with the difficulty of measuring performance

Acronyms	
DoJ	Department of Justice
GAO	U.S. General Accounting Office
GPRA	Government Performance and Results Act of 1993
HHS	Department of Health and Human Services
HUD	Department of Housing and Urban Development
IWG	Interagency Working Groups
NAPA	National Academy of Public Administration
OMB	Office of Management and Budget
ONDCP	Office of National Drug Control Policy
PME	Performance Measurement and Evaluation System

for programs that span organizational boundaries. Illicit drug use is not the only crosscutting problem with which the government must cope. The list of these issues is lengthy and includes such critical concerns as terrorism, AIDS, and the environment. For managers working with other crosscutting issues who are seeking to develop performance measurements, the case of the ONDCP PME system offers an example of one method of approaching the task. At a minimum, it should prove instructive in identifying the factors that facilitated the project as well as those elements that hindered the effort.

The report begins with a discussion of the more general challenges of measuring performance as well as the specific obstacles that the ONDCP faced. It then describes the collaborative process that produced the PME system, and how the ONDCP organized the over 250 individuals representing about 50 agencies who participated in the process. Drawing on the experiences of the ONDCP personnel and federal agency officials who participated in the process, the report identifies the elements that contributed to the endeavor

and those factors that threatened its success. Given that the PME system is still in the early stages of implementation, this report also assesses what the future holds for the PME system and singles out the factors that will prove critical as the process begins to move forward. Finally, the report discusses the general lessons that can be distilled from the ONDCP experience. These lessons should be of interest to those administrators seeking to measure the performance of drug control efforts in state and local government as well as managers faced with the challenge of administering programs that cut across organizational lines.

The Challenge of Measuring Performance

Public management scholars have long maintained the need for performance measurement and accountability in the administration of public programs (e.g., Wholey, 1979; Wholey and Hatry, 1992; Hatry, 1999). The rationale for such effort is simple. Public organizations, using public resources, should be able to demonstrate that their programs are making progress toward their stated objectives.

Performance measurement encapsulates sound management and accountability in aligning the operation of an organization with the realization of a defined set of outcomes or end states. In the federal government, performance measurement is presenting managers with a new paradigm to rationalize programs and resources. Programs and the resources to support them are being justified in a strategic context. Rather than attempting to maximize bureaucracy by expanding resources (inputs), managers must now articulate resource needs in relation to their contribution to desirable outcomes.

Despite its straightforward reasoning, widespread interest in holding government agencies accountable for their performance emerged relatively recently over the past decade. Osborne and Gaebler (1992) call for "reinventing" government focused on freeing administrators from their rule-bound environment while holding them responsible for results. The Clinton administration was quick to embrace these concepts as evidenced by the National Performance Review (Gore, 1993). The Congress then codified the notion of accountability in the form of GPRA.

It is not possible to hold agencies accountable without some standard against which their performance can be gauged. Consequently, implementation of GPRA required federal departments to develop plans for performance measurement. It should be noted that the management benefits of such a system could extend well beyond the need to comply with a statutory requirement. In addition to providing support for accountability, performance measurement systems can also assist in improving program delivery overall as well as forcing an agency to clarify and focus its long-range strategic planning efforts (Newcomer and Scheirer, 2001). Though the implementation of GPRA is still in its early stages, there has been some evidence that the type of data produced by performance measurement efforts can contribute to understanding the impact of an agency's programs and provide an avenue for accountability (GAO, 2000b).

The potential benefits of systematically monitoring performance, then, are clearly appealing. Managers should be able to develop reasonable approaches on how best to achieve goals and objectives using measurement to document progress toward those goals and objectives. Managers are, in effect, using measurement to manage programs for results.

Developing a process that enables an organization to realize these benefits, however, can be an extremely difficult task. One of the most basic challenges is to identify outcome measures as opposed to merely tallying program outputs. Measures of program activity are relatively easy to find. Identifying a metric or metrics that begin to quantify a program's impact on a particular problem is much more difficult. Once measures are identified, managers face the problem of determining what are acceptable performance levels (Wholey and Hatry, 1992). A third obstacle to the institution of performance reviews is the possible cost involved. The development and monitoring of a performance measurement system can be a labor-intensive exercise. And, if appropriate outcome measures do not currently exist, the cost of developing new data collection instruments can be considerable. Finally, and perhaps most importantly, officials seeking to implement performance measurement must secure the cooperation and participation of the administrators responsible for the program. Absent a sincere *buy-in* from these individuals, efforts to create performance monitoring systems run the risk of merely becoming a paper exercise.

Though these problems are significant, an impressive volume of material has been produced to provide guidance for those willing to take on the challenge. There have been numerous publications that offer practical advice on all aspects of the process of measuring performance (see, for example, Hatry, 1999; Keehley, et al, 1997; Walters, 1998). The National Academy of Public Administration (NAPA) has established a federal performance consortium to assist federal agencies in the implementation of performance measurement systems. It stands out as an organization that has systematically addressed GPRA implementation issues within the federal community. Unlike the General Accounting Office (GAO), its role has been to facilitate rather than review agency progress in implementing GPRA. Over the past few years, NAPA has written guides on how to align program and budgets with outcomes, how to incorporate GPRA into agency planning mechanisms, measurement, and understanding the language of performance measurement (NAPA, 1998a-1998d).

Despite the considerable degree of information and technical assistance available, the early experience of federal agencies with implementing performance measures can be described as mixed, at best. Some promising examples have emerged, notably the Department of Labor's efforts to measure performance in its Job Training Partnership Act programs (Uhalde, 1991; Barnow, 2000). Other efforts have been less successful. An early GAO review of efforts to implement GPRA revealed that the obstacles administrators faced in developing performance measures were formidable. Managers cited difficulty in translating long-range strategic goals into annual objectives and then identifying specific performance measures to gauge the progress. Perhaps more troubling, the GAO investigators found that several officials did not distinguish between output and outcome measures. Not surprisingly, the implementation process in many of the programs examined was moving relatively slowly (GAO, 1997). A later examination of the first round of federal agency performance measure plans concluded that they did not provide a clear picture of the organization's intended performance, and they were not credible (U.S. GAO, 1998a). In short, the challenge of constructing performance measures already has proven to be a significant one for federal agencies.

Crosscutting Performance and Accountability

It is against this backdrop, then, that the ONDCP set out to develop a performance measurement system. In addition to the systemic problems of building performance and accountability systems, however, the office had the additional challenge of constructing a system that cut across traditional organizational and functional lines in the federal government. Accountability in this context means that programmatic responsibility extends beyond departmental lines. (This is an important distinction from GPRA, which focuses on the departments, holding them accountable only for the programs that fall under their purview). In trying to hold antidrug programs accountable, the federal drug office must address a collection of activities of tremendous breadth, cutting across organizational lines, over which it has little formal authority, in a highly politicized environment.

First, the absolute breadth of what constitutes the federal drug control effort is impressive, complicating

efforts to measure performance. Federal drug control policy is a conglomeration of agency programs in several functional areas (treatment, prevention, domestic law enforcement, international, and interdiction), for which many different agencies are responsible. Included under the rubric of drug control are law enforcement programs designed to investigate, arrest, prosecute, and incarcerate individuals violating drug laws. Federal programs also involve a substantial collection of activities overseas that are designed to assist foreign governments in reducing the production of drugs destined for the United States. At the other end of the spectrum are health and education-based activities that seek to prevent drug use and/or treat individuals addicted to illicit substances.

To implement this collection of programs, federal anti-drug activities involve over 50 different federal organizational entities (see "Federal Drug Control Departments, Bureaus, and Independent Agencies"). Twelve of the 14 Cabinet departments are represented as well as two independent federal agencies. Though other crosscutting examples exist (e.g., AIDS, terrorism, the environment), it is difficult to identify one that entails coordinating the activities of as many organizations and involving such a variety of activities.

A second factor making the task of performance measurement more difficult is that, despite its "czar" designation, the office possesses relatively little formal authority. The Congress has charged the ONDCP with drafting a strategy that establishes policy goals and priorities for the nation's drug control efforts. The office is also responsible for coordinating and overseeing the implementation of that strategy. To carry out these responsibilities, however, the office is granted rather limited authority (P.L. 105-277). The role of the ONDCP director in the formulation of a drug control budget is the most clearly defined of the office's powers. The ONDCP is required to *certify* agency budget requests as to their adequacy in support of the national drug control strategy. The director can also request the reprogramming of funds from one agency to another. Even with these budget powers, the most explicit in the office's authorizing statute, the ONDCP has had only limited success in realizing its funding priorities (Carnevale and Murphy, 1999). The problem is that the authority applies to

the formulation of the president's budget request to the Congress for drug control. Congress ultimately is responsible for determining appropriations for drug control, and ONDCP is understandably not allowed under the law to certify congressional action.

A third element complicating the ONDCP's development of a performance measurement system stems from the fact that illicit drug control is a *national* program—that includes states, localities and nonprofit partners—that is relying upon a federal structure for much of the program implementation and service delivery. Drug control efforts are not unique in this regard, as many federal programs are structured similarly. Nevertheless, trying to assess the performance of government efforts over which federal control is limited serves to compound an already difficult problem (U.S. GAO, 1998b).

Finally, the political environment surrounding drug policy has been, at various times, highly charged. Congress has been quick to point the finger of blame at the executive branch. Consequently, it is difficult for political appointees to get enthusiastic about the prospect for a system that partisan opponents could later use to "beat them over the head." Indeed, early in the history of the ONDCP, when drug policy was higher on the policy agenda and a hot political topic, ONDCP officials went so far as to develop goals and objectives that were intentionally vague. On one level, the tactic was motivated by a desire to protect a Republican administration from a Congress controlled by the Democrats. On a more pragmatic level, ambiguous goals enabled the office to avoid accountability for a problem over which the office had limited control. Regardless, it illustrates how partisan political concerns can overshadow the desire for accountability.

Ironically, the motivation for the PME system grew out of these complicating factors, not a statutory requirement. Though the *spirit* of GPRA was embodied in the ONDCP's development of the PME system, it was not required under that legislation. GPRA focuses upon individual departments and agencies and does not include crosscutting programs in its reporting requirements. Instead, the ONDCP was motivated by the office's own desire

Departments, Bureaus, and Independent Agencies Involved in Federal Drug Control *(primary drug control functions in parentheses)*

Department of Agriculture*
- Agricultural Research Service (research)
- U.S. Forest Service (law enforcement)
- Supplemental Nutrition for Women, Infants, and Children (prevention)

Corporation for National Service (prevention)

Court Services and Offender Supervision Agency (corrections)

Department of Defense* (law enforcement; interdiction)

Department of Education* (prevention)

Department of Health and Human Services*
- Administration for Children and Families (prevention and treatment)
- Centers for Disease Control and Prevention* (prevention)
- Food and Drug Administration (prevention)
- Health Care Financing Administration (treatment)
- Health Resources and Services Administration (treatment)
- Indian Health Service (prevention and treatment)
- National Institutes of Health* (prevention and treatment research)
- Substance Abuse and Mental Health Services Administration* (prevention and treatment)

Department of Housing and Urban Development* (prevention)

Department of the Interior
- Bureau of Indian Affairs (law enforcement)
- Bureau of Land Management (law enforcement)
- U.S. Fish and Wildlife Service (law enforcement)
- National Park Service (law enforcement)

Federal Judiciary (prosecutions; corrections)

Department of Justice*
- Assets Forfeiture Fund (law enforcement)
- U.S. Attorneys (prosecutions)
- Bureau of Prisons (corrections)
- Community Oriented Policing Services* (state and local grants)
- Criminal Division* (prosecutions)
- Drug Enforcement Administration* (law enforcement)
- Federal Bureau of Investigation* (law enforcement)
- Federal Prisoner Detention (corrections)
- Immigration and Naturalization Service (law enforcement; interdiction)
- Interagency Crime and Drug Enforcement (law enforcement)
- INTERPOL (international law enforcement)
- U.S. Marshals Service (law enforcement; prosecutions)
- Office of Justice Programs* (law enforcement; state and local grants)
- Tax Division (prosecutions)

Department of Labor* (prevention)

Office of National Drug Control Policy*

Small Business Administration* (prevention)

Department of State*
- Public Diplomacy (international law enforcement)
- Bureau of International Narcotics and Law Enforcement Affairs (international law enforcement)
- Emergencies in the Diplomatic and Consular Service (international law enforcement)

Department of Transportation*
- U.S. Coast Guard* (law enforcement; interdiction)
- Federal Aviation Administration (law enforcement; interdiction; prevention)
- National Highway Traffic Safety Administration (prevention; state and local grants)

Department of the Treasury*
- Bureau of Alcohol, Tobacco, and Firearms* (law enforcement)
- U.S. Customs Service* (law enforcement; interdiction)
- Federal Law Enforcement Training Center (law enforcement; training)
- Financial Crimes Enforcement Network* (law enforcement; money laundering)
- Interagency Crime and Drug Enforcement (law enforcement)
- Internal Revenue Service* (law enforcement)
- U.S. Secret Service (law enforcement)
- Treasury Forfeiture Fund (law enforcement)

Department of Veterans Affairs* (treatment)

*Denotes agencies with personnel who participated in the PME process.

to more effectively manage the programs under its purview. As is discussed later, subsequent to the development of the Performance Measurement System, Congress did add language that mandated that ONDCP report annually on its progress toward achieving the targets established by the Performance Measurement System.

That the ONDCP chose to develop the PME system of its own accord offers insight into both the merits of measuring performance as well as the policy office's development as an organization. To begin with, one typically views performance measurement as a way for the legislators and the public at large to hold executive branch agencies accountable for their efforts. The case of the ONDCP's PME system, however, offers an example of how an executive branch policy office was similarly motivated. In this case, the ONDCP sought to use performance measurement to hold other executive agencies accountable for their contributions to the crosscutting effort.

The decision to develop the PME system also suggests maturation on the part of the ONDCP as a policy office. In the office's early years, it was essentially used as a bully pulpit to champion various themes, often with an ideological tenor. The development of the PME system indicates a move beyond that role, as the office takes on the more difficult task of managing policy across organizations. The ONDCP made the decision to try to hold the drug control agencies accountable for their program contributions to desirable outcomes knowing full well that others would also use the system to hold the ONDCP responsible for the collective progress, or lack thereof, relative to the strategy's goals. The PME system, then, represents a self-imposed check on performance. Prior to the passage of GPRA, there were few examples of federal government organizations willing to expose themselves to the fallout that can result from such transparency.
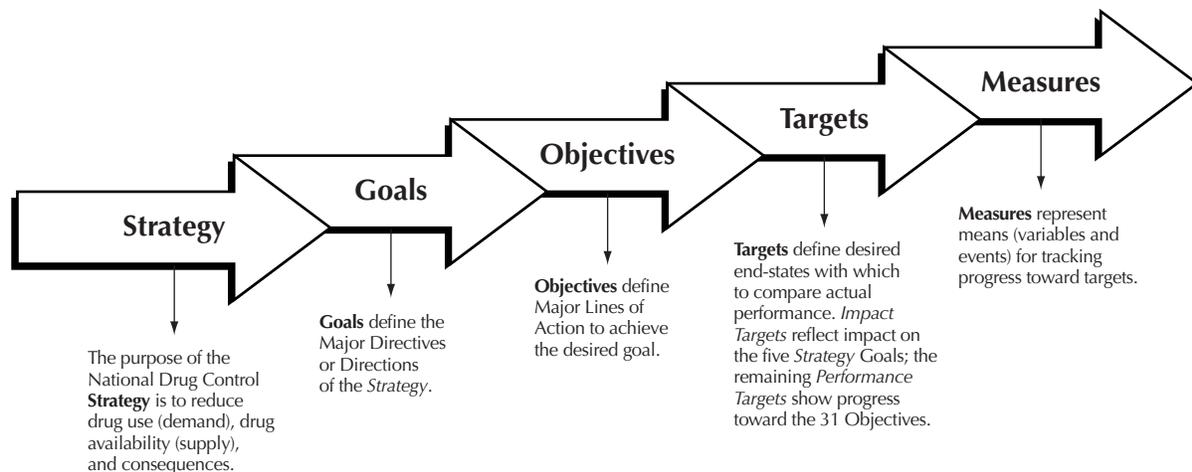
Constructing the PME System

ONDCP by law must propose annually a strategy with long-term goals and short-term measurable objectives to *reduce* drug use and its consequences. The emphasis on the word *reduce* is important, as it means that ONDCP must propose a plan of action to ameliorate the drug situation. A simple maintenance strategy would not satisfy the law; the strategy must propose a course of action to reduce drug use and its consequences.

The statutory requirement that ONDCP develop a strategy to reduce the drug problem is worthy of momentary consideration. If the long-term trend for a particular illicit drug is up, then the strategy must propose demand and supply reduction activities to reverse this trend. Proposing a course of action that reduces the rate of growth, but allows for some, growth, is unacceptable in relation to ONDCP's

statutory requirement to reduce drug use and its consequences. The statutory imperative, therefore, becomes the political reality for the formulation of drug policy. After all, if reducing the rate of growth in a long-term trend is the best one can reasonably expect, then the merit of any underlying performance management system is called into question. A strategy and supporting budget will not have credibility with the community of stakeholders; the supporting evaluation will fail to produce results in line with stated expectations.

The overall approach of the PME development process was to start with the strategy and its explicit goals, and, working through a logic model, connect those goals to specific objectives, performance targets, and measurements. Figure 1 lays out the basic structure of this plan.

Figure 1: Performance Measurement Framework

Strategy

Goals

Objectives

Targets

Measures

The purpose of the National Drug Control **Strategy** is to reduce drug use (demand), drug availability (supply), and consequences.

Goals define the Major Directives or Directions of the *Strategy*.

Objectives define Major Lines of Action to achieve the desired goal.

Targets define desired end-states with which to compare actual performance. *Impact Targets* reflect impact on the five *Strategy* Goals; the remaining *Performance Targets* show progress toward the 31 Objectives.

Measures represent means (variables and events) for tracking progress toward targets.

Source: ONDCP, 2000.

Though relatively simple to describe, implementation of this plan would prove more difficult.

A Collaborative Effort

By statutory design, ONDCP is a policy office responsible for *coordinating* agency activities. It has very little direct line authority. With the power at its disposal limited, the office is not in a position to *order* agencies to develop their own drug-control specific performance measures in support of the strategy. Nor could the ONDCP develop its own performance measures and then unilaterally impose them on the agencies. Most likely, the agencies would simply reject or ignore such an attempt.

Cognizant of the literature stressing participation by stakeholders, and well aware of the limits of its own authority, the ONDCP embarked on a collaborative process to develop a performance measurement system designed to measure the efficacy of the goals and objectives of the strategy. It would require extensive coordination of the agencies involved in delivering key programs. Managing the consultative process was important for both organizational reasons as well as the need to get agency personnel to buy into the concept.

In the end, the process would use the input of over 250 people representing numerous government agencies and other organizations. To organize the effort, the ONDCP constructed a complex set of steering committees and working groups designed to address the specific tasks of developing a performance measurement system.

The process of managing this effort was difficult but key to the development of the performance measurement system. Handled badly, it could have resulted in the failure to get federal agencies and other stakeholders to buy into the national effort to achieve meaningful outcomes for national drug control policy.

ONDCP officials also understood that the performance measurement system would require a long-term effort. Owing to the crosscutting nature of the issue and the extensive number of federal agencies involved in drug control activities, they anticipated a process that would span years and might pass through several iterations before it could be reason-

Chronology of Events

1988	Congress creates the Office of National Drug Control Policy (ONDCP).
1989 March	ONDCP officially formed with confirmation of William Bennett as first director.
September	First National Drug Control Strategy released.
1993	Congress passes the Government Performance and Results Act.
1996 February	National Strategy released with five goals that would be the starting point for the PME system.
June	ONDCP hosts workshops for agencies on performance measurement.
December	Internal work at ONDCP lays the foundation for the PME process.
1997 February	PME process formally begins. Steering and interagency working groups are formed.
July	ONDCP proposes to "stretch" the performance measure targets.
September	Interagency clearance process begins. Agencies and OMB register objections to PME system generally, and stretch targets in particular.
December	Agencies sign off on the PME report.
1998	ONDCP issues *Performance Measures of Effectiveness*, the first PME report.
1999	ONDCP issues *Performance Measures of Effectiveness: Implementation and Findings*.
2000	ONDCP issues *Performance Measures of Effectiveness: Progress Report*.

ably expected to become fully operational. To sustain such an effort, it was important to secure a genuine commitment from the many participants early on in the development process.

The initial effort was presented to the federal agencies and others in the community of stakeholders as one requiring a few years, perhaps as many as three, before system development could be declared adequate to begin the business of bringing accountability to drug control. In fact, the development process did take three years. Year One began in 1997 and involved using working groups to identify performance targets and measures for the system. Year Two involved designing and implementing an information management system to handle the extensive federal agency data reporting requirements. It also involved continued refinement of the performance targets and measures. By 2000, the system became operational. While not entirely complete, enough of it was functioning to measure progress toward key performance targets.

Logic Models

In developing the performance measurement system, one tool that proved invaluable for keeping the development process on track was a logic model. Logic models have been around for many years and are used by policy and program managers to describe the causal structure relating program inputs to outcomes. Theory-based, they provide a tool for public managers to plot out causal relationships between programmatic actions and outcomes. They also provide a method to identify interrelated factors.

The ONDCP's national drug control strategy identifies five broad goals focused on reducing the use and consequences of illicit drugs. For the PME system, ONDCP staff constructed a logic model to link the strategy's five goals to 32 objectives. It is important to note that the ONDCP imposed the rule that strategic goals and objectives were not on the table during the development process. These would be treated as a given to the exercise of developing performance targets and measures. To permit discussion of the strategic goals and objectives, which had been developed through a multi-year interagency process, would have introduced too many variables into the exercise. It also would have reopened discussions and debates that,

Logic Models and Performance Management*

Logic models depict real-live events or relationships through the use of words or charts. They attempt to capture the underlying assumptions or bases upon which one act or event is expected to lead to the occurrence of another. Logic models, then, consist of causal chains that seek to explain the occurrence or non-occurrence of phenomena through a series of controllable activities. By trying to portray real life in pictures, they force the administrator to state explicitly the set of causal relationships surrounding the problem in question.

For the past 20 years, logic models have been used largely in program evaluations to chart out what should have happened and what did or did not occur as intended. These logic models start with the inputs of the program being evaluated and work their way through the processes to end with the desired end state, whether output or outcome. Evaluation specialists, with some input from policy/planning staff and program managers, usually undertook these modeling efforts (Mohr, 1995).

More recently, public managers have begun to employ logic models as part of the effort to introduce more accountability into government. These tools prove useful to any person trying to plan, manage, account for, audit, evaluate, or explain the connections between what a program's spending and its objectives. The logic models used by the ONDCP, then, were developed from the perspective of government managers seeking to implement policies to effect change. They reflected the logic behind a government programs. These models suggested that government intervention in one or more areas will set off a causal chain of responses or effects. At the end of that chain, ideally, would be a desired policy outcome.

Monitoring a program's outputs (e.g., services or products produced) is relatively easy for a manager. Determining a program's impact on society—its outcomes—is considerably harder. The relationship among variables is complex and the measurements elusive. Decreasing drug use by youth presents one such case. By developing a logic model, the manager can identify, at least conceptually, the issues that need to be addressed when seeking to change this behavior. Though some of these elements may be beyond the control of public administrators, they will have at least identified the components upon which successful performance is dependent.

Figure 2 provides an example of one piece of the larger PME system. It presents how the ONDCP conceptualizes the effect pursuit of a media campaign will have on drug use by youth. It also places that objective in the context of reducing the demand for drugs overall. Quantifiable measures are then identified for the outcomes. Once completed, the model can be used to identify how changes in policy will influence one element in the model and, in turn, ripple through the system, affecting other relationships. In this way, the model can be used to guide policy choices and, by monitoring changes in the target measures, measure performance.

Figure 2: Reducing Drug Use Among Youth
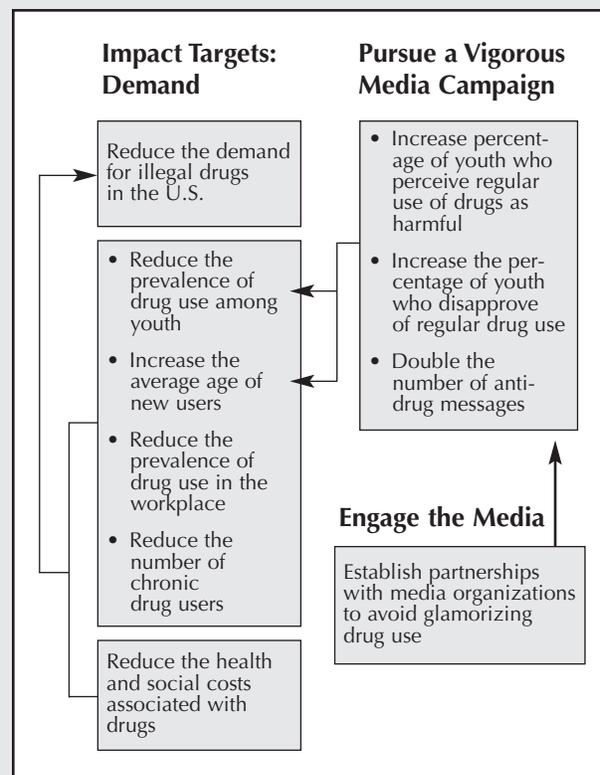
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for some in the agencies, had never been fully resolved. Most participants accepted this constraint, and the logic model did provide a reasonable policy and program basis to the system.

The logic model, then, served as the foundation for much of the work that would follow. It served to focus the many participants with disparate perspectives on and interests in the task of identifying a common set of performance outcomes (reducing drug use, availability, or drug use consequences) for which they would be jointly accountable. This tool would also became a vehicle for getting the federal drug control agencies to link budget and evaluation through a strategic planning process (Millar, Simeone, and Carnevale, 2001).

To facilitate the process, ONDCP staff provided mini-workshops on the use of logic structures to working group participants with the assistance of outside experts. Beginning with the strategic goals and associated objectives, participants in the working groups clarified each objective and began to identify relevant performance measures. Eventually, these measurements would be used to establish performance targets. For example, one working group was tasked with developing performance targets for the objective under the strategy's drug prevention goal. The objective calls for federal program managers to "pursue a vigorous advertising and public communications program dealing with the dangers of illegal drugs, alcohol, and tobacco use by youth." The working group managers added clarity to this objective by establishing performance targets pertaining to changing youth drug use attitudes about the dangers of drug use and how the media was to be engaged. They logically connected an objective target for more inputs (e.g., double the number of media messages) to a goal (e.g., changes in youth attitudes about the dangers of drug use) to a strategic outcome (reduced youth drug use).

Working through the Process

Initial work on the development of the performance measurement system began in February 1997. A total of 23 federal Interagency Working Groups (IWGs) comprised of federal career staff were formed to identify targets for each of the 32 objectives of the national drug control strategies. Each IWG was chaired by an agency representative and assisted by

the ONDCP evaluation staff. The working groups consisted of agency program staff, line managers, and other drug program or data experts knowledgeable of drug control programs, policy, and research. Working group leaders were named and received the bulk of the training provided by ONDCP staff.

Interagency Steering Groups provided oversight for the IWGs. The steering groups were comprised of senior federal career (mostly Senior Executive Service members) policy officials. In addition to monitoring the IWGs, the steering group members served as the primary liaisons with the agencies. Well positioned to facilitate communications with parent agency senior policy and career staff, they provided assurance that individual agency concerns would be brought to the table and articulated clearly.

The working groups were instructed to identify targets that would signal success at reducing the nation's drug control problem 10 years into the future. The prior year, 1996, would serve as the baseline. ONDCP wanted the working groups to develop recommendations, without paying attention to resource constraints, for performance outcomes to reduce drug use, availability, and drug use consequences. Research had demonstrated that drug use can change over the long term, and ONDCP staff felt that the working groups would have an easier time thinking about establishing performance outcome targets for the distant future rather than in the immediate short term. Some performance targets were used to represent end states for the strategic plan. These targets—12 in total— were referred to as "impact targets" to distinguish them from those performance targets for the strategic goals and objectives. Table 1 shows the impact targets established for one of the impact targets, reducing drug use among hard-core users, and the progress to date. Taking cocaine as an example, the ONDCP reported 3.4 million hard-core cocaine users in 1996, the base year. The impact targets call for a 20 percent reduction by 2002 (to 2.7 million users) and a 50 percent reduction by 2007 (to 1.7 million). As the table suggests, progress appears to being made with regard to cocaine use, but the number of heroin addicts is clearly moving in the wrong direction. Table 2 presents similar data for the impact target focusing on raising the age at which users first try illegal drugs.

Table 1: Impact Target—Reduce the Number of Number of Chronic Drug Users
(number of hard-core drug users in thousands)

	1995	1996 Baseline	1997	1998	1999	2000	2001	2002 5-year Goal	2007 10-year Goal
Cocaine									
Target		3,410						2,728	1,705
Observed	3,555	3,410	3,162	3,045	3,103	3,103			
Heroin									
Target		917						724	459
Observed	855	917	935	980	977	977			

Source: ONDCP, personal communication.

Table 2: Impact Target—Increase the Average Age at First Use
(average age in years)

	1995	1996 Baseline	1997	1998	1999	2000	2001	2002 5-year Goal	2007 10-year Goal
Marijuana									
Target		17						18	20
Observed	16.9	17	17.2	17.3	*	*			
Cocaine									
Target		20.1						21.1	23.1
Observed	20.3	20.1	19.6	20.6	*	*			
Heroin									
Target		20.5						21.5	23.5
Observed	20.5	22.6	21.3	*	*	*			

* Data not yet available; there is a reporting lag time of 2-3 years for these measures.
Source: ONDCP, personal communication.

Stretching the Outcome Targets

The next task was to get the working groups to identify five-year performance outcome targets that linked to the 10-year targets. This step gave each group three data points in a time trend (the baseline being 1996, a five-year target, and a 10-year target) to track the progress of the strategy's goals and objectives.

The working groups were also told to ignore existing data systems when considering candidate performance targets. Many federal data systems that contained drug-related information had been in place long before the drug strategy and were designed to serve particular agency program needs. While many of these had relevance for measurement of performance, not all of them did. Working groups were told not to develop performance targets to justify the continued use of existing measures, but to develop targets and measures from a normative standpoint. Once targets and measures were identified, ONDCP would look to the federal community to see what existing data systems could serve the system's needs. Data gaps would be identified and the challenge to ONDCP would be to obtain resources to fill these gaps. The intent was to construct a performance measurement system that was most relevant for the strategy. This stipulation

The Challenge of Developing Cross-Agency Measures

proved critical and freed the working groups to look beyond currently available data.

With the more macro impact targets identified, the working groups set about the task of recommending specific performance targets and measures to correspond with each of the objectives. Each working group took responsibility for one or more strategy objectives. They met throughout the spring of 1997, eventually proposing 111 performance targets to track the strategy's efficacy.

During the summer, ONDCP staff and the steering committees reviewed the proposed targets and measures. It was at this time that the ONDCP sought to "stretch" the targets proposed by the interagency process. For example, an expert recommendation for a 10-year target to reduce overall drug use by 30 or 40 percent was changed to a 50 percent target under the notion that this represented a more desirable end state than what current trends might otherwise produce. The introduction of "stretch targets" would prove controversial among the agency participants, both substantively and procedurally.

The reaction of the IWGs to the stretch targets was swift and negative. Some participants complained that the new targets were simply unrealistic. Others argued that the stretch targets were unachievable given current funding levels. That line of reasoning led the Office of Management and Budget (OMB) to object to the targets in general, because they could be interpreted as committing the government to increasing funding for these programs in the future. Finally, most of the participants protested the fact that the stretch targets were being imposed by the ONDCP. Up to that point, the process had been functioning in a much more *bottom-up* fashion. The imposition of the stretch targets, however, broke from that pattern and threatened the goodwill and commitment to the process that had been cultivated to that point. Finally, some participants felt the stretch targets were politically motivated. The revisions represented a thinly veiled effort by a Democratic administration to demonstrate to a Republican Congress a level of seriousness about the drug problem.

To a certain degree, some of the criticisms were valid. The ONDCP was sensitive about forwarding performance targets to the Congress that were vulnerable to charges of being too timid or meek. Substantive concerns, however, also motivated the drug policy office. The initial targets had been the product of the IWG process. The ONDCP was worried that, at least in some cases, these working groups had produced conservative estimates of progress that agency representatives felt confident they could achieve. Guided by the literature[1], the ONDCP sought to avoid performance targets that were essentially the lowest common denominator of an interagency process. The stretch targets were designed to motivate the agencies to do more than maintain the current rate of progress; they challenged the community to look beyond the status quo.

The debate over stretch targets threatened to derail the entire PME process. It was eventually resolved when the ONDCP agreed to qualify the presentation of the system in a number of areas. First, to placate OMB, the drug policy office agreed that the PME system did not imply any commitment to funding increases in the future. It was not, in the words of the ONDCP director, "a budget document" (McCaffrey, 1998). Second, the ONDCP also acknowledged that the goals and targets identified in the PME system were national ones, as opposed to federal ones. Therefore, reaching particular targets was not solely the responsibility of federal agencies. State and local governments as well as a number of nongovernmental organizations also play important roles. In retrospect, the ONDCP introduces these two major accountability loopholes in exchange for the stretch targets in an effort to hold together the fragile collaborative process. And third, ONDCP included a discussion of the performance targets in its first performance measurement report that demonstrated that the out-year targets were analytically plausible. This analysis was research-based and demonstrated that the stretch targets were indeed plausible in that they had a reasonable probability of being achieved with an integrated effort and commitment of the federal government. It succeeded in quieting the critics.

In the fall of 1997, the ONDCP began the formal interagency clearance process for the draft report.

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[1] *The U.S. General Accounting Office, the National Academy of Public Administration, and performance measurement experts have all recommended the use of stretch targets in performance measurement systems.*

The clearance process enabled each agency to formally review and comment on the proposed system and to recommend changes. Some congressional staff and members of nongovernmental organizations were also involved in the consultation process. Of the major departments, State and Defense signed off on the document with relatively little comment. Education provided a qualified approval, citing a concern over the relationship between the PME and the budget process. Both the Departments of Treasury and Health and Human Services echoed the concern about the budget, in addition to offering several specific suggested changes to the document, much of which were incorporated.

The Department of Justice (DoJ), the department with perhaps the most at stake, proved the most intractable in the clearance process. Despite participating broadly in the IWGs and on the steering committees, DoJ's leadership chose the clearance process to question the PME system generally and, in particular, the ONDCP's role in directing the process. The department's formal response also included 113 line-by-line comments, most critical of the report's contents (ONDCP, 1998a). The department eventually did sign off on the PME report, but only after it reached the most senior policy officials in DoJ and ONDCP. Clearance was obtained after ONDCP highlighted two things to the attorney general: that the development process included the substantial involvement of a substantial number of DoJ staff who were picked by DoJ's chief of staff, and that the system of performance measures applied to the nation and not necessarily to the department's programs and activities.

In February 1998—one year after the initial effort began—the ONDCP released a report to Congress presenting its proposed performance measurement system (ONDPC, 1998b). The congressional reaction was mixed. Some members complained vehemently that the policy office had not gone far enough with its performance targets. It was something of an ironic reaction since the agencies had just been arguing that the stretch targets were too ambitious. ONDCP's own oversight committees, however, expressed greater appreciation for what had been accomplished. The following language was included in the reauthorization bill passed later that year.

It is the sense of Congress that the performance measurement system developed by the director [of ONDCP] is central to the national Drug Control Program targets, programs, and budgets: the Congress strongly endorses the performance measurement system. (ONDCP 1998 Reauthorization Act, P.L.105-227)

Since the introduction to the public of the performance measurement system, it continues to be refined to reflect stakeholder concerns. At this point in the process, the group of stakeholders has expanded beyond the federal agencies to include state and local governments, Congress, and those with expertise in drug control policy. The refinements included action plans designed to indicate the programmatic changes necessary to realize performance outcomes (ONDCP, 1999). A process to link the PME system to the budget certification process was also explored. By the end of its third year of development, attention shifted to filling the data gap and activating a management information system to meet the extensive data requirements (ONDCP, 2000). In the 2000 PME report, the ONDCP PME system is an imposing array of five goals, 31 objectives, 97 performance targets, and 127 measures (Figures 3a-3f).

Figure 3a: The National Drug Control Strategy

Supply

- Reduce availability of illicit drugs in the United States (Goal 2c)
- Reduce the rate of shipment of illicit drugs from source zones (Goal 5a)
- Reduce the rate of illicit drug flow through transit and arrival zones (Goal 4)
- Reduce domestic cultivation and production of illicit drugs (Goal 5b)
- Reduce the drug trafficker success rate in the United States (Goal 2b)

Demand

- Reduce the demand for illegal drugs in the United States (Goal 3b)
- Reduce the prevalence of drug use among youth (Goal 1a)
- Increase the average age of new users (Goal 1b)
- Reduce the prevalence of drug use in the workplace (Goal 3c)
- Reduce the number of chronic drug users (Goal 3d)

Consequences

- Reduce the rate of crime associated with drug trafficking and use (Goal 2a)
- Reduce the health and social costs associated with illegal drug use (Goal 3a)

Source: ONDCP, 2000, Appendix B

Figure 3b: The National Drug Control Strategy Goal 1—Prevent Drug Use Among America's Youth

Pursue a Vigorous Media Campaign

- Increase the percentage of youth who perceive drug use as harmful (1.2.1)
- Increase the percentage of youth who disapprove of drug use (1.2.1)
- Double the number of viewing hours that provide anti-drug messages (1.2.3)

Engage the Media

- Establish partnerships with media organizations to avoid glamorizing drug use (1.7.1)

Increase the Ability of Adults to Discourage Drug Use

- Increase the proportion of adults who have the capacity to help youth reject drugs (1.1.1)
- Increase the proportion of adults who attempt to influence youth to reject drugs (1.1.2)
- Reduce the proportion of adults who regard drug use as acceptable (1.1.3)

Increase Mentoring

- Develop a national program for increasing the number of mentors and mentoring organizations (1.5.1)
- Increase the proportion of adults who are trained to serve as mentors (1.5.2)

Develop Community Coalitions

- Publish a national inventory of community-based coalitions and partnerships (1.6.1)
- Increase the number of communities with funded, comprehensive, anti-drug coalitions (1.6.2)

Provide Sound School-Based Prevention Programs

- Establish criteria for effective prevention programs and policies (1.4.1)
- Increase the proportion of schools that have implemented effective programs and policies (1.4.2)

Promote Zero Tolerance Policies

- Promote zero tolerance policies in all schools (1.3.1)
- Increase the proportion of communities with zero tolerance policies (1.3.2)

Develop Prevention Principles

- Develop principles for prevention models (1.8.1)
- Disseminate information on these principles (1.8.2)

Conduct Research

- Assess prevention research (1.9.1)
- Increase the proportion of research-based prevention products (1.9.2)

Source: ONDCP, 2000, Appendix B

Figure 3c: The National Drug Control Strategy Goal 2—Increase the Safety of America's Citizens

Disrupt Trafficking Organizations

- Reduce the rate of specified drug-related violent crimes (2.1.1)
- Disrupt domestic drug trafficking organizations (2.1.2)

Strengthen HIDTAs

- Ensure HIDTAs meet NDS (2.2.1)
- Disrupt drug trafficking organizations in HIDTAs (2.2.2)
- Reduce the rate of specified drug-related violent crimes in HIDTAs (2.2.3)

Disrupt Money Laundering Organizations by Seizing Assets

- Increase use of asset seizure policies and procedures (2.3.1)
- Ensure that all states enact drug-related asset seizure and forfeiture laws (2.3.2)
- Increase the cost of money laundering to drug traffickers (2.3.3)

Break the Cycle

- Develop standards for drug testing policies (2.4.1)
- Increase the proportion of drug-using offenders who receive treatment (2.4.2)
- Reduce inmate access to illicit drugs (2.4.3)
- Decrease the proportion of drug using offenders who are rearrested (2.4.4)

Conduct Research

- Identify and disseminate information on successful law enforcement and treatment initiatives (2.5.1)
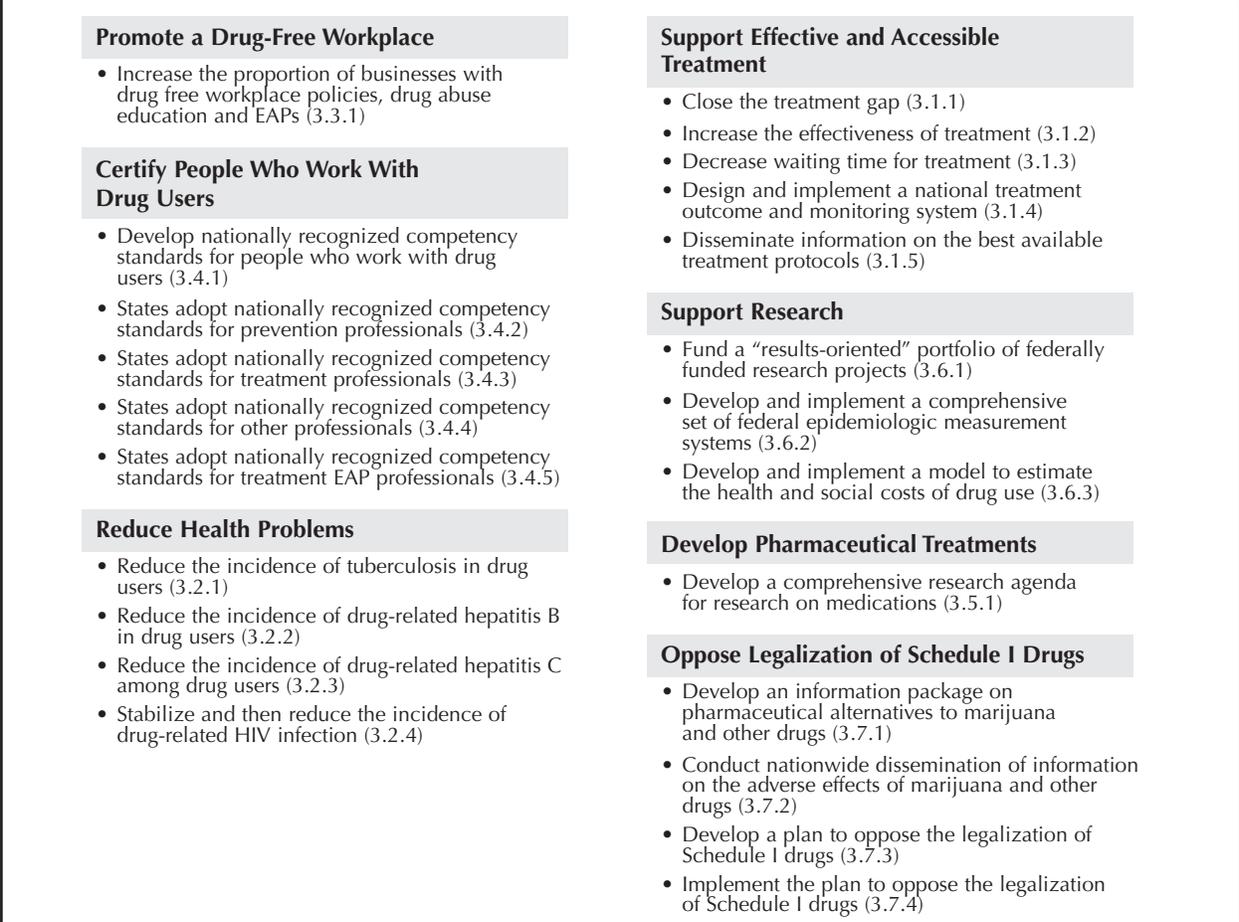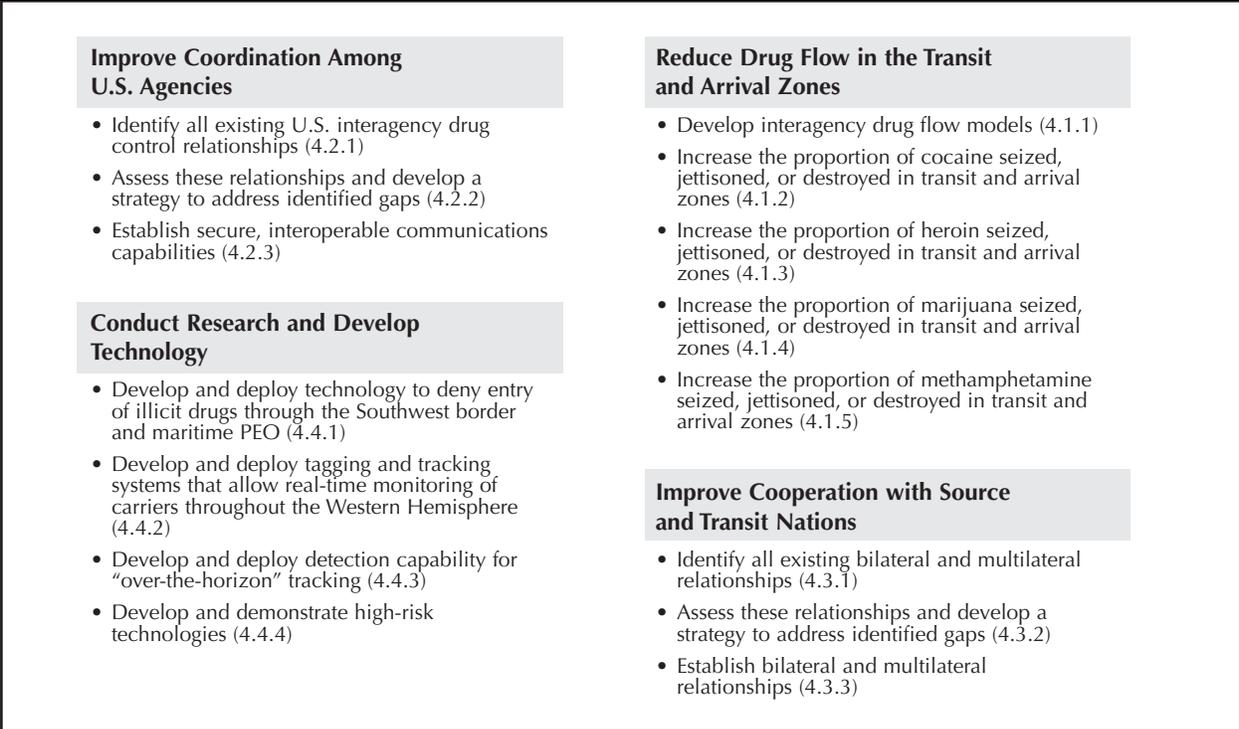- Increase the proportion of agencies that have implemented similar initiatives (2.5.2)

Source: ONDCP, 2000, Appendix B

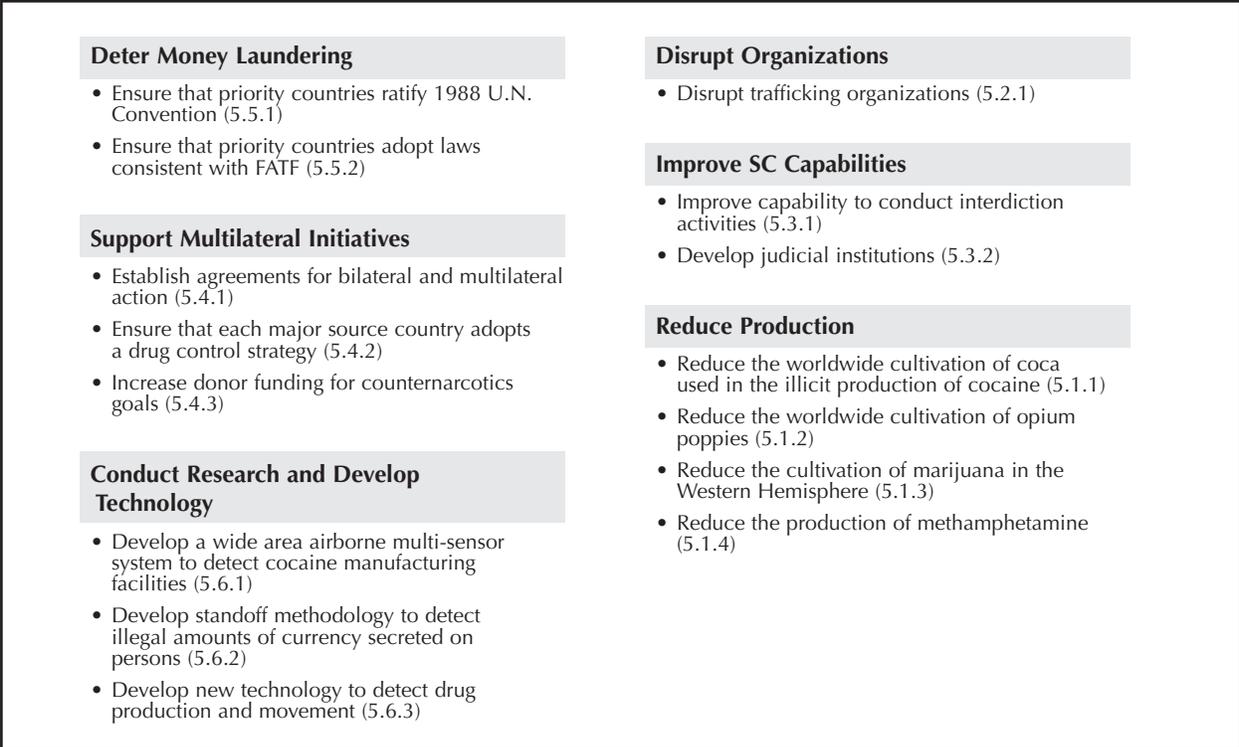**Figure 3d: The National Drug Control Strategy Goal 3—Reduce the Health and Social Costs of Drug Use**

Promote a Drug-Free Workplace

- Increase the proportion of businesses with drug free workplace policies, drug abuse education and EAPs (3.3.1)

Certify People Who Work With Drug Users

- Develop nationally recognized competency standards for people who work with drug users (3.4.1)
- States adopt nationally recognized competency standards for prevention professionals (3.4.2)
- States adopt nationally recognized competency standards for treatment professionals (3.4.3)
- States adopt nationally recognized competency standards for other professionals (3.4.4)
- States adopt nationally recognized competency standards for treatment EAP professionals (3.4.5)

Reduce Health Problems

- Reduce the incidence of tuberculosis in drug users (3.2.1)
- Reduce the incidence of drug-related hepatitis B in drug users (3.2.2)
- Reduce the incidence of drug-related hepatitis C among drug users (3.2.3)
- Stabilize and then reduce the incidence of drug-related HIV infection (3.2.4)

Support Effective and Accessible Treatment

- Close the treatment gap (3.1.1)
- Increase the effectiveness of treatment (3.1.2)
- Decrease waiting time for treatment (3.1.3)
- Design and implement a national treatment outcome and monitoring system (3.1.4)
- Disseminate information on the best available treatment protocols (3.1.5)

Support Research

- Fund a "results-oriented" portfolio of federally funded research projects (3.6.1)
- Develop and implement a comprehensive set of federal epidemiologic measurement systems (3.6.2)
- Develop and implement a model to estimate the health and social costs of drug use (3.6.3)

Develop Pharmaceutical Treatments

- Develop a comprehensive research agenda for research on medications (3.5.1)

Oppose Legalization of Schedule I Drugs

- Develop an information package on pharmaceutical alternatives to marijuana and other drugs (3.7.1)
- Conduct nationwide dissemination of information on the adverse effects of marijuana and other drugs (3.7.2)
- Develop a plan to oppose the legalization of Schedule I drugs (3.7.3)
- Implement the plan to oppose the legalization of Schedule I drugs (3.7.4)

Source: ONDCP, 2000, Appendix B

Figure 3e: The National Drug Control Strategy Goal 4—Shield America's Air, Land, and Sea Frontiers

Improve Coordination Among U.S. Agencies

- Identify all existing U.S. interagency drug control relationships (4.2.1)
- Assess these relationships and develop a strategy to address identified gaps (4.2.2)
- Establish secure, interoperable communications capabilities (4.2.3)

Conduct Research and Develop Technology

- Develop and deploy technology to deny entry of illicit drugs through the Southwest border and maritime PEO (4.4.1)
- Develop and deploy tagging and tracking systems that allow real-time monitoring of carriers throughout the Western Hemisphere (4.4.2)
- Develop and deploy detection capability for "over-the-horizon" tracking (4.4.3)
- Develop and demonstrate high-risk technologies (4.4.4)

Reduce Drug Flow in the Transit and Arrival Zones

- Develop interagency drug flow models (4.1.1)
- Increase the proportion of cocaine seized, jettisoned, or destroyed in transit and arrival zones (4.1.2)
- Increase the proportion of heroin seized, jettisoned, or destroyed in transit and arrival zones (4.1.3)
- Increase the proportion of marijuana seized, jettisoned, or destroyed in transit and arrival zones (4.1.4)
- Increase the proportion of methamphetamine seized, jettisoned, or destroyed in transit and arrival zones (4.1.5)

Improve Cooperation with Source and Transit Nations

- Identify all existing bilateral and multilateral relationships (4.3.1)
- Assess these relationships and develop a strategy to address identified gaps (4.3.2)
- Establish bilateral and multilateral relationships (4.3.3)

Source: ONDCP, 2000, Appendix B

Figure 3f: The National Drug Control Strategy Goal 5—Break Foreign and Domestic Sources of Supply

Deter Money Laundering

- Ensure that priority countries ratify 1988 U.N. Convention (5.5.1)
- Ensure that priority countries adopt laws consistent with FATF (5.5.2)

Support Multilateral Initiatives

- Establish agreements for bilateral and multilateral action (5.4.1)
- Ensure that each major source country adopts a drug control strategy (5.4.2)
- Increase donor funding for counternarcotics goals (5.4.3)

Conduct Research and Develop Technology

- Develop a wide area airborne multi-sensor system to detect cocaine manufacturing facilities (5.6.1)
- Develop standoff methodology to detect illegal amounts of currency secreted on persons (5.6.2)
- Develop new technology to detect drug production and movement (5.6.3)

Disrupt Organizations

- Disrupt trafficking organizations (5.2.1)

Improve SC Capabilities

- Improve capability to conduct interdiction activities (5.3.1)
- Develop judicial institutions (5.3.2)

Reduce Production

- Reduce the worldwide cultivation of coca used in the illicit production of cocaine (5.1.1)
- Reduce the worldwide cultivation of opium poppies (5.1.2)
- Reduce the cultivation of marijuana in the Western Hemisphere (5.1.3)
- Reduce the production of methamphetamine (5.1.4)

Source: ONDCP, 2000, Appendix B

John Carnevale on Managing the PME Process

As the former director of programs, budget, research, and evaluation for the ONDCP, much of the substantive work on the PME system was the responsibility of my staff. Early on, I realized that successful development and formulation of the performance measurement system required buy-in from each of the departments and agencies involved in drug control activities. The challenge was to gain buy-in without compromising the integrity of the system. After all, the possibility of being held accountable for outcomes that could be affected by others was not too attractive to most agencies. At the same time, frustrated by a seeming lack of progress against overall and youth drug use, Congress demanded that ONDCP take its legal mandate for performance measurement much more seriously.

My approach was grounded in the belief that exclusive reliance on a bottom-up approach to develop a performance measurement system would not work. An earlier attempt at accountability using this approach had failed. ONDCP's Office of Supply Reduction worked for three years to establish outcome measures just for international programs— about 5 percent of the drug control budget—but could only manage to produce program activity targets (e.g., measuring seizures for a specific program activity) rather than strategically based targets (e.g., why are seizures important to the then existing strategic goal to strengthen international cooperation against narcotics trafficking?). The bottom-up approach asked those responsible for field program operations to explain how their programs contributed to national strategic outcomes. The real answer was that they did not know.

Because of that experience, I knew that leaving the agencies to their own devices was not an option. Those policy and program managers at ONDCP and within the federal drug control agency community had to become involved in the process. Each agency's chief of staff was asked to designate an individual to participate in the process. To ensure their cooperation, we did an unusual thing. The designated experts were "guaranteed anonymity" with regard to their contribution. In other words, we at least gave them the opportunity to "check their agency hat at the door" and free them up to share their expertise. Simply because they as an individual agreed on a particular issue would not be construed as clearance by their agency. That would come later.

Having a strong sense of purpose was critical. I wanted the performance measurement system to be cast in a logic model framework that would explain how the five goals and then 32 objectives contributed to an end state established 10 years into the future. Why 10 years? Led by the new drug czar, Barry R. McCaffrey, the discussion about the strategic plan focused on a long-term, 10-year plan to reduce drug use, availability, and consequences. So establishing 10-year targets and measures made sense.

Three specific elements proved critical to me as a manager throughout the process. First, I had the clear support of the ONDCP director. ONDCP's authorizers in the Congress had told Director McCaffrey to produce a performance measurement system, or else they would do it for him. Luckily, he understood the importance of accountability and wanted a performance measurement system even more than his congressional managers. His commitment to the project helped me to manage the interagency process from start to finish. Agency participants knew that one way or another, ONDCP's new czar was determined to develop a system—he had to—and understood they had more to gain by being involved.

The second critical element was my ability to tap outside expertise. Through a policy research contract, we could seek outside opinions on our work in progress. The baggage of bureaucratic politics or agency loyalties did not encumber these outsiders. As a result, they sometimes even played the role of referee. Finally, our effort greatly benefited from the presence of a noted national performance management expert on staff. Annie Millar brought to the project her considerable knowledge and experience as well as access to the best-known scholars in the performance measurement field.

It is worth highlighting one complex issue that threatened to derail the process: the imposition of stretch targets. The working groups identified 10-year targets that often simply extended current trend lines. For example, the working group that looked at outcomes for overall illicit drug use levels (measured by a national household survey) proposed a target of a 35 percent reduction in use relative to the 1996 baseline. Their rationale was that such a reduction reflected current use trends combined with pessimistic projections about future congressional funding. Such an approach, however, failed to recognize that the national strategy was supposed to take the nation beyond the point where the current trend might go. It also ignored the possibility of using the system to challenge the Congress to fund these programs.

The performance measurement literature maintains that sometimes targets have to be "stretched" if the reason is to motivate policy and program managers to do more than maintain current trends. It is a responsibility that falls squarely in the lap of the drug czar. So, we stretched. In the above case, the working group's recommendation was stretched to become a 50 percent reduction in drug use. Other similarly ambitious targets also were imposed.

The decision to stretch the performance targets was not a popular one and threatened the goodwill and cooperation we had cultivated to that point. The working group members claimed (in part, correctly) that the decision was politically motivated. More importantly, they feared their programs would be in peril if the targets were missed. They did not believe that the Congress would ever provide the funds necessary to achieve the ambitious goals we had laid out.

From where I sat, they were missing the point. It was the drug czar's job to organize a strategic effort to achieve the targets by getting the right programs and resources from Congress to achieve the 10-year targets. The drug czar would prepare a strategy and budget for the president to take to Congress. Ultimately, the burden would fall to Congress to approve the long-term strategic plan and to provide the necessary resources to implement it. We understood that the performance targets necessarily would be revised depending on Congress' cooperation. I think the agency participants understood my reasoning, but never completely accepted it. It is worth mentioning, though, that Congress itself caught the stretch target bug: It legislated its own version of policy targets for itself with respect to drug policy that far exceeded the administration's targets.

What would I do differently if I had to do it all over again? Not much would change. Having access to the many talented individuals who participated and their willingness to cooperate allowed the effort to succeed. The process was by no means perfect—sometimes it was like herding cats—but it was open. One area that I would strengthen is the involvement of other levels of government and outside groups in the process. The process I managed reflected the reality that underlies U.S. drug policy: While the strategy claims to be a national one, it is really federal in that it organizes the resources and activities of federal drug control agencies. It would have been interesting to see what state and local governments would add to the process. It would take a difficult task and make it even harder, but then we could claim a truly national strategic effort.

Developing a Credible PME System

The PME system that emerged out of this process, though by means not perfect, appears to be capable of holding federal drug control programs accountable for their performance. And, relative to other efforts in the federal government, the ONDCP appears to have been successful in developing a credible system. The fact that the ONDCP managed to produce a performance measurement plan that has integrity, and succeeded while working across organizational boundaries, is an impressive accomplishment—especially when, as one participant noted, constructing a performance measurement system for a crosscutting issue like drug control constituted an "unnatural act" for many department-loyal federal bureaucrats.

To understand how the ONDCP managed to overcome these obstacles, we interviewed individuals who participated in the process of creating the PME system. The respondents were current and former officials in the ONDCP, the Departments of Justice, Education, Treasury, and Health and Human Services (HHS). Most participated in the process from the very beginning in 1997; some remain their agency's point of contact for the PME system.

By asking these individuals to look back over the process, they were able to identify a number of elements that contribute to the successful development of the system, as well as features that they found to be detrimental to the effort. The participants also raised important questions about the

process that have yet to be addressed. These factors are discussed below.

What Worked in the PME Process

Government officials who participated in the PME process generally agreed that the following elements helped the ONDCP overcome the various obstacles that one would associate with an interagency effort such as this one. These elements were also the ones most often cited as contributing to the system's credibility.

Inclusiveness

Almost all of the respondents noted that the ONDCP's efforts to include the agencies affected by the process contributed to the successful creation of the PME system. The problem of illicit drug use is multifaceted with a number of interconnected relationships. The result is that several different factors can contribute to a single outcome measure such as drug use by adolescents. Similarly, several different government programs are designed to mitigate those factors. For example, the Department of Education provides funds designed to aid school-based prevention programs; HHS oversees community-based prevention efforts targeting initiation and drug use; and the Department of Justice helps local areas offer high-risk youth activities as alternatives to drug use and selling. If the eventual goals are to develop an integrated strategy that cuts drug use and to develop meaningful measures to hold agencies accountable,

the ONDCP realized they had to have all of the relevant federal organizations in the room.

Buy-in from mid-level officials
The ONDCP not only got mid-level administrators "in the room," they were quite successful in getting them to buy into the process. Consequently, the participants felt that most of the officials involved genuinely tried to contribute to the final outcome as opposed to undermine the effort.

Is important to note, however, that participants were divided in describing what motivated their involvement. For some, they truly were committed to the concept of accountability and measuring performance in government. The PME process, for these individuals, was seen as an opportunity to put into practice an idea they supported in theory. For others, they were more skeptical of the overall benefit of ONDCP's PME system and similar GPRA-like activities. They did recognize, however, that the PME process was going to move forward with or without their participation. Taking part in the ONDCP effort was the best way to protect their agencies' interests.

Starting from first principles
Asking the agency working groups to develop the logic models was perhaps the most important factor that enabled the process to move forward. As discussed earlier, the logic models were intended to connect the goals of the strategy to specific objectives and, finally, to quantifiable output measures. To do so necessitated the construction of causal relationships linking these elements. The ONDCP could have imposed a set of measurements on the agencies and merely convened their representatives to ask how they would be implemented. Instead, it chose the more difficult, time-consuming, and at times tedious path of developing the measurements through a collection of interagency working groups. In the end, the time was well spent. Once agency representatives agree on the causal relationships, the task of defining objectives and identifying appropriate measures was essentially bounded. As a result, the debates over these details were more focused than they otherwise might have been.

Working from "big" to "little"
The combined effect of having the main goals established and providing the agency representa-

tives the latitude to start from first principles enabled the PME process to avoid getting bogged down in details. The countless small issues that will emerge during implementation and operationalization of the system often can derail strategic planning efforts. The ONDCP strove to keep the working groups focused on the relationship of the main goals and objectives to their individual programs, and then, once the big issues were agreed upon, move forward to address the associated details.

Asking the "should" question
To gauge progress relative to the stated objectives, ONDCP asked the agency representatives to identify the appropriate measures that *should* be included in such a system. By not limiting the selection of measures to available datasets, the ONDCP gained credibility for the system as well as improving its quality. Most government programs can easily put their hands on statistics measuring level of activity and, in some cases, program outputs. By not restricting the discussion to data currently being collected, the participants were given the freedom to identify *outcome* measures. The participants also identified a secondary benefit of this approach. They felt that this method demonstrated that the ONDCP was serious about measuring performance and not just seeking to develop a paper exercise consisting of numbers only loosely connected to the objectives.

Opportunity to "think outside of the box"
The previous two factors led to an unintended but positive consequence. Some of the participants appreciated the intellectual challenge of the exercise. Though they could easily identify the aspects of the process that fell short of the ideal, they enjoyed the opportunity to step back from their immediate responsibilities and view the problem of illicit drug use in a broader perspective. The PME process also provided the participants with a chance to gain from the perspective of their colleagues in other agencies. The attractiveness of the opportunity to "think outside of the box" was an interpretation that was not universally shared; nor did it contribute directly to the development of the PME system. It did, however, appear to motivate some participants and help sustain their involvement in the process.

Sticking to timetables and deadlines

The scale of the effort, the number of participants, and general bureaucratic inertia could have combined to grind the construction of a PME system to a halt. The ONDCP staff, however, established a timetable early on and did their best to keep the process on schedule. The presence of a timetable and deadline also kept the agency participants engaged. The timetable assured them that the process would, at some point, come to closure. The presence of a final deadline also served as a reminder that a final report was going to be forwarded to the Congress. Either reason served to encourage the participants to stick with the effort.

What Did Not Work

The process set in motion by the ONDCP did produce a credible set of performance measures. It was not, however, without its shortcomings. The deficiencies of the process are discussed below. It should be noted, however, that some of the elements labeled problems in this section are correlated to the positive factors identified above.

Cumbersome, time-consuming

Though the ONDCP was applauded for its inclusiveness, the cost of broadly reaching out was a cumbersome structure and process. The effort was composed of 23 working groups and involved over 250 individuals. By one estimate, the Department of Justice and its bureaus had as many as 50 officials taking part. According to ONDCP documents, the working groups officially met 64 times. Assuming that the average working group was composed of 11 people, and each meeting lasted two hours during the development process, over 1,400 person-hours were spent in meetings alone. This would represent a conservative estimate of the time involved, as it does not include time devoted to the process in between meetings or securing final clearance. It is difficult to see how one could have as inclusive an effort without the unwieldy process. It is important to realize, however, the cost that comes with such an all-encompassing endeavor.

Not enough time

The ONDCP-imposed deadlines, some participants felt, restricted the process. On one level, participants felt the time frame was simply too short to

address such an ambitious task. On another level, participants noted that the rigid deadlines led to necessary, but frustrating, compromises. The challenge put to the participants was to develop a logic model based on causal relationships supported by scientific research. But, as Patrick Bell, a former policy advisor for the undersecretary of the Treasury for enforcement, noted, there are gaps in the existing research. In some cases, the effort to identify science-based causal relationships merely served to highlight where basic research questions still needed to be asked. The ONDCP attempted to allay some of the frustration by noting that the PME system would be reviewed annually and that there would be some room for revision in the future. Despite that assurance, some participants felt the final product was "less than advertised" in terms of its scientific foundation.

Imposition of "stretch" targets

A universal criticism of the PME process focused on the pressure exerted by the ONDCP to "stretch" the performance targets beyond what agency officials felt was reasonable. In general, they felt that the working groups had established realistic targets and then the ONDCP came in and pushed them out further for political reasons. These targets were, from the agencies' perspectives, not achievable, particularly given current funding levels. The stretch targets also caused friction with OMB, when that office suggested that they might be interpreted as a future commitment of resources.

The issue of stretch targets was clearly the most critical point in the PME development process. On the one hand, the ONDCP wanted to push the agencies beyond the "lowest common denominator" targets produced by the working groups. On the other, the agencies were reluctant to sign off on targets that they were not certain they could meet. Not surprisingly, a compromise was struck. The ONDCP agreed to present the PME system and its performance targets as part of the *national* strategy. Responsibility for reaching the targets, therefore, would not fall solely on the federal agencies. Instead, state and local governments would have to cooperate as well if the objectives were to be realized. This realization, in fact, led to the ONDCP beginning to reach out to state and local governments in an attempt to more completely integrate

their efforts. Consequently, the federal office formed *performance partnerships* with the states of Oregon and Maryland and the city of Houston. These partnerships focus on monitoring specific outcomes in these jurisdictions.

ONDCP's effort to push the performance targets beyond what the working groups had developed came at a significant cost. The agency participants felt manipulated by ONDCP, causing the office to lose some of the goodwill it had accumulated. Perhaps more significantly, the compromise blurred the lines of accountability in the future by expanding the scope of responsibility for achieving successful results to include states, localities, and nonprofits.

Questions Yet to Be Answered

The conversations with individuals who participated in the development of the PME system revealed more than just what did and did not work. They raised important procedural questions, but noted that it was too early in the process to assess the impact of these issues.

Connection to the budget process

As initially established, the PME system did not incorporate resource requirements. Indeed, the absence of established linkages with the budget process appears to be a characteristic shared by several performance measurement plans (U.S. GAO, 1999a). Early in 1999, the ONDCP took steps to begin to connect the PME system with the budget certification process. Meetings were held with agency program and budget staff to identify the types of programs necessary to achieve performance targets. ONDCP led the discussion, which also included members of working groups who helped establish the performance targets. The idea was simple: ONDCP had to issue budget guidance to the federal agencies each spring to assist them in formulating their drug control requests, so why not base this guidance on the performance targets? Each year, the ONDCP director must certify the drug control portion of federal agencies' budgets as *adequate* to carry out the national drug control strategy. This certification is based on how well the agency budgets accord with the budget guidance issued by ONDCP each spring. Linking this guidance to the specific performance targets

would obviously strengthen ONDCP's certification process and ensure the integrity of the strategic plan. Thus, ONDCP officials encouraged the agencies to use the PME system and its objectives as a blueprint for crafting their upcoming budget requests. It is difficult to ascertain the degree to which this guidance affected their submissions and eventually their congressional appropriations. But, for the PME system to become the management tool that some envision, it will have to be integrated with the budget process.

Additional data collection needs

The blessing of being able to look beyond the available data to identify performance measures could also become a curse. Some of the 97 performance targets identified in the 2000 PME report did not have data currently being collected to measure progress. In fact, the 2000 report noted that a total of 20 measures were identified as requiring data systems (some simple, some complex) to be developed or modified (ONDCP, 2000). ONDCP had a mechanism in place to address the data gap. Its Subcommittee on Data, Evaluation, and Interagency Coordination was given the assignment of closing the data gap and has ensured that the federal budget process recognizes resource needs. Some measures are now being developed. But implementation of the data collection will require resources, which is subject to the annual appropriations process. Should the Congress decide not to fund certain new data systems, the integrity of the performance measurement system could be jeopardized. And "improving data collection" has a limited constituency among elected officials and political appointees. Politically, asking for additional agents or funding a certain number of drug treatment beds is a much easier sell.

Consequences for not reaching targets

The main procedural issue that is, as of yet, unresolved is the process for dealing with failure. The interagency working group process focused on developing logical connections between the causes and effects of illicit drug use and identified meaningful goals to measure progress against the stated objectives. Absent from this discussion and subsequent policy documents, however, is a prescribed set of steps that would be taken if a target were not met. This question, of course, is the very crux of

accountability. ONDCP did recognize that targets may not be met because of problems such as poor program management, external factors outside the control of the strategic plan, and inadequate and inefficient use of resources, or the underlying logic model might be faulty. It further identified the need for program evaluations rather than program terminations as the first line of attack whenever targets were not reached. However, it has yet to codify an approach, which is essential to a performance management system. How the ONDCP handles failure, both politically and procedurally, will be critical to the future of the PME process.

The Challenge of Developing Cross-Agency Measures

Prospects for the Future

Patrick Tarr, a senior policy advisor in the U.S. Department of Justice, observed that the "… real goal is not just to write a report, but establish a process that is used." The ONDCP has accomplished the first step and produced a system that is both comprehensive and credible. Whether it is capable of moving the PME system to the next level and having it institutionalized as a management tool remains to be seen. If history is any indicator, the ONDCP faces a considerable challenge. The list of these types of public management reforms that have failed is much longer than the list of those that have succeeded.

The future of the PME system will depend, in part, on how the ONDCP addresses the procedural questions raised in the previous section. Other factors, many of which are out of the control of the ONDCP, will also have a big impact. These elements are discussed below, sorting them into the aspects that may have a negative effect on the PME system and those that suggest that it may be possible to sustain the PME system.

Discouraging Signs

The sheer size and scale of the PME system may be one of its biggest liabilities. Composed of five goals and 31 objectives that are linked to 97 performance targets may simply be too much for any one agency to oversee. The ONDCP sought to design a comprehensive system. It succeeded, but the consequence may be too many priorities. In short, the PME system may fall of its own weight.

One way to avoid having the PME system collapse in on itself is to prioritize the priorities. Though the ONDCP should be applauded for its thoroughness, it may be prudent to identify key areas and concentrate its oversight energies and resources. The rationale for such an approach stems from the minimal authority the ONDCP possesses. Outside of the budget certification process, the ONDCP is limited in what it can direct the agencies to do. The significant power that the ONDCP director possesses is the power to persuade—the agencies, the President, the Congress and the American people. The true test of the PME system will come when a target is not achieved. At that time, the ONDCP will have to concentrate its political capital in seeking to remedy the situation.

A second threat to the PME system is the change in administration. How the PME system will fare under a new director appointed by President George W. Bush is unclear. The new director may not see any value in the effort and let it simply disappear. Or, a new administration may embrace the concept of measuring the performance of drug policy programs, but it might want to change the five goals established under Clinton-appointed General McCaffrey. The PME system, however, was based on a logic model linking the various goals, objectives, and targets. A change in one of the goals, then, would have a ripple effect throughout the system. Changing one or more of the goals, therefore, would require going back to square one in the construction of the system.

A third shortcoming of the PME system as one looks to the future surrounds the degree to which agencies have bought into the process relative to the degree of buy-in necessary for the system to be successful. The process of constructing the system secured a commitment from one group of critical stakeholders: mid-level policy officials in Washington, D.C. For the system to become a completed integrated management tool, however, that sense of acceptance will have to spread both *up* to political appointees, as well as *out* to the program managers.

Eventually, senior policy officials must embrace the PME system. Appointees in the Clinton administration endorsed the concept of measuring performance in drug policy, but they did not have to oversee its complete implementation. Without the support of the key individuals capable of changing agency priorities and willing to advocate for shifts in resources, it is difficult to see how the system can move forward.

Securing the support of program officers is equally important to the success of the PME system. As has been noted in other crosscutting efforts, the programs must be integrated in the effort and treated with respect, not merely tolerated (Radin, 2000). The development process involved program managers only to the extent that their agency representatives chose to consult with them. It would appear that very little of that type of consultation occurred. That program people were not involved in the process does not come as a great surprise. Just with mid-level policy officials, the process was cumbersome enough. Plus, the relatively constrained timeline limited how much intra-agency consultation could take place. The result is that program managers may now be held accountable to a system into which they had very little input.

The challenge of gaining the support of program people will vary across agencies and activities. For programs that primarily distribute grants, incorporating the objectives of the PME system and adjusting priorities may be a function of re-writing the regulations covering the allocation of those funds. For programs that directly deliver services, embracing the objectives of the PME system may require changes in policies and procedures.

A final discouraging aspect of the PME system is that the public will find it difficult to understand. The beauty of a well-designed performance measurement system is that it makes transparent the objectives of government and monitors progress toward those objectives. If an agency fails to realize its performance targets, the public will find out and hold its representatives accountable. The problem with the PME system is that, though transparent, its comprehensiveness makes it complex. As a result, it does not lend itself to a straightforward narrative that the media can report easily. Even the most attentive observers of drug policy will have to immerse themselves in the minutiae of the system to gauge progress toward the goals. The complexity of the system, then, diminishes threat of the ONDCP leverage recalcitrant agencies with the threat of public exposure.

Encouraging Signs

Despite the external threats to the future of the PME system, the future is not entirely bleak. A combination of political and institutional factors may also contribute to its sustainability.

Perhaps the most significant factor that favors a continuation of the PME system is the fact that its existence, in some form, is guaranteed by statute. When the Congress reauthorized the ONDCP in 1998 (P.L. 105-277), it included among the various provisions a requirement that ONDCP use and report annually on the performance of the strategy's goals and objectives. It endorsed the system developed by ONDCP and its federal partners:

> It is the sense of Congress that—the performance measurement system developed by the director [of ONDCP] is central to the national Drug Control Program targets, programs, and budgets; the Congress strongly endorses the performance measurement system for establishing clear outcomes for reducing drug use nationwide … and the linkage of this system to all agency drug control programs and budgets.

The reauthorization required ONDCP to report to Congress each year on the following topics: 1) the

performance targets and measures and any proposed changes to such; 2) the identification of programs and activities of drug control agencies that support the goals and objectives of the strategy; 3) the consistency between agency drug control budgets and the performance targets; and 4) the implementation of the national drug control data system to support the performance measurement system. Institutionalizing the system in this manner, as Congress did, provides some assurance that the ONDCP will have to continue to measure performance and report on progress.

From a political perspective, congressional support for holding agencies accountable for their performance appears to be sustained. Despite changes in the executive branch, the legislature appears to be as committed as ever to hold the executive branch responsible for what it does. Whether this general support for measuring performance will translate into a specific endorsement of the ONDCP PME system remains to be seen. It is hard to imagine a political climate more amenable to the concept, however.

Finally, perhaps the biggest asset that the PME system possesses in assessing its future is its integrity. This advantage is a direct result of the development process. By being inclusive, starting from first principles, and asking the "should" question, the ONDCP and the agency participants managed to produce a system of measuring performance that is credible. It is not a perfect construction, but as Tom Vischi, a senior advisor for drug policy in the Department of Health and Human Services described it, it may be a "pretty good first draft." From this starting point, the ONDCP and the agencies could work together to refine and adjust it as they move forward. The willingness of these mid-level policy officials to sustain their commitment to the system will rest on their assessment of its credibility. Maintaining the system's integrity also will be critical if these individuals are going to push for integration of the PME system upward to the senior policy officials, as well as outward to the program managers.

Recommendations

This report presents the results of a single case study, and therefore, the general applicability of the findings are limited by the nature of the challenges the ONDCP faced in developing their system. Though it represents a unique situation in the experience of measuring performance, it does suggest some useful lessons. Described below are recommendations for public managers looking to establish performance measures for other crosscutting issues, or those state and local drug policy administrators seeking to introduce an element of accountability into their own efforts.

Start with a clear sense of mission

ONDCP was fortunate in that national legislation required that it develop a strategy to accomplish specific outcomes for drug policy: reduced drug use, availability, and the consequences of drug use. The office had been annually producing a national strategy since 1989. This document became the starting point and shaped the subsequent strategic planning that developed the performance targets. Establishing a clear sense of direction is essential for a program that cuts across organizational lines. Absent one, agencies representing a variety of missions and perspectives will have a very difficult time finding common ground to even begin the process.

Seek a credible process; it is more likely to produce a credible product

Since buy-in from the affected agencies is critical to simply creating the system, let alone implement-

ing it, the process must maintain its integrity. Inclusiveness and collaboration contributed significantly to the degree to which agency representatives were willing to commit to the process. Identify those who have a stake in the outcomes and include them in the process of setting performance targets and measures. The inclusion of stakeholders, however, must be substantive. They should not be expected to merely endorse objectives and measures produced by others. Instead, the stakeholders should be participating in the development of these metrics. Encouraging them to focus on what *should be* included in the system instead of what *can be* currently obtained will contribute to both the credibility and the substance of the system. The performance targets will define the direction of change, and it is critical that stakeholders contribute to setting targets and buy into that change.

Designate someone to drive the process

Though a bottom-up process contributes to the credibility of the final product, someone still has to direct the effort. This is especially true in the development of a system that cuts across organizational lines. Most of the participants in the PME process were, from an organizational perspective, hierarchical equals. Absent ONDCP authority to convene the effort, as well as bring to closure the various steps, the PME system might never have been completed. The ONDCP provided the starting point for the effort by establishing the initial strategy goals and objectives as the organizing framework. It also stepped in with stretch targets at a critical point.

Agency participants would have never taken these steps on their own.

Recommending that an inclusive, participative process also have someone drive it means that a balance will have to be struck. The process must involve substantive participation by the agencies while, at the same time, the process needs to move forward. Without the presence of a single organization or individual to lead the effort, there is a risk that the process will merely muddle along. The agency participants may recoil at the prospect of having some elements of the system imposed upon them. More dangerous, however, is if the agency representatives get frustrated and disillusioned if the working groups become forums to continually rehash the same debates.

Be willing to test your model

Embrace the use of evaluations to test the strength of the performance measurement's underlying logic structure. The causal relationships relating outcomes to inputs must be understood, evaluated, and, if necessary, refined. If results are not being realized even though resources have been provided, it may indicate flaws in the underlying logic structure. Much of ONDCP's success was due simply to the use of research and analysis to link programs (inputs) to desirable outcomes and to demonstrate the plausibility of performance targets. Its future utility, as well as its credibility, will depend on the ONDCP's willingness to continue to ask whether it has mapped the relationships between policy and outcomes.

Connect objectives and strategies to budget

It is important to identify programs and funding to achieve outcomes. There are many reasons for programs not achieving their performance targets; adequate resources are one of the most critical elements. The ONDCP had only begun to align the budget process with the PME system, but the connection was an inevitable next step. By encouraging agencies to use the PME system to guide the identification of their budget priorities, the ONDCP began to link resources to performance. Budget formulation and the execution of appropriated funds must not be divorced from the design of the performance measurement system.

It should be noted that such a connection is merely a logical extension of the rationale underpinning the measurement of performance in the first place. The GPRA was passed in an attempt to hold agencies responsible for the performance of their programs. Motivating this legislation was the notion that if government is going to spend taxpayer dollars, it should have something to show for it. (Indeed, the act includes provisions for the piloting of performance budgeting.) Connecting performance measures to budgets merely brings this argument full circle, noting that if an agency is going to be held accountable for its performance relative to certain policy objectives, it should have the resources necessary to carry out those tasks.

Realize that the first report is just that, a first report

The development of any performance measurement system is going to require refinement as it moves forward in its implementation. For crosscutting programs of this scope, the need for an iterative process increases. And, for a performance system to be fully implemented, buy-in at the policy/planning level is just the beginning. Eventually, the commitment to measurement performance must spread up to senior policy officials and out to program officers.

Incorporate performance measurement into overall management strategies

Though the institutionalization of performance measurements holds significant promise for accountability, the process of developing a system has the potential to facilitate the coordination of policy across organizational lines more generally. For example, the PME process eventually led to a systematic review of data collection efforts and the identification of important gaps in the available information. The process itself also appears to have contributed to stronger ties across agency lines and between the ONDCP and the agencies. Whether it was a product of shared misery, the cultivation of mutual respect, or a combination of both, participants in the PME process noted that it enabled them to expand and solidify their connections with professionals in other organizations beyond ONDCP. The building of those ties could prove

advantageous to the coordinating of federal drug policy in the future, regardless of the fate of the PME system.

Build on this effort

The change in administrations will, undoubtedly, be accompanied by changes in policies and priorities. While the PME system may not reflect these new emphases, it is certainly capable of accommodating them and incorporating them into its structure. It would be a great loss if the incoming administration were to scrap the PME effort. On one level it would be a rejection of one of the only credible efforts to measure performance across several agencies and the work that went into creating it. On another, and more important level, it could set back the effort to reduce the use of illicit drugs and the associated consequences.

Conclusion

The case of the PME system is an important one. The ONDCP managed to overcome obstacles, beyond the usual ones associated with the development of performance measures, to create a successful system. Policy officials eventually bought into the process, and the subsequent product of those efforts, even though it required a considerable investment of both patience and time. The fact that the Congress decided to write the system into the ONDCP's reauthorizing statute provides further evidence that even the PME system's most strident potential critics endorsed the effort. In short, the ONDCP produced a credible system of measuring performance for a crosscutting policy issue.

Some elements of the ONDCP's experience with the PME system may be unique to the illicit drug issue. Nevertheless, the case should be enlightening for public managers seeking to implement performance measurement in other policy areas. At the federal level, there already have been efforts to improve the coordination of programs for issues such as poverty, AIDS, and race relations. The Congress has recently expressed interest in improving the management of anti-terrorism programs that cut across multiple agencies. Some elected officials have even floated the idea of a "border czar" to address problems unique to the U.S./Mexico border area. This interest in crosscutting issues, combined with an increased emphasis on performance measurement, means that the ONDCP experience could prove very instructive as other administrators take on similar challenges.

What the future holds for the PME process is difficult to predict. Its fate will clearly be dependent upon a collection of factors both within, and outside, of the control of the ONDCP. Of course, given the number of obstacles that stood in the way initially, few would have been optimistic about it ever being constructed in the first place.

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About the Authors

John Carnevale has over 14 years of federal government drug policy experience at the executive branch level. He served for 11 years at the White House Office of National Drug Control Policy (ONDCP), where he served as the director of the Office of Programs, Budget, Research, and Evaluation. While there, he prepared the National Drug Control Strategy and the Federal Drug Control Budget to implement it. He also developed the Performance Measures of Effectiveness, which is the tool used by the federal government to evaluate whether the strategy is achieving its goals and objectives. He recently directed the presidential transition for drug policy for the George W. Bush administration.

Prior to ONDCP, Dr. Carnevale worked at the White House Office of Management and Budget, where one of his responsibilities was to monitor drug policy issues and to oversee the U.S. Customs Service budget account. In total, his experience spans three administrations and four drug czars.

Dr. Carnevale's other government experience includes working at the Department of Treasury, where he monitored the fiscal health of the state and local government sector. He also was responsible for monitoring the fiscal condition of New York City under the Federal New York City Loan Guarantee Program.

He received his Ph.D. in economics from the Maxwell School of Syracuse University. He is trained in public finance and has published articles on drug policy, budget, the fiscal impact on local budgets of federal grant programs, and the fiscal health of the state and local government sector.

Dr. Carnevale left federal service in January 2000. He is currently president of Carnevale Associates LLC, which he founded to provide leadership and guidance on the difficult policy and program challenges engendered by drug use and its damaging consequences. He works with all levels of government to provide strategic planning, resource management, accountability standards, and stakeholder involvement in all aspects of drug control policy and programming.

Patrick J. Murphy is an Assistant Professor of Politics at the University of San Francisco, where he teaches courses in public policy, public administration, and American government.

Prior to teaching, he worked at the Office of Management and Budget coordinating drug policy issues and serving as the liaison with the Office of National Drug Control Policy. He also worked for the RAND Corporation and continues to serve as a research consultant with RAND. He has published several reports and articles on the economics of drug dealing, drug problems in the Washington, D.C. area, the coordination of drug policy, and drug budgets.

His current research is a collaboration with the Center for Reinventing Public Education at the University of Washington. It focuses on the dimensions of the shortage of teachers and strategies that school districts have used to address this problem.
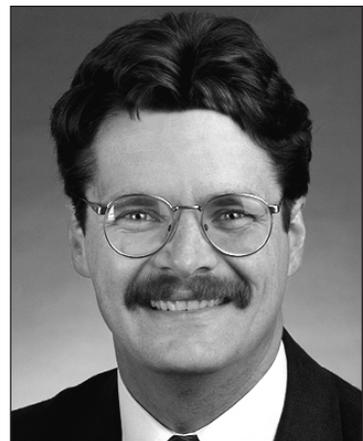
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