MIXED RESULTS

Lessons Learned from a Case Study of Interagency Collaboration

Special Report #10

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EXECUTIVE SUMMARY

This evaluation is a case study of mixed results. It documents how difficult it can be to administer separate, seemingly complementary federal programs in a value-added way that makes sense to customers and uses taxpayer money wisely. This close-up look at the incentives and, perhaps more importantly, disincentives in the small pilot program studied offers critical lessons for more ambitious efforts to use public funds more effectively.

The IEL Policy Exchange evaluated the effectiveness of a small pilot program to test joint administration of two federal programs—the U.S. Department of Energy's Weatherization Assistance Program (Weatherization Program) and the U.S. Department of Agriculture's Section 504 Rural Housing loan and grant program. Both programs can help elderly, rural, very low income home owners repair their homes to make them safer and more energy efficient. But the two programs also have different goals and administrative structures, and are accountable to different Congressional committees.

The pilot program was very small, only $275,000 shared by three participating states (New Mexico, North Carolina and Ohio). In these states, the pilot operated side-by-side with its two, much larger component pieces—the Energy Department's $214.8 million Weatherization Assistance Program and the Agriculture Department's $54.7 million Section 504 Rural Housing loan and grant program. One state, Ohio, worked closely with a nongovernmental partner.

The IEL Policy Exchange looked closely at both the *process* of implementing the pilot program and the *results* this process produced in order to extract lessons learned and make recommendations for future improvements.

This study included several major research and data collection tasks: analyzing statutes and other related materials; developing a detailed side-by-side comparison of the two programs; and conducting structured telephone interviews with federal administrators, state and local field staff officers and customers of the pilot program.

This report describes the lessons learned from the successes and limitations of the pilot program. It then draws on these lessons to make recommendations to improve future efforts to combine or streamline programs that have different statutory requirements and administering agencies, even though they have similar goals, provide similar services or serve essentially the same people.

Major lessons learned from this study are:

OVER-ARCHING LESSONS

- Structural differences matter.
- There is currently not much federal "glue" to connect policies and programs across departments.

The form of assistance matters.
All states are not created equal—and neither are branches of federal agencies.
Mission matters.
It makes a difference when staff put the customer first.
Scarce money can be the "mother of partnerships."

RESULTS PRODUCED BY THE PILOT PROGRAM

It is hard to succeed if success is not clearly defined.
Program goals and measures of success reflect departmental stove pipes.
Long-term and corollary results are often not rewarded.
Customer satisfaction should be a prime measure of success.
Partnerships are never perfect, but they become easier with practice.

PILOT PROGRAM PROCESS

Timing is everything.
Having a nongovernmental partner can pay off.
Combining programs does not automatically reduce paperwork and bureaucracy.
All bureaucracy and complexity are not dictated from Washington.
Federal staff at the state and local levels do not expect the federal government to change the way it does business.
Staff know little about other programs and agencies.

This study makes the following recommendations:

Put customers first.
Articulate clear goals and identify benchmarks for success.
Identify and, wherever possible, simplify inconsistent requirements and troublesome structural barriers.
Hold staff at all levels accountable for results.
Give staff sufficient notice and time to undertake a new program.
Invest in staff training.
Provide assistance to staff and customers to assure continuous program improvement.
Reduce the amount of paperwork for staff and customers alike, with a focus on results.
Develop strategies to address statutory, regulatory and administrative barriers.
Provide grants, not loans.
Assure that repairs are of high quality.
Provide Congress with information on complementary programs.
Build flexibility into the system while maintaining accountability for results.

In order to succeed, collaborations across departments, such as this pilot program, need leadership from top-level officials and career staff who are committed to making the joint effort work. Both are necessary. Either one alone is not enough.

Leadership starts at the White House and with the President's Cabinet Secretaries. They need to select political appointees with a vision that goes beyond their agency boundaries. They also need to reward appointees who promote programs and policies that efficiently produce results in the national interest rather than focusing solely on the more narrow concerns or budget of their agency.

Also, career staff (civil servants) are the people who will actually implement the program—or, conversely, bureaucratically stonewall or stymie something that they don't understand, think is a bad idea or find too threatening. Consequently, successful collaboration across departments requires that senior career staff understand the big picture and support both the collaborative process and the goals of the collaboration.

COMMENTARY

Mixed Results documents the process and results of a small pilot project that linked two programs from different federal agencies: the Section 504 Rural Housing loan and grant program of the U.S. Department of Agriculture and the Weatherization Assistance Program of the U.S. Department of Energy. Although the pilot project focused on rehabilitating inadequate housing for low income senior citizens, many of the lessons are equally applicable to programs that serve children and families—the primary focus of the IEL Policy Exchange.

The two federal partners commissioned the IEL Policy Exchange to conduct this evaluation with two goals in mind: to assess the effectiveness of the pilot project and, more importantly, to identify ways to make future collaborative efforts across departments more effective and efficient. While the pilot project itself was quite small—with total federal funding of just $275,000 divided among three states—this study adds important insights and depth to a growing body of knowledge about the elements that ultimately lead to the success or failure of partnership efforts.

This study examines an *intra*governmental partnership—one in which both partners were federal agencies, even though the layers of these agencies reached from Washington to the small rural communities where program participants lived. The lessons learned from this analysis are also very relevant to *inter*governmental partnerships—those involving government at all levels. These multi-layered partnerships are even more complicated and fragile than the federal-to-federal pilot project evaluated in this report: they must sort out state and local as well as federal responsibilities and regulations in order to eliminate barriers and maximize efficiency.

The pilot project involved two programs that are closely connected "on the ground": many of the same people and many of the same communities are eligible for services from both programs. The Agriculture Department's Section 504 Rural Housing program aims to reduce health and safety hazards in the homes of low income rural home owners, and the Energy Department's Weatherization Assistance Program has improving energy efficiency in rural housing as its main goal.

Normally these programs operate in isolation from each other, often leaving customers' needs unmet and wasting federal money. For example, if a home is insulated with Weatherization Assistance Program funds, but the leaky roof is not fixed, the next rain storm will quickly ruin the new insulation. The pilot project attempted to coordinate these two programs: for example, using Section 504 funds to repair a roof and *then* using Weatherization Assistance funds to insulate the house. Although this type of coordination among related programs seems to be a common-

sense approach, it was a surprisingly innovative use of federal funds.

Mixed Results identifies important areas where public programs—whether federal, state or local—can and should improve. The first recommendation is to *put customers first*. This echoes the admonition of Vice President Al Gore's National Performance Review to all federal agencies that deliver services to the public to immediately identify who their customers are, and to survey their customers to see if they are satisfied with existing services.[1]

But it is often difficult for federal agencies, especially those located far from communities, to work in a way that is respectful of the needs of the customers they ultimately serve. Implicitly recognizing this, states and communities typically use *their own funds* to provide critical support for systems to support children and families that are more community-based and user-friendly. Rightly or wrongly, they perceive federal money as having too many strings to be used in community-based collaboratives.

In this study, only one state scored high marks for customer service: in Ohio, the federal agencies partnered with a community-based nonprofit organization that served as a single point of contact where customers could get services from both programs in the pilot project. In the other two states, the low income elderly people eligible for services typically had to navigate two separate bureaucracies (Agriculture and Energy), prove themselves eligible for each program independently of the other, open their homes to multiple inspectors and contractors and, in many cases, ultimately accept second-rate repairs.

This study also points to the importance of holding public agencies *accountable for results*. In the memorable words of the Cheshire Cat in *Alice in Wonderland*: "any road will get you there if you don't know where you're going." Although the pilot program was administered by federal agency staff (many of whom were assigned to work in state and local offices), they did not have a unified set of clear goals or measures of program success. Some staff thought that the goal of the pilot project was to "stretch federal dollars," while others saw it as an opportunity to clear up "a huge backlog of applicants." And, since the pilot project began late in the budget year and had only minimal funding, staff felt pressured to spend the funds before the fiscal clock ran out. With such a range of perceptions of program goals, it is almost impossible to measure success or hold staff accountable for results.

From an *intergovernmental* perspective, it is significant that the authors of this study concluded that *federal* staff working at the state and local levels had "pathetically low expectations" that their Washington supervisors would support, much less lead, meaningful program improvements. In fact, federal field staff typically identified only the barriers they could effectively address at their level in the bureaucracy. Yet it was precisely the "higher level" barriers—such as excessive paperwork and seemingly endless procedural requirements—that customers saw as the most onerous. If it is this difficult for federal employees to identify these barriers and needed improvements, it is surely an even greater challenge for state and local staff attempting to work in partnership with federal staff.

Perhaps the clearest message from *Mixed Results* has to do with the most sensible ways to spend federal funds. The report concludes that "scarce money can be the

mother of partnerships." While this may be true, funding that is both sufficient and flexible enough to meet on-the-ground priorities that pass the common-sense test can be the benevolent godmother of innovation. And innovation is often a prerequisite for programs that serve customers effectively. For example, the pilot project did *not* include funding to help staff from the two agencies plan together, train them to do business differently, simplify the cumbersome and largely duplicative process of determining customers' eligibility for services two separate times, or provide the elderly low income customers with one place to go to get services from the two separate programs.

It is a delicate balance. In *inter*governmental as well as *intra*governmental partnerships, there are trade-offs between the *amount of funding* and *how flexibly funding can be used*. Too much money on the table can lead agencies to rush to implementation. Inadequate funding can provide too few incentives, and too few tools, to motivate even well-intentioned agency staff to change their established ways of doing business.

Top-level leadership and coordination does not guarantee that programs will be seamless for local-level customers. Yet, as this report makes clear, the absence of federal coordination and coherence makes it difficult, if not impossible, for states and communities to put the programmatic pieces together in ways that both make sense at the local level and do not violate federal rules (whether they are imposed by Congress or the agency administering the program).

The authors of *Mixed Results* recommend that the Departments of Agriculture and Energy work together in the future to coordinate similar programs operated by their departments. Recently, many voices have called for high-level leadership to coordinate the cross-agency patchwork of federal, state and local programs for children, youth and families. For example, in 1994, the Carnegie Task Force on Meeting the Needs of Young Children recommended that the President "direct a high-level federal group to review the findings of this report, and to ensure the *adequacy, coherence, and coordination* of federal programs for families with young children."[2] A 1997 report by the Sar Levitan Center for Public Policy recommended: "The federal government should form an interagency task force to make more effective use of federal funding for disconnected youth."[3] And a 1995 report by the IEL Policy Exchange recommended that both the Congress and the Executive Branch create top-level mechanisms to assure that programs for children and families make sense across Executive Branch departments and Congressional committees.[4]

The Departments of Agriculture and Energy deserve credit for conducting this small yet telling pilot project and for their willingness to have an outside review of the effectiveness of this experiment. This study helps to build the case for simultaneous top-down and bottom-up reform—led by the President and Congressional leadership at the federal level and by thousands of community leaders at the local level—to put customers first, to hold public programs accountable, and to support common-sense flexibility that produces results that matter. With this kind of innovation and hard work at all levels, we could go a long way toward turning *Mixed Results* into *Good Results* for children and families.

Jeanne Jehl

INTRODUCTION

This evaluation is a case study of mixed results. It documents how difficult it can be to administer separate, seemingly complementary federal programs in a value-added way that makes sense to customers and uses taxpayer money wisely. This close-up look at the incentives and, perhaps more importantly, disincentives in the small pilot program studied offers critical lessons for more ambitious efforts to use public funds more effectively.

The IEL Policy Exchange was especially interested in conducting this study to build on its previous work examining the interconnectedness of other federal, state and local programs. Through its research, IEL has learned that many programs that *should* be complementary fit together imperfectly in the real world, if indeed they fit together at all.[5] The findings of this study reinforced this perception.

The IEL Policy Exchange conducted a study in the summer and fall of 1996 to evaluate the effectiveness of a pilot program that jointly administered two federal programs—the U.S. Department of Energy's Weatherization Assistance (Weatherization) Program and the U.S. Department of Agriculture's Section 504 Rural Housing loan and grant program. The pilot program was very small by federal standards—only $275,000 shared by three participating states (New Mexico, North Carolina and Ohio).

These two programs have striking similarities as well as important differences. Both programs provide what, at first blush, appear to be the same services for essentially the same people. That is, they help elderly low income home owners in rural communities fix up their homes to make them safer and more energy efficient. It is these similarities that prompted the Departments of Agriculture and Energy to undertake the pilot program in 1995.

Differences between these two programs made coordination a challenge and prompted this evaluation. The differences are significant.[6] To name a few:

> The two programs have very different goals. The United States Department of Agriculture's Section 504 Rural Housing program primarily aims to reduce health and safety hazards. The Energy Department's Weatherization Assistance Program has increasing energy efficiency as its primary goal.
>
> The two departments, and hence the two programs, have very different federal, regional, state and local structures—not to mention entirely different staff, organizational norms, reward systems, time

lines and reporting requirements.

And, not coincidentally, the two programs are accountable for their continued existence and funding to different committees in the U.S. Congress.

Taken together, these and other differences make coordination of these two seemingly similar programs more of a negotiated art form than a cut-and-dried science.

About the Two Programs and the Pilot Program

The pilot program attempts to combine two separate federal programs. The Department of Agriculture's Section 504 Rural Housing program provides loans and grants to "very low income" rural home owner-occupants to improve, modernize and remove health and safety hazards in their homes. Section 504 Rural Housing *grants* are reserved for very low income elderly people age 62 or older. Section 504 *loans* also serve very low income people but are not reserved solely for the elderly. The Section 504 program is managed by federal employees, known as administrators at the federal level and field staff officers at the state and local levels.

The Department of Energy's Weatherization Assistance Program provides grants to low income people to increase the energy efficiency of the dwellings they own or occupy as well as to improve their health and safety. This program gives priority to persons who are elderly, handicapped and, if a state elects, families with children. This Energy Department program is managed by federal employees, known as administrators at the federal level and program managers at the state and local levels.

For a chart illustrating major similarities and differences between the two programs, see Appendix A, *A Comparison of the Agriculture Department's Section 504 Loan and Grant Program and the Energy Department's Weatherization Assistance Program*.

The United States Department of Agriculture's Section 504 Rural Housing loan and grant program had $54.8 million in funding in fiscal 1995 and $59.9 million in 1996. The Energy Department's Weatherization Assistance Program had $214.8 million in funding in fiscal 1995 and $111.7 million in 1996. Total funding for the 1995 pilot program was a modest $275,000 spread among the three participating states: New Mexico, North Carolina and Ohio.

The pilot program was undertaken because the Agriculture Department's Section 504 Rural Housing program and the Energy Department's Weatherization Assistance Program provided apparently complementary services to elderly home owners. For example, one program (Section 504 Rural Housing) could fund repairs to fix a leaky roof and the other program (Weatherization Program) could fund insulating a house to improve its energy efficiency (insulation that would be quickly ruined if the roof leaked).

All field staff interviewed by the IEL Policy Exchange supported the concept of the pilot program. All of the counties participating in the pilot program had large backlogs of applicants for the two programs and all field staff officers and program

managers interviewed were delighted to be able to help more applicants than would have otherwise been possible.

Although only "very low income" areas in all three states were included in the pilot program, the circumstances of the three states were very different. New Mexico served five Indian pueblos and, of necessity, involved the pueblos' respective tribal authorities. North Carolina served only one county, chosen because the backlog of applicants was especially large because of high unemployment. Ohio chose to serve twenty-nine rural counties in the Appalachian section of the state.

About This Study

The purpose of the study was to assess the effectiveness of the pilot program that combined the Department of Energy's Weatherization Assistance Program and the Department of Agriculture's Section 504 Rural Housing program in improving coordination across the two departments and leveraging their grant funds—getting more bang for the federal buck.

A hoped-for side benefit of the study was to inform future efforts at collaboration among other federal, state and local programs. The findings have significant implications for large federal programs, even though neither program in the study is large by federal standards and the joint pilot program was especially small. The findings also have implications for state and local programs—and for the *relationships among federal, state and local programs*.

In this study, the IEL Policy Exchange looked closely at both *process* and *results* in order to extract lessons learned and to make recommendations for future improvements.

> The analysis of *process* looks at the successes and barriers to the administration and operation of the pilot program.
>
> The analysis of *results* focuses on improved effectiveness and efficiency shown in the pilot program states.

The IEL Policy Exchange examined the implementation of the pilot program in the three states funded by the Departments of Agriculture and Energy to participate in this pilot program: New Mexico, North Carolina and Ohio.

The study included four major tasks:

> Analyzing reams of statutes, regulations, reports and other materials from the Departments of Energy and Agriculture related to these two programs.
>
> Developing a detailed side-by-side comparison of the two programs and the pilot program. Issues covered include: services and benefits provided, eligibility for services and benefits, funding levels, the flow of money from the federal to the local level, the processes for applying to the federal government for funding, how participants get services and benefits, coordination mechanisms, and the major

Congressional committees with responsibility for the programs.[7]

Conducting structured telephone interviews with eighteen federal, state and local field staff officers and program managers who implemented the pilot program, most of whom were identified by federal departmental staff.

Conducting structured telephone interviews with five randomly selected customers of the pilot program. These interviews were not part of the original scope of work, but were added because of their obvious importance in understanding the results of the pilot program and the degree of customer satisfaction.

The research for this study was conducted in 1996 in a highly condensed time frame—four months from start to finish—with very limited resources. Consequently, it was not feasible to undertake such desirable (but time-consuming and labor-intensive) activities as longitudinal analyses, review of administrative records, or site visits to individual states or homes.

Finally, this report is written to make sense to policy makers, program field staff and managers, and customers alike in order to prompt constructive changes in policy and practice. While some of the analysis was necessarily technical, this report attempts to describe problems and solutions in plain English.

RECOMMENDATIONS

Many of these recommendations are inter-related and address more than one finding or lesson learned. They flow from the lessons learned in the next section of this report. Most, if not all, of these recommendations apply to other federal programs, as well as to programs at the state and local levels. For example, many echo the conclusions of Vice President Gore's National Performance Review.[8]

One common thread throughout the recommendations is that there must be leadership at all levels, from top to bottom. This includes both top-level officials who make policy and career staff who deal directly with program participants.

The recommendations are as follows:

Put customers first.
Articulate clear goals and identify benchmarks for success.
Identify and, wherever possible, simplify inconsistent requirements and troublesome structural barriers.
Hold staff at all levels accountable for results.
Give staff sufficient notice and time to undertake a new program.
Invest in staff training.
Provide assistance to staff and customers to assure continuous program improvement.
Reduce the amount of paperwork for staff and customers alike, with a focus on results.
Develop strategies to address statutory, regulatory and administrative barriers.
Provide grants, not loans.
Assure that repairs are of high quality.
Provide Congress with information on complementary programs.
Build flexibility into the system while maintaining accountability for results.

Put Customers First

For this pilot program, *putting customers first* means treating elderly very low income rural home owners courteously and efficiently, streamlining paperwork and procedures for them, listening and responding to their suggestions, and using their

satisfaction level as a major indicator of program success.

Towards this end, the departments should undertake regular surveys of customer satisfaction and then use this information to train and evaluate staff, measure progress, and improve policies and procedures.

Provide a single point (or points) of contact for customers to find out about coordinated or complementary programs, such as the pilot program. It is unrealistic and ineffective to expect customers—in this case, very low income rural elderly people, some of whom did not have telephones—to understand and negotiate multiple rules, regulations and bureaucratic structures.

Ensure that staff and contractors treat customers with respect and without discrimination. Although this study did not look for bias or discrimination, the interviews revealed that customers sometimes felt contractors and staff did not treat them with respect, and that it was difficult to get contractors to work on Indian reservations. While not conclusive, these comments provide a strong rationale for examining these programs more closely and, if any discrimination is found, to train staff and take steps to assure that federal purchasing power is used in a nondiscriminatory manner.

Articulate Clear Goals and Identify Benchmarks for Success

Programs, especially complex programs that cross agency lines, need to have both clearly stated goals (long-term targets) and shorter-term benchmarks or indicators to gauge progress. Yet, staff implementing the pilot program did not perceive it as having clear goals or understand how its success would be measured.

Use the Government Performance and Results Act (GPRA) as a catalyst to identify "objective, quantifiable and measurable" performance goals that are consistent across the two larger programs that were included in the pilot program. (GPRA requires that departments develop these plans beginning with the FY 1999 budget.)

Improve communication among staff at the federal, regional, state, county and local levels. Many of the problems encountered in the pilot program were exacerbated by incomplete or inconsistent communication among federal staff, including federal staff at the regional and local levels. For example, staff at the state and local levels were unsure how staff at the federal level defined program success.

Identify and, Wherever Possible, Simplify Inconsistent Requirements and Troublesome Structural Barriers

Propose specific regulatory and statutory solutions to inconsistent requirements and troublesome structural barriers. The two programs in the pilot program, like so many programs that provide essentially the same services and benefits to essentially the same people, contain important statutory and regulatory inconsistencies—for example, how they define "elderly person," how they determine eligibility, and how they provide services and benefits.

The departments should make review of statutory and regulatory barriers a routine

part of the process for developing regulations as well as legislative proposals.

The Office of Management and Budget should play a key role in this analysis. This is especially important when programs involve multiple federal departments, when legislative changes are required, and when there are cost implications to making the programs consistent (as there often are).

Hold Staff at All Levels Accountable for Results

Link rewards for staff to program results and customer satisfaction. Accountability for results involves identifying clear results and benchmarks to gauge progress. Agencies must then integrate accountability into the management of specific programs, personnel policies (including hiring and promotion), auditing, and activities of the Inspectors General.

Revise job descriptions and criteria for pay increases and promotion to tangibly reward staff that produce results, focus on the customer, decrease red tape and work effectively with other agencies and departments. These activities can be time-consuming and require that job descriptions and criteria be rethought and reconfigured: these new roles and responsibilities should not simply be added to existing job descriptions and expectations. Revising job descriptions and criteria should be done in coordination with the Office of Personnel Management.

Give Staff Sufficient Notice and Time to Undertake a New Program

Allow sufficient time for field as well as central office staff to plan and build new relationships as well as knowledge. Agency staff at all levels (federal, state and local) need time to shift gears and do business differently. It takes time for staff to map new strategies that will be effective, to identify and get to know new partners (and then develop good working relationships with them), to understand the structure and culture of another department, to learn the details of new programs, and to negotiate processes and procedures that will work for all parties. This is especially true for cross-agency collaboration, an area where few staff have much experience and where trust levels are typically low.

Whenever possible, implement new or cross-agency programs at the beginning of the fiscal year. Timing these programs to begin early in the fiscal year would provide staff with time to plan and incentives to spend funds effectively and wisely, not just quickly before the end of the fiscal year.

Invest in Staff Training

Provide results-oriented, customer-focused training for staff at all levels—federal, state and local—that addresses attitudes as well as specific skills. For staff to assume new roles, partner effectively with other agencies and shift their focus to put customers first, they need to learn new skills and information as well as new ways to approach problems. A few people intuitively make these transitions without any assistance. Most people, however, need both training and practice before they can function effectively in cross-agency and collaborative situations.

This training can take any of a number of forms—formal classes, cross-agency problem-solving workshops, pairing staff across agencies, assigning mentors, etc. In the short run, training is costly because it takes time. In the long run, good training is an investment that can yield a better return on tax dollars as well as better service to customers.

Cross-train staff across departments and agencies. Staff need to know about potentially complementary programs and understand how they fit—or do not fit—together. They need to know who to call and the types of questions they need to ask of their counterparts in other agencies. They also need opportunities to build working relationships with their colleagues in other departments in order to avoid or overcome procedural as well as substantive stumbling blocks so they can better serve their common customers.

Provide Assistance to Staff and Customers
to Assure Continuous Program Improvement

Continuous improvement means routinely incorporating lessons learned and feedback from staff and customers into program operations and the policy pipeline.

Have regular mechanisms to get suggestions for program and policy improvements from local, state and regional staff, as well as customers. Staff that actually implement a program know the most about its day-to-day operation, impact and pitfalls. When asked for their thoughts, and rewarded for sharing them, staff can identify important issues *before* minor problems become major crises.

Have federal-level central points of contact to provide technical assistance to staff on the front lines. With any new endeavor, especially one that crosses departmental lines, staff typically confront many questions they could not have anticipated in advance. Having a central point of contact—someone who can answer questions quickly and authoritatively—can be of enormous benefit. It can also enable programs and agencies to learn from each other, recognizing that readiness for change will always be uneven.

Designate local-level coordinators or liaisons to make sure that cross-agency programs work well. This includes providing "one stop" information to customers and working with staff in both agencies to resolve apparent or real administrative, procedural and substantive inconsistencies. (This coordinator/liaison can come from either agency—or it could come from a nongovernmental organization, as was the case in Ohio.)

Reduce the Amount of Paperwork
for Staff and Customers Alike, with a Focus on Results

Streamline forms for customers and use computers to reduce duplication. Review the forms that customers or eligibility workers must complete and remove unnecessary items—that is, items not needed to determine eligibility or to implement the program. Share comparable data elements across programs, through a computer data base, taking steps to obtain any needed permission or waivers of confidentiality from customers. If needed, develop "Memoranda of Understanding" across federal

departments to facilitate this process.

Focus reporting required of agency staff on accountability for results. Review the forms that agency staff complete: remove unnecessary information and, to the extent possible, structure them similarly. Focus information collected on program results (working closely with auditing staff as well as the Inspectors General to assure that there is *sufficient, but not excessive,* information about process).

Develop Strategies to Address
Statutory, Regulatory and Administrative Barriers

(Refer to Appendix A, *A Comparison of the Agriculture Department's Section 504 Loan and Grant Program and the Energy Department's Weatherization Assistance Program*.)

Convene staff across all federal departments and agencies that administer housing and Weatherization Programs to identify specific ways to modify these programs to form a more coherent whole as well as to function effectively in concert with other programs (such as health, education, justice and social service programs) that also serve low income and elderly people.

> This could be limited to the two programs included in this study.
>
> A more comprehensive approach is to include all major federal housing/Weatherization Programs, no matter which agency or department administers them: this would include programs in the Department of Housing and Urban Development and the Department of Health and Human Services—as well as the Departments of Agriculture and Energy.
>
> A still more comprehensive approach is to expand the discussion to include all other federal programs that serve low income and elderly people, not just housing improvement and Weatherization Programs.

This discussion should take place with an eye towards the calendars for administrative rule making and legislative action on these programs.

Systematically identify important definitions that differ among programs and revise them to make them consistent or at least more compatible. The Departments of Agriculture and Energy define such basic terms such as "income" and "elderly" differently. This created hurdles that administrators had to clear to determine program eligibility: customers had to meet two definitions rather than one. Since changing these definitions often has budget implications and requires legislative action, the departments should integrate their findings into their agencies' budgets and legislative processes.

Review and, as necessary, revise reporting requirements and time lines for both programs to reduce paperwork, minimize duplication and focus on results. Review of these requirements was not within the scope of this evaluation, but they typically differ from program to program, especially when programs are operated by different

departments.

Provide Grants, Not Loans

The Agriculture Department should provide funding for elderly low income participants in the form of grants, rather than a combination of loans and grants. Providing loans to *elderly* low income home owners (who did not want to burden their families with debt) through the pilot program was neither a popular nor effective strategy.

Assure That Repairs Are of High Quality

Have local staff systematically check the work of contractors and survey customers to assure that repairs are completed satisfactorily. Also, let customers know how to contact the local-level coordinator or liaison (recommended above) if repairs are not satisfactory.

Develop model contractual language that links full payment to satisfactory completion of work, and provide local staff with this information.

Determine if the problem of poor quality repairs was unique to the pilot project—or if it is a larger problem of the two programs. Do this by, for example, interviewing program staff and customers who did not participate in the pilot project and randomly inspecting repairs made through the two programs.

Provide Congress with Information on Complementary Programs

In order for Congress to make sound decisions regarding programs that provide similar services, the departments should provide Congress with parallel information about complementary programs—that is, programs that provide similar services or serve overlapping populations. This information should be organized to facilitate comparisons of such key elements as: program goals and measures of success, services and benefits provided, identification of eligible federal participants, federal as well as other funding, and how funds are distributed.[9]

Build Flexibility into the System While Maintaining Accountability for Results

Sometimes government agencies can best meet their goals by working with a nongovernmental partner. The Government Performance and Results Act can provide a catalyst for agencies to explore effective partnerships that produce results.

Encourage administering agencies to partner with responsible nongovernmental organizations that have more direct contact with customers, as was illustrated by Ohio's partnership with the Corporation for Ohio Appalachian Development (COAD).

LESSONS LEARNED

This study looked at the *process* of implementing the pilot program that combined two federal programs and, to the extent possible, the *results* that this process produced. Not surprisingly, some lessons learned cross the theoretically neat process-results dichotomy.

Some of the findings and lessons learned from the study were unanticipated. Others just make common sense, but are worth stating explicitly.

This chapter summarizes lessons learned from this study. **For a deeper understanding of the facts that support these lessons, read Appendix B, *Major Findings Supporting the Lessons Learned*.**

Over-Arching Lessons

Structural Differences Matter

Structural differences between the two programs involved in the joint pilot program—that is, differences contained in the statutes or regulations for the two programs—caused problems for customers and the program staff charged with implementing the joint pilot program.

There Is Currently Not Much Federal "Glue" to Connect Policies and Programs Across Departments

The difficulties in jointly administering the two programs in the joint pilot program are not unique. They mirror problems common to almost all efforts at cross-agency collaboration—and to intergovernmental collaborative efforts as well.

While each federal program typically has at least a rudimentary set of goals, it is difficult to discern a unifying set of national goals or purposes that tie together the many programs that Congress has created to provide services to essentially the same people in essentially the same communities.

This is slowly changing. Experiments to clearly define the mission and desired results of government, to measure performance in a way that accurately gauges progress, and to use performance information for decision-making are popping up

at all levels of government—from more than 100 communities and thirteen states to the federal Government Performance and Results Act (GPRA).[10]

GPRA, enacted in 1993, is especially relevant in the context of this study. For example, in addition to requiring individual departmental plans, GPRA requires the Executive Branch to prepare an overall performance plan, complete with performance indicators, starting with the fiscal 1999 budget.

The Form of Assistance Matters

The form of the assistance—whether it is a grant or loan, reimbursement for services or directly providing services—can be as, or more, important to the customer than the value of the service.

All States Are Not Created Equal— and Neither Are Branches of Federal Agencies

Just as each of the 50 states has different strengths and weaknesses, so do the many arms of the federal government that operate in different states and regions of the country. States and counties are very different in terms of demographics, capacity, resources, the ability and personality of leadership and staff, and readiness for change. Branches of federal agencies (including state, regional and local branches of the Agriculture and Energy Departments) are similarly not cookie-cutter replicas of one another.

Goals or tasks that may appear uncomplicated and routine in one department, state, region or county might seem unreasonably ambitious in another. It is these differences in culture and capacity that make it so difficult to design flexibility and results-oriented programs and policies that work government-wide and nationwide.

Mission Matters

To quote Abraham Lincoln: "If we could first know where we are, and whither we are tending, we could better judge what to do, and how to do it." It is hard to know how to reach your destination unless you first know where you are going. Most people want to do a good job, so it is not surprising that the way in which individual staff members view their organization's mission and define their jobs—and success and failure in it—shapes their behavior.

It Makes a Difference When Staff Put the Customer First

When staff view customers or clients as the ultimate judges of success or failure, rather than inconvenient albeit necessary annoyances, the process as well as the results of a program can be improved.

Simply put, program staff who put themselves in the shoes of their customers (that is, elderly "very low income" rural home owners) recognized *and addressed* potential small problems early on, before they mushroomed into large problems. This included understanding that getting around often becomes more difficult with age, trying to make the bureaucracy and paperwork of the process invisible to the

customers, and adding the personal touch that can be especially important to the elderly.

Scarce Money Can Be the "Mother of Partnerships"

Developing effective partnerships across agencies is never easy. It requires flexibility, figuring out how to do things differently and crafting new win-win situations. Sometimes a funding crisis can provide the incentive to take these hard steps—serving as a catalyst for program managers to re-think how their program operates, and to make it more effective and efficient.[11]

There is a delicate balance in this calculation. A perceived funding crisis can provide an incentive for agencies to do things differently—and potentially more effectively. But slashing funds so that the resources are not there to do a needed job, no matter how creative and efficient the players become, only makes matters worse and fosters a bunker mentality among agencies.

Results Produced by the Pilot Program

Although the desired results of the pilot program were not specifically defined by the two departments, the IEL Policy Exchange identified four major types of "results" that might be used to judge the success of the pilot program:

> Did federal funds stretch farther, providing more services or serving more people than would have otherwise been the case?
>
> Did the pilot program actually meet the goals of both the Section 504 Rural Housing program and the Weatherization Assistance Program—that is, did it reduce health and safety hazards in the houses repaired and increase the energy efficiency of them?
>
> Were the customers of the pilot program satisfied with the results? Did they think that the programs did what needed to be done?
>
> Did the state or local field officers build a partnership between agencies and with other organizations that had the effect of making the two federal programs more efficient and effective? Was there some promise that this partnership would continue in the future and influence other programs as well?

While neither the scope of this study nor the time frame in which it was conducted were sufficient to examine all of these questions in depth, the IEL Policy Exchange was able to identify five major results-oriented lessons learned.

It Is Hard to Succeed if Success Is Not Clearly Defined

Because field staff and program managers did not have a clear understanding of how the success or failure of the program would be evaluated, they often had to guess at the best course of action.

Program Goals and Measures of Success Reflect Departmental Stovepipes

The same set of services or activities can meet more than one set of goals, yet this is rarely fully acknowledged in program design or administration. Program goals, and the evaluations and audits that assess their success or failure, often measure only a few aspects of the positive as well as the negative results of the program on real communities and real people. The pilot program attempted to integrate the health and safety goals of the Agriculture's Department Section 504 Rural Housing program with the energy efficiency goals of the Energy Department's Weatherization Assistance Program.

Long-Term and Corollary Results Are Often Not Rewarded

Activities and services that meet long-term national goals and result in savings *by other agencies* or *in the future* do not get the credit or attention they deserve. Yet, for example, housing improvements for the elderly can also enable elderly people to remain in their own homes (rather than go into nursing facilities), prevent homelessness, have mental health benefits, and improve the housing of children, other family members and future occupants of the improved housing. Typically, however, programs are evaluated on, and reward, short-term and narrow services and activities.

Customer Satisfaction Should Be a Prime Measure of Success

If the customers of a program do not get needed assistance in a way that works for them, the program is not successful. This holds true, even if program staff are scrupulously honest and dot all the procedural "i's" and cross all of the bureaucratic "t's." Customers were most satisfied when program staff made it easy to get needed services.

Partnerships Are Never Perfect, but They Become Easier with Practice

The creation of interagency partnerships is a complex process, but one that can be learned. Part of the complexity is learning the rules, definitions and procedures of another agency, as well as how decisions are made and who to call for important decisions or information. Another part of the complexity is developing healthy working relationships with a whole new set of people.

Pilot Program Process

Timing Is Everything

Government agencies, even the best of them, do not turn on a dime. People need time to learn new skills, to understand the intricacies of new programs, and to build relationships and trust with new colleagues. But time was in very short supply as the pilot program was implemented.

Short lead times can produce programmatic contortions. (And too-long time lines can reinforce the status quo.) Certain times of year are naturally more hectic than others. Both the short time frame for implementing the joint pilot program and the late-in-the-year timing of the joint pilot program left room for improvement.

Having a Nongovernmental Partner Can Pay Off

Doing things differently—such as partnering with a nonprofit agency—seems risky, especially if agency staff are terrified of the wrath of departmental auditors or an Inspector General who focus on process, not results. However, these "risky" behaviors can produce the best results, including saving taxpayers money.

Partnering with a nongovernmental agency can provide flexibility and a close-to-the-ground perspective that federal agencies do not have when they operate alone. Nonprofit organizations can make important connections to other organizations and customers, and provide a responsible way to cut through red tape.

Combining Programs Does Not Automatically Reduce Paperwork and Bureaucracy

Complication is the name of the game. Creative program staff can make programs look seamless to consumers. But identifying, understanding and reconciling underlying inconsistencies in laws and regulations takes enormous time and energy especially where programs cut across departments.[12]

All Bureaucracy and Complexity Are Not Dictated from Washington

One might think that federal staff located in state- and local-level offices would design programs to respond to customer needs more effectively than their Washington counterparts. But that is not always the case. Staff need skills, concrete rewards and incentives in order to focus on results, rather than methodically cover all their bureaucratic bases.

Federal Staff at the State and Local Levels Do Not Expect the Federal Government to Change the Way It Does Business

Federal staff working at the state and local levels have pathetically low expectations that serious and meaningful program improvements will be supported (much less led) by Washington and top federal officials. In fact, they found it difficult to identify changes that should be made by the national office of their department or agency. Rather, they focused on changes under their control. As a result, their Washington supervisors often do not get feedback and suggestions that they could use to improve programs.

Staff Know Little About Other Programs and Agencies

Even when the services they provide and the people they serve are virtually the same, staff of both programs knew very little about other programs, services or other agencies that might help their customers. This information gap will become more important as the Personal Responsibility and Work Opportunity Reconciliation Act ("welfare reform") fully takes effect.

CONCLUSION

This evaluation is a case study of opportunities taken and opportunities missed. Two federal agencies combined resources in a pilot program to help elderly low income home owners in rural areas make their homes safer and more energy efficient.

The pilot program helped, with varying degrees of success, additional customers in all three participating states. The barriers and dilemmas faced by the program administrators and the customers of the joint pilot program were not unique to this partnership. Rather, they illustrate problems that are typical of collaborative efforts and point to lessons and recommendations that policy makers can apply to a wide range of programs and policy areas—across agencies as well as levels of government.

ENDNOTES

[1] See *Creating a Government That Works Better and Costs Less: Improving Customer Service*, a report accompanying the National Performance Review's report, *From Red Tape to Results: Creating a Government That Works Better and Costs Less*, by Vice President Al Gore, September 1993.

[2] See *Starting Points: Meeting the Needs of Our Youngest Children*, report of the Carnegie Task Force on Meeting the Needs of Young Children, Carnegie Corporation of New York, April 1994 (emphasis added).

[3] See *A Generation of Challenge: Pathways to Success for Urban Youth*, a policy study of the Levitan Youth Policy Network, Sar Levitan Center for Social Policy Studies, Institute for Policy Studies of Johns Hopkins University, June 1997.

[4] See *Who Controls Major Federal Programs for Children & Families—Rube Goldberg Revisited*, by Margaret Dunkle, Institute for Educational Leadership Policy Exchange, 1995.

[5] See *Who Controls Major Federal Programs for Children and Families—Rube Goldberg Revisited*, by Margaret Dunkle, Institute for Educational Leadership Policy Exchange, 1995. See also *Simulation Hearing on Obtaining Federal and State Assistance*, Hearing Before the Subcommittee on Oversight and Investigations of the Committee on Economic and Educational Opportunities, U.S. House of Representatives, March 27, 1995.

[6] See Appendix A, *A Comparison of the Agriculture Department's Section 504 Loan and Grant Program and the Energy Department's Weatherization Assistance Program*, for a detailed comparative analysis of these two programs.

[7] See Appendix A, *A Comparison of the Agriculture Department's Section 504 Loan and Grant Program and the Energy Department's Weatherization Assistance Program*, for a summary of this detailed comparison.

[8] See *From Red Tape to Results: Creating a Government That Works Better and Costs Less (Report of The National Performance Review)*, by Vice President Al Gore, September 1993.

[9] A full illustration of such comparisons can be found in the draft document *Asking the Right Questions—Eleven Questions to Ask of Every Program or Policy Affecting Children and Families*, by Margaret Dunkle, Institute for Educational Leadership Policy Exchange, November 1997.

[10] Several of these experiments as well as the requirements of the Government Performance and Results Act are described in more detail in *Steer, Row or Abandon Ship?*, an IEL publication based on testimony by Margaret Dunkle, Hearing Before the Subcommittee on Early Childhood, Youth and Families of the Committee on Economic and Educational Opportunities, U.S. House of Representatives, September 19, 1996.

[11] See *Rethinking Program Design*, a report accompanying the National Performance Review's report, *From Red Tape to Results: Creating a Government That Works Better and Costs Less*, by Vice President Al Gore, September 1993.

[12] See the summary chart in Appendix A, *A Comparison of the Agriculture Department's Section 504 Loan and Grant Program and the Energy Department's Weatherization Assistance Program*, for this detailed comparison.

APPENDIX A

A COMPARISON OF THE AGRICULTURE DEPARTMENT'S SECTION 504 LOAN AND GRANT PROGRAM AND THE ENERGY DEPARTMENT'S WEATHERIZATION ASSISTANCE PROGRAM

Do the USDA Section 504 loan and grant program and the DOE Weatherization Assistance Program...		**What did the joint Pilot Program do?**
QUESTION	**ANSWER**	
PURPOSE *Have the same purpose?*	**Not quite.** Section 504's focus is to remove health and safety hazards. The Weatherization Program's primary focus is to increase energy efficiency.	Its purpose was to improve coordination between the two programs.
SERVICES AND BENEFITS *Provide the same level of benefits or services?*	**No.** Section 504 loans are up to $15,000 per individual and Section 504 grants are up to $5,000 per individual. The Weatherization Program costs average $1,854 per dwelling unit.	It allowed up to the total available under both Section 504 and the Weatherization Program.
Both fund training for program participants and/or staff of subgrantees?	**No.** The Weatherization Program does, Section 504 does not.	It adopted the most restrictive requirements. Therefore, it did not fund training.
ELIGIBILITY *Have the same eligibility requirements?*	**No.** Section 504 loans are for very low income home owners in rural areas and Section 504 grants are for very low income home owners age 62 *or older* in rural areas. The Weatherization Program is for energy inefficient buildings occupied by very low income people.	It required participants to meet the requirements of both programs. Therefore, participants had to be very low income home owners in rural areas age 62 or older.
Use the same "unit" to identify who can receive services?	**No.** Section 504 uses *people.* The Weatherization Program uses *dwelling units.*	It required both the person *and* the dwelling unit to qualify.
Have the same definition of "low income"?	**No.** Section 504 uses the definition from the Department of Housing and Urban Development ("area median income"). The Weatherization Program uses the definition from the Office of Management and Budget ("poverty line").	It required participants to independently meet both definitions.

Do the USDA Section 504 loan and grant program and the DOE Weatherization Assistance Program...		**What did the joint Pilot Program do?**
QUESTION	**ANSWER**	
ELIGIBILITY CONTINUED *Have the same determination of who receives priority?*	**No.** Section 504 first assists people in removing health and safety hazards. The Weatherization Program first assists the elderly and handicapped.	Priority was based on a first come and eligible for both programs, first served basis.
Have the same definition of "elderly person "?	**No.** Section 504 *loans* and the Weatherization Program define "elderly" as age 60 and older while Section 504 *grants* define "elderly" as age 62 or older.	It adopted the most restrictive requirements. Therefore, participants must be age 62 or older.
Determine eligibility by the same method?	**No.** Determined by USDA community development managers (county supervisors) for Section 504 and state level offices for the Weatherization Program.	USDA community development managers (county supervisors) determined eligibility, using criteria for both programs.
Have the same provisions for Native Americans?	**No.** Both programs have complex but not parallel requirements.	It required participants to meet the requirements of both programs.
Serve the same geographic areas?	**No.** Section 504 serves rural areas. The Weatherization Program serves all areas.	It adopted the most restrictive requirements. Therefore participants had to live in rural areas.
Serve the same number of customers/dwelling units?	**No.** In 1995, Section 504 loans served 6,116 individuals, Section 504 grants served 6,775 individuals. The Weatherization Program served 108,000 dwelling units.	It completed work in 33 homes-12 in New Mexico, 13 in North Carolina and 18 in Ohio.
Have the same number of customers/dwelling units eligible in 1995?	**No.** just over one million individuals were eligible for Section 504. 27.5 million individuals were eligible for the Weatherization Program.	No data were available.
FUNDING *Use the same type of funding?*	**Yes.** All are categorical grants.	It was also a categorical grant program.
Have the same federal funding levels for fiscal 1995 and 1996?	**No.** Section 504 *loans* had $29,475,660 for fiscal 1995 and $35,000,000 for fiscal 1996. Section 504 *grants* had $25,341,750 for fiscal 1995 and $24,900,00 for fiscal 1996. The Weatherization Program had $214,800,000 for fiscal 1995 and $111,700,000 for fiscal 1996.	It provided $275,000 funding in fiscal 1995.
Both have forward funding?	**Yes.**	It was also forward funded.
Have the same additional sources of funds?	**No.** Section 504 has no additional sources of funds. The Weatherization Program sometimes gets funds from additional sources.	There appeared to be no additional sources of funds.

Do the USDA Section 504 loan and grant program and the DOE Weatherization Assistance Program ...		**What did the joint Pilot Program do?**
QUESTION	**ANSWER**	
FUNDING CONTINUED *Have the same procedure for carrying forward unexpended funds?*	**No.** For Section 504 grants (but not loans) unused funds can be carried forward to the next fiscal year. Weatherization Program unused funds cannot be carried forward.	It appears that unused funds could not be carried into the next fiscal year.
Have the same flow of funds from the federal level to states, then localities and customers?	**No.** Section 504 money flows from the USDA national office to USDA state offices, to USDA county offices, then to customers. Weatherization Program money flows from the DOE national office to DOE state offices, then to community action agencies who perform the work for customers.	Funds for the two programs flowed through their separate funding streams until they were joined at the customer level.
APPLICATION *Have the same application process for participants?*	**No.** Section 504's and the Weatherization Program's procedures are very different. For example, Section 504 applicants apply to USDA local offices, while Weatherization Program applicants apply to local service providers.	Individuals could apply for either program and were then considered for the joint pilot program.
CONGRESSIONAL COMMITTEES *Share the same House of Representative committees*?	**No.** The Section 504 authorizing committee is the Committee on Banking (Housing and Community Opportunities Subcommittee) and the funding committee is the Committee on Appropriations (Agriculture and Rural Development Subcommittee). The Weatherization Program authorizing committee is the Committee on Commerce (Energy and Power Subcommittee) and the funding committee is the Committee on Appropriations (Interior Subcommittee).	The Congressional committees for both programs retained their authority.

Share the same Senate committees?	**No.** The Section 504 authorizing committee is the Committee on Banking, Housing and Urban Affairs (Housing and Community Development Subcommittee) and the funding committee is the Committee on Appropriations (Agriculture and Rural Development and Related Agencies Subcommittee). The Weatherization Program authorizing committee is the Committee on Energy and Natural Resources (Energy Production and Regulation Subcommittee) and the funding committee is the Committee on Appropriations (Interior and Related Agencies Subcommittee).	The Congressional committees for both programs retained their authority.

APPENDIX B

MAJOR FINDINGS SUPPORTING THE LESSONS LEARNED

This study looked at the *process* of implementing the pilot program that combined two federal programs and, to the extent possible, the *results* that this process produced. Not surprisingly, there are also findings and lessons learned that cross the theoretically neat process-results dichotomy.

The following discussion of lessons learned and major findings is divided into three major sections:

Over-arching lessons that touch on *both process and results.*

Results produced by the pilot program, including its effectiveness and efficiency.

The pilot program **process,** with emphasis on successes as well as barriers to the administration and operation of the pilot program.

In developing the lessons learned, the IEL Policy Exchange drew on interviews with program staff as well as customers. A detailed analysis of the statutes, regulations and other documents provided a strong base for identifying problems and supporting lessons learned. And, finally, the Policy Exchange tapped its previous research of many other federal, state and local programs: this reservoir of experience provided a useful reality check and a level of comfort in making generalizations that, while supported by the data in this smallscale study, might not have otherwise been possible.

Some of the findings and lessons learned from the study were unanticipated. Others just make common sense, but are worth stating explicitly.

Many of the lessons of this study parallel the findings of the Vice President's National Performance Review. For example, the report, "Rethinking Program Design," outlines criteria government should use to design effective programs, including: identifying who benefits and how they benefit, providing program flexibility, and having clear measures of performance and results-oriented evaluations.[1]

OVER-ARCHING LESSONS

Structural Differences Matter

Lesson Learned
Structural differences between the two programs involved in the joint pilot program–that is, differences contained in the statutes or regulations for the two programs--caused problems for customers and the program staff charged with implementing the joint pilot program.

Major Findings
The programs involved in the pilot are very different programs. There were even important differences between the Section 504 Rural Housing loan and grant programs (for example, the loan program defined "elderly person" as age 60 or above while the grant program defined it as age 62 or above). In addition to being administered by different federal departments, the Section 504 program and the Weatherization Assistance

Program:

Have somewhat overlapping but different purposes and eligibility requirements;

Provide different maximum benefits and services and provide these in different forms;

Serve different "units" (with Section 504 serving "people" and the Weatherization Program serving "dwellings"); and

Have different standards for serving Native Americans.

These differences are not the creation of administrative decisions. Rather, they come from requirements that Congress has written into law-requirements that only Congress can change.

For a detailed comparison, see the summary chart comparing the two programs in Appendix A, *A Comparison of the Agriculture Department's Section 504 Loan and Grant Program and the Energy Department's Weatherization Assistance Program.*

These differences caused difficulties for both customers and field staff. Customers had to meet separately the requirements of both programs in order to qualify for the joint pilot program: they had to answer additional questions and provide additional information. They were often puzzled by this since they saw the joint pilot program as one program. And field staff had to learn the complicated ins and outs of both programs to make the joint pilot program work effectively and appear as seamless as possible to customers.

There Is Currently Not Much Federal "Glue" to Connect Policies and Programs Across Departments

Lesson Learned
The difficulties in jointly administering the two programs in the joint pilot program are not unique. They mirror problems common to almost all efforts at cross-agency collaboration-and to intergovernmental collaborative efforts as well.

While each federal program typically has at least a rudimentary set of goals, it is difficult to discern a unifying set of national goals or purposes that tie together the many programs that Congress has created to provide services to essentially the same people in essentially the same communities.

This is slowly changing. Experiments to clearly define the mission and desired results of government, to measure performance in a way that accurately gauges progress, and to use performance information for decision-making are popping up at all levels of government-from more than 100 communities and thirteen states to the federal Government Performance and Results Act (GPRA).[2]

GPRA, enacted in 1993, is especially relevant in the context of this study. For example, in addition to requiring individual departmental plans, GPRA requires the Executive Branch to prepare an overall performance plan, complete with performance indicators, starting with the fiscal 1999 budget.

Major Findings
The clearest way to see the coinciding and diverging areas of the two programs and the pilot program is to examine the comparison of the two programs: see the summary chart comparing the two

programs in Appendix A, *A Comparison of the Agriculture Department's Section 504 Loan and Grant Program and the Energy Department's Weatherization Assistance Program.* These comparisons detail the many similarities between the populations the two programs serve and the benefits they provide. These comparisons also highlight the different definitions and procedures that make partnering difficult.

The Form of Assistance Matters

Lesson Learned
The form of the assistance-whether it is a grant or loan, reimbursement for services or directly providing services--can be as, or more, important to the customer than the value of the service.

Major Findings
Loans are rarely the best form of assistance for elderly very low income people. They typically (and understandably) fear that they will become ill or pass away before they can repay the loan, saddling their families with debt. Loans make much more sense for younger people, who are likely to have an increased, not decreased, ability to earn enough to repay a loan. It is therefore not surprising that field staff administering the joint pilot program found little enthusiasm for Section 504 Rural Housing loans.

Similarly, requiring customers to get multiple bids from contractors, such as New Mexico did, may be an insurmountable obstacle to an elderly person who does not have a telephone, has a low literacy level, is hard of hearing or may be easily confused or intimidated.

All States Are Not Created Equal-and Neither Are Branches of Federal Agencies

Lesson Learned
just as each of the 50 states has different strengths and weaknesses, so do the many arms of the federal government that operate in different states and regions of the country. States and the counties are very different in terms of demographics, capacity, resources, the ability and personality of their leadership and staff, and readiness for change. Branches of federal agencies (including state, regional and local branches of the Agriculture and Energy Departments) are similarly not cookie-cutter replicas of one another.

Goals or tasks that may appear uncomplicated and routine in one department, state, region or county might seem unreasonably ambitious in another. It is these differences in culture and capacity that make it so difficult to design flexibility and results-oriented programs and policies that work government-wide and nationwide.

Major Findings
This study found that staff in the three states implemented the pilot program very differently from one another, even though all staff worked for the same parent federal agencies. On every levelfrom customer satisfaction to efficiency in handling administrative details-there was a clear continuum among the three states. Ohio had the easiest time and produced the most positive results. North Carolina was in the middle. New Mexico struggled. In fact, as the research phase of this study drew to a close, New Mexico had not yet completed the repairs on a number of homes under the pilot program.[3]

The two Ohio customers interviewed spoke of the willingness of program staff to help them, the high quality of the repairs and the friendliness of the staff. The two customers in North Carolina spoke of repeated trips back and forth to the local U.S. Department of Agriculture (USDA) office, the long

wait for repairs (both customers interviewed originally had applied for aid more than two years earlier), and their frustration with contractors who did not listen to their concerns. The customer interviewed in New Mexico spoke of the disruption caused by multiple visits by agency staff and contractors and the poor quality of the repairs once they were actually done. This customer also complained that, as the process moved ahead, staff decreased the number of repairs that the pilot program would cover. Describing this situation, the customer said, "We just want [front-line federal staff administering the programs] to be honest with us [about the repairs they will do]."

Federal staff working in state-based offices also differed in the way they prepared for the pilot program. In New Mexico, issues such as how to coordinate efforts between the two programs were dealt with as they arose. In North Carolina, some staff members aggressively worked with the pilot program while others were much less involved. In Ohio, the local USDA office and a non-federal partner convened their staffs early in the process to discuss the pilot program, identify potential problems and define their respective roles.

Mission Matters

Lesson Learned
To quote Abraham Lincoln: "If we could first know where we are, and whither we are tending, we could better judge what to do, and how to do it."

It is hard to know how to reach your destination unless you first know where you are going. Most people want to do a good job, so it is not surprising that the way in which individual staff members view their organization's mission and define their jobs-and success and failure in it--shapes their behavior.

Major Findings
The staff in the three states perceived the mission of the joint pilot program-and hence, their roles-very differently. The differences in the perception of mission permeated every aspect of the program.

> In New Mexico, the staff saw performing repairs as their mission. ("There was a shortage of funds to do the needed repairs and this was a way to stretch federal dollars.")
>
> In North Carolina, the staff saw their mission as serving more people through the pilot program. ("This county had a huge backlog of applicants. We were able to help a lot of people we wouldn't have been able to otherwise.")
>
> In Ohio, staff saw their mission as setting the foundation for continuing partnerships in the state so that the program could serve more customers. ("The pilot brought the idea of partnering to the forefront and attention of all the county offices.")

It Makes a Difference When Staff Put the Customer First

Lesson Learned
When staff view customers or clients as the ultimate judges of success or failure, rather than inconvenient albeit necessary annoyances, the process as well as the results of a program can be improved.

Simply put, program staff who put themselves in the shoes of their customers (that is, elderly "very low income" rural home owners) recognized and addressed potential small problems early on, before they mushroomed into large problems. This included understanding that getting around often

becomes more difficult with age, trying to make the bureaucracy and paperwork of the process invisible to the customers, and adding the personal touch that can be especially important to the elderly.

Major Findings
From the customers' perspective, the problem was simple. Their home needed to be fixed up-it wasn't safe, it wasn't warm, their furnace was leaking carbon monoxide, their roof needed to be fixed, etc. They knew little, if anything, about the structure of the programs or agencies that provided assistance. And they understandably viewed the pilot program as one program, not the merger of two programs that provided complementary services. They saw the procedural requirements that resulted from the differences between the two programs as just more government "mumbo jumbo."

The approach in Ohio offers the clearest example of a customer-friendly approach. It is probably no coincidence that Ohio customers uniformly gave top scores to the pilot program. Every Ohio field staff officer and program manager interviewed had a strong customer focus. Unprompted, they talked about the needs and concerns of their customers and described what they had done to address those needs and concerns.

For example, one of the nonprofit members involved in the pilot program in Ohio said: "It was a little confusing at the beginning... I just went out and made a site visit to every job... to answer questions they had. It took some time but was well worth it." Ohio staff visited each home being considered for the pilot program early in the process to explain the specifics of the program, to help fill out the required forms and to answer questions. The Corporation for Ohio Appalachian Development (COAD), the nonprofit partner in the pilot program in Ohio, worked to make the process seamless to customers by handling many of the logistics for them (such as contacting contractors) and completing all needed paperwork in one visit rather than several. Ohio identified a single person, Tom Calhoun of COAD, to answer customer's questions about the pilot program.

North Carolina and New Mexico staff spoke about the customers as well, but usually only in response to specific questions regarding customers. In New Mexico, agency staff expected the customers to get the needed quotes or cost estimates from multiple contractors and to schedule all contractor visits themselves, tasks performed by COAD in Ohio. Since many of the "very low income" elderly customers did not have telephones or did not speak English, the New Mexico requirements were a recipe for failure. In fact, some qualified applicants apparently did not receive services through the pilot program simply because they could not get the necessary bids in the allowed time frame.

In North Carolina, multiple visits to customers' homes for inspections and repairs were not uncommon, a situation that became upsetting and intrusive for some customers. As one said, he "did not appreciate" having strangers continually traipse through his house. He further commented: "They [were] doing their thing, but I just wanted them out.... I just didn't care to bother with them anymore."

Scarce Money Can Be the "Mother of Partnerships"

Lesson Learned
Developing effective partnerships across agencies is never easy. It requires flexibility, figuring out how to do things differently and crafting new win-win situations. Sometimes a funding crisis can provide the incentive to take these hard steps--serving as a catalyst for program managers to rethink how their program operates, and to make it more effective and efficient.[4]

There is a delicate balance in this calculation. A perceived funding crisis can provide an incentive for agencies to do things differently-and potentially more effectively. But slashing funds so that the resources are not there to do a needed job, no matter how creative and efficient the players become, only makes matters worse and fosters a bunker mentality among agencies.

Major Findings

While the agencies in all three states in the pilot program had recently participated in at least one collaborative effort, partnerships were the exception rather than the rule. Staff in every state commented that tight budgets were forcing them to be more creative about finding funds and making the money they had go farther. They bemoaned that budget cuts had become so severe that their agency was no longer able to serve their customers without partnering. As one Department of Agriculture staff member said, "There is a shortage of funds but no shortage of clients."

RESULTS PRODUCED BY THE PILOT PROGRAM

Although the desired results of the pilot program were not specifically defined by the two departments, the IEL Policy Exchange identified four major types of "results" that might be used to judge the success of the pilot program:

> Did federal funds stretch farther, providing more services or serving more people than would have otherwise been the case?
>
> Did the pilot program actually meet the goals of both the Section 504 Rural Housing program and the Weatherization Assistance Program-that is, did it reduce health and safety hazards in the houses repaired and increase the energy efficiency of them?
>
> Were the customers of the pilot program satisfied with the results? Did they think that the programs did what needed to be done?
>
> Did the state or local field officers build a partnership between agencies and with other organizations that had the effect of making the two federal programs more efficient and effective? Was there some promise that this partnership would continue in the future and influence other programs as well?

While neither the scope of this study nor the time frame in which it was conducted were sufficient to examine all of these questions in depth, the IEL Policy Exchange was able to identify five major results-oriented lessons learned.

It Is Hard to Succeed if Success Is Not Clearly Defined

Lesson Learned
Because field staff and program managers did not have a clear understanding of how the success or failure of the program would be evaluated, they often had to guess at the best course of action.

Major Findings
This pilot program was a small-scale experiment to test the waters. The design of the pilot program had loose ends: for example, it did not provide a clear definition of how success would be measured, evaluated or rewarded. As a result, the program staff in the three participating states were unsure of how best to structure the pilot program. Each tried to do his or her best, depending on their

understanding of the program and other responsibilities on their plate. One field staff officer noted: "It would be helpful to know how success will be measured. This was very unclear and appeared to change over time. Is it how many people are served, how much money is allocated, or what?"

This pilot program does not stand alone in its lack of clarity about how to define and reward success. In fact, the entire federal government is attempting to move towards clearer indicators of success and accountability, with statutory prodding from the Government Performance and Results Act (GPRA). For example, starting in fiscal year 1999, GPRA requires each federal agency to develop a strategic plan for its program activities and set specific, measurable and objective performance goals for each fiscal year.

Program Goals and Measures of Success Reflect Departmental Stovepipes

Lesson Learned

The same set of services or activities can meet more than one set of goals, yet this is rarely fully acknowledged in program design or administration. Program goals, and the evaluations and audits that assess their success or failure, often measure only a few aspects of the positive as well as the negative results of the program on real communities and real people. The pilot program attempted to integrate the health and safety goals of the Agriculture's Department Section 504 Rural Housing program with the energy efficiency goals of the Energy Department's Weatherization Assistance Program.

Major Findings

Anecdotal evidence from field staff and customers of the pilot program point to both increased energy savings and reduced health and safety problems in the houses served by the pilot program. A major goal of the joint pilot program was to make the Section 504 Rural Housing program and the Weatherization Assistance Program more complementary-for example: to coordinate work between the two programs in order to prevent having the Weatherization Assistance Program add insulation to a home only to have it quickly ruined by a leaking roof (that could have been repaired with Section 504 Rural Housing funds).

While none of the states had actually measured the energy savings in the homes where repairs were made, the program staff felt sure that the work funded by the pilot program did just that. As one field staff officer said: "Insulation was put into homes that had absolutely no insulation. That makes a difference." The joint pilot program also reduced such health and safety hazards as kerosene heaters, thus simultaneously meeting the goals of both programs.

Sometimes one concern is so compelling that it must take precedence. One of the most dramatic examples of reducing health and safety hazards involved carbon monoxide poisoning, a problem that is not uncommon with old furnaces in poor repair. The occupants of a house slated to receive assistance through the pilot program turned on their furnace for the first time of the winter, then went to bed. The wife woke up when she heard her husband coughing. She called for help and both were rushed to the hospital and treated for carbon monoxide poisoning, which can quickly become fatal. The pilot program replaced their furnace.

Long-Term and Corollary Results Are Often Not Rewarded

Lesson Learned

Activities and services that meet long-term national goals and result in savings by other agencies or in the future do not get the credit or attention they deserve. Yet, for example, housing improvements for the elderly can also enable elderly people to remain in their own homes (rather than go into

nursing facilities), prevent homelessness, have mental health benefits, and improve the housing of children, other family members and future occupants of the improved housing. Typically, however, programs are evaluated on, and reward, short-term and narrow services and activities.

Major Findings
Some of the most interesting comments of program staff concerned their perceptions of long-term benefits of the program for the community and the people who live there-benefits that were not explicit priorities of the Weatherization Assistance Program, Section 504 Rural Housing program or the joint pilot program.

For example, a field staff officer in North Carolina commented that the pilot program enabled elderly home owners to stay in their own homes, rather than go into nursing facilities. He clearly realized that the pilot program not only improved the lives of the people involved: it could also save the public hundreds of thousands of dollars in reduced costs for Medicaid.[5]

A program manager in Ohio talked about the relationship between the pilot program and homelessness. Repairs were done to the home of an elderly man who had no living relatives. The condition of the home was such that, without the repairs, the owner would have been out on the street.

This program manager also mentioned the mental health benefits of the repair work done through the pilot program. The field staff in one state noticed the change in attitude of one customer who was so worried about losing his housing that he had become depressed. Once the repairs were made, he was a "new man."

Although the pilot program served only the elderly, one program manager in Ohio cited the impact of the program on children, other family members and future occupants of the homes that were repaired. "We have a lot of kids moving back in with grandma, especially in the winter." He also pointed out that "this housing stock is most likely going to serve low income families for its entire existence. We're extending the lives of these homes another twenty to thirty years."

Customer Satisfaction Should Be a Prime Measure of Success

Lesson Learned
If the customers of a program do not get needed assistance in a way that works for them, the program is not successful. This holds true, even if program staff are scrupulously honest and dot all the procedural "i's" and cross all of the bureaucratic "t's." Customers were most satisfied when program staff made it easy to get needed services.

Major Findings
The customers that the IEL Policy Exchange interviewed were a rich and candid source of information. They openly discussed their experiences and shared their suggestions to improve the program.

While all the customers expressed appreciation for the assistance the pilot program provided, some were quite critical of how the program worked. Customers in North Carolina and New Mexico frequently mentioned that they were frustrated by all of the administrative hoops they had to jump through and consequently mistrusted the program. One customer said that she was promised more repairs than were actually completed. While this was apparently an honest miscalculation by field staff, the customer saw the continuing modifications of the repair plans as deceptive and dishonest.

Other customers reported that poor quality work was done on their houses under the pilot program. One customer, for example, had storm windows installed backwards so she could not open her windows from inside the house. Another customer was puzzled as to why a carpenter was asked to fix a plumbing problem, a problem that continued after repeated attempts by the carpenter to fix it. She finally hired someone else to complete the repair because she was tired of making unheeded complaints to the contractor: "He should have gotten somebody that knew how to fix it."[6]

A clear link between customer focus and customer satisfaction emerged as this study progressed. As described earlier, Ohio had the strongest customer focus and the highest customer satisfaction rate. They went out of their way to make things easy for customers-from conducting home visits to having a staff member of the nongovernmental partner serve as one point of contact for customers to call. And the two agencies worked closely with each other and their nonprofit partner, COAD, to learn about each other's programs so that they could give customers good information from the outset.

Partnerships Are Never Perfect, but They Become Easier with Practice

Lesson Learned
The creation of *interagency* partnerships is a complex process, but one that can be learn
the complexity is learning the rules, definitions and procedures of another agency, as well as how decisions are made and who to call for important decisions or information. Another part of the complexity is developing healthy working relationships with a whole new set of people.

Major Findings
The three states studied were at different levels of readiness to develop effective partnerships.

> In New Mexico, since trust was initially lacking between the two agencies, agency staff spent a great deal of time meeting to review every detail of the joint pilot program.
>
> In North Carolina, the staff in both agencies wanted to control the pilot program funds and saw the partnership as a way to gain control over additional funds.
>
> In Ohio, COAD and USDA worked hard to develop an effective partnership, even though they had never worked collaboratively before. Both organizations readily admitted that they had to learn about each other's policies and practices; in fact, one meeting focused on just that. The up-front time and attention they put into the collaboration paid off, and they continued to work together after the joint pilot program ended. USDA staff report that one county office in Ohio now works with COAD on at least 75 percent of its repairs.

PILOT PROGRAM PROCESS

Timing Is Everything

Lesson Learned
Government agencies, even the best of them, do not turn on a dime. People need time to learn new skills, to understand the intricacies of new programs, and to build relationships and trust with new colleagues. But time was in very short supply as the pilot program was implemented.

Short lead times can produce programmatic contortions. (And too-long time lines can reinforce the status quo.) Certain times of year are naturally more hectic than others. Both the short time frame for implementing the joint pilot program and the late-in-the-year timing of the joint pilot program left room for improvement.

Major Findings
All of the field staff officers interviewed mentioned that timing is important and that the timing for the joint pilot program was far from perfect. While collaborative efforts can produce better results, they take more time, certainly at first, than doing "business as usual."

The lead time to begin the pilot program was very short (approximately thirty days), as was the time allowed to complete it. The short time frame for getting the pilot program off the ground prevented program staff from preparing to work with the other agency as they would have liked.

The time crunch was a barrier to success in a number of ways. Staff in the two agencies said that they did not have enough time to get to know each other, learn about each other's programs, develop an effective implementation plan, and actually run the pilot program. While all of the states were able to serve additional people with pilot program funds, every field staff officer and program manager interviewed commented that they could have served more customers if he or she had had more time to plan and prepare.

The tight time frame and consequent lack of planning and preparation affected customers as well. Some mentioned that staff did not answer their questions quickly or at all and that they had to wait for a long time before repairs to their homes were done. While delays in receiving answers can be frustrating for customers, delays in obtaining needed repairs can be both dangerous for customers and costly for the government. As time passes, minor repairs can become major repairs, becoming more dangerous and more expensive to fix.

Every agency staff member interviewed cited the timing of the pilot program as a barrier. For example, program staff mentioned that the end of the fiscal year is when they are the busiest, wrapping up programs and writing year-end reports. A number of program staff suggested that the program start at the beginning of the fiscal year, rather than the end, so that they would have adequate time to spend on the new program as well as meet their other responsibilities.

Having a Nongovernmental Partner Can Pay Off

Lesson Learned
Doing things differently-such as partnering with a nonprofit agency-seems risky, especially if agency staff are terrified of the wrath of departmental auditors or an Inspector General who focus on process, not results. However, these "risky" behaviors can produce the best results, including saving taxpayers money.

Partnering with a nongovernmental agency can provide flexibility and a close-to-the-ground perspective that federal agencies do not have when they operate alone. Nonprofit organizations can make important connections to other organizations and customers, and provide a responsible way to cut through red tape.

Major Findings
Of the three states studied, only one (Ohio) worked closely with a nonprofit agency to implement the pilot program. And it was Ohio that had the greatest customer satisfaction and the strongest collaboration between the two federal agencies. As one local interviewee excitedly explained: "This program really happened on the local level. We got to sit down and work things out ourselves."

Ohio partnered with a nonprofit organization, the Corporation for Ohio Appalachian Development (COAD). COAD is a nonprofit organization that does weatherization and energy conservation work for low income families in the Appalachian region of Ohio, the region served by the pilot program.

COAD assisted with every step of the pilot program and helped not only create the partnership needed to perform the work, but also to continue and expand the fledgling publicprivate partnership beyond the pilot program.

This partnership was extremely productive. COAD brought needed knowledge and practical experience with customers and communities to the partnership. COAD's ties to community action agencies and local contractors allowed Ohio's pilot program to move relatively quickly through the application and bidding process and complete the work on the houses on time. Both of the Ohio customers interviewed learned of the pilot program through their local community action agency, which had been alerted to the program by COAD. In contrast, the pilot program in New Mexico and North Carolina did not have established nongovernmental partners to play these roles.

COAD played an important mediating and outreach role, helping customers get easy access to the services of the two programs. For example, a staff member of COAD explained the program to the customers; this person was available throughout the process to answer customers' questions and smooth the way. He followed up once the repairs were completed to make sure that the work was safe and of high quality. He also coordinated efforts between the two federal agencies and kept them up-to-date at all times. This "single point of contact" or pilot program "case manager" helped customers get services without having to understand or negotiate the details of the two different programs themselves.

Combining Programs Does Not Automatically Reduce Paperwork and Bureaucracy

Lesson Learned

Complication is the name of the game. Creative program staff can make programs look seamless to consumers. But identifying, understanding and reconciling underlying inconsistencies in laws and regulations takes enormous time and energy especially where programs cut across departments.[7]

Major Findings

The pilot program made life more, not less, complicated for the program staff running two separate programs. The program was an experiment to jointly administer two different programs run by two different departments. Since no statutory or regulatory changes were made to either program, there continued to be two separate sets of rules regarding such basic things as who is poor enough or old enough to qualify for services, how the money flowed from the federal to state and local levels and finally to customers, and how the repairs were actually provided and paid for.

In some cases, the joint pilot program was more complicated for consumers as well. For example, in New Mexico customers had to sign forms to allow the two agencies to share information about program eligibility. As one person involved with the program said: "There was too much red tape in the process. The perception was that there were lots of hoops to jump through and not much reason for [the hoops] to be there."

The pilot program generally reconciled differences between the two programs by applying the most restrictive standard or by requiring that all standards or criteria of both programs be met. In practice, this meant that the only people who could benefit from the flexibility of the pilot program were those who would separately qualify for services under each program. For example, the joint pilot program defined "elderly" as age 62 or older (the Section 504 Rural Housing grant standard) rather than age 60 or older (the standard for the Weatherization Assistance Program and the Section 504 Rural Housing loan), and participants had to meet the definition of "very low income" under both programs.

Making these judgements required agency staff to become familiar with the intricacies of another agency and another program, something that takes time and energy under the best of circumstances. And agency staff still had separate sets of rules and regulations to obey, and separate reports to complete.

Running two programs in tandem also required complying with two sets of rules and procedures for inspections---certifying that the repair work was satisfactorily completed and that the contractors could be paid. In Ohio, by the end of the pilot program, the two agencies delegated responsibility for inspections to the Corporation for Ohio Appalachian Development, which was able to certify work for both the Weatherization Assistance Program and Section 504 Rural Housing program in one visit. in contrast, North Carolina and New Mexico required two separate inspections for each job-one by each of the two agencies involved.

All Bureaucracy and Complexity Are Not Dictated from Washington

Lesson Learned
One might think that federal staff located in state- and local-level offices would design programs to respond to customer needs more effectively than their Washington counterparts. But that is not always the case. Staff need skills, concrete rewards and incentives in order to focus on results, rather than methodically cover all their bureaucratic bases.

Major Findings
The differences in the operation of the pilot program among the three states make clear that, while federal laws and regulations are important in setting the bottom line, federal staff working in the states also play an important role in making programs more-or less---confusing and complicated.

For example, in New Mexico (but not in North Carolina or Ohio) federal staff at the state level required contractors to use materials purchased by the U.S. Department of Energy whenever possible. This requirement meant that contractors often had to re-bid jobs two or more times, providing detailed breakdowns of costs and scope of work once they learned which materials would be provided by the Energy Department and which they could purchase themselves. Sometimes this also required the contractor to schedule additional visits to the homes.

Another level of complexity was involved in New Mexico, where all of the work under the pilot program was conducted on Indian Reservations. The additional level of governance-the tribal councils-required some additional time and energy by field staff.

Although this was not a cost-benefit study, it is reasonable to assume that these additional levels of complexity lead to higher costs for the federal programs. After all, most home-improvement contractors work on a small profit margin where their biggest expense is time and labor. If they know the bidding and approval process will be time consuming, they will build this time and these costs into their bids.

As discussed above, multiple home visits by multiple contractors also meant more strangers traipsing through customer homes and longer delays on needed work, leading to customer frustration.

Federal Staff at the State and Local Levels Do Not Expect the Federal Government to Change the Way It Does Business

Lesson Learned
Federal staff working at the state and local levels have pathetically low expectations that serious and

meaningful program improvements will be supported (much less led) by Washington and top federal officials. In fact, they found it difficult to identify changes that should be made by the national office of their department or agency. Rather, they focused on changes under their control. As a result, their Washington supervisors often do not get feedback and suggestions that they could use to improve programs.

Major Findings
Federal program administrators at the state level placed the burden of change on their own shoulders and apparently found it difficult to see or discuss system-wide problems. Even when prodded during the interviews, they did not identify barriers where they saw the solutions as beyond their personal control, such as excessive and complex paperwork for themselves or for customers. In contrast, customers and nongovernmental partners stressed precisely these issues.

For example, when discussing the best features of the pilot program, none of the program staff mentioned top-level support. While the federal staff at the state and local levels did not make direct statements about their ability or inability to affect the federal policy process, their interviews conveyed a sense of disconnectedness and powerlessness.

Staff Know Little About Other Programs and Agencies

Lesson Learned
Even when the services they provide and the people they serve are virtually the same, staff of both programs knew very little about other programs, services or other agencies that might help their customers. This information gap will become more important as the Personal Responsibility and Work Opportunity Reconciliation Act ("welfare reform") fully takes effect.

Major Findings
One of the best things about the pilot program, program staff remarked, was that it was helpful to learn about another program that provides similar services.

When the IEL Policy Exchange asked program staff and customers to name other programs that might provide help to the customers, few could. This information gap means that program staff miss chances to partner with other groups and help customers find ways to address their problems. For example, program staff members cooperate with programs such as Supplemental Security Income only to verify income.[8]

One of the New Mexico tribes participating in the pilot program addresses this gap by having an "Elderly Coordinator" help elderly members connect with needed programs and services. In fact, information from this coordinator led customers to the joint pilot program.

ENDNOTES

[1] See *Rethinking Program Design,* a report accompanying the National Performance Review report, *From Red Tape to Results: Creating a Government That Works Better and Costs Less,* by Vice President Al Gore, September 1993.

[2] Several of these experiments as well as the requirements of the Government Performance and Results Act are described in more detail in *Steer, Row or Abandon Ship?,* an IEL publication based on testimony by Margaret Dunkle, Hearing Before the Subcommittee on Early Childhood, Youth and Families of the Committee on Economic and Educational Opportunities, U.S. House of Representatives, September 19, 1996.

[3] A unique problem that complicated New Mexico's task was that field staff had difficulty finding contractors willing to do repairs to houses on Indian reservations.

[4] See *Rethinking Program Design,* a report accompanying the National Performance Review's report, *From Red Tape to Results: Creating a Government That Works Better and Costs Less,* by Vice President Al Gore, September 1993.

[5] About two-thirds of all Medicaid costs provide assistance to the blind, aged and disabled. The lion's share of this money goes to nursing home care. Medicaid is a program, jointly funded by the federal government and states, that provides medical assistance to low income people.

[6] This study was not able to assess the validity of these complaints. Home repair is a dirty and disruptive process in the best of circumstances, and it is not clear if these complaints were justifiable criticisms or exaggerations of problems that were not out of the ordinary. This question could use further study.

[7] See the summary chart in Appendix A, *A Comparison of the Agriculture Department's Section 504 Loan and Grant Program and the Energy Department's Weatherization Assistance Program,* for this detailed comparison.

[8] Supplemental Security Income provides monthly cash payments to needy aged, blind and disabled persons. It is administered by the Social Security Administration of the U.S. Department of Health and Human Services.