# SECTION 260 – DATA-DRIVEN PERFORMANCE AND STRATEGIC REVIEWS

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**Summary of Changes**

Reorganizes, consolidates, and streamlines guidance. Incorporates revised statutory requirements from the Federal Agency Performance Act of 2024, including the addition of new guidance on conducting annual, data-driven strategic reviews, and the associated public reporting requirements based on the analysis generated from the agency strategic review.

## 260.1 What data-driven reviews are agencies required to conduct?

The GPRA Modernization Act of 2010 (GPRAMA) and the Federal Agency Performance Act of 2024 require agencies to conduct:

- **Quarterly data-driven performance reviews.**
  - Agency Priority Goals (APGs): At least quarterly, each agency head and Chief Operating Officer (COO) must conduct a data-driven review of progress on each APG with agency goal leaders or their designees.
  - Cross-Agency Priority (CAP) Goals: At least quarterly, designated goal leaders for CAP Goals and OMB must conduct a data-driven review of progress on each CAP Goal.
- **Annual data-driven strategic reviews.** At least annually, each agency head and COO, supported by the agency Performance Improvement Officer (PIO), must conduct a data-driven strategic review to assess progress towards the Agency Strategic Plan's goals and objectives.

## 260.2 What is the purpose of a data-driven review?

Conducted by managers and leaders on a limited set of the agency's performance improvement priorities, data-driven reviews are an organizational management routine and practice proven to produce better results.

Data-driven reviews provide a mechanism for agency leaders to bring together the people, resources, and analysis needed to drive progress on agency priorities and goals, review the organization's performance, diagnose problems and opportunities, and identify adjustments needed to improve performance. In addition to planning activities related to agency Learning Agendas and Capacity Assessments required by the Foundations for Evidence-Based Policymaking Act of 2018 (Evidence Act), the reviews also reinforce the agency's priorities and establish an agency culture of continuous learning and improvement.

### 260.3 How should progress be assessed when conducting the strategic review?

The Federal Agency Performance Act of 2024 requires agencies to conduct a data-driven strategic review assessing progress towards goals and objectives in the Agency Strategic Plan at least annually. When reviewing progress on each strategic objective or goal, agencies must consider:

- the extent to which progress has been achieved during the most recent fiscal year using the most recent sources of evidence and performance information available at the time of the review, and the likelihood that the agency will achieve the goal or objective;

- relevant evidence, including program evaluations, research studies, policy analysis, or other evidence-building activities and assessments relevant to the strategic goal or objective or the related programs;

- whether additional evidence is needed to assess progress;

- whether relevant organizations, program activities, regulations, policies, and other activities are contributing as planned to achievement of the goal or objective;

- any risks that may reduce the likelihood of achieving the goal or objective, including budgetary, regulatory, or legislative constraints that may impede progress; and

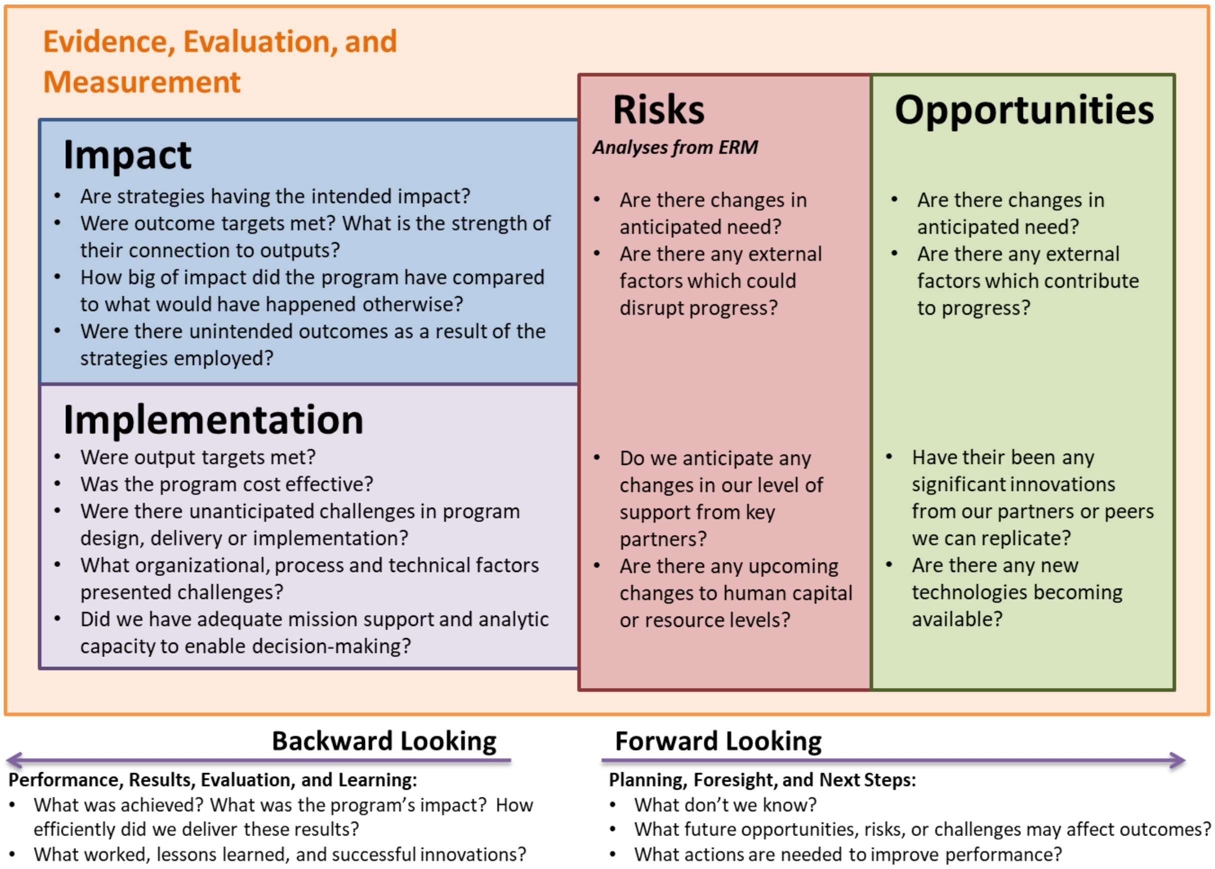
- for any goal or objective at greatest risk of not being achieved, options and strategies for improving performance.

Agencies should also consider:

- external factors, including existing and likely changes in the operating environment, the size of program demand, or challenges faced during program execution; and

- lessons learned from past efforts to improve service delivery or resolve management challenges, especially in coordinating across organization components and with delivery partners.

The Figure below is offered as a helpful illustration depicting the relationships between key components of a strategic review analysis, connecting evidence, evaluation, and measurement in the assessment of strategic goals and objectives that is both backward looking (i.e., focused on Impact/Implementation) and forward looking (i.e., focused on Risks/Opportunities; see Section 230).




## 260.4 What period of performance will be assessed?

Strategic reviews are conducted annually using the most recent evidence available at the time of the assessment. If initial reviews are conducted at the mid-year point of the fiscal year using the most recent sources of information available, agencies revise assessments later, once full fiscal year data becomes available.

## 260.5 What will agencies do to improve progress on strategic objectives?

Agencies must determine what actions should be taken to maintain or improve progress on strategic objectives and goals and incorporate those decisions and implementation activities into the next APP or other operating plans and documents. In addition, the agency should consider which administrative actions or budget, legislative, or policy proposals must be included in the President's Budget or the agency's congressional budget justification for congressional consideration.

## 260.6 What if there is not enough information to determine how the agency is progressing on a particular objective?

If the lack of or inconsistent evidence makes it impossible to summarize progress on a particular strategic objective, the agency should explain the status of the objective as well as possible in the progress update while noting the relative strength of the evidence in either direction. In considering the potential risks or impacts of inconsistent or unavailable information, the agency should determine, in consultation with OMB, the appropriate next steps for cost-effective investments in evaluation, research studies, or data collection, or potential administrative actions that could mitigate potential risks and/or close the information gaps.

### 260.7 What is the relationship of the program portfolio reviews required by the Program Management Improvement Accountability Act (PMIAA) and the strategic review?

The program portfolio reviews required by the PMIAA—which makes 'programs' and 'portfolios of programs' as the primary unit of analysis—should be integrated as an input too and conducted in coordination with the agency's internal data-driven strategic review.

### 260.8 What is the relationship between Enterprise Risk Management (ERM) and the strategic review?

Risk management is a coordinated activity to direct and control challenges or threats to achieving an organization's goals and objectives. Enterprise risk management (ERM) is an agency-wide approach that provides an enterprise-wide, strategically aligned portfolio view of organizational challenges, giving leaders better insight into how to most effectively prioritize and manage risks to mission delivery. Agencies are encouraged to use their strategic review process to coordinate their internal analysis of risk using ERM in order to make risk-aware decisions. This may include the development of risk profiles as a component of the annual strategic review, identifying risks arising from mission and mission-support operations, and providing a thoughtful analysis from a portfolio view of the risks that an agency faces towards achieving its strategic objectives. Results of an agency's risk assessments should then be used to inform changes to agency planning and implementation strategies. See Section 230.

### 260.9 What information from the strategic reviews will be published in the APR?

Each agency is required by the Federal Agency Performance Act of 2024 to publish a summary of the findings from its annual strategic review assessments in its APR. For each strategic objective or goal, agencies should include in the APR:

- a brief summary of performance results and progress achieved relative to the planned level of performance;
- any significant contributions from relevant organizations, program activities, regulations, policies, and other activities as planned;
- assessment of the likelihood the agency will achieve the covered objective or goal; and
- any risks or impediments that would reduce the likelihood that the agency will achieve the covered objective.

### 260.10 How does a Presidential transition year affect the information that will be published from the strategic review?

During an Administration transition year, agencies develop new strategic goals and objectives aligned to the current Administration's policies and priorities. The priorities, goals, and objectives being developed during this time will be reflected in the update to the next four-year Agency Strategic Plan that must be made publicly available on or before the first Monday in February of the year after the year in which the President's term begins (see Section 230). An agency need not report on strategic objectives and goals from the Agency Strategic Plan published under a previous Administration if the agency determines that they are no longer aligned with the current Administration's policies or priorities. Agencies should consult with their appropriate OMB Resource Management Office in making determinations on whether strategic objectives may or may not be aligned with the policy priorities of the new Administration.