

# **Outcome Measurement Workshop Notes**

**PSM User's Group Conference July 2007**

Discussed expectations (see list)

Discussed cause-effect model and span of control (enablers, inhibitors)

Can drill down to each box and identify enablers/inhibitors

How to validate cause and effect model

- list assumptions and assumed contribution of each
- gather measures at each point
- are you getting results you expected?

Need expertise in domain, technology, organizational goals

Activity measures, outcomes measures, performance measures – should we define?

## ***Who is Measuring Outcomes***

OMB

Used in context of measuring business value in the commercial sector – in what areas are we weak compared to our competitors. New technology introduced to address this weakness. Outcome is to address weakness. Have we?

## ***Definition of “Outcome Measurement”***

- outcomes are delayed and are impacted by multiple factors
- what differentiates an outcome measure from other kinds of measure is that you made a change upfront. So there is a pre-and post change level of performance
- outcome – difference between pre- and post capability
- link to strategy or business case. Causal model is not always well thought out.
- Strategies, objectives, specific outcomes. Linked to specific activities.

## **Three Part Definition of Outcome Measure**

- in the context of goals (strategic or other)
- change made (pre- and post-state)
- causal chain linking change to outcome
- need to distinguish from performance measurement

## ***Is it possible to identify meaningful outcomes without mission or business goals?***

Value chain – start with something high-level and refine down until it's measurable.

Need to visualize success.

Cause-effect takes away “shazam” effect.

But you can measure outcomes in absence of goals – measure bad side-effects.

Need to have a reason why you're measuring in the first place.

What to do with conflicting business goals (e.g., need to fill competitive gap – requires initiative – but need to cut costs)

Goals can be explicit, implicit, some outcomes may be unexpected but become benefits.

Are outcomes anything we can observe? Or should we just focus on cases in which we have an information need upfront and a causal chain to explain how I am getting from input to outcome. There's a world of difference.

Goal may not be directly measurable (too fuzzy) but outcome directly supports achievement of goal.

### ***Is it possible to identify a set of generic outcome measurement types***

(e.g. efficiency, effectiveness, accuracy, usability)

These are currently in the ICM table

Outcomes may change as a result of decisions made during development of program.

Need a model or process for going from “world peace” as a goal to measurable objectives.

Can't define a general ICM table but probably can for different domains.

Same process for different domains but types of measures are different.

Domains: IT outcomes related to strategic goals, process improvement outcomes, project development outcomes.

### ***Is it possible to define a set of frequently used outcome measures?***

Examples for different domains could be developed. There probably are common one for different domains.

Start with: what are common goals for different domains. Begin there.

Distinguish between performance and outcome.

Contribution and degree and change = outcome

Percentage change = performance

Technology and activity/process measures can be leading indicators of outcomes.

[Send these notes to Jack.]

### **Outcome measurement –**

**Measure relative to a specific goal or goals for a technology, product, or service (what is the benefit?). Collected after product is fielded. Why – to verify that expected benefit was obtained.**