NHTSA Case Study: Strategic Planning and Performance Measurement

The National Highway Traffic Safety Administration (NHTSA) has been engaged in strategic planning since 1992 and was designated as a Government Performance and Results Act pilot agency as part of the first round of selection. The first NHTSA Strategic Plan was published in November, 1994. Under the GPRA NHTSA has produced three Performance Plans and two Performance Reports. This case study describes the strategic planning activities and Government Performance and Results Act pilot phase implementation at NHTSA.

While strategic planning and the GPRA were on different time tracks, and underwent a different process of development, they have been merged along the way to achieve consistency of outcome goals and performance measures. There are a number of other performance initiatives within NHTSA and the Department of Transportation. These are displayed in Exhibit 1. A timeline of NHTSA Strategic Planning, GPRA, and National Performance Review-related activities appears in Exhibit 2.

NHTSA is an organization consisting of just over 600 staff located in Washington, D.C. and in 10 regions across the United States. The agency's enacted budget for FY 1996 is $277,461,000. It is one of eight administrations under the Department of Transportation. NHTSA's mission is to save lives, prevent injuries and reduce traffic-related health care and other economic costs.

NHTSA was selected as a GPRA pilot agency in 1994. At that time the agency's first strategic planning effort was already underway. The process began with discussions within the agency's Office of Plans and Policy on the best approach to 1) involve agency stakeholders, 2) engage NHTSA leadership and staff and achieve buy-in, 3) define the future highway safety environment, and 4) develop a strategic plan that would address these future needs. While the strategic plan has not yet led to agency restructuring, it has begun to drive the budget process through a focus on the need for trade-offs to support key initiatives. Development of a five-year Strategic Execution Plan (SEP) also will be described. The SEP has specific milestones and performance measures for achieving the agency's outcome goals.

NHTSA has traditionally judged itself against outcome oriented goals, e.g., reductions in the highway fatality rate, reduction of the involvement of alcohol in crashes. The GPRA has led to a consistent structure for outcome goals, intermediate outcome goals, and program performance measures. This three tiered structure has enabled us to take a more systematic look at the linkages between direct program expenditures and agency mission goals. The investment in NHTSA's highway safety data systems over several years produces reliable outcome data for fatality and injury rates, crash involvement and crash consequence rates, alcohol involvement, and safety belt use, among other indicators. On-going and newly developed office tracking systems allow the agency to measure program activities and output. The performance measures used for the 11 goals and supporting objectives in the Strategic Execution Plan are in conformance with the GPRA measures.

Strategic Plan and Strategic Execution Plan Development

The Process

Strategic Planning activities at NHTSA got underway in January 1992 with the formation of the Strategic Planning Division. Prior to that time there was an impetus for strategic planning in the Department of Transportation that emanated from the National Transportation Policy (NTP). The NTP stated that DOT would "put in place formal and lasting mechanisms to ensure that the strategic planning perspective is integrated into the legislative, budgetary, and regulatory planning and decisionmaking within each modal administration at DOT, and also across the individual modes." At the time that NHTSA embarked on the development of its first strategic plan, strategic planning initiatives were already under way in the Federal Aviation Administration and the Federal Highway Administration. Strategic planning activities at the FAA commenced at the end of 1987 and culminated in the publication of the first strategic plan in August 1990. At the FHWA the development of the first strategic plan took place between December, 1990 and May, 1992.

NHTSA began its process of development via a series of discussions with individuals with experience in future scenario development. It was thought at the time that this path would be the best one to pursue, given the influence of external factors on highway and motor vehicle safety problems and on the NHTSA program. The use of scenarios allows for development of a strategic plan that is capable of dealing with several plausible futures.

During the time that it was developing the direction of its strategic planning support contracts, the Strategic Planning Division published a *Federal Register* notice on July 28, 1992 to obtain public comments on mission, issues, and future directions for the agency. There were over 100 comments submitted to the *Federal Register* by the full range of NHTSA stakeholders and partners: the automotive industry (domestic and foreign), advocacy groups (e.g. Mothers Against Drunk Driving), and interest groups. There was general and widespread agreement among these stakeholders that NHTSA's mission was to save lives, reduce crashes and injuries. At the same time, the Division formed seven agency teams to develop issue papers that would be used in the scenario development and by agency managers to consider future issues. There were 15 issue papers developed by agency teams (T), Office of Plans and Policy staff (P), or by contractors (C). Topics were: Demographics (P), The Economy (P), Energy and Environment (T), Motor Vehicle Industry (C), Vehicle Characteristics and Safety Standards (T), Information Resource Management (T), Organization and Management (C), Traffic Safety Programs (T), Institutional Relations (P), Roadway Characteristics and Use (P, with FHWA staff, Public Affairs and Consumer Information (T), Employees and Leadership (T), Data Collection (T), and Medical Treatment and Economic Issues (C). Agency teams were composed of a broad range of NHTSA staff from program offices throughout the agency.

At the same time that the teams were meeting and contractors were working on issue papers, the Strategic Planning Division solicited suggestions from the agency staff at large to implement National Performance Review recommendations. Some of the ideas that were suggested were then incorporated into the strategic plan. It was hoped at the time to establish an electronic capability within the agency to conduct repeated e-mail surveys of the staff, in part to acquire input for the

strategic plan. While this capability was eventually established, technical difficulties at the time prevented its use for the development of the Strategic Plan.

The first strategic planning support contractor hired by NHTSA pursued the development of scenarios. The contract also supported three retreats that were attended by the agency leadership (Associate Administrators, the Administrator, and the Deputy Administrator). These managers were given all of the issue papers and the scenario documents prepared by the contractor, to review prior to the first retreat. The issue of Agency vision, mission, and goals were taken up at these retreats. Over the course of the retreats, ideas were brought back to the staff, discussed, and taken on to the next retreat. At the conclusion of the retreats there was unanimous agreement on the agency's mission and goals. The product of these three retreats was a draft Strategic Plan.

At the time of publication of the SP in November 1994, NHTSA called its partners and stakeholders in for a series of roundtable discussions that served the purposes of validating that the Plan had codified their vision and concerns, and obtained their input for the next stage of development: the Strategic Execution Plan (SEP), a five year plan that identifies specific milestones and performance measures for achievement of the SP goals and objectives.

In addition to the development of a five-year document, the agency had planned also to develop annual Business Implementation Plans that would be the programmatic/budgeting building blocks. The Agency has since decided to drop this concept in lieu of the annual GPRA plans and budget documents.

Contractor support was used to develop the Strategic Execution Plan to facilitate Senior Management workshops and leadership/employee seminars. The process of development of NHTSA's first Strategic Execution Plan involved the formation of agency-wide teams around each of the 11 goals of the Strategic Plan. Each of these teams had a sponsor who was a senior manager in the agency (e.g. Associate Administrator, Executive Director, Office Director). The charge of each team was to develop specific milestones and performance measures for the goals and supporting objectives in the Strategic Plan. These were done by the teams in consultation with the program offices with responsibilities in the goal areas. Input from the agency's external partners was obtained through the SP round tables (mentioned earlier) and a *Federal Register* notice was published in October 1995 to solicit public reaction to a draft SEP. Changes were made to the SEP in response to issues raised in comments to the docket.

The Plans

The Strategic Plan consists of a stated mission and vision, 11 goals and 41 supporting objectives to achieve these goals. These goals and objectives were determined to be the major initiative areas for the agency for the following 10 years.

NHTSA's Mission is to save lives, prevent injuries and reduce traffic-related health care and other economic costs. NHTSA'S Vision is as follows: NHTSA will lead the nation in creating the highest level of road safety in the world.

The following Strategic Goals are contained in the NHTSA Strategic Plan. Most are related directly to the agency's outcome goals (OG) and intermediate outcome goals to reduce the occurrence of crashes (RO), to reduce the consequences of crashes (RC), and provide quality service to our customers (SC) as identified in the GPRA. Others provide program support (PS) to achieve our outcome goals.

Strategic Goals

Provide Leadership and Set an Agenda

Goal 1: Lead the effort to make traffic and motor vehicle safety a priority of the nation's health care agenda. (OG)

Goal 2: Lead a national initiative to address the most significant traffic and motor vehicle safety issues. (OG)

Goal 3: Deliver the highest quality technical and program assistance to States and Communities, and promote international cooperation. (RO,RC,SC)

Goal 4: Improve data collection and analysis to better identify and understand problems and to support and evaluate programs: expedite the availability of Information to customers and partners. (SC)

Support Research and Apply the Results to Education, Engineering, and Enforcement to Reduce Road Casualties and Costs

Goal 5: Reduce the number and severity of road collisions. (RO,RC)

Goal 6: Mitigate the consequences of motor vehicle crashes. (RC)

Goal 7: Advance the non-safety mandates of the Agency. (SC)

Transform NHTSA Through Continuous Improvement

Goal 8: Improve NHTSA's internal processes, management, and structure to create a more effective and efficient Agency that is better able to pursue its mission. (PS)

Goal 9: Listen to, involve, and serve customers and partners in the planning, programs, and activities of the Agency. (SC)

Goal 10: Build and maintain a professional, productive, innovative, diverse work force. (PS)

Goal 11: Effectively management use information resources. (PS)
The Strategic Execution Plan adds milestones and performance measures under the 11 goals and supporting objectives. Outcome measures are stated for the plan as a whole. These are:

Primary Outcome Measures

Save Lives

- The fatality rate per 100 million Vehicle Miles Traveled (VMT)
- The fatality rate per 100,000 population

Prevent Injuries

- The number of injured persons per 100 million VMT
- The number of injured persons per 100,000 population

Intermediate Outcome Measures

Reduce the Occurrence of Crashes (Crash Avoidance)

- The number of crashes per 100 million VMT
- Crashes per 100,000 registered vehicles
- The number of drivers involved in crashes per 100,000 licensed drivers

Reduce the Consequences of Crashes (Crashworthiness)

- Fatalities per 1,000 crashes.
- Injuries per 1,000 crashes
- The percentage of serious and greater injuries in towaway crashes

Improve Key Traffic Segments

- The motorcyclist fatality rate per 100 million VMT
- The motorcyclist injury rate per 100 million VMT
- The bicyclist fatality rate per 100,000 population
- The bicyclist injury rate per 100,000 population
- The pedestrian fatality rate per 100,000 population
- The pedestrian injury rate per 100,000 population

<u>The Department of Transportation Strategic Plan</u>

During the course of development of the NHTSA Strategic Plan, the Department published its first Strategic Plan in January 1994. The Department sought input from the DOT agencies and the plan responded to this input to some degree. Most of NHTSA's goals fall under DOT Goal 4: Promote Safe and Secure Transportation, however, NHTSA Goals 8 through 11 relate to DOT Goal 7: Transform DOT by Empowering Employees, and NHTSA's Goals 2 and 3 relate to DOT Goal 3: Create a new Alliance Between the Nation's Transportation and Technology Industries.

The GPRA and Performance Measurement at NHTSA

The Process

At the time that NHTSA was selected as a GPRA pilot (winter of 1994) of 1993), the Strategic Planning issue papers had been developed, the SP *Federal Register* comments analyzed, and the second SP contractor was preparing for Executive retreats to draft the Strategic Plan. The NHTSA GPRA project director embarked on developing the FY 1994 Performance Plan for submittal to OMB in the spring of 1995.

The agency had a variety of measures already on the books. Some of these were outcome measures and some were program goals. A Secretarial goal for the reduction of alcohol related fatalities to 43 percent of the total by 1997 is an example of the former and an agency goal of motorcycle helmet laws in 44 states by 1994 is an example of the latter. It became clear that these measures needed to be evaluated for their quality, changed where warranted, and organized in a structure that conformed to program output and agency outcome measures. The project director worked with the program offices within the agency throughout the pilot phase of the GPRA to create and improve measures for the plans. From the outset, the Strategic Planning Division was able to structure and define the process of carrying out the pilot phase of GPRA.

In the winter of 1994, the Department of Transportation sponsored a day long session with an expert in the principles of the GPRA which was attended by the GPRA program manager and SP Division Chief. In the summer of 1995, the Department held a series of training courses for strategic planning staff within the Department. The course covered the requirements of GPRA, setting goals, and the differences between outcomes, outputs, and activities. Many of the people who were trained in these courses then signed up to be trainers for future courses. The Department held two more courses which were attended by NHTSA staff from some program offices. The materials used in the course were made available to Department staff so that they could train others in their agencies.

Following the train-the-trainer course, the Strategic Planning Division, with assistance from other Department trainers, held a one-day training course on performance measurement for the agency program office GPRA contacts. The training course helped the contacts understand what the GPRA is about and why they should strive for more outcome-oriented measures.

Performance Plans and Reports

The FY 1994 plan presented agency outcome measures and program performance goals and measures for NHTSA's major programs defined as those that account for significant portions of the agency budget and/or make a major contribution to the reduction of highway safety risks.

The FY 1994 plan was based on the current NHTSA organizational structure and included many previously established goals. However, one of the purposes of the NHTSA pilot project was to develop and refine a conceptual framework for performance measurement in the future. The agency started the process by looking at its program from the perspective of what intermediate results were critical to achieving its ultimate goals. Performance measurement should focus on these objectives.

What the agency found was that its current organizational and budget structure did not track with a performance-based structure.

Exhibit 3 displays the three-tiered performance-based structure that NHTSA began using in its FY 1995 and 1996 plans and will continue to use. The definitions used in the structure are those conventionally used in performance measurement. Outcome measures, or quantitative statement of goals, are at the top of the measurement hierarchy and program activity measures are at the bottom.

All of NHTSA's safety programs fall under one of the three performance categories: reduce the occurrence of crashes, reduce the consequences of crashes, and serve its customers. Each of these feeds into the agency outcome measures. Some of the activities under the first two have a direct linkage to outcomes, for example, issuing standards that require safety improvements in vehicles and removing unsafe vehicles from the road. Others such as education campaigns designed to change people's behavior have a less direct influence on safety performance.

The FY 1995 and FY 1996 Performance Plans are organized around this new performance-based structure. Some of the NHTSA program offices make the organizational distinction between crash avoidance and crashworthiness (reduce the consequences of crashes) activities; for example, Research and Development has the Office of Crash Avoidance Research and the Office Crashworthiness Research. However, other offices do not and these distinctions are not reflected in our budget line items. Therefore, budget crosswalks were provided in these plans.

In the FY 1996 plan there are five outcome measures, six intermediate outcome measures, and several program output measures. The outcome and intermediate outcome measures are listed in the body of the report and the program output measures are attached as an appendix. This was done in order to reduce the size of the actual document and to emphasize the importance of outcome and intermediate measures.

Outcome measures

NHTSA’s outcome measures are: fatalities, injuries, and crashes per 100 million VMT; and fatalities and injuries per 100,000 resident population. The intermediate outcome measures are grouped in the three categories listed above. Under Reduce the Occurrence of Crashes, there are three intermediate outcome measures: drivers involved in crashes per 100,000 licensed drivers; crashes per 100,000 registered vehicles; and percent alcohol involvement in fatal crashes. Under Reduce the Consequences of Crashes, there are also three measures: safety belt use rates; occupant fatality and occupant injury rates per 100,000 population. Under Customer Service the goal is to develop agency-wide measures of timeliness and responsiveness. Exhibit 4 is an example of how these measures are reported in the Performance Plans and Reports.

Data Sources

NHTSA has always reported data and indicators that describe highway and motor vehicle safety problems. Before the agency developed Strategic Planning documents credible data systems to track fatalities and injuries had been operating for several years. The Fatal Accident Reporting System (FARS), which became operational in 1975, contains data on a census of fatal traffic crashes with the 50 states, the District of Columbia, and Puerto Rico. To be included in the system, a crash must involve a motor vehicle trafficway customarily open to the public, and must result in the death of an occupant or a non-motorist within 30 days of the crash. FARS data are obtained solely from state's existing documents such as: Police Accident Reports; Death Certificates; and Hospital Medical Reports.

The source for outcome information on injuries is the General Estimates System (GES) Data are estimated from a nationally representative probability sample selected from all police-reported crashes. The system became in operational in 1988. To be eligible for the GES sample, a police accident report (PAR) must be completed for the crash. It must involve at least one motor vehicle traveling on a trafficway and result in property damage, injury or death. Although various sources suggest that about half the motor vehicle crashes in the country are not reported to police, the majority of these unreported crashes involve only minor property damage and no significant personal injury. Police-reported crashes are the only annually reported data on crashes of all severity levels.

The Crashworthiness Data System (CDS) collects detailed information on approximately 7,000 crashes involving light passenger vehicles. The primary catalyst behind the CDS was a need for more detailed information on how a vehicle responds in a crash, and how the interior components of the vehicle injures or protects occupants. Crashworthiness engineers and biomechanics experts need to be able to analyze the nature and severity of occupant crash injuries and relate them to: the characteristic of collision including where and what angle the vehicle is struck, the force of the impact, and the other vehicles or objects involved; the structure and weight of the vehicle; and the characteristics of the vehicle interior and its safety protection devices (including safety belts, head restraints, padding, steering systems, and safety glazing).

The National Average Safety Belt Usage rate for front seat positions of passenger cars is based on state surveys. To calculate the rate from individual state use rates, each state's rate is weighted by its share of the total U.S. population. In addition, NHTSA conducted a National Occupant Protection Use Survey (NOPUS) in 1995. This observational survey used a probability-based sample, using the same methodology nationwide and thus, provided estimates of known accuracy. The NOPUS estimated usage by Census region, but not by state. It covered passenger cars, light trucks, and vans, in front and rear seats. The survey and state survey estimates are not comparable but a 95 percent confident interval of the state-based estimate falls within the NOPUS estimate. The agency plans to do another NOPUS in 1997.

External Factors

The GPRA recognizes the effect of external factors on outcomes. The most significant external factors are: the economy, the population, exposure factors such as miles driven, licensed drivers and

registered vehicles, and lifestyle factors such as levels of alcohol consumption. Short term increases and decreases in the number of highway deaths have correlated fairly strongly with economic activity. Historically, the number of fatalities has risen during periods of economic expansion and fallen during recessions. Studies performed at NHTSA in the 1980's showed a strong correlation between employment and unemployment rates and short-term trends in highway fatalities. A study just released found that short-term changes in fatality trends can be predicted by the number of unemployed people. However, the study also concluded that the long-term trend of decreases in the number of fatalities does not seem to have changed. (*Trends in Motor Vehicle Fatalities*, Charles M. Farmer, January 1996, Insurance Institute for Highway Safety).

The amount and types of driving change with the economic climate. One effect is on increased driving late at night for entertainment during good economic times, which increases exposure during the high risk nighttime hours (and times when alcohol is a greater factor in crashes). Other factors that can affect safety risk are: speed, vehicle occupancy, alcohol and drug use, safety belt and child safety seat use, composition of vehicle fleet on the road, the resources available for injury intervention and traffic law enforcement at the local level, weather conditions, and legislative action. Examples of the latter are legislative changes, against the advice of NHTSA, in the fall of 1995, to remove the National Maximum Speed Limit requirements and the penalties to states for not having motorcycle helmet laws.

Comparing the Strategic Plan and the GPRA Performance Plans

As mentioned previously, the performance measures and goals in the NHTSA GPRA plans are structured in a hierarchical fashion, in contrast to the Strategic Plan goals. However, the agency has worked to ensure that the measures in the Strategic Execution Plan follow the hierarchy developed in the GPRA, with outcome measures at the mission level and Goal/Objective measures supporting achievement of these outcomes. The nature of these three plans is a direct result of the process of their development.

- Strategic Plan - Structure and content primarily determined by top management of the agency, with input from stakeholders and NHTSA staff.

- GPRA Plan - Structure and content primarily determined by Strategic Planning Division staff, in consultation with NHTSA program office staff and management.

- Strategic Execution Plan - Structure driven by the Strategic Plan; content (milestones and performance measures) determined by agency goal teams, agency program office staff, and Strategic Planning Division staff, the latter ensuring agreement of performance measures with the GPRA measures and placement of outcome measures at the appropriate level.

In the revision of the agency's Strategic Plan, currently underway, it is anticipated that an outcome hierarchical structure, similar to the GPRA will be used. For example, using such a structure, the Strategic Plan would have goals 5 through 7 at the outcome (mission) level, and goals 1 through 4 and 8 through 11 supporting the achievement of these goals. Use of this structure in the next Strategic Plan will serve to focus attention on priorities, namely, which initiatives will serve to make the greatest contributions to achieving desired safety outcomes.

Integrating the Strategic Plan, NPR, GPRA, and Budget

Like other Federal agencies, NHTSA has been actively involved in the National Performance Review (NPR) to reinvent the Federal Government. NHTSA embraced many of the NPR concepts like customer service, performance measurement, and strategic planning. However, also like most other Federal agencies, NHTSA was not clear as to how to integrate and use these concepts collectively to change how it does business. The Agency struggled with the issue but it was eventually successful in integrating these management strategies into a comprehensive and coherent approach to change management.

The approach used by NHTSA is depicted in Exhibit 5. It is a multi-level approach that cascades down from the DOT Strategic Plan. The seven goals set forth in the DOT Strategic Plan provide the overarching basis for the NHTSA Strategic Plan as well as the DOT Budget. The SEP translates the broad goals and objectives of the Strategic Plan into specific programs and activities that will be conducted over the next five years. The SEP also contains performance measures with five-year targets so the Agency can measure its progress toward achieving the goals of the Strategic Plan. The one-year targets in the annual GPRA Performance Plans represent incremental progress toward meeting the five year targets established in the SEP. Together, the SEP and the annual GPRA Performance Plan drive the agency's budget. In crafting their annual budget submissions, NHTSA program managers now have to do a "cross-walk" between their proposed activities and measures and those articulated in the SEP and the GPRA Performance Plan. This ensures that the Agency's annual budget requests support all of the programs prescribed in the SEP for that given year as well as the measures from the annual GPRA Performance Plan that will be used to assess the effectiveness of those programs.

To ensure that the agency maintains sufficient focus on its near-term priorities, each program office within NHTSA develops a list of their respective priority activities. Once every two months, the Administrator meets individually with each Associate Administrator and their senior managers to review progress on the priority activities as well as to discuss any emerging or unanticipated issues.

Without a sound management structure, strategic plans often end up "on a shelf" and never impact change in an organization. NHTSA's approach has enabled the agency to effectively use the DOT and NHTSA Strategic Plans as roadmaps for organizational change. Goal 7 of the DOT Strategic Plan "Transform DOT," provides the basis for the third theme of NHTSA's Strategic Plan "Transform NHTSA Through Continuous Improvement." This theme covers goals 8 through 11 on NHTSA's plan: process improvement and restructuring; better customer service; employee development and retention; and effective use of information resources. By undertaking the actions outlined in goals 8 through 11 of its SEP, NHTSA has become an example of how Federal agencies can successfully transform how they do business.

To achieve business process improvements the agency has undertaken an in-house training program and staff supports for the process improvement teams. These teams are addressing the basic processes of the agency, e.g. procurement, correspondence control, rulemaking. Agency staff provides training and facilitation skills to these teams on demand in the areas of team leader/member

skills, continuous improvement analytical tools, and managers roles and responsibilities in a team environment. Support is also provided to project teams such as the Autosafety Hotline, which is the agency's major customer service vehicle. The Office of Administration provides the basic training and support for employee development and retention. Strategic Planning Division staff also provide support for and review of agency re-organization activities.

Use and Impact of Strategic Planning and Performance Measures

Outcome measures are communicated to program office staff through the development process of each fiscal year GPRA performance plan and through the development of the annual budget submittals. In the development of the annual performance plans draft documents are broadly circulated requesting input on program measures and comments on appropriate target levels for the agency's overall outcome and intermediate outcome measures. Following completion, the plans are disseminated throughout the agency. External communication involves distribution of the GPRA plans, reports, Strategic Plan, and Strategic Execution Plan to agency stakeholders. Presentations by NHTSA staff at conferences have also communicated these measures. The annual roll-out of the GPRA performance reports to the entire Department is another means of conveying information about NHTSA's outcome measures.

At the end of each reporting period agency staff are accountable for reporting progress on outcome and program output measures in the GPRA plan and budget. Assessment of performance measures, such as the involvement of alcohol in fatal crashes, has indicated that there has been some slippage in progress. This has led to increased activities to address this problem. For example, measurements indicating a slowing down of the increases in safety belt use, and recent legislative changes that may increase average speeds in crashes has lead to renewed NHTSA and Departmental commitments to increasing the number of states with primary enforcement safety belt laws. In addition, the recent poor performance of some agency outcome measures, has lead to the NHTSA National Center for Statistics and Analysis to allocate resources to study the statistical correlations between external factors and safety, and to study on a more detailed basis the sources of increase in fatalities and injuries during periods of economic expansion.

Beginning with the development of the FY 1998 budget, program offices are being required to demonstrate linkages to outcomes in cases where their program budget uses an output rather than an outcome measure. Implementation of this process will focus even more attention on outcome measures. Also with the preparation of the FY 1998 budget, all of the elements of the program budgets are being linked to performance measures and milestones in the Strategic Execution Plan. This linkage, via an agency-wide SEP matrix, was used in the spring of 1996 for the FY 1998 budget development to identify gaps in support for the SEP and to make trade-offs between program elements to support the Strategic Plan.

A performance-based organizational change is underway in the Traffic Safety Programs part of NHTSA. However, thus far no move is underway to reorganize the entire agency according to reducing the occurrence of crashes, reducing the consequences of crashes and customer service.

Costs

The most significant cost of the GPRA and Strategic Planning is the staff time needed to develop, track, and report on measures. In addition to two staff members in the Strategic Planning Division working part-time on GPRA and one staff member working full time on strategic planning, the Budget Division has a GPRA liaison person and each Associate Administrator has a GPRA/Strategic Planning liaison who perform these duties among a variety of other tasks. In addition, program office staff are called upon to develop measures and review documents. NHTSA is a small organization dealing with a multi-faceted and enormous problem with very limited staff and dollar resources. Funding the balance between developing and delivering program and measuring/evaluating progress and linkage to outcomes is a constant problem. Addition of performance measures requirements in the annual budget submittals has taxed the already overburdened staff and created some morale problems. The goal is to simplify the measures and the process as much as possible.

Support of the agency's data systems is essential, even without the need to track outcome measures. Total annual support of NHTSA's data systems amounts to approximately $ 16 million. NHTSA's strategic planning contract support (including the development of the SEP) has amounted to about $400,000 since 1992.

Next Steps

Based on the experience of the GPRA pilot phase, NHTSA is revising its Strategic Plan and Strategic Execution Plan so that its goals, supporting objectives, milestones, and performance measures build into a logical sequence from program activities to agency outcomes. This may lead to restructuring the Strategic Plan, putting Goals 5 and 6 at the top of the hierarchy. It is anticipated that the revised versions of these plans will correspond more closely to the GPRA Performance Plans in this respect and will better convey the priorities of the agency. The agency also plans to address during FY 1997 the issues identified in the following section. The agency's GPRA measures and budget support of the Strategic Execution Plan will be part of the discussions with OMB and Appropriations Committees on NHTSA's FY 1998 budget request. NHTSA also will consult with OMB and Congressional Oversight and Appropriations Committees in the course of development of the revised Strategic Plan and Strategic Execution Plan.

Lessons Learned

Lessons learned include the need:

for more training of staff (including mid-level managers)
to develop messages and deliver these to Congress
for more staff time dedicated to the development of good program measures and to clearly establish linkages from program outputs to outcomes
to recognize and continue to support the resources needed to develop good data

In addition, NHTSA has learned many valuable lessons during its reinvention journey. As other private and public sector organizations have found, many change management initiatives are met with resistance. While there is still some resistance in the agency, it can and has been reduced by involving the employees and customers in the development of the initiatives and continually communicating

with them as the effort progresses. As previously discussed, it is imperative to integrate the management initiatives using the Strategic Plan as the overarching basis. Centralizing lead responsibility for such activities helps facilitate their integration. NHTSA's Office of Plans and Policy has lead responsibility for the Strategic Plan, the Performance Agreement, GPRA, and the budget.

Another lesson learned is that the process of development and key players makes a significant difference in product. The GPRA structure for performance measures was constructed in a hierarchical way, with program outputs building into intermediate outcomes, which build into ultimate outcomes. The process of developing the agency's first strategic plan produced a strategic plan with goals and objectives arrayed in a non-hierarchical fashion. This can serve as a lesson learned for other programs that are now embarking on strategic planning and GPRA implementation.

Linkage between GPRA, the Strategic Plan, and the budget are easier if the organizational structure of the agency combines these activities. NHTSA is fortunate that the Strategic Planning Division and the Budget Division are located under the same Associate Administrator. Most agencies had trouble explaining the nuances of GPRA to the budget office. NHTSA trained a member of the Budget Division about GPRA, and this person is now the GPRA budget liaison with the GPRA program managers. This close working relationship with the Budget Division has facilitated linkage between GPRA, the SEP, and the budget.

Note: This study had some graphics as appended exhibits that are not included in this archive version due to technical problems, but will be included with later html versions on the NPR web site.