Commentary: “Playing the Wrong PART: The Program Assessment Rating Tool and the Functions of the President’s Budget”

The extensive research that I and others did at the Organisation for Economic Co-operation and Development and at the International Monetary Fund indicates that countries—and the analysts who review them—often confuse performance budgeting with performance-informed budgeting. The former is much more involved with the allocation of resources based on achieved results. In the latter, performance information is important in the budget decision-making process, but it does not determine the amount of resources allocated, nor does it have a predefined weight in decisions. This confusion is evident in the application of Program Assessment Rating Tool (PART) information in the United States, as described in Professor Joseph White’s article.

PART is the latest in a series of efforts that began more than 60 years ago to develop and use performance information in the U.S. budget process. To the extent that PART information was intended to be used directly in the allocation of resources, then, for the reasons pointed out in White’s article, I concur with the conclusion that “PART did not help.” However, if the information produced by PART was to be considered in the decision-making process, but certainly not as the only or necessarily the determining factor in resource allocation, then PART information could contribute to the process. In this context, it is important not to underestimate the value of efforts—even generally unsuccessful ones—to reorient the budget decision process away from inputs, such as appropriation amounts or staffing levels, and toward outputs and eventually, in some cases, outcomes. PART’s proponents may well have promised much more than it could deliver and, in the process, consumed staff resources that could have been better...
utilized on more direct output measures. But PART’s goals are hard to fault even if its execution left much to be desired.

The international budget community has closely followed, and learned from, the U.S. experiences with PART. In particular, PART’s management scorecard—red, yellow, and green scores or, using its politically incorrect label, “name and shame”—has been copied. Perhaps many experienced and oh so savvy U.S. officials did indeed learn “how to take the [ratings] test” without creating “a culture of managing for performance.” But no other country is committed to a separation of powers mentality like the United States, and thus the power of name and shame and the information produced to derive a scorecard has had much greater resonance overseas. Even in the United States, the cynical assessment of many of PART’s value may be as much a comment on the widely discredited fiscal policies of President George W. Bush as on the value and use of PART itself. Nevertheless, there is no doubt that PART could have contributed much more had it not raised “excessive hopes for what performance measurement could accomplish.”

The United States produces more and better-quality information on performance and results than any other country. However, it will not take advantage of this information unless it is integrated into a performance-informed budgeting system, not a performance budgeting one. It is hoped the PART experience will help the United States reach this conclusion.