



# RESULTS FOR AMERICA

## Evidence Act Brief

### A ROADMAP FOR AGENCY SUCCESS: RECOMMENDATIONS FOR CONDUCTING EVIDENCE CAPACITY ASSESSMENTS REQUIRED BY *THE EVIDENCE ACT*

*Federal agencies, prompted by the Evidence Act, are currently analyzing their capacity for using data and evidence to improve the lives of people across the country. The assessment is a complex effort, but in the long term it is crucial for allowing agencies to meet their missions. The brief below outlines five recommendations for how agencies can not only meet the legal requirements for the capacity assessment, but more importantly, how they can use the assessment to highlight successes and identify areas where additional capacity is needed to get better results.*

#### Background

The [Foundations for Evidence-based Policymaking Act of 2018](#) (Evidence Act) requires, among other evidence-building activities, that the [24 federal agencies](#) covered by the Chief Financial Officers Act must conduct a capacity assessment of their statistics, evaluation, research, and analysis efforts.<sup>1</sup> The goal is to ensure that federal agencies have the ability to generate evidence of what works in government and use that information to improve people's lives.

In July 2019, the White House Office of Management and Budget (OMB) issued OMB [Memorandum M-19-23](#) for implementing Evidence Act requirements, including an Interim Capacity Assessment to be completed by September 2020. It also contained information about the [high level concepts](#) to be addressed in the assessment.<sup>2</sup>

<sup>1</sup> See Section 315(c) of the Evidence Act for the complete statutory requirements.

<sup>2</sup> According to OMB M-19-23: "Non-CFO Act agencies, as well as sub-agencies, operational divisions, bureaus within CFO Act agencies are strongly encouraged to carry out a capacity assessment as appropriate." 1

This Interim Capacity Assessment will be followed by a series of updates tied to agencies' strategic planning process, including an Initial Capacity Assessment (May 2021), Draft Capacity Assessment (September 2021), Final Draft Capacity Assessment (December 2021), and Final Capacity Assessment (February 2022).

While the capacity assessment is required, federal agencies should not take a compliance approach or merely treat it as a check-the-box exercise by only focusing on the minimum requirements of the law. Instead, they should leverage the assessment to step back, review their efforts, engage staff, and enhance institutional commitment to being an improvement-oriented, evidence-informed organization. Given the multiple drafts of the assessment, there are opportunities to iterate and improve over time. For example, agencies can use the Interim Capacity Assessment as a chance to pilot their information gathering process in preparation for the May 2021 Initial Capacity Assessment, which will be tied to their agency's next strategic plan. In short, the capacity assessment process that will occur over the next two years is an opportunity to continuously improve, learn, and get better results.

This brief offers a broad **framework for approaching the capacity assessment** (pp. 2–3), **important considerations for addressing agency context** (pp. 3–4), **key uses of the capacity assessment** (pp. 4–5), and **challenges and opportunities** (pp. 5–6). The brief then outlines **five specific and concrete recommendations for conducting the assessment** (pp. 7–8).

Overall, the brief is informed by Results for America's [2019 Invest in What Works Federal Standard of Excellence](#) (Federal Standard). This sixth annual installment of the Federal Standard [highlighted](#) how nine federal agencies, which oversee more than \$220 billion in annual federal investments, are taking early steps to implement the Evidence Act by building the infrastructure necessary to use evidence and data in their budget, policy, and management decisions.

In the end, capacity is not one thing but many things -- just as agencies are not one singular entity but made up of varying parts with strengths and challenges. So too, the capacity assessment should be multi-faceted, iterative, and growth-oriented.

## **Framework for Undertaking Capacity Assessments**

Before conducting the capacity assessment, agencies would benefit by reflecting on why they should engage in such a complex and labor intensive process. The reason lies beyond complying with a new legal requirement and the prompting of OMB. In fact, the purpose of the capacity assessment is so compelling that it merits genuine effort for its own sake.

Ultimately, well-executed capacity assessments help organizations get better at what they do. According to a [landscape analysis](#) by the William & Flora Hewlett Foundation, the key purpose is to help stakeholders identify shared concerns, prioritize action, and enable individuals within an organization to reflect on its

trajectory as a whole. Similarly, Project Evident [notes](#) that a capacity assessment “provides a clear starting point, helping agencies understand what strengths can be leveraged and what gaps need to be filled over what time frame.” In sum, capacity assessments can:

- Strengthen institutional commitment to meeting goals and objectives
- Focus staff efforts on increasing the rigor and quality of evidence
- Foster a culture of evidence-informed decision-making that enhances the work of people, programs, and processes across the agency

All of these are the hallmarks of good government and, when faced with public scrutiny, make the case that federal agencies are effectively using limited taxpayer dollars.

### Consider Agency Context

There is no one way to assess research, evaluation, statistics, or analysis capacity-- nor is there an OMB-approved template to complete.<sup>3</sup> Instead, agencies should keep their unique context in mind to ensure the assessment aligns with the agency's goals, needs, and structure. For example, consider the following:

- **Roles.** Each federal agency is made up of sub-agencies, offices and/or units that have varying roles when it comes to evidence. For the assessment, consider the distinct components of an agency (and their roles) rather than treating the agency as a single monolith with uniform needs and capacity.
- **Realism.** Since there are no new funds to conduct the assessment, leverage existing planning processes and infrastructure to fit the capacity assessment within current frameworks. This may also surface pockets of success within a department that could be lifted up as a model for an enterprise solution, or identify duplicative activities that can be discontinued to free up resources for higher priority tasks.
- **Resources.** Within each agency are different resources for evidence work, including staff (specialists and generalists), dedicated money for research, statistics, evaluation, and analysis as well as project-specific resources. For the assessment, consider how this variation of resources across the agency helps or hinders evidence work and then use the capacity assessment as a way to advocate for a better approach.
- **Requirements.** Some research, statistics, evaluation, and analysis is required by law and is, therefore, public. Those efforts should clearly be reviewed in the capacity assessment. But some evidence work is carried out for internal improvement purposes and may be unknown outside the agency. For the assessment, consider all efforts and how they vary in purpose, scope, and use, in order to bring more coherence to the agency's work.

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<sup>3</sup> However, OMB provides parameters for this capacity assessment in [OMB M-19-23](#) Appendix C (pages 11, 35, and 26) as well as [OMB Circular A-11](#), Section 290.

- **Responsibilities.** Each agency has its own structure and lines of authority. Some evidence work is centralized in an evaluation office, while some is located more in sub-agencies or in field offices. Some evidence activities are embedded in permanent programs and operations, while some are located within specific grant programs. For the assessment, agencies should consider how they could clarify who does what, when, where, and why. This can also help identify opportunities for collaboration.

## **Strategic Uses of the Capacity Assessment**

The key to successful execution of a capacity assessment is to constantly return to its core purpose and benefit -- strengthening the agency by reviewing the way research, statistics, evaluation, and analysis improve results. With this in mind, below are a few suggestions for how the capacity assessment can be used to achieve this goal:

- **Signal this matters.** When embarking on any new initiative, senior agency leaders must signal its value and priority. Leadership must be willing to allocate space in staffing roles and responsibilities to execute the assessment as part of their core work.
- **Focus on key audiences.** Beyond internal audiences, it is also important to remember that Congress created the requirement and OMB is overseeing it. Be mindful of these readers – the primary sources of funding and oversight – as well.
- **Strengthen stakeholder engagement.** The capacity assessment is an opportunity to ask stakeholders what evidence they need to make better decisions, whether they use the evidence agencies currently generate, and to suggest ways to improve the usability of evidence. Key stakeholders should include agency staff, non-governmental researchers, state, local, and tribal officials and leaders, and grantees who administer services, and even constituents who receive services.
- **Connect with agency planning.** Ideally, the capacity assessment should inform the agency's operational and strategic plans, multi-year learning agenda, and data strategy. In fact, the Initial Capacity Assessment in 2021 is part of the agency's draft strategic plan. So by aligning the capacity assessment and strategic planning processes, agencies can get broader engagement from staff on both products. This also allows the assessment to inform the strategic plan in terms of staffing and spending priorities needed to improve evidence capacity.

- **Roadmap for evidence building.** How does an agency know what to research, evaluate, or analyze if it does not have a clear picture of what is currently happening? The capacity assessment can provide a map for generating high quality and more useful evidence collected through appropriate research and evaluation methods.

## Challenges and Opportunities

Agency leaders have no doubt already run into big challenges as they begin to assess organizational capacity. In fact, different agencies are likely to experience these challenges at different times between now and their final assessment in 2022. Below are summaries of the potential challenges, solutions, and opportunities for agencies, based on conversations with current and former federal agency leaders, as well as experts on how capacity assessments are used in other sectors.

Agency Challenge	Potential Solution	Opportunity for Agency
How can the agency accurately assess the capacity of such a large organization with multiple (sometimes uneven) parts?	Connect the capacity assessment process to the cycle of strategic planning, learning agendas, and evaluation plans to increase touch points and routinize engagement.	Develop a process that can be used to fulfill multiple requirements. Increase conversation about evidence across divisions and how it can help them accomplish their work.
How does the agency produce a report that meets OMB requirements <sup>4</sup> <b>and</b> is readable and usable?	OMB has not provided a specific template and encouraged agencies to fit the assessment to their context. Talk to agency communications and data visualization teams to produce a compelling report that tells agency success stories and identifies areas for growth.	Put a spotlight on work that often goes unrecognized and gives agencies a chance to tell their success stories internally and externally.

<sup>4</sup> See OMB requirements for the capacity assessment in [OMB M-19-23](#) Appendix C (pages 11, 35, and 26) as well as [OMB Circular A-11](#), Section 290.

<p>How does the agency find the resources to carry out the assessment?</p>	<p>Congress did not provide new funds. Agencies may need to dig into their current budget to fund the assessment, but the final product could be helpful in outlining necessary resources for agency evidence work as a whole.</p>	<p>Identify <i>specific</i> gaps in capacity, which makes the case for better or increased budgeting of evidence work. It can also identify activities, not contributing to the agency's mission, which can be paired back or eliminated to free up resources.</p>
<p>How do we convince agency staff and colleagues with a compliance mindset to take the assessment more seriously?</p>	<p>Seek out and highlight evidence champions among the check-the-box crowd rather than trying to change minds en masse. Highlight best-use cases among parts of the agency to win them over. And since the assessment is agency-wide, consider allowing sub-agencies or offices to focus on a <i>part</i> of the assessment that aligns with their greatest passion.</p>	<p>The combination of small wins can increase buy-in and lead to larger culture change. For example, producing cleaner data that helps a program office update its website could demonstrate the assessment really is about helping offices improve their daily work.</p>
<p>The assessment requires so much, and we already feel overwhelmed.</p>	<p>Remember that what is due in September 2020 is just an interim assessment. Treat it as a pilot. Put your best foot forward and iterate from there.</p>	<p>This is the chance to tell your story. Put aside the check-list, at first, and focus on what you are most passionate about and how evidence can improve that work.</p>

## Recommendations for Capacity Assessment

Below are five recommendations for carrying out the capacity assessment itself, informed by the requirements of the Evidence Act and OMB guidance. The law itself calls for a rigorous and deep analysis, which grounds the recommendations below. That said, they are not intended to be a template or check-the-box task. Instead, the recommendations align around major components and purposes of the capacity assessment, including specific and concrete suggestions for achieving those purposes, as summarized in this chart:

<b>Recommendation</b>	<b>Key Issue</b>	<b>Related Evidence Act Requirement<sup>5</sup></b>
<b>1.) Inventory evidence efforts to produce a landscape that informs future improvement.</b>	Inventory	"a list of the activities and operations of the agency that are currently being evaluated and analyzed"
<b>2.) Review how well evidence efforts use a variety of sound methods.</b>	Breadth and Rigor	"the extent to which the agency uses methods and combinations of methods that are appropriate to agency divisions and the corresponding research questions being addressed, including an appropriate combination of formative and summative evaluation research and analysis approaches"
<b>3.) Review if evidence efforts are useful to agency staff.</b>	Usefulness	"the extent to which the evaluations, research, and analysis efforts and related activities of the agency support the needs of various divisions within the agency"

<sup>5</sup> See Section 315(c) of the Evidence Act for the detailed requirements as well as [OMB M-19-23](#) Appendix C (pages 11, 35, and 26) and [OMB Circular A-11](#), Section 290.

<p><b>4.) Review how well evidence efforts are used to meet a variety of needs.</b></p>	<p>Balance of Uses</p>	<p>"the extent to which the evaluation research and analysis efforts and related activities of the agency address an appropriate balance between needs related to organizational learning, ongoing program management, performance management, strategic management, interagency and private sector coordination, internal and external oversight, and accountability"</p>
<p><b>5.) Review how well the agency utilizes and enhances staff capacity for evidence work.</b></p>	<p>Internal Capacity</p>	<p>"the extent to which evaluation and research capacity is present within the agency to include personnel and agency processes for planning and implementing evaluation activities, disseminating best practices and findings, and incorporating employee views and feedback"</p> <p><i>and</i></p> <p>"the extent to which the agency has the capacity to assist agency staff and program offices to develop the capacity to use evaluation research and analysis approaches and data in the day-to-day operations"</p>



Agencies are at different stages in their work so each recommendation below includes a **Starting Point** to get the ball rolling and **Next Steps** for future iterations. Each recommendation also proposes a quantifiable **Idea for Baseline**, since OMB guidance urges agencies to do so. Showing quantifiable, as well as qualitative, growth will be key to drawing positive attention to agency efforts and making the case for greater resources. Lastly, each recommendation includes a **Current Example** from existing agency efforts, based on Results for America's [2019 Invest in What Work Federal Standard of Excellence](#).

### **Recommendation #1: Inventory evidence efforts to produce a landscape that informs future improvement.**

The Evidence Act requires agencies to inventory current research, evaluation, statistics, and analysis efforts. This provides an important opportunity to demonstrate the breadth of evidence work and to begin to identify places for additional work with additional resources.

- **Starting Point.** List the agency's evaluation and research activities as contained in the agency's learning agenda.
- **Next Steps.** For each evaluation and research study identify (A) coverage: which program/operation it addresses (B) effectiveness: the study's goal and how it will improve the program/operation; (C) quality, independence: how the study aligns with the agency's evaluation policy; and (D) methods: methodology it employs.
- **Idea for Baseline.** Use the information above to identify what number/percentage of the agency's programs/operations have been studied to date and the number/percentage that are being studied in the current year. Of completed studies, identify the number/percentage of studies that fit into different methodological categories and make this searchable through the agency's online repository of studies. Work to increase these numbers/percentages over time while also recognizing that the end goal is to build a comprehensive body of evidence in a particular area.
- **Current Example.** The Corporation for National and Community Service (CNCS) [Evidence Exchange](#) allows the user to search studies by 12 different categories including, but not limited to, CNCS program, study design, study type, level of evidence, focus area, and outcome category.

### **Recommendation #2: Review how well evidence efforts use a variety of sound methods.**

The Evidence Act requires agencies to describe how they use a variety of sound research methods that fully evaluate the effectiveness of agency programs and activities. This provides an important opportunity to review the rigor and quality of evidence efforts.

- **Starting Point.** Develop a decision-making process for identifying which type of analytic study to conduct (not just a list of the different types currently used).
- **Next Steps.** Describe the "life cycle" of grant programs from inception to maturity (including graphically), and describe how different methods of research and evaluation are carried out to improve those programs across their life cycle.
- **Idea for Baseline.** Using the list and categorization process described in Recommendation #1, identify the agency's major programs/operations. For each program/operation, identify the number/percentage of studies focused on them, the key research question of the studies, and the method used for the studies (clarifying if the study is formative or summative). Work to improve each category over time.
- **Current Example.** No agency currently engages in the comprehensive efforts recommended here by publishing this information in one place. However, many agencies do produce evaluation plans and learning agendas that identify key research questions, research methods, and studies carried out by the agency. For example, the U.S. Department of Housing and Urban Development (HUD) produces a multi-year [Research Roadmap](#) that identifies critical, policy-relevant research questions that help to guide HUD's research investments and inform HUD's annual evaluation plan.

### **Recommendation #3: Review if evidence efforts are useful to agency staff.**

The Evidence Act requires agencies to assess how useful their evidence efforts are to their primary users, agency staff. This provides an important opportunity to ensure evidence efforts are utilized to improve outcomes.

- **Starting Point.** Describe how division staff are consulted to determine their needs when creating the agency's evaluation plan and learning agenda.
- **Next Steps.** Conduct an annual survey of key agency staff to determine the usefulness of evaluation, research, and analysis efforts. Describe how the staff survey will be used to improve evaluation, research, and analysis efforts.
- **Idea for Baseline.** Using a staff survey (see Appendix for a sample survey), identify the number/percentage of staff who say the agency's evaluation, research, and analysis efforts support their needs. Work to improve the results of the staff survey over time.
- **Current Examples.** The U.S. Department of Labor (DOL) conducts an annual customer survey that asks DOL staff about the quality, relevance, and responsiveness of the work of the Chief Evaluation Office (CEO). Survey information is used by the CEO to improve its work and inform its own planning process. The U.S. Department of Health and Human Services (HHS) Evidence and Evaluation Council reviewed seven tools from across federal agencies to

identify approximately 25 survey questions that can be used to assess capacity and improve evidence work at HHS, including topics such as environment (e.g., centralized or diffuse approach to evaluation), structure (e.g., evaluation and data policies and procedures), staff capacity (e.g., how well evidence-based decision-making is used), dissemination and accessibility, and data systems, as well as open-ended questions designed to solicit examples of best practice and success stories.

#### **Recommendation #4: Review how well evidence efforts are used to meet a variety of needs.**

The Evidence Act requires agencies to show how they use evidence to serve a variety of purposes and meet multiple needs, including learning, managing programs, improving organizational performance, coordinating interagency and external efforts, and enhancing public accountability. This provides an important opportunity to demonstrate the versatility of agency efforts and the vital role evidence plays to make those efforts succeed.

- **Starting Point.** Describe how the Chief Evaluation Officer, Chief Data Officer, Statistical Official, and/or Performance Improvement Officer inform the agency's major policy and program decisions, including those described by the law (e.g., program management, performance management)
- **Next Steps.** Briefly describe how the agency is using evidence to inform decisions in the following areas (including any capacity gaps): organizational learning, program management, performance management, strategic management, interagency and private sector coordination, internal and external oversight, and accountability. Identify important decisions where research and evaluation helped achieve better results, or where more capacity is needed to better inform future decisions.
- **Idea for Baseline.** Use the staff survey described in Recommendation #3 (see Appendix) to identify major policy, budget, or management decisions where evaluation, research, and analysis were used to inform the agency's work. Over time, work to grow the dollar value associated with these decisions as well as the overall number/percentage of decisions informed by evidence.
- **Current Examples.** At the U.S. Department of Education, the [Evidence Leadership Group](#) (ELG) supports program staff that run evidence-based grant competitions and monitor evidence-based grant projects. It advises Department leadership and staff on how evidence can be used to improve Department programs and provides support to staff in the use of evidence.

## **Recommendation #5: Review how well the agency utilizes and enhances staff capacity for evidence work.**

The Evidence Act requires agencies to assess internal capacity for evidence efforts (e.g., personnel, planning, implementation, use of evidence in day-to-day operations). This provides an important opportunity to spotlight agency staff and processes that often go unnoticed and to identify areas for additional investments.

- **Starting Point.** Identify the authority, number of staff, and budget of the Chief Evaluation Officer and other offices within the agency that support this work (e.g., Chief Data Officer, Statistical Official, Performance Improvement Officer). Identify any team, organization, or structure within the agency charged with helping agency staff and program offices to use evaluation research and analysis.
- **Next Steps.** Describe the number, qualifications, and skills of evaluation staff, and describe how that staff works with program offices to use evaluation, research, and analysis. Describe how evaluation findings and best practices are disseminated and their utilization is promoted, and the findings from the previous year's staff survey described in Recommendation #3. Also identify the dedicated resources for evidence work (e.g., a percentage set-aside) or if additional dedicated resources are needed.
- **Idea for Baseline.** Quantify the resources associated with the Evaluation Officer (or other Evidence Act officials) for the baseline year including: A) number of key staff; B) budget; C) spending on evaluations, evaluation technical assistance, and evaluation capacity-building; D) training of agency staff; E) number of studies produced and disseminated<sup>6</sup>; F) number or percentage of staff that worked with evaluation staff in the past year; and G) number or percentage of staff participating in the annual staff survey described in Recommendation #3.
- **Current Examples.** Each year, [Results for America's Federal Standard of Excellence](#) asks agencies to identify their staff, budget, and authority for carrying out evaluation activities. In 2019, the Millennium Challenge Corporation earned the highest score on the Federal Standard, and included [quantifiable information](#) relevant to this recommendation: "The Monitoring and Evaluation (M&E) Managing Director serves as the Millennium Challenge Corporation (MCC) Evaluation Officer. The Managing Director is a career civil service position with the authority to execute M&E's budget, an estimated \$24.6 million in due diligence funds in FY19, with a staff of 28 people. MCC invested \$26.3 million on evaluations, evaluation technical assistance, and evaluation capacity-building, representing 3.7% of the agency's \$905 million FY19 budget (minus staff/salary expenses). MCC budgeted \$26.3 million on monitoring and evaluation in FY19, an increase of \$11.2 million compared to FY18 (\$15.1 million total)."

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<sup>6</sup> This information could also be presented by the agency office or program/operation to demonstrate the extent to which the agency's work (not just staff) was impacted.

## **Conclusion**

Assessing an agency's evidence capacity is a complex and daunting task. At the same time, it is a rare and exceptional opportunity to highlight the essential, often unrecognized work that federal officials do on a daily basis. If done well, the assessment can strengthen agency commitment to evidence-based policymaking, enhance a culture of learning and improvement, identify key areas for improvement, and ultimately, improve outcomes. With a deft touch, the assessment could also make a compelling case for greater investments to build and sustain the agency's data, research, and evaluation capacities.

As agencies move toward submitting the Interim Capacity Assessment, this brief outlines some key considerations and five concrete recommendations for producing a quality product that is readable, useful, and actionable. Agencies should produce a user friendly inventory, analyze the breadth and rigor of their methods, assess the usefulness and usability of their work, and enhance internal capacity. By taking these steps, they will not only conduct a high quality capacity assessment, they will produce a public document that shows the public just how critical their work is to improving the lives of the people and communities across the country.

## Appendix

### Annual Survey Questions

Since the staff survey appears in several recommendations, below is a brief description of what such a survey might include.

Annual Staff Survey for Capacity Assessment	
Key Issue	Potential Questions
Usefulness to staff	<ul style="list-style-type: none"><li>• In the past year, has any evaluation, research, or analysis effort helped you in your work?<ul style="list-style-type: none"><li>◊ If yes, what helped you and how?</li><li>◊ If no, what would be more useful to you?</li></ul></li><li>• How often did you use evaluation, research, or analysis in your work?</li></ul>
Balance of uses	<ul style="list-style-type: none"><li>• For which of the following did you use evaluation, research, or analysis: organizational learning, program management, performance management, strategic management, interagency and private sector coordination, internal and external oversight, accountability?</li><li>• In the past year, have you used any evaluation, research, or analysis effort to inform a decision you made?<ul style="list-style-type: none"><li>◊ If so, what was the importance of the decision and what was the associated dollar value?</li><li>◊ If not, is there evaluation, research or analysis information that would be more useful to your decision-making process?</li></ul></li></ul>
Internal capacity	<ul style="list-style-type: none"><li>• In the past year, have you worked with any evaluation staff to use evaluation, research, or analysis efforts to improve your day-to-day work?</li><li>• In the past year, did you receive any training in research, evaluation, or analysis efforts?</li></ul>

### Sources and Acknowledgements

This brief was produced by [Results for America](#) to assist federal agencies in conducting the capacity assessment required by the *Foundations for Evidence-Based Policymaking Act of 2018*. It was developed based on peer learning conversations with the agencies participating in Results for America's [Invest in](#)

[\*What Work Federal Standard of Excellence\*](#). In addition, the recommendations were informed by the May 2020 webinar "Evidence Capacity Assessments: Opportunities to Strengthen Agency Evidence Strategies" co-hosted by the Urban Institute and Results for America as part of the Urban Institute's [\*Federal Evaluation Forum\*](#) series. More information on the webinar, including a recording, is available [here](#).

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