This document reports the oral and written testimony submitted at a Congressional hearing on implementation of the Government Performance and Results Act in the Veterans Benefits Administration's (VBA) educational service and vocational and counseling services. Oral and written testimony was presented by Representative Jack Quinn, chair of the committee, and Representatives Bob Filner and Lane Evans, as well as representatives of the VBA. The testimony focused on the need to evaluate VBA programs in terms of outcomes and how to set up outcome measurements. How to measure these outcomes, what outcomes to measure, and for how long are issues currently being addressed, according to the testimony. (KC)
GOVERNMENT PERFORMANCE AND RESULTS ACT STRATEGIES FOR BOTH THE VETERANS BENEFITS ADMINISTRATION'S EDUCATION SERVICE AND THE VOCATIONAL REHABILITATION AND COUNSELING SERVICES

HEARING
BEFORE THE
SUBCOMMITTEE ON BENEFITS
OF THE
COMMITTEE ON VETERANS' AFFAIRS
HOUSE OF REPRESENTATIVES
ONE HUNDRED FIFTH CONGRESS
FIRST SESSION
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The subcommittee met, pursuant to call, at 9:30 a.m., in room 334, Cannon House Office Building, Hon. Jack Quinn (chairman of the subcommittee) presiding.
Present: Representatives Quinn, Filner, Mascara, Reyes, and Evans.

OPENING STATEMENT OF CHAIRMAN QUINN

Mr. QUINN. Good morning, everybody. The subcommittee will come to order, and I have a statement that I will submit for the record, an opening statement. But I do want to mention a couple of things before I yield to Mr. Filner.

As we continue to work toward a balanced budget, both the Congress and the executive branch need a way to determine whether programs are accomplishing what they were designed to do. As resources become constrained, it is vital that we be able to judge the relative performance and cost of a wide range of all of the programs here in the Congress. Done properly, it will allow us to put our resources where they do the most good and we all—I believe all of us in the room and the subcommittee and the full committee, believe that that is the best thing for veterans as well.

Today, we continue a series of oversight hearings on the management of veterans benefits programs using, the Government Performance and Results Act as a framework. The Results Act, of course, was passed during the 103rd Congress to provide the executive and legislative branches common reference around which to judge the performance of these government programs. Probably the single most important feature of the act is linking performance of the budget process by focusing on outcomes rather than throughput in a series of agreed measures to judge that performance.
I would submit a full statement for the record of a couple of more
pages, but want to thank our witnesses here this morning. And I
would yield to Mr. Filner for an opening statement.
[The prepared statement of Chairman Quinn appears on p. 19.]

OPENING STATEMENT OF HON. BOB FILNER

Mr. FILNER. Thank you, Mr. Chairman. I too, will submit a state-
ment.

Just briefly, I just want to repeat something I think we have all
agreed to over our set of hearings, that as we look at the Results
Act and have a joint commitment to goals that we establish, we
must continue to monitor those goals. We must continue to focus
on it, to make sure that 5 years from now our successors or we our-
selves don't have to have hearings that say nothing has happened.

So as an institution, the Congress must be as accountable as the
agency in making sure that we do our oversight. And that is in the
interest of the veterans of this Nation and I hope that we all fulfill
our functions here. I will submit a full statement for the record.
[The prepared statement of Congressman Filner appears on p.
22.]

Mr. QUINN. Thank you, Bob.

We have two panels today. Our first panel is the General Ac-
counting Office, and they will comment on the VA’s efforts thus far
to present their views on what the Results Act will do for us; and
secondly, we will hear from the directors of the Education and Vo-
cational Rehabilitation programs.

We welcome the veterans’ organizations to submit their GPRA
comments for the record. Of course, if they hear or read something
here today that piques their interest, they are always welcome to
comment on it.

And I would like to ask our first panel, Ms. Cynthia Fagnoni, to
come to the witness table, please, and anybody who is going to join
her.

As you are taking your seats this morning, I would like to yield
at this time to the Ranking Member of the full committee for any
opening statements Mr. Evans may have.

OPENING STATEMENT OF HON. LANE EVANS, RANKING
DEMOCRATIC MEMBER, COMMITTEE ON VETERANS AFFAIRS

Mr. EVANS. Thank you, Mr. Chairman. I want to thank you and
commend you and Bob Filner, the Ranking Member, for the rigor-
ous examination of GPRA that is being made by this subcommittee.
I believe this continuous oversight is very important to make sure
we get responsible information from the Department of Veterans
Affairs. So I appreciate the continuing interest in this issue.

The consolidation of educational claims processing in four offices
now appears to be working smoothly. The Education Service has
also made significant strides in developing a number of pilot
projects which should provide veterans more effective and efficient
services. As this subcommittee evaluates these pilot programs, I
hope you will focus on the actual and expected outcomes, including
the concrete impact of educational benefits on the lives of our
veterans.
I still have concerns about the VA and the GPRA process and goals. I still have concerns about VBA providing this committee with enough information to provide fruitful and productive consultations. Too often it seems to me VA regards our committee not as a friend, but more as a foe.

If VA would provide candid assessments of the problems they face and provide solutions, together we could accomplish much more. I invite the VA to join with us in a partnership for the benefit of both our veterans who have earned their benefits and the taxpayers.

Additionally, I want to take this opportunity to convey again my concerns about the need for a significant improvement in providing our veterans vocational rehabilitation counseling, job placement assistance and actual job placement. Based on the information I receive from veterans and others who should know, VA is failing to provide our veterans the quality vocational rehabilitation and counseling services they deserve to receive. These services must be better and produce better results with and for our veterans. Our veterans deserve no less.

Again, I thank you for your continuous oversight on this issue, Mr. Chairman.

Mr. QUINN. Thank you, Mr. Evans. We appreciate the fact that you are with us today and your comments.

Mr. Mascara, any opening remarks?

Mr. MASCARA. I do not have any.

Mr. QUINN. All right. We are going to operate under the 5-minute rule if that is okay with everybody today, including the witnesses. We will, of course, accept any other documents and full testimony that you have. Ms. Fagnoni.

STATEMENT OF CYNTHIA M. FAGNONI, ACTING ASSOCIATE DIRECTOR, VETERANS' AFFAIRS AND MILITARY HEALTH CARE ISSUES, ACCOMPANIED BY IRENE CHU, ASSISTANT DIRECTOR, VETERANS' AFFAIRS AND MILITARY HEALTH CARE ISSUES, AND JAY EGLIN, ASSISTANT DIRECTOR, EDUCATION AND EMPLOYMENT ISSUES, U.S. GENERAL ACCOUNTING OFFICE

Ms. FAGNONI. Thank you. I would like to submit my full statement for the record. I have with me today Irene Chu and Jay Eglin.

Mr. QUINN. Good morning.

Ms. FAGNONI. Good morning.

Good morning, Mr. Chairman and members of the subcommittee. We are pleased to be here today to provide our views on the progress made and challenges faced by the Veterans Benefits Administration in implementing the Government Performance and Results Act of 1993. As you know, the Congress intended that the Results Act would fundamentally shift the focus of Federal management and accountability from staffing and activity levels to program results. The Congress recognized that measuring program results would be difficult and has provided for the Results Act to be phased in over several years.

VBA is responsible for administering programs that provide financial and other benefits to veterans, their dependents and sur-
survivors. My statement today centers primarily on two VBA programs: vocational rehabilitation and counseling and educational assistance.

The information I am presenting today is based on prior work we have done in the VA program area, a review of VBA's strategic plan and discussions with VBA officials.

In summary, VBA has taken positive first steps to implement the Results Act, but this process is evolving over time. VBA faces many challenges in its efforts to establish results-oriented goals, to measure performance and to use that information to improve performance and enhance program results.

To date, VBA has developed a strategic plan with a mission and goals and has begun consultation with the Congress and other stakeholders to obtain their views on its plan. VBA has, for example, established four goals for the VR program. Three of these goals are focused on improving the efficiency of the rehabilitation process and assessing the level of satisfaction customers have with services that VBA provides.

The fourth goal, that of increasing the number of VR program participants who successfully complete their program, is focused to some extent on program results. To help track its progress in achieving these goals, VBA has established several performance measures such as the average number of days it takes to evaluate a claim for rehabilitation benefits and then notify the claimant, and the percentage of veterans who are found to be entitled to rehabilitation services and then go on to develop a rehabilitation plan.

The one measure VBA has established that is directed at program results is the percentage of veterans who complete their training phase, enter the employment services phase and then go on to acquire and maintain suitable employment.

VBA has also established four goals for its educational assistance program. As with the VA program goals, they are oriented toward improving the accuracy and timeliness of claims processing and determining beneficiary satisfaction with VBA services. Performance measures include the average number of days required to complete educational assistance claims processing and the percentage of eligible veterans, service members and reservists who are using their Montgomery GI Bill educational benefits.

As you can see from these examples, VBA has made a good start in setting forth goals and measures, but is not yet in a position to fully measure and assess program performance and results. Setting goals and establishing measures aimed at improving accuracy, timeliness and customer satisfaction is important. But it is also important for VBA to know what differences its programs are making in the lives of eligible veterans. VBA is aware that it needs to focus more on program results and recognizes that additional data and research will be required, including formal program evaluations and extensive consultations with stakeholders.

VBA will also need to integrate its plan with other VA programs and Federal or State agencies that support veterans benefits programs.

As VBA’s strategic planning efforts progress, VBA must ensure that it effectively measures and assesses performance to determine
how well its programs are meeting their goals and making improvements. However, in doing so, VBA faces some significant challenges. Measuring results will be difficult because the link between program operations and results may be hard to establish in some cases. Also, a result may occur years after an agency has completed a task.

Nevertheless, under the Results Act, agencies are expected to use the performance and cost data they collect to continuously improve operations, identify gaps between their performance and performance plans and goals and develop plans for closing performance gaps. VBA will need to develop appropriate performance measures and collect adequate and reliable performance and cost data to effectively measure and assess its performance. At the same time, VBA must carefully balance the cost of data collection against the desire for complete, accurate and consistent data.

Mr. Chairman, this completes my testimony this morning. I would be pleased to respond to any questions you or members of the subcommittee may have.

[The prepared statement of Ms. Fagnoni appears on p. 24.]

Mr. QUINN. Thank you very much.

Ms. Chu or Mr. Eglin, do you have anything to add to the statement at this point? Are you here for expertise?

Mr. EGLIN. Support.

Ms. CHU. Support, yes.

Mr. QUINN. And the ride over probably.

Okay. Thanks for your statement. We appreciate the full statement submitted for the record.

I have some questions. I am going to start with something I heard you say in your testimony that I didn’t prepare, but you mentioned just toward the end that the VBA must integrate its plan with Federal agencies and other State agencies.

We have had two hearings already on this whole matter. This is our third and final one today. But that integration of plans and how the process moves along, Bob and I were talking one or two hearings ago about training and how that is integrated and those kinds of things.

Can you say a little bit more about the need for that and how it fits the bigger picture, for example?

Ms. FAGNONI. Well, as we have pointed out in quite a bit of our work, there are a number of agencies who either rely on other agencies for assistance in achieving program results—for example, in the case of the VR program, VBA relies on the Department of Labor, as well as State and local employment agencies, to help disabled veterans obtain employment. And, therefore, it is important that as VBA is developing its strategic plan and determining goals and measures, it understand and coordinate with these organizations to help achieve the program results.

Mr. QUINN. Thank you. And there must be some communication and dialogue that is going on. That is probably a question more for our second panel, I am certain, but the point is well stated. Thank you.

Ms. FAGNONI. Yes.

Mr. QUINN. Mr. Filner.
Mr. FILNER. As I was reading the testimony of the folks who are going to be here today, it strikes me how difficult it is to interpret these measurements.

For example, in the case of the Montgomery GI Bill benefits: we can look at what percent are using these benefits and whether that is a proper goal, but what is the relationship between that, for example, and the benefit level that Congress has mandated?

If, for example, only 40 percent of veterans are making use of the benefit that doesn't tell us really what is the problem. It is just collecting data without making sure that we know the reasons behind the data. It is troublesome to me that agencies may just collect data and think that the job is done.

How do you deal with putting too much emphasis on “the measurement” as the way to deal with the Results Act?

Ms. FAGNONI. Well, one of the key things in the Results Act is what is really going on right now, which is this consultation process where agencies and the Congress together hopefully reach some sort of agreement on what the major program mission and goals should be, the idea being that if agencies can develop strategic plans that are results oriented and focus on program results, then they choose to measure will—it will be clear how they link to those results and that the measures—the goal is that the measures will be limited to those few key measures that an agency can show are really affecting program results.

Also, the VBA does have plans, and they are in the process of trying to develop some cost measures. Right now, for example, they are not able to easily say how much it costs, for example, to rehabilitate a disabled veteran and provide them employment. So they recognize that they need to be able to link results also with the costs of achieving those results.

But you are right, this is an area where it is very important that the agencies focus on those measures that they can show will affect program results, and have a clear understanding of why it is they are collecting data and measuring certain things.

Mr. FILNER. I was just reading your list of measures. I am not sure what it tells us. I don't want VA to just collect the data and do no further interpretation and say we have complied with the Results Act. I have seen that happen before in other bodies.

Ms. CHU. Maybe I can help clear up some things.

For a program to focus on outcome for these types of entitlement programs, it seems that measures would tend to focus on what happens to the veteran as opposed to what services the VA provides them. That is important, but ultimately we are trying—we have these programs so that it makes a difference in veterans' lives. And so the types of measures one might want to think about that are results oriented are those like: Are the veterans receiving—disabled veterans receiving suitable employment? What types of employment are they getting? How does that compare with other disabled veterans, who don't go through the program? How does it compare with those disabled veterans who don't go through the program and how does it compare with non-disabled veterans in the private sector?

And similarly, in the education program, one wants to focus on what type of education the veteran received. How does that com-
pare with other veterans who didn't go through the program? And similarly, you know, how does it compare with the individuals in the civilian sector?

So when we are talking about outcome, we are talking about things that affect the recipients of the program and not so much what the process is of delivering the service to the veteran.

Mr. FILNER. I will pass.

Mr. QUINN. Mr. Evans.

Mr. EVANS. No questions.

Mr. QUINN. No questions. Mr. Mascara.

Mr. MASCARA. I had a hard time falling asleep last night, so I took this home with me and I didn't require any sleeping pills.

I refer to part of the report that says that under the Results Act every major Federal agency must now ask itself some basic questions: What is our mission?

And I will just continue, but just keep that in mind.

I need to know, in 10 words or less, what the mission is? What are our goals and how will we achieve them? How can we measure our performance? How will we use the information to make improvements?

And this is the one that catches my eye here: The act forces a shift in the focus of Federal agencies away from such traditional concerns as staffing and activity levels and toward a single overriding issue, results. How do you get away from staffing an activity level that must play an important role in the result?

It just seems like there is some clever verbiage here, and that is the reason I started to fall asleep because you lost me when you said that we have to shift away from staffing and activity levels, when we all know that there are problems out there that exist as a result of the lack of staffing in many instances, and that, perhaps, the wrong activities are being generated in providing service to our veterans.

Anybody?

Ms. FAGNONI. Well, you are right. I think one of the points of the Results Act is if an agency can start with looking at what is the mission of the program, and for that particular question, where the agency would start would be what has the Congress determined that the mission of our program should be as it is stated in the law?

For example, in the case of the Education Assistance program, one of the stated legislative goals of the program is to provide veterans with an education that they might not otherwise have been able to obtain. Another purpose of that program, as stated in the law, is to aid in the recruitment and retention of highly qualified military personnel.

So you are absolutely right that staffing and activity levels make a difference, but I think what the Results Act is trying to do is, if the agencies or programs can start with the legislated mission, as agreed with the Congress as far as what the program is supposed to accomplish, try to measure to what extent it is achieving those results, and then it would be in a better position to see how things like process and staffing and activity levels are contributing to that outcome.
For example, in the case of education, is an individual able to actually obtain an education? Did they obtain an education that they might not otherwise have obtained?

So it isn’t meant to ignore staffing and activity, but rather, to put the focus first on results and then show how activities and processes contribute to those results.

Mr. MASCARA. That is a good answer. Thank you.

Ms. FAGNONI. Thank you.

Ms. CHU. I will try something else.

Ms. FAGNONI. Sure.

Ms. CHU. I think one of the things we show in Voc Rehab, you know, is process is important, but if you don’t focus on the outcome, what happens to the program is what we had demonstrated, that very few people, veterans, were completing the program and getting jobs. And so we are saying that those are important, the process is important and also the outcome is important.

Mr. MASCARA. Thank you, Mr. Chairman.

Mr. QUINN. Thank you, Mr. Mascara.

I suppose you are better off taking it home and having yourself go to sleep than if you went home and you were sleepy and you read it and you couldn’t get to sleep. I think we would all be in a lot more trouble if that was the situation.

I have another question. Part of the statement—your statement says that “Measures should be linked to offices that are directly responsible for making programs work,” end quote, which makes a lot of sense.

Can you give me an example of that, either in Education or the Voc Rehab programs? In other words, you are saying the measures should be linked directly to the offices that make the programs work. I agree. I just need an example or two, if you are able to. Can you?

Ms. CHU. Well, for example, in determining Voc Rehab eligibility, there has to be a determination of a disability, service-connected disability. So the link would be with the Department of Defense in terms of the information Defense has that provides service connected data.

Mr. QUINN. Thank you. Then we are back to my original question where we talked about that other agency business that you are dealing with other Federal agencies, whether it is the Labor Department, the Department of Defense or State agencies.

Ms. CHU. Right. The coordination has to be there, yes. VBA does consider them stakeholders.

Mr. QUINN. Exactly the point I was trying to make. Thank you. Bob, any questions?

Mr. FILNER. No.

Mr. QUINN. Mr. Evans, any questions for the panel?

Mr. EVANS. No.

Mr. QUINN. Any questions for the panel?

Ms. FAGNONI. No.

Mr. QUINN. Thanks very much. I appreciate your time this morning.

Ms. FAGNONI. Thanks.

Mr. QUINN. We will move to our second panel. I guess it is our second panel. Representatives of the Secretary of Veterans Affairs,
Ms. Celia Dollarhide, the Director of the Department of Veterans Affairs Education Service; Mr. Jeff Goetz, who is the Operations Manager for the VA Voc Rehab and Counseling Service; and they are both accompanied by Mr. Robert Gardner, CFO of the Veterans Benefits Administration.

This is also an opportunity for me now to publicly thank you all for the briefings that Mr. Filner and I received earlier this year when the committees were combined and you were kind enough to present us with a great deal of information. We appreciate it very much.

We are going to operate, Ms. Dollarhide, also under the 5-minute rule. You may have a full statement for the committee, but if you could, condense your comments into about 5 minutes or so, and then we will do some questioning. Is that okay?

STATEMENT OF CELIA DOLLARHIDE, DIRECTOR, EDUCATION SERVICE; JEFFREY T. GOETZ, OPERATIONS MANAGER, VOCATIONAL REHABILITATION AND COUNSELING SERVICE; AND ROBERT GARDNER, CHIEF FINANCIAL OFFICER, VETERANS BENEFITS ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS

Ms. DOLLARHIDE. That is fine. Thank you, Mr. Chairman.

Mr. Chairman and members of the subcommittee, thank you for the opportunity to appear before the subcommittee to discuss implementation of the Government Performance and Results Act for the Department of Veterans Affairs Educational Assistance program and the Vocational Rehabilitation and Counseling program.

With me today on my left, Mr. Robert Gardner, Director of Veterans Benefits, Office of Resource Management; and on my right, Mr. Jeffrey Goetz, Operations Manager, Vocational Rehabilitation and Counseling Service.

Historically, VA education and rehabilitation programs have had significant impact on education in society as a whole. We know that more education directly results in increased income and a better quality of life. We are proud of our part in the process.

Earlier this year, members of both the Education Service and the Vocational Rehabilitation and Counseling Service briefed staff members of the subcommittee on our implementation plans for the Government Performance and Results Act. It is a pleasure to be here today to discuss with you substantive details of both 1998 business plans.

First, let me turn to the education assistance program. We have four major goals to accomplish: the first, to identify the level of satisfaction our customers have had with the service and benefits we provide and begin setting improvement targets by 1998. As part of this goal, we intend to increase the usage rate of veterans' training under the Montgomery GI Bill from the current 37 percent level to 75 percent by the year 2002.

This will be accomplished, in part, by improved customer service; by providing greater access to VA for education information; and by providing, in cooperation with the Department of Defense, information on the benefits available to service members before they are discharged.
Our second goal is to improve payment and service accuracy and claims processing timeliness.

So far this year, our payment accuracy has average 93 percent. Our goal for 1997-1998 is 94 percent. We intend to improve our payment accuracy by at least 2 percent by the year 2000.

As for average days to complete, we are pleased to note that our four education processing offices are adjudicating cases in just under 13 days this year. Reasons contributing to this include education consolidation, balancing of the workload between offices and the dedication of our employees in the field.

While we were very pleased with the timeliness results thus far in fiscal year 1997, we are concerned that as the staffing is reduced to meet fiscal year 1998 ceilings and, as the traditional increase in enrollments begin late in the summer, we will be unable to continue to meet these timeliness gains.

Our third goal is to implement an enhanced training program and adopt the VBA Employee Survey by 1998.

Our fourth goal is to develop a management tool to identify the cost of administering the educational assistance programs by 1998.

The activity based costing initiative has been identified as the vehicle which will enable us to isolate the actual unit costs of our education operations as required by the Government Performance and Results Act. A successful model was implemented in St. Louis and has now been exported to our Atlanta office. In a few weeks, it will be exported to our Muskogee regional office and then to Buffalo and will carry us into the next fiscal year.

As part of strategic planning, Education Service is using business process reengineering as a tool for the systematic analysis and redesign of our processes, with an eye to achieving significant performance gains. The reengineering project team identified educational and vocational attainment as a possible desired outcome. There is still much to do on this issue, and we will work with our stakeholders and this committee in developing meaningful outcome measures.

Let me turn now to the Vocational Rehabilitation and Counseling program.

We have four major goals to achieve.

The first is to identify the level of satisfaction our customers have with the services we provide and to begin setting improvement targets by 1998. As part of this goal, we have developed changes in program delivery systems, staff training and performance objectives and indicators. These changes will ensure veterans get more timely decisions on their claims, more clearly understand vocational rehabilitation and are increasingly satisfied with our services.

The second goal is to increase the relative number of vocational rehabilitation program participants who successfully complete their programs.

We have developed initiatives to emphasize employment services, proposed streamlined staffing and set up performance objectives and indicators to measure success in getting an eligible veteran to achieve an employment objective. These changes will increase the number of veterans who develop a rehabilitation plan, reduce proc-
essing hand-offs, improve program management and, more importantly, increase job placements of disabled veterans.

The third goal is to ensure that all employees have the skills needed for their positions in order to maintain a highly skilled and motivated and adaptable workforce.

We have developed initiatives to emphasize employment services, established new staff qualification standards, proposed increased support for staff training and set up associated performance objectives and indicators to measure the quality of staff training and performance.

Our fourth goal is to develop a management tool to identify the cost of delivering vocational rehabilitation benefits by 1998. As part of this goal, we intend to acquire appropriate cost information, improve management decisions and function in an environment of scarce resources.

As a result of our vocational rehabilitation strategic planning initiative, we are continuing to streamline operations and develop a performance- and results-oriented organization.

In our fiscal 1998 business plan, we provide more efficient and timely delivery of vocational rehabilitation services. Together with our redesign efforts, this business plan will help to refine our initiatives and activities through fiscal year 1999 and beyond.

Our program's redesign efforts to date have yielded greatly increased numbers of veterans reaching their rehabilitation goals, numbers that we expect our business plan and redesign efforts will continue to increase.

I would briefly like to take this opportunity to mention one of our recent rehabilitation placements. We talked about it earlier this morning. A disabled veteran has begun a full-time, on-job training position in your district office, Mr. Chairman; and we want to thank you for showing your support.

I would also like to mention that our office in San Diego is working with Congressman Filner's staff to develop a similar program for one of our disabled veterans.

Mr. Chairman, this concludes my testimony. We would appreciate the subcommittee's comments and suggestions today as we work together in the future to implement the Government Performance and Results Act and improve service to veterans. We will be pleased to answer any questions you or members of the subcommittee may have, and I would like to submit the full statement for the record.

Mr. QUINN. Absolutely. Thank you. Thank you very much.

[The prepared statement of Ms. Dollarhide appears on p. 32.]

Mr. QUINN. Let me begin by asking a couple of the questions that I have, maybe the types of questions that you might not have information for today. So if it is a particular kind of question, I would invite you, if you can't get your hands on it today, to get it back to us and prepare it for the staff in the next week or so. That would be fine with us.

The Results Act we have said is part of the strategic planning process. There is no question about that. This is our third hearing we have set on it.
The straightforward question is, when can the committee expect delivery of the draft strategic plan and how complete will it be when we receive it?

Ms. DOLLARHIDE. Let me ask Mr. Gardner to respond to that question.

Mr. GARDNER. I know the Department is working feverishly on this. We are very interested in being as responsive to you as we can.

For our part, in terms of VBA, we met with Mr. Duffy and his staff on Tuesday and are reviewing a draft. I know it is their intent to try to get something to you by the end of this week.

I would also say that we want it to be a good document. I will only just not speak for the Department but for my VBA piece—I want it to be a quality document that we can have a good dialogue on and not something that we have rushed through to get to you quickly.

I am struggling with a lot of those issues as to trying to put a little more time into it, working with our program directors, especially in the outcome area, to try to put a little more information into it.

There is a constant trade-off between taking a little more time but not getting you something we can't begin a dialogue on. I would certainly say that my understanding is that they are aiming to get something to you by the end of this week.

Mr. QUINN. That would be fine.

For the record, it was due June 1. We are only talking about a few days. I happen to agree with you. A few extra days to make it more complete is worth that. If we are not headed toward the end of this week—well, today is Thursday already. Just keep us informed if you are going to need a couple of extra days into next week. Just let us know so we know what to expect there. If you run into a major problem where it is going to be 2 or 3 weeks, we would like to know that. Okay? Thanks.

Then let me get back to the question I asked the first panel—and any or all of you can respond to this—about this discussion, communication and dialogue with other agencies, Federal agencies and State agencies, and as it relates to the whole Results Act.

Could you comment on some examples of some of that discussion that is taking place? I want to know that we are not operating in vacuums here all along the way.

Ms. DOLLARHIDE. Well, I will go ahead and speak to the education program.

We, as part of our strategic planning right now, are going through a business reengineering process program and, as a part of that, we are working closely with officials from the Department of Defense, school officials, our State approving agency membership, veterans' groups and the like. They are all members of the project team and members of the steering group or guidance team which gives the project team guidance and direction as they analyze the program.

We are just beginning, frankly, in the education program. We have always had liaison with other agencies, State agencies, educational organizations and so forth. But to sit down and plan strategically like this is new for us, and we are doing it. It is an inter-
eating exercise, and we are really beginning it through this business process reengineering initiative.

Mr. QUINN. Thank you. So that you had liaisons before that you said you were working with and helping out. That really means sitting down at the table.

Ms. DOLLARHIDE. This is what we are doing now, actually sitting down and talking about exactly what the program is to deliver, how we should be delivering it, how we should be providing benefits to veterans and their dependents, what their expectations are and how we can do a better job.

Mr. QUINN. And what kind of people are you talking to? I mean, you gave an example of the Education Department. Maybe I did not hear the answer.

Ms. DOLLARHIDE. The Department of Education, we visited with them.

Mr. QUINN. Who are you talking with at the Department of Education, for example?

Ms. DOLLARHIDE. In the Department of Defense, of course, program managers of the various services but also the director of accession policy and his staff and the DMDC out in Monterey.

Mr. QUINN. Great.

Ms. DOLLARHIDE. We have always worked closely with them as far as systems interaction. We are redesigning our reserve payment system. They are redesigning their system out there. Of course, we have been working with them.

Mr. QUINN. Sure. Are you satisfied generally with the response you are receiving from these other agencies?

Ms. DOLLARHIDE. Very much so, uh-huh.

Mr. QUINN. Thank you. Thank you very much. Those are exactly the examples I was looking for. Thanks.

Mr. FILNER. If you had to put in one sentence the goal for both the vocational rehabilitation and the educational service, what would you say the goal was?

Ms. DOLLARHIDE. I am going to let Jeff talk to the vocational rehabilitation program, and let me give him a chance to talk here. But, basically, I think for the education program we hope to help them meet their educational—attain their educational and vocational goals.

Mr. GOETZ. For the vocational rehabilitation program, in one sentence, it would be to assist service-disabled veterans to get jobs, suitable jobs.

Mr. FILNER. I would agree with you that both are worthwhile goals.

I somehow—I don't have enough experience with this, and I don't mean to be unkind, but I have read the testimony and I have had some experience with this approach. Sometimes in responding to what an agency might see as a bureaucratic demand, the agency itself becomes very bureaucratic in dealing with the demand, and whole bureaucracies are created that “measure” and don't do anything to meet the goals. The goal is to get someone a job.
I have read your four goals and I have read the performance measurements of the goals. And I don't see the word "job" in any of them—the very word you used here today as your primary objective.

It looks like we are building up a whole bunch of "stuff" that is supposed to help you get results—but may not. We are developing management tools. We are making sure your employees are trained. But most of this "stuff" has nothing to do with the veteran getting a job! There is a whole number of these things that are quantifiable, but I am not sure they have anything to do with the veteran actually getting a job. And none of this tells me whether you are doing your job.

It looks like we are compiling reports for the sake of meeting the requirements of the Results Act and then developing a whole new industry to do that and not meet your true objectives.

Mr. Goetz. Well, we would be the first to admit that this is a first-time effort for us in terms of GPRA; and we have perhaps been not clear.

We often sometimes use the word "rehabilitation." For us, that means suitable employment, or a suitable job and I can see where that could be misleading.

Mr. Filner. Well, if somebody completes their program, which is one of your measures what does not tell me? I could serve 2 years in Congress. Does that mean I have done my job?

I could tell you I have completed my educated program. I went 4 years to an undergraduate college; I went 8 years to graduate school; and I completed my program. Does that mean I know anything about what it is I was supposed to have learned? That measure, in itself, doesn't mean anything except the time I put in.

After I get a Ph.D., can I teach? It doesn't tell me that.

Mr. Goetz. Well, I would think, in our case, the measure that we would be emphasizing there would be how you were able to profit from the services and acquire the skills to acquire employment and we would certainly consider you, if you were going through our vocational rehabilitation program and were in the position you are in now, as being suitably employed and properly using those skills and education that you were provided.

Mr. Filner. Yes, but did they get a job?

Mr. Gardner. Can I jump in a second?

I agree with you, but we are not good yet at focusing on the outcomes and zeroing in on that and communicating that back and forth to you and other stakeholders. We are getting better at understanding our outcomes, figuring out how to measure them, but our lives are still too full of, as was said before, staffing and productivity and timeliness.

And I would offer to you there is the issue of, coming to you with a lot of data about getting veterans jobs and then somebody would complain to you "But it takes them too long to do that." Then we would get back into some satisfaction issues. You almost have to get into tiers of performance measures. And there is no doubt, I think, in our mind that the outcomes, jobs for veterans in this case, is absolutely the highest priority. We need to get a lot better at articulating that and communicating that and measuring it.
We need to be able to provide service to veterans, and that means timeliness and accuracy and more traditional things, and we need to measure those things better, too. I believe it is an evolving process, and there is no doubt that we need to get a lot better at identifying the key measures and communicating them in our planning process.

Mr. Filner. As a layperson trying to understand what you are doing, you say your objective is "jobs" and "education", but I don't find either of these words used in your goals and measures. You are building up a whole new vocabulary to talk about something that is really much simpler and should be more easily communicated. That is just my reaction.

Ms. Dollarhide. Could I just add something, Mr. Filner? With the various educational programs Congress has given us—it has outlined clear purposes for each of the programs. They total around 10. And Ms. Fagnoni from the GAO has indicated that we are challenged with trying to synthesize these into several really easily identifiable outcomes to support the intent of Congress and the purposes of the law.

We are starting to do this. We appreciate what you are saying. We recognize that as we strive to meet the requirements of the law.

Mr. Filner. Thank you.

Mr. Chairman, nothing further.

Mr. Quinn. Just to follow up on that a little bit, when you start talking about outcomes, part of it would be, if I follow up on Bob's point here that it may be simpler than what all the vocabulary means. Bob says, "did they get a job?" And I associate myself with those remarks, even though I spilled coffee all over him.

Is the veteran better off than when he or she started before? Can you list some outcomes for Voc Rehab, for example, that you are looking at? Are you talking about how many are placed in jobs, offered salary? Are we tracking them to find out if they stay in the jobs, promotions?

Mr. Goetz. Obviously, the major outcome in the vocational rehabilitation program is getting veterans jobs.

Mr. Quinn. Yes.

Mr. Goetz. We have done some, if you will, socioeconomic analysis. In other words, what type of income did they have when they entered the program? What type of income do they have when they leave the program and are they suitably employed? We need to get a lot better at acquiring that kind of information, including are they still employed a year, 2 or 3 years after they finish the program and get their first job?

As Bob points out, we need to do a better job at getting that kind of information to understand how well we are actually accomplishing what it is we are trying to accomplish.

Mr. Quinn. Or how well we are not doing it.

Mr. Goetz. How well we are not.

Mr. Quinn. I mean, you talk about education. I happen to be a teacher. Sometimes the results you get from the questions you ask and the data you receive isn't always absolutely positive. But it helps you make decisions on how to better do your job, which I believe you are all about. That is what we all want to do. So that we
shouldn't be concerned if the answer isn't always positive as long as we use it in such a way that it helps us with your main goal in one sentence, and that is to get veterans jobs.

Mr. GOETZ. I couldn't agree with you more.

Mr. QUINN. And I agree that—Bob Filner and I have talked about this a number of times throughout these hearings, that we are not just building up a whole separate industry here of talking about tracking and outcomes and incomes and through-puts and all that kind of stuff.

Thank you for the answer. I appreciate that GAO was here, and they contend that the VBA has contracted for services to review higher education institutions that have already been reviewed by the Department of Education.

And this is part of my question, is there interaction going on with the other agencies, both Federal and State agencies? Could someone comment on that observation by GAO?

Ms. DOLLARHIDE. Well, we do work with the Department of Education, and the GAO has indicated that we do—I think the comment was something to the effect that we duplicate services or quality of review of institutions of higher learning by the Department of Education.

I am not aware that they actually have a quality assurance program in effect at the Department of Education. I do believe that they require institutions who are interested in participating in their grant and loan programs, such as Pell grants, Stafford loans and that type of thing, to show that they are accredited or licensed—are financially stable and meet other administrative criteria.

The State-approving agencies with whom we contract, by law, under Title 38 are the offices in the States designated by the governor to approve programs of education and training for the enrollment of veterans to ensure that the requirements of Title 38 are met, State requirements are met and that it is a bona fide program of education.

To accomplish this, they actually make on-site visits to the institution or training facility, assure that the program of education or training meets the standards required. They look at the credentials of the instructors and so forth, the physical plant, and assure that they have the administrative capability to certify veterans' enrollment to VA.

Mr. QUINN. Excuse me. Who makes the actual visit?

Ms. DOLLARHIDE. Members of the State-approving agency. Those are the ones that we contract with; and they are generally employees of the State Department of Education or in that arena, designated by the governor to handle that.

Mr. QUINN. In his or her State?

Ms. DOLLARHIDE. In the State, yes. It is a State activity. They are under contract to us, and we reimburse them. This is all under the umbrella and mandated by the laws that govern the GI bill.

Now, basically, we have dealt with State-approving agencies for years. They have handled our approval issues for years, and they are really a gatekeeper up front and have also overseen schools within their State basically to assure that the veteran is receiving a valuable education or training and saving the taxpayers' dollars.
Mr. QUINN. Now the Results Act—thank you.
The Results Act, as we have all said, is new to all of us, new here. You all are at the forefront of this, I think, and ahead of a lot of other agencies in the Federal Government. So, in a sense, we are the trial here, in the trial and error method.

Because it is new, are you in a position to comment on these State-approving agencies? Are they more helpful, less helpful? Do they understand the Results Act enough to be helpful?

Ms. DOLLARHIDE. They are working with us, as far as our business process reengineering effort; and we are also looking at their activities, particularly as we—as resources within the Department of Veterans’ Affairs are getting tighter, to see if we can have them provide more support to us. Let’s put it that way.

We have talked with them about the Government Performance and Results Act. There are some in the room. The president of the national association, who is from the State of New York, incidentally, is in the room; and we have been talking with him about it this week. I think we have a very cooperative relationship, and I think it will be interesting to see how we work things out in the future.

Mr. QUINN. So we contracted these people. Do we know how much it has cost us?

Ms. DOLLARHIDE. This is out of our readjustment benefits account, and the cap mandated by law is $13 million. Some States have two State-approving agencies. Some handle only the Department of Labor issues, such as apprenticeships and on-the-job training. But we have at least one State-approving agency in each State.

Mr. QUINN. Finally, while we are on the State-approving agencies and we have talked about outcome data and who collects that, and Mr. Goetz talked about what we do with it once we collect it a little bit, can some of those State-approving agencies help us with that collection, do you think?

Ms. DOLLARHIDE. We have talked with them about it. We historically, in VA, have been very good at collecting internal data, which is not helpful in this instance. We have talked with the Department of Education about the statistics that they collect on a national basis, and we have talked with the State-approving agencies to look more closely at some of the things that have been raised, such as grade point averages of our veteran students, which would be difficult to collect otherwise. We do not have the capability in our current systems.

We know how many veterans are enrolled in institutions of higher learning, both 4 year, 2 year, graduate programs, premise on-the-job training, flight training, that type of thing. We rely on the schools to assure that veterans are progressing based upon their standards of progress; and that is something that the State-approving agencies monitor, as do we.

But as far as specific degrees awarded and that type of thing, we do not have the information internally in VA; and the State-approving agencies have agreed to start looking into that for us.

Mr. QUINN. I didn’t mean to insinuate that we even want you to get into that business, believe me.

Ms. DOLLARHIDE. We will see what we get.

Mr. QUINN. Frankly——
Ms. DOLLARHIDE. But the questions, very frankly, have been raised.

Mr. QUINN. Okay. Good.

Ms. DOLLARHIDE. So we will deal with them.

Mr. QUINN. Thank you. I don't have any further questions. Mr. Filner.

Mr. FILNER. Nothing.

Mr. QUINN. Anybody on the panel want to add anything at this point?

Then we would like to thank you for your testimony today and your response to the questions, and the hearing stands adjourned.

Ms. DOLLARHIDE. Thank you very much.

[Whereupon, at 10:30 a.m., the subcommittee was adjourned.]
Good morning. The Subcommittee will come to order. Before we proceed, I would like to welcome the newest member of the subcommittee, Silvestre Reyes from the 28th district in San Antonio, Texas. He has big shoes to fill and judging from his bio, he's more than capable of doing it.

As we continue the work towards a balanced budget, both the Congress and the Executive branches need a way to determine whether programs are accomplishing what they were designed to do. As resources become constrained, it is vital that we be able to judge the relative performance and cost of a wide range of programs. Done properly, it will allow us to put our resources where they do the most good, and that is the best thing for veterans.

Today, we continue a series of oversight hearings on the management of veterans benefits programs using the Government Performance and Results Act as a framework. The Results Act was passed during the 103rd Congress to provide the executive and legislative branches a common reference around which to judge the performance of government programs. Probably the single most important feature of the Act is linking performance to the budget process by focusing on outcomes rather than throughput and a series of agreed measures to judge that performance. For instance, in the case of the VA's Education Service, a throughput is something like saying the education service assisted 150,000 veterans with filling-out education claim forms. More importantly, the Education Service must be concerned about outcomes like how many veterans got degrees or finished OJT.

For Voc Rehab, we are interested in the type of employment and pay of veterans completing the vocational education program. We are also very interested in why veterans drop out. Further, we must know whether employment opportunities are being generated for graduates of the program that are commensurate with their newly attained skills.

The Act requires agencies to consult with Congress in developing the performance goals and measures. These are not easy concepts and measures to define, but through consultation, we will have a better understanding of exactly what our programs are doing for veterans and at what cost. We believe that this
is good news for America's veterans for efficient government should provide better veterans' services.

This Subcommittee has held two previous hearings on the Results Act strategies for the Veterans Employment and Training Service, and the Department of Veterans Affairs Compensation and Pension Service. Americans want and need good government and should know that veterans are again leading the way.

We will hear from two panels. First, our first panel, the General Accounting Office, will comment on VA's efforts thus far and present their views on what the Results Act will do for us. Finally, we will hear from the directors of the education and Vocational Rehabilitation programs. We welcome the veterans organizations to submit their GPRA comments for the record. Of course, if they hear or read something here today that peaks their interest, they are welcome to comment on it.

I would like to welcome each of the members this morning and especially my ranking member, Bob Filner, and with that, I'll recognize him for any remarks he may have. Bob....

Do any of the members have any opening remarks?

Could we have the first panel please. The General Accounting Office is represented by Ms. Cynthia M. Fagnoni, Acting Associate Director, Veterans' Affairs and Military Health Care Issues, and is accompanied by Ms. Irene Chu, Assistant Director, Veterans' Affairs and Military Health Care Issues, and Mr. Jay Eglin, Assistant Director, Education and Employment Issues

GAO has been reviewing agencies' strategic planning including their GPRA efforts and has provided the Congress with a great deal of advice on the process. Ms. Fagnoni, welcome, and may we have you begin?

Thank you Ms Fagnoni. Ms. Chu, Mr. Eglin, did you have anything you'd like to add? Then, I'd like to start the questioning.

Thank you Ms. Fagnoni, and I look forward to continuing a close working relationship on this issue with the GAO.

Our final panel is composed of representatives of the Secretary of Veterans Affairs. Ms. Celia Dollarhide is the Director of the Department of Veterans Affairs Education Service, and Mr. Jeffrey T. Goetz is the Operations Manager of the VA's Vocational Rehabilitation and Counseling Service. They both are
accompanied by Mr. Robert Gardner, Chief Financial Officer, Veterans Benefits Administration.

Welcome and may we begin with Ms. Dollarhide

Thank you. I have a couple questions.

I now recognize the Ranking Member.

I would like to thank all of today’s witnesses for appearing before the Subcommittee. As I said in my opening remarks, the Results Act offers a framework to pursue better government - a way to try to get a handle on whether today’s programs are accomplishing what Congress intended. We will try to cover most of the benefit areas using the Results Act as a framework and I look forward to an open dialogue on the process. The Subcommittee stands adjourned.
Mr. Chairman, I'm pleased we are holding this hearing today on the efforts of VA's Education Service and the Vocational Rehabilitation Service to implement the Government Performance and Results Act (G-P-R-A). This Act gives all of us, in both the executive and the legislative branches of government, an opportunity to closely examine the missions and goals of Federal agencies. We in Congress have the responsibility to review Congressional intent – why did we establish certain benefits and programs? -- are they accomplishing the purposes for which we created them? -- are Federal agencies implementing programs and benefits in accordance with the intent of Congress?

I do, though, want to mention my personal experience with "government reinvention" and add a word of caution.
Several years ago I served as President of the San Diego Board of Education. In that position, I was instrumental in the overhaul of that city's poorly-functioning public school system and the establishment of a results-oriented evaluation of the quality of education in San Diego. This was one of the most satisfying – and one of the most frustrating – efforts of my life. The entrenched institutional resistance to change was enormous, and it took an extraordinary effort and near-constant supervision of the school system in order to accomplish our goals.

If G-P-R-A is to succeed, all of us must commit to a sustained focus on – and commitment to – achieving the goals we establish together. I don't want us to hold a hearing five years from now and discover that nothing has changed in the way VA does business. If that happens, Congress should be held as accountable as the agency. The veterans of this nation deserve our very best effort.
United States General Accounting Office

GAO

Testimony

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VETERANS BENEFITS ADMINISTRATION

Focusing on Results in Vocational Rehabilitation and Education Programs

Statement of Cynthia M. Fagnoni
Acting Associate Director
Veterans' Affairs and Military Health Care Issues
Health, Education, and Human Services Division

GAO/T-HEHS-97-148

BEST COPY AVAILABLE
Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to provide our views on the progress made and challenges faced by the Veterans Benefits Administration (VBA) in implementing the Government Performance and Results Act of 1993 (known as GPRA or the Results Act). Over the past several years, the Congress has taken steps to fundamentally change the way federal agencies go about their work, in response to management problems so common among federal agencies that they demanded governmentwide solutions. The Results Act was passed to require agencies to clearly define their missions, set goals, measure performance, and report on their accomplishments.

VBA is responsible for administering the Department of Veterans Affairs' (VA) nonmedical programs that provide financial and other benefits to veterans, their dependents, and survivors. These benefits include disability compensation, pensions, rehabilitation assistance, education benefits, home loan benefits, and insurance coverage. As requested by the Subcommittee, my statement will focus primarily on two VBA programs: vocational rehabilitation and counseling, and educational assistance. These programs accounted for about $1.3 billion of VBA's $20 billion fiscal year 1996 appropriation. In fiscal year 1996, VBA provided vocational rehabilitation benefits to 62,000 disabled veterans; provided educational assistance to 397,000 veterans, reservists, and service members; and provided education and training assistance to 41,000 dependents of veterans. My statement will address the progress VBA has made and challenges it faces in implementing the Results Act. The information in this statement is based on reports we have issued in the vocational rehabilitation area and a review of VBA's strategic plan.

In summary, VBA has taken an important first step in implementing the Results Act, but this process is an evolving one. To date, VBA has developed a strategic plan with a mission and goals and has begun consulting with the Congress and other stakeholders to obtain their views on its plan. For the vocational rehabilitation and educational assistance programs, VBA has identified specific goals and measures that are primarily process oriented. While these goals and measures are important, the key to successful implementation of the act is to focus on results. As it continues through the planning process, VBA needs to strive to focus its strategic plan on results, as required by the act, such as those related to the overall purpose of these programs—to assist veterans in their readjustment to civilian life after military service—and not merely on the process used to administer the benefits, such as the timeliness and accuracy of claims processing. In addition, to help it achieve quality service, VBA needs to integrate its strategic plan with VA's overall plan and with the plans of other key federal agencies that support veterans' benefits programs, such as the Department of Defense, the Department of Education's state vocational rehabilitation and Student Financial Assistance programs, and the Department of Labor's Veterans' Employment and Training Service. Down the road, VBA will also need to ensure that it effectively measures and assesses its performance, as mandated by the act, to determine how well its programs are meeting their goals and making improvements. VBA is aware of the need to focus on results and is currently working through this process.

BACKGROUND

Under the Results Act, every major federal agency must now ask itself some basic questions: What is our mission? What are our goals and how will we achieve them? How can we measure our performance? How will we use that information to make improvements? The act forces a shift in the focus of federal agencies away from such traditional concerns as staffing and activity levels and toward a single overriding issue—results. The act requires agencies to set goals, measure performance, and report on their accomplishments. VBA's vocational rehabilitation and counseling and educational assistance programs are in the process of implementing the Results Act's requirements.
Purpose and Requirements of the Results Act

The Results Act is the centerpiece of a statutory framework provided by recent legislation to bring needed improvements to federal agencies’ management activities. (Other parts of the framework include the 1990 Chief Financial Officers Act, the 1995 Paperwork Reduction Act, and the 1996 Clinger-Cohen Act.) As we noted in our May 1997 testimony before this Subcommittee, the Results Act is intended to help correct a number of management problems in federal programs. These include (1) lack of clear agency missions; (2) fragmentation of programs among multiple federal agencies; (3) performance measurement based on process instead of on achieving program results; (4) lack of strategies for achieving agency missions; and (5) inadequate information on program results and costs.

The Results Act was designed to focus federal agencies’ attention on the results of the programs they administer—not just on program operations. Instead of focusing on the amounts of money they spend or the size of their workloads, agencies are expected to rethink their missions in terms of the results they provide, develop goals based on their results-oriented missions, develop strategies for achieving their goals, and measure actual performance against the goals. Also, the act requires agencies to consult with the Congress in developing their strategic plans. This gives the Congress the opportunity to work with agencies to ensure that their missions and goals are focused on results, consistent with the Congress’ intent in establishing programs, and reasonable in light of fiscal constraints. The products of this consultation should be clearer guidance to agencies on their missions and goals and better information to help the Congress make choices among programs, consider alternative ways to achieve results, and assess how well agencies are achieving the results the Congress intended for programs.

The Results Act requires VA and other agencies to complete their strategic plans by September 30, 1997. Future actions required under the act include the following:

- Beginning in fall 1997 (for the fiscal year 1999 budget cycle), agencies will submit an annual performance plan to the Office of Management and Budget (OMB).
- Beginning with the fiscal year 1999 budget, OMB will include a governmentwide performance plan in the President’s budget submission to the Congress.
- On March 31 of each year, beginning with 2000, agencies will submit annual performance reports, comparing their actual performance with their goals, to the Congress and OMB.

VA Vocational Rehabilitation
and Educational Assistance Programs

The mission of the vocational rehabilitation and counseling program, as stated in VBA's strategic plan, is to provide all services and assistance necessary to enable veterans with service-connected disabilities to achieve maximum independence in daily living and, to the maximum extent feasible, to become employable and to obtain and maintain suitable employment. Veterans are eligible for program services if they have a 20-percent or higher service-connected disability and they have been determined by VA to have an


2VA defines a suitable job as a position consistent with the veteran’s aptitudes, abilities, and interests.
The law defines an employment handicap as an impairment of a veteran's ability to prepare for, obtain, or retain employment consistent with his or her abilities, aptitudes, and interests. A veteran with a 10-percent service-connected disability also may be eligible if he or she has a serious employment handicap. The eligibility period generally extends for 12 years, beginning on the date of the veteran's discharge. A veteran found eligible for services can receive up to 48 months of benefits during the 12-year period.

The vocational rehabilitation process has five phases. In the first phase, VA receives the veteran's application, establishes eligibility, and schedules a meeting with the veteran. In phase two, a counselor determines whether the veteran has an employment handicap and, if so, the counselor and the veteran jointly develop a rehabilitation plan. The veteran then moves into training or education (phase three), if needed, and on to employment services (phase four) if training or education is not needed or after it is completed. During phase four, VA and other federal and state agencies help the veteran find a job. In phase five, the veteran is classified as rehabilitated once he or she finds a suitable job and holds it for at least 60 days.

The mission of VA's educational assistance program, as stated in VBA's strategic plan, is to provide education and training opportunities to veterans and their dependents, assist the military services in recruiting new members for the All-Volunteer Force, and encourage membership in the Selected Reserve and National Guard. The vast majority of VA's beneficiaries receive assistance under the Montgomery G.I. Bill, which provides financial assistance for attendance at colleges and other higher education and training institutions. This program has two major parts:

- the Active Duty portion, which is generally for veterans who entered active duty on or after July 1, 1986, served on active duty for at least 3 years, have honorable discharges, and have high school diplomas; and

- the Selected Reserve portion, which is generally for individuals who agreed, on or after July 1, 1986, to begin a 6-year commitment (or extend an existing commitment by 6 years) to serve in a reserve or National Guard unit.

Those who are eligible for Montgomery G.I. Bill benefits have up to 10 years from the end of their active duty, or from the beginning of their eligibility as reservists, to use their benefits. In fiscal year 1996, VA had about 383,000 Montgomery G.I. Bill beneficiaries—281,000 veterans, 16,000 service members, and 86,000 reservists. These beneficiaries accounted for about 87 percent of all VA educational assistance beneficiaries.

Potential educational assistance beneficiaries must file initial claims with VBA to establish their eligibility for benefits. Also, beneficiaries file supplemental claims to request changes in their education and training programs; for example, to change educational institutions or to extend the time period of training programs. Of the 1.2 million educational assistance claims processed by VBA in fiscal year 1996, about 167,000 (14 percent) were initial claims.

VBA'S IMPLEMENTATION OF THE RESULTS ACT IS EVOLVING

In implementing the Results Act, VBA's planning process has been evolving. VBA first developed a strategic plan in December 1994 covering fiscal years 1996-2001. The plan laid out VBA's mission, strategic vision, and goals. For example, the vocational

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3Eligible veterans are assigned disability ratings ranging from 0 to 100 percent, in increments of 10 percent. The rating represents the average impairment in earning capacity resulting from service-connected injuries or a combination of injuries.

4A rehabilitation plan outlines specific services to be provided to the veteran, the duration of services, and a basis for assessing progress toward the program goal.
rehabilitation and counseling goal was to enable veterans with service-connected disabilities to become employable and to obtain and maintain suitable employment. The educational assistance goal was to help provide education and training that would aid veterans, reservists, National Guard members, and veterans' dependents in their readjustment to civilian life, and to help develop a more highly educated and productive workforce. In addition, a goal of both programs was to treat beneficiaries in a courteous, responsive, and timely manner. However, as VA's Inspector General noted, VBA's plan did not include specific program objectives and performance measures that could be used to measure VBA's progress in achieving its goals.

In fiscal year 1995, VBA established a new Results Act strategic planning process that included business process reengineering. VBA began developing five "business line" plans corresponding with its major program areas: compensation and pension, educational assistance, loan guaranty, vocational rehabilitation and counseling, and insurance. Each business line plan supplements the overall VBA strategic plan by specifying program goals that are tied to VBA's overall goals. Also, each business line plan identifies performance measures that VBA intends to use to track its progress in meeting each plan's goals.

VBA's vocational rehabilitation plan has four goals:

1. Identify the level of satisfaction customers have with the services VBA provides and begin setting improvement targets.
2. Increase the relative number of vocational rehabilitation program participants who successfully complete their programs.
3. Ensure all employees have the skills needed for their position in order to maintain a highly skilled, motivated, and adaptable workforce.
4. Develop a management tool to identify the cost of delivering vocational rehabilitation benefits.

Three of these goals are oriented toward improving the efficiency of rehabilitating clients and improving customer satisfaction with rehabilitation services. The second goal, which addresses participants completing their plan of services, attempts to measure program outcomes.

Performance measures that VBA has identified to determine its progress in achieving the vocational rehabilitation plan's goals include:

1. the percentage of individuals who file claims for benefits but then fail to pursue their claims;
2. the average number of days required to complete the processing of veterans' claims for vocational rehabilitation benefits and to notify the claimants;
3. the percentage of veterans who are found to be entitled to rehabilitation services and then go on to develop their rehabilitation plans; and

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6 Business processing reengineering (BPR) is a systematic, disciplined approach for achieving dramatic, measurable performance improvements by fundamentally reexamining, rethinking, and redesigning the processes that an organization uses to carry out its mission. VBA began BPR with its compensation and pension program in October 1995.
the percentage of veterans who become employable (complete the training phase and enter the employment services phase of their plans) and then go on to acquire and maintain suitable employment.

Similarly, the four goals for the educational assistance program are oriented toward the timeliness and accuracy of claims processing, and beneficiaries' satisfaction with VBA's services. These goals are to

- identify the level of customer satisfaction with VBA's educational services and benefits and begin setting improvement targets;
- improve payment and service accuracy and claims processing timeliness;
- implement an enhanced training program for the VBA staff responsible for administering the educational assistance program; and
- develop a management tool to identify the cost of administering the educational assistance program.

Performance measures that VBA has identified to track its progress in achieving the educational assistance plan's goals include

- the percentage of eligible veterans, service members, and reservists who are using their Montgomery G.I. Bill educational benefits;
- the percentage of the time VBA determines the correct amounts of educational assistance payments;
- the average number of days required to complete the processing of educational assistance claims; and
- the average administrative cost per program participant.

CHALLENGES VBA FACES

As VBA continues its process of implementing the Results Act, it faces some difficult challenges. If the full intent of the act is to be achieved, VBA will need to develop a strategic plan with a clear mission, goals, and performance measures that are truly results oriented. In addition, VBA will need to integrate its strategic plan with those of other VA programs and other federal agencies to ensure quality service, since VBA is not the only agency providing veterans' benefits. Furthermore, VBA will need to effectively measure and assess its performance to fully complete the process that the Results Act mandates for improving federal programs.

Focusing on Results

VBA has identified specific goals and measures in its current strategic plan, but again, they tend to be process oriented. While these goals and measures are important, they do not reflect program results. For example, the purpose of the vocational rehabilitation and counseling program is to provide eligible service-disabled veterans with services and assistance to help them become employable and to obtain and maintain suitable employment. Given this program purpose, results-oriented goals would focus, for example, on issues such as how well the program assisted disabled veterans in overcoming their employment handicaps to obtain and maintain employment consistent with their abilities, aptitudes, and interests. VBA's current strategic plan measures veterans' progress in completing each rehabilitation phase. However, it does not provide an assessment of the program's overall effectiveness.
Similarly, one purpose of VBA’s educational assistance program is to extend the benefits of a higher education to qualifying men and women who might not otherwise be able to afford such an education. A results-oriented goal would focus on issues such as whether the program indeed provided the education that the veteran could otherwise not have obtained. VBA has not yet tackled these types of difficult questions and will need to do so in consultation with the Congress in order to develop a truly results-oriented strategic plan.

VBA is aware that it needs to focus more on its benefits programs’ outcomes for veterans rather than only on the process used to administer the benefits. In its fiscal year 1998 budget submission, VBA stated that, historically, VA has engaged in little policy or program analysis of its benefits programs and that this work is needed if the intended results of the act are to be fully achieved. VBA acknowledges that additional data and research will be required, including formal program evaluations and extensive consultation with stakeholders.

Integrating Strategic Plans

As VBA continues its strategic planning, it will need to integrate its plan with those of the rest of VA and those of other federal and state agencies that support veterans’ benefits programs. For example, our work has shown that

- state vocational rehabilitation agencies, the Department of Labor, and private employment agencies also help veterans find employment once they have acquired all of the skills to become employable;

- VA has contracted for quality reviews of higher education and training institutions that have already been reviewed by the Department of Education; and

- VBA relies on the Department of Defense for information about veterans’ military service, including their medical conditions, to help determine eligibility for vocational rehabilitation and educational assistance programs.

VBA will need to determine what impact these other entities will have on the success of VBA’s performance.

Currently, VA is in the process of developing a departmentwide strategic plan and VBA is participating in this effort. In addition, VA has initiatives under way to improve its information exchange with the Department of Defense. For example, VBA plans, in coordination with the Department of Defense, to improve the dissemination of information on Montgomery G.I. Bill benefits to active duty service members who have elected to participate in the program. Participants would receive a letter outlining their benefits and the requirements for maintaining their eligibility. Furthermore, as we recently testified before this Subcommittee, the Department of Labor’s Veterans’ Employment and Training Service has developed a draft strategic plan and performance measures. VBA will need to continue to coordinate with these agencies that are critical to veterans’ benefits programs to ensure overall high-quality service to veterans.


2Upon entering military service, recruits can agree to have their pay reduced by $100 per month for 1 year to establish their eligibility for Montgomery G.I. Bill benefits.

Measuring and Assessing Performance

Once VBA has identified results-oriented goals, it will need to effectively measure and assess its performance. As mandated by the Results Act, federal agencies must link their performance measures to their fiscal year 1999 budget requests, which are to be submitted to OMB this fall. Agencies are also to submit their performance plans to the Congress after the President submits his fiscal year 1999 budget in early 1998. Federal agencies are expected to limit their performance measures to a few that

- best demonstrate how an agency's goals are met;
- allow agency managers to balance quality, costs, customer satisfaction, stakeholder concerns, and other matters; and
- are linked directly to the offices in each agency that are directly responsible for making programs work.

The Congress, in enacting the Results Act, recognized that measuring the results of many federal programs will be difficult and, consequently, permitted the act to be phased in over several years. Measuring results will be a challenge because the link between program operations and results can be difficult to establish. Also, a result may occur years after an agency has completed a task (for example, awarding a research grant). Nevertheless, agencies such as VBA are expected to use the performance and cost data they collect to continuously improve their operations, identify gaps between their performance and their performance goals, and develop plans for closing performance gaps. As a result, appropriate performance measures and adequate and reliable performance and cost data will be needed to effectively measure and assess VBA performance.

Mr. Chairman, this completes my testimony this morning. I would be pleased to respond to any questions you or Members of the Subcommittee may have.
Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to appear before the Subcommittee to discuss the implementation of the Government Performance and Results Act (GPRA) for the Department of Veterans Affairs Educational Assistance program and the Vocational Rehabilitation and Counseling program. Earlier this year, both the Education Service and the Vocational Rehabilitation Service briefed staff members of the Subcommittee on our implementation plan for GPRA. It is a pleasure to be here today to share with the members of the Subcommittee the substantive details of both the 1998 business plans. First, let me discuss the Educational Assistance program.

GPRA (Education Service)

We have developed our Fiscal Year 1998 Business Plan as part of, and in support of, the overall Business Plan for the Veterans Benefits Administration. To assure that we tap the knowledge and experience of the group actually working veterans' claims, directors from the four education processing offices (St. Louis, Atlanta, Buffalo and Muskogee) were included in developing the business plan and setting the strategic direction of the Educational Assistance program. We meet regularly with these directors to review our goals, objectives, operating plans, and to share feedback on performance. This ongoing dialogue assures a full understanding of our strategies and eventual outcomes.

Goal #1: Identify the level of satisfaction our customers have with the service and benefits we provide and begin setting improvement targets by 1998
We have identified three performance objectives and corresponding indicators to measure levels of service. The Montgomery GI Bill Usage Rate will be used to determine the extent to which veterans are furthering their education under this program. Currently the usage rate is 37 percent and we expect it to increase to 42 percent in 1998. We are working with those interested in veterans’ issues such as the Department of Defense (DOD) and the academic community to determine methods of providing additional information to servicemembers about the GI Bill and to encourage them to plan their educational goals as they prepare to leave the military. Servicemembers have taken a pay reduction to enroll in the program; to better enable them to readjust to civilian life and enhance the Nation’s workforce, we would like to see much greater utilization of the program. In fact, due to the efforts mentioned above, we expect the usage rate to increase to 75 percent by 2002.

Another performance objective, the Customer Service Index, will provide a measure of how our customers judge our service in relation to the Education Customer Service Standards as shown in the Fiscal Year 1998 Business Plan. Customer satisfaction will be measured by a survey questionnaire. The questionnaire will be tested in June and a full survey of veteran students is scheduled to be released at the beginning of Fiscal Year 1998.

The third performance objective, the Blocked Call Rate, measures the success veterans have in reaching us by telephone. We have been most interested in providing better access to VA for our veteran-students and school officials. This has become more critical as we consolidated education claims processing to four regional offices. In January, we installed toll-free telephone service in our St. Louis office as a pilot for the states of Missouri and Illinois. Interactive voice response is a part of this service to enable MGIB students to receive updated information on the status of their checks. We hope to expand this service to our St. Louis beneficiaries and to the other education offices during FY 1998.

Mr. Chairman, while I am discussing customer satisfaction and customer service, I would like to mention our activities in cyberspace. Our internet site on the Web is alive and well. We have expanded our service by providing veterans, school officials and other users with the ability to contact our education processing offices concerning specific claims. Through this medium we are also able to announce the latest developments in our programs and policies to school certifying officials, veterans organizations and veteran students.
Goal #2: Improve payment and service accuracy, and claims processing timeliness

Payment accuracy addresses the number of veterans' claims reviewed with correct payments under our quality assurance program. Thus far this year, payment accuracy for veterans' and dependents' benefits has averaged 93.2 percent. Our goal for 1997/1998 is 94 percent. We intend to improve our payment accuracy by at least two percent by the year 2000.

Service Accuracy refers to the percent of claims with appropriate development and notification to the claimant. Our goal for 1997/1998 is an accuracy rate of 82.5 percent. So far this year, the Service Accuracy rate is 89 percent. We are pleased with this improvement; we will build upon it, and modify the goals for 1998 and 1999.

Average Days to Complete is an internal performance indicator which refers to the elapsed time it takes to complete education claims. A more appropriate measure of timeliness would capture the elapsed time between the date the veteran enters into training and the date he or she receives payment. Until we are able to capture the total elapsed time, we are monitoring average days to complete.

The goal for Fiscal Year 1997 is 20 days. We are especially pleased that our four educational processing offices have been able to adjudicate education cases, on average, in just under 13 days this year. This is the result of several factors:

- Education consolidation: the transfer of all education work to four offices was completed last year and we are now seeing the full efforts of consolidation
- Equalization of the workload at each of the four education processing offices
- The dedication of our employees in the field

We are very pleased with the timeliness results thus far in Fiscal Year 1997. However, as staffing is reduced to meet Fiscal Year 1998 ceilings and the traditional increase in enrollments begins late in the summer, we are concerned that we will be unable to continue to maintain these timeliness gains.

Goal #3: Implement an Enhanced Training Program and Adopt the VBA Employee Survey by 1998.
We are most interested in providing our employees with the necessary tools to do their jobs. To this end, we are designing training programs for our veterans claims examiners. The training is aimed at our new employees hired by the education processing offices. Future training modules will include refresher and skills enhancement issues for all employees. In addition, we will analyze the results of the VBA employee survey to assist us in assuring our employees serve veterans better.

Goal #4: Develop a Management Tool to Identify the Cost of Administering the Educational Assistance Programs by 1998

There are two performance indicators that will allow Education program managers to view the cost of administering a nationwide program and enable those managers to make informed decisions in the allocation of scarce resources. One measure is the Administrative Cost per Trainee. The other is the Cost per Benefit Dollar, which will tie our administrative costs to the amount of money we deliver in the way of readjustment benefits. We will identify the direct operating costs as well as all indirect support costs used in administering the Educational Assistance Program.

This Activity Based Costing (ABC) initiative has been identified as the vehicle which will enable us to isolate the actual unit costs of our education operations as required by the Government Performance and Results Act. A successful model was implemented in St. Louis and has now been exported to the Atlanta office. It will eventually be exported to our other education processing offices and will carry us into the next Fiscal Year. We believe the end result of Activity Based Costing will be a much more efficient use of taxpayer dollars in the operation of our programs.

Business Process Reengineering (BPR)

As part of Strategic Planning, Education Service is using Business Process Reengineering (BPR) as a tool for the systematic analysis and redesign of our processes, with an eye to achieving significant performance gains. Currently, a guidance team exists to give the BPR project direction. It is composed of the Directors of the education processing offices, as well as VBA's Chief Financial Officer, Chief Information Officer, the Director for Accession Policy in the
Department of Defense, a representative of the National Association of State Approving Agencies, and the Director of the Education Service. These officials oversee the work of the project team which has been formed to analyze and review all aspects of the education program to date. Membership includes employees from the education processing offices and VA Central Office, a veteran student, representatives from the educational community, the National Association of State Approving Agencies and the Department of Defense, including the Defense Manpower Data Center in Monterey. To date, the project team has conducted more than 50 interviews with veteran students, stakeholders, and other interested parties within the government and the private sector as they begin to analyze the program.

Ultimately, utilization of the Montgomery GI Bill enhances the economic capacity of eligible veterans and strengthens our Nation’s workforce. We have begun substantive discussions, both within the Department and with our stakeholders, on the intended outcomes of the Educational Assistance Program. The BPR project team identified attainment, either educational or vocational, as a possible desired outcome. There is still much work to do on this issue and we will work with our stakeholders in developing meaningful outcome measures.

GPRA (Vocational Rehabilitation and Counseling Service)

I would now like to discuss the efforts of the Vocational Rehabilitation & Counseling (VR&C) program to improve the services we provide to disabled veterans.

In our Fiscal Year 1998 Business Plan, we respond to customers’ and oversight groups’ concerns. They had told us that they want efficient and timely services. The implementation of the goals we outlined in our Fiscal Year 1998 Business Plan and our ongoing BPR activities will make the more efficient and effective delivery of benefits under our program a reality.

The VR&C Business Plan, which supports the Business Plan developed for the Veterans Benefits Administration, was developed with the assistance of the VR&C Advisory Committee. It also is congruent with our BPR efforts, and will serve as a template from which we may continue to refine our initiatives and activities through Fiscal Year 1999 and beyond.
GOAL #1: Identify the level of satisfaction our customers have with the services we provide and begin setting improvement targets by 1998.

To assess progress in realizing this goal, we have developed three performance objectives and indicators. The first indicator, the *Evaluation Completion Rate*, measures the proportion of veterans who pursue their claim for vocational rehabilitation services and complete a vocational evaluation. The current completion rate is 71 percent. Many of those who do not complete an evaluation do not have a clear understanding about what participation in the vocational rehabilitation program requires. Our goal is to have as many veterans as possible complete an evaluation and get a decision on their claims.

Toward this end we are reviewing all program publications to ensure that these materials effectively explain the purpose and requirements of the vocational rehabilitation program. Improved understanding of our program will help reduce the number of spurious claims filed by veterans.

The second indicator, the *Evaluation Timeliness Rate*, measures the time the veteran and counselor take to complete a vocational evaluation and determine whether a veteran is eligible for vocational rehabilitation services leading to employment. Improving this indicator will meet customers' concerns with getting a timely decision on their claims for vocational rehabilitation benefits. Part of the evaluation process, the determination of basic entitlement, is performed in the Adjudication Division. We are studying the feasibility of transferring this function to the VR&C Division to eliminate an unnecessary hand-off and potentially improve the timeliness of the process.

Last, we will increase customer satisfaction as reflected in scores on the third indicator, the *Customer Service Index*, which measures how our customers assess the quality of the services being provided to them. Information for this index will be provided through the use of a customer satisfaction survey, which is presently under development. We anticipate beginning to assess how satisfied our customers are with the services we provide during 1998. We expect that improving the published materials which describe our program requirements will result in customers making more informed decisions about program participation. Improved staff development will also contribute to advancing staff knowledge of the most up-to-date rehabilitation practices and improving service delivery.
GOAL #2: Increase the relative number of Vocational Rehabilitation Program participants who successfully complete their programs.

We have developed three performance objectives and indicators to measure how effective VR&C staff are in assisting vocational rehabilitation program participants in reaching specific vocational objectives. The desired outcome is to assist every veteran determined eligible for services to acquire appropriate skills and obtain competitive employment.

Planning effectiveness refers to VR&C staff success in motivating and assisting an eligible veteran to complete a plan of vocational rehabilitation services and begin a rehabilitation program. The first indicator, the Planning Effectiveness Rate, is the ratio of eligible veterans to those who develop a plan of rehabilitation services that will lead to employment. We have established and are implementing a new staff position, the Vocational Rehabilitation Counselor, at the field level. These counselors will provide veterans with seamless services throughout their vocational rehabilitation programs, and eliminate the processing hand-offs that previously existed.

Employability effectiveness refers to VR&C staff's success in assisting an eligible veteran to maximize participation in their vocational rehabilitation program and acquire all the skills needed for employment. The second performance indicator is the Employability Effectiveness Rate, the ratio of the number of veterans who begin a vocational rehabilitation program compared to veterans who remain in the program and acquire the skills to get a good job. These data are currently not available, but will be captured through use of WINRS, a new management information system. Implementation of the Vocational Rehabilitation Counselor position as well as streamlining VR&C procedures through BPR will have a positive impact upon this indicator.

The third indicator, the Rehabilitation Effectiveness Rate, compares the number of vocational rehabilitation program participants who become employable, that is acquire skills to get a good job, to the number who obtain and maintain suitable employment, and are thus rehabilitated. Our goal is to continue to place proportionately more veterans completing a program of services into competitive jobs.
One key strategy for achieving this goal is our ongoing partnering relationship with the Department of Labor, as outlined in a recently revised Memorandum of Understanding. The Memorandum of Understanding delineates the mutual responsibilities and concerns of each department and their commitment to active cooperation and coordination of employment services for vocational rehabilitation program participants. We have also established a joint task force whose goal is to improve and refine this cooperative working relationship. This group is composed of field and headquarters staff from each department, and has completed a preliminary analysis of our respective systems. A Technical Assistance Guide will be completed in the near future.

GOAL #3: Ensure all employees have the skills needed for their positions in order to maintain a highly skilled, motivated and adaptable workforce.

To provide the best possible services to veterans, an empowered, well-trained workforce is needed. The new Vocational Rehabilitation Counselor position, with qualification standards that are consistent with the rehabilitation profession, will help realize this goal. In addition, VR&C will be developing staff capabilities, as reflected in the Competency Scores, which will measure the extent to which VR&C staff members have comprehensive knowledge of rehabilitation practices, and VR&C programs and operating procedures. Through analysis of these scores we will develop training programs to correct knowledge deficiencies and improve service delivery.

GOAL #4: Develop a management tool to identify the cost of delivering vocational rehabilitation benefits by 1998.

Consistent with overall Veterans Benefits Administration efforts to acquire appropriate cost information, improve management decisions, and function in an environment of scarce resources, VR&C has developed two performance indicators.

First, we will reduce Administrative Costs per Trainee. This indicator is expressed as VR&C's administrative direct operating costs and indirect support costs divided by the number of program participants for the fiscal year.

The second performance indicator is the Cost per Benefit Dollar, the direct operating costs as well as all indirect support costs to administer the Vocational Rehabilitation Program. This indicator will be completed in the near future.
Rehabilitation Program divided by the total benefit dollar expenditure for the fiscal year, indexed to base fiscal year 1997 for cost-of-living increases. The goal is to reduce administrative costs as much as possible without compromising the quality of services. The data for both indicators will be gathered from a variety of sources, and analyzed to identify potential cost savings.

One strategy for achieving this goal is to use Activity Based Costing to specifically identify the costs outlined in these two performance indicators. We recently completed the initial work to integrate VR&C into the ABC initiative in St. Louis, and look forward to the results of this project.

The training of VR&C staff on revised business processes is another component of the success of this goal. A variety of media is being considered for this purpose, including distance learning, training the trainer, and interactive computer assisted instruction. Development and implementation of this initiative will continue through FY 98.

As part of VR&C’s Strategic Planning Initiative, we are continuing Business Process Reengineering to streamline operations and are currently developing a business case. The Business Process Reengineering effort builds on the work of the VR&C Design Team, the more than 200 operating procedural changes recommended by field staff implemented within the past year, and the suggestions of stakeholders.

We are confident that the successful implementation of the goals we have presented, and the strategies outlined to achieve those goals will enable us to effectively address program concerns. We will also be more capable of responding to ongoing demands for results oriented program performance.

Mr. Chairman, this concludes my testimony. In the spirit of continual consultation, we would appreciate the Subcommittee’s comments and suggestions on our implementation of the Government Performance and Results Act as we strive to improve our service to veterans. We would be pleased to answer any questions you or members of the Subcommittee may have.
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