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THE AGENCY PERSPECTIVES PANEL (CONTINUED)

XII. JOB TRAINING AND EMPLOYMENT

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Mr. CAREY:

We are coming down now to the end of this session, and I suppose the idea of today was to get you all sharpened up for the workshops to follow. I certainly don't want you to go into those workshops in a state of alarm and despondency. That leaves it all up to our clean-up hitter, Ernie Stromsdorfer, who is Deputy Assistant Secretary for Research and Evaluation over in the Labor Department. He has a very simple task from the Chair, and that is to create an atmosphere of elation as we bring this afternoon's panel to an end.

MK. STROMSDORFER:

As with you, Bill, the kind of evaluation I am talking about and would like to get going in the Department of Labor, and perhaps in Government as a whole, is an interactive process among policy-makers, program managers and the providers of information. When I am talking about evaluation, I am not talking about the nuts and bolts of running a particular research project or experimental design project. I am talking about the process of providing information to aid in social decision-making.

What are the ingredients of decision-making? Information is one ingredient, and the political pressures that surround a situation are the other ingredients, if I can abstract a little bit. Basically,

the political pressures come from vested interests who claim that a given program will aid them a lot and harm others only a little bit or maybe not at all.

But what do all programs do if they are significant programs? Regardless of their institutional or programmatic structure, they do one major thing. That is, they redistribute income, and they redistribute social and political power. In the process of redistributing income and power, they also affect the structure of production, economic efficiency, the level of economic activity and a host of other social institutions--social institutions in a Veblenist sense. Patterns of behavior, patterns of conduct, ways of doing things, both social and psychological, and what have you.

In a context such as this, where the enlightened self-interest and the altruistic rapacity of vested interests attempt to influence social policies, the role of information, as I see it, is to make sure that self-interest remains enlightened, and that rapacity continues to be tempered by altruism. It's understandable then that evaluation, or rather more broadly, the provision of information, is a highly politicized process. There is nothing necessarily negative about this thing. It's just a statement of what I perceive, and I am sure it's not a very startling statement.

Evaluation and the provision of information occupy a very ambivalent love-hate position in the Government. It suffers from the hypocrisy of a positive social ideology derived from the Enlightenment and other philosophical strands, coupled with underfunding and often misdirected funding. (I had previously written in here, "consciously misdirected funding," but I guess it's not necessarily conscious. It just happens through the interaction of various groups.)

The methods of shortcircuiting the provision of information that might reveal the true effect of activity are legion; and when I approach the problem of dealing with evaluation at my agency, my fundamental operating principles are the following: I assume that program managers have a taste for uncertainty. They tend to prefer the uncertainty in which they remain essentially unaware of their ignorance, of what they don't know, to conscious awareness of what they don't know. There are thus two kinds of uncertainties.

The first kind of uncertainty does not necessarily restrain a person in decision-making or in pursuing his or her interests. Whereas the latter kind of uncertainty, informed uncertainty, tempers decision-making and probably constrains behavior somewhat.

I guess secondly, an operational principal is that bureaucrats (including myself) prefer a quiet life; and one of the ways in which they tend to insure that they have a quiet life is by arguing that political problems of one kind or another constrain activities, and therefore you have to go slow. You have<sup>2</sup> to be careful. You have to consult with everyone and touch all bases.

Finally, I operate on the principle that it is not ignorance or basic incompetence which keeps us from getting the required information to aid in decision-making. Though it is true that resource constraints do pose various problems because most of our social programs are multi-dimensional, have multiple impacts and often the data base, the informational base which you need to find out what is going on, implies the absorption of the Gross National Product to achieve it.

I have a basically negative view as to the efficacy of evaluation and of the long-run prospects for providing sound information to the decision-making process. Let me give you some examples of what I mean.

My examples are necessarily drawn from my immediate experience in the Department of Labor. We have a regulatory program in the Department of Labor which is designed to improve the health and safety of workers in the society at large. There is a clear-cut social problem here. There is a clear-cut role for Government here because of the potentially enormous social cost that can accrue to individuals in society as a result of third-party actions.

Yet we see in the operation of this program what appears to be a stalemate due to the social, political and economic conflicts that have arisen among those who will gain from the program and among those who stand to lose from the implementation of this particular social program. There is a serious social conflict here. It is possible, although not absolutely certain, that more information on the economic and non-economic costs and benefits of administering this program might tend to reduce the level of conflict and make the course of action with respect to this program more clear. Apart from gaining an understanding of what is happening, the reduction of conflict and elimination of the stalemate itself would be salutary for the democratic process. But here is where problems begin.

In this program and in other regulatory programs in the Department of Labor, the nature of what one is attempting to achieve is not well understood. This lack of understanding begins with the very initiating legislation, as I believe Mr. Hemmes pointed out just before lunch. Congress passes laws which are very non-specific, and then the bureaucrats and the administrators proceed to the making of the real laws.

In the process of making these real laws, they have little guidance from the legislative history because within the legislative history, priorities are unstated. It is true that issues are raised and discussed; but priorities are unstated. So the people who write the Federal regulations have little guidance in their writing of the law and expanding of the law.

Well, then, a successful program manager, one who wants to get information about how to operate and manage his program, has to know what the intended and likely unintended effects of a program are. What data can be generated to describe these? Well, this question, as it is posed for the Occupational Safety and Health Administration in my judgment is basically unresolved after about six years of program operation. Reading the legislative history will not give you much enlightenment as to what we ought to do here since the debates do not assign relative priorities to the issues discussed therein. They don't lay out the former structure of the program either. That is one problem.            ~

The other problem is understanding the process whereby the program is intended to achieve its effects. What data are necessary to describe this process? What is the program delivery system and how does it operate in society to achieve its end?

It is in answering these two above sets of questions that all evaluations and all searches for information on which to make a decision, whether rational or not, break down. And here is where the Government at every level and branch has the greatest potential to facilitate or shortcircuit the effort to gain information on how a program is operated.

We in the Office of the Assistant Secretary continually struggle to get program managers, data system developers and agency evaluation shops to ask this basic question set. We are not uniformly successful. Most of the program data sets as a result are fundamentally inadequate to understand programs. They are fundamentally inadequate as a base upon which to set up the more classical program evaluations. We cannot even well describe the structure and integration of program inputs, much less describe what the final impacts of programs are.

I want to stress again that the ultimate failure of most evaluations is a function of the failure to develop adequate program process data and to adequately understand the program process. I could go on and on from this point and give you examples based upon faulty program data, the basic program data that decision-makers use; and I could take you through the OSHA program. I could take you through the Comprehensive Employment Training Act. I could take you through the Office of Federal Contract and Plans Programming. I could take you through the Wage Hour area and the Unemployment Insurance area and give you a litany here of issues that have been long-standing for decades. With the expenditure of the many many millions of dollars here, and the imposition of information costs on society which are not compensated directly, it would seem that we might be able to get at some of the answers to these questions, but in fact we cannot.

The EEO data we have, for instance, cannot measure the impact of the OFCC program, the Office of Federal Contract Compliance, either in gross or net terms. It simply can't do it.

We have an Occupational Safety and Health Program, and we do not know the nature of injury rates by occupation. It's just fundamental information that's lacking. There is a long-standing hypothesis that

minimum wages displace certain types of labor, and we are not able to establish at this point in time whether or not in fact that occurs.

What I'd like to say then, in summary, is that if you want to improve evaluation, and if you want to make evaluation operational, you must enforce the interaction of the program manager, the policy-makers, those people who gather data and those people who are presumably the information providers--the evaluators. If you don't do that (and obviously in practical terms you are going to do this at the staff level), if you don't insure this kind of interaction, I think you are simply wasting your time and wasting society's resources. Thank you.

MR. CAREY:

Thank you, Ernie. I am not sure that you have given us the elation we asked you for; but you certainly have given us some pretty solid things to think about.

THE AGENCY PERSPECTIVES PANEL (CONTINUED)

XIII. DISCUSSION (SPEAKERS AND SYMPOSIUM PARTICIPANTS)

MR. CAREY:

Now, you have seen this baseball team--nine players. They have done their bit. Let's take a few minutes to see whether you have any questions from the floor for Jim Stockdill or Ernie Stromsdorfer.

PARTICIPANT:

Charles Murray from the American Institutes for Research. This is relevant to the last two speakers, but it refers more to what I have been hearing all day about utilization, because one topic that has not come up is whether Government agencies are asking the right questions.<sup>20</sup> I see lots of RFP's with laundry lists of objectives, and I have met lots of program monitors who want to make sure that this topic and that topic and the other one is included in the evaluation. And I have almost never heard one tell me, "Don't worry about that because we can't do anything about it anyway."

From my perspective as part of a research company, it seems to me that the way to get an evaluator (who is not always that practically oriented anyway) to give you useful information that will get applied is not by hiring one who understands the political process in your bureaucracy. He shouldn't have to do that. He should be able to write, communicate clearly, have a good sense of what is practical and

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<sup>20</sup> Editor's Note: Mr. Seeman did, in fact, raise this issue (see page 26 above); however, he appears to have been emphasizing the problem of asking the pertinent substantive questions about a program, as opposed to Mr. Murray's focus on practical questions (i.e., those questions for which answers provided by an evaluation can conceivably give rise to action).



what isn't. Above all, he needs from you a statement of the things which you can do which will take advantage of the findings he prepares. It's a statement to which I'd like your reaction, and the basic proposition is, you in the government aren't asking very good questions.

MR. CAREY:

Ernie, what do you think about that?

MR. STROMSDORFER:

I agree. If you don't have this interaction between the policy-makers, managers and the people who are supposed to provide information, you can't possibly ask the right questions. The policy-makers don't like to be put in a position where they have to formulate conceptual questions about their process and ultimate impact. The incentives are not structured in that direction with respect to the program managers. The big incentives are to invent a new program and get it funded. We have had different degrees of success in the Department of Labor in getting people to sit down and talk about these things. We have had very good success in the Employment Service, and we have very limited success in some other agencies. In one or two agencies where we talked to the program managers, they have simply allowed us to impose our value system on the program and on the questions that ought to be asked. And that's entirely wrong, unless, in fact, there is such a conceptual vacuum that it's better for us to impose our questions and our frame of reference rather than for no frame of reference to be imposed at all.

MR. CAREY:

I'd just like to comment. After I left Government I spent about five or six years as an officer of a fairly large consulting company. We saw the traffic of the RFP's. We had to. It was our business. But, as one who labored under the difficulty of having been in the

Budget Bureau for 25 years and one who thought he knew something about Government, there were times when I was appalled by the kinds of questions that Government agencies were asking outside consultants to address.

I remember one time when the Department of Transportation heard suddenly about a new Management-by-Objectives requirement from the White House. Over a weekend, they summoned in the blue-chip consulting houses, sat us all around and told us that what they needed in a relatively short time was for a consulting firm to define the objectives of the Department of Transportation. I was completely overcome--not with elation, but with concern as to how the hell the Government was being run.

MR. STROMSDORFER:

Well, Bill, that happens all the time. One of my predecessors did that for my shop, and the Urban Institute was brought in to tell us what we ought to think.

MR. CAREY:

I remember another occasion when the same Department discovered that the National Environmental Policy Act (NEPA) had been enacted with all of the various sections calling for impact statements, calling for revision of policy instructions and regulations and policy practices, operating procedures to conform to; a massive job, no question about it. But they turned to the consulting world for contract assistance in thinking out how the Environmental Policy Act applied to the tremendous array of different transportation programs in that Department. Again, we bid on that contract and the firm that I was with did indeed get the contract. I hope we were of some help.

But again, I was very much concerned that somehow that Government that I had so recently left just didn't have the internal capability to address those questions in a direct way, with only marginal assistance, perhaps, from outside houses.

I suppose that reflects my own sense of the proprieties and the way things ought to be done, and I guess I am not very objective. Is there another question for the panelists?

PARTICIPANT:

Summer Clarren with the Urban Institute. I guess this question really has to do with how you organize to do evaluation. As I have listened, it seems to me (and I'll be making a caricaturization, too, I believe) that there is a difference between, for example, John Evans' approach--which is to have evaluations centralized, tightly controlled, featuring very prescriptive RFP's to purchase information to meet particular needs--and NIMH's view, as I see it, which says that evaluation, in a sense, is somebody else's business. Of course, NIMH wants to further knowledge, but they ask the mental health centers to get it; and the major requirement is that the centers send in an evaluation report every year. There are some general guidelines, of course, from Congress about the kinds of things the centers should measure, but the centers set their own priorities so that the design and a lot of the responsibility are both pushed down to the local level. These are two very different strategies for doing program evaluation; they are both called program evaluation at any rate.

I wonder whether it's an accident that these approaches have developed this way, or whether it represents something about the political origins of the programs. In other words, I guess I am

asking, is there wisdom in this kind of difference because it's taking into account something about the different contexts in which you both operate? Or is it just an accident?

MR. STOCKDILL:

I think we are both talking about the same thing. We believe strongly that if you are going to evaluate a program called Community Mental Health Centers and there are 600 of them out there, the only way your evaluation, using some sample of those centers, is going to be effective is if they have their own data collection system, are collecting valid data for their own evaluation purposes. So we began to feel very strongly after two or three years of a lot of these contract studies that we really had to improve the evaluation capacity out there in the field in order to improve the national capacity. I think we are both looking towards influencing national policy and national programs.

PARTICIPANT (CLARREN):

It seems to me that you have a very different strategy and maybe a different purpose.

MR. CAREY:

I am going to declare available and vulnerable not only Jim Stockdill and Ernst Stromsdorfer, but also Tom Kelly and John Evans. You can go at all four of them for the next few minutes if you so choose. Anything else?

PARTICIPANT:

Seymour Brandwein, Labor Department. You are reaching for a note of elation. I think we can be elated by some of the candor here, the willingness to recognize and acknowledge problems, although

I believe that many horror stories, even if accurate, ordinarily are a caricature that don't provide the overall picture.

My major concern is that we tend to mix up what evaluation can do, what it might do in some circumstances and at some times, and what it can't do inherently or in a particular decade. If we proceeded in that framework, I think we would be less likely to blame evaluation for not overcoming some fundamental problems of the sort that Ernie raised and that we really should not look to evaluation alone to resolve.

I was impressed with Stockdill's effort to pull out some of the sorts of things that can be done by evaluators. I think if we try to enlarge on those, and recognize that we are still in an infant activity, we might develop more of a basis for elation.

**PARTICIPANT:**

I am Paul Hammond, University of Pittsburgh. In the interest of proceeding in a constructive vein, I want to make a comment about what John Evans said and then make sure I do it in a way that will evoke some response from him. I want to suggest first that he offered us a nice complete process for evaluation that included gearing it in to a decision-making operation. It is impressive, and we ought to treat it seriously as one of the good examples to pay attention to.

Having said that, let me suggest that it works in part because he is dealing with a fairly stable constituency. I might even call it an organized constituency. I am not sure what it consists of.

**MR. CAREY:**

You might go even farther if you wished to.

MR. HAMMOND:

I am going to in a moment.

If one wants to look at the difference between evaluation operations that succeed and those that fail, one may find that the kind of political infrastructure of successful evaluation operations is going to be stable and may be organized in some sense. But the evaluation process then represents part of an interest process, and I am not sure that I like the good guys--bad guys version of Mr. Evans' story, perhaps because during some part of the time he is talking about, I was watching as an outside observer as some people under Richardson asked questions from the Secretary's Office that went to challenge the educational evaluation system, of which Mr. Evans is an important part, by saying, "Shouldn't we give the money to the students and get a market response rather than give it to the universities?"

Viewed from the Office of the Secretary, the effort to get an answer to that question wasn't very successful. Some of the reasons for failure may have had to do with people and stupidity--that is, competence and skill--but they also had to do with organizational processes, the fact that the information generation process (again, of which the Office of Education was an integral part), was mainly generating information that supported the status quo system--namely, channeling Federal funds through the universities, rather than through students.

I am suggesting that evaluation can work well if there is a consensus. I do not mean the kind of scientific consensus that Thomas Kuhn refers to. This is a different kind of consensus. It amounts to an organized, or at least an orderly, constituency. I am suggesting, that is to say, that an orderly constituency may be

necessary for supporting an institutional base for evaluation and research; and I'd be interested if John Evans agrees. Is he part of a process that depends upon a constituency-based consensus? And if so, well, is this as far as one can go with describing that process and accounting for the quality of its performance?

MR. EVANS:

Well, I hope that orderly constituency is not the hobgoblin of small evaluators' minds. Maybe I should just add a word, some historical background which others of you here may not be familiar with. I would certainly want to disclaim that the work that went on in Elliot Richardson's office had anything to do with any of the bad guys in my scenario. Quite the contrary, as a matter of fact. The particular effort Mr. Hammond is referring to is PEBSI, Program Evaluation by Summer Interns, which was an effort launched to do just what the acronym says. It did in fact fail, and one can analyze that failure from a number of points of view and a number of reasons.

MR. STOCKDILL:

John, that was an employment program; and looking at it from that standpoint, it succeeded!

MR. CAREY:

Continue with the objectivity, please.

MR. EVANS:

I come to the matter of evaluation in a fairly simple-minded way which says that basically, what we are talking about when we try to evaluate Federal programs is: are they effective? That is, do they achieve their objectives, objectives that are in the law, objectives that are given, despite some flexibility that must occur in the regulations which several observers have commented on.

We have a large \$2 billion program in the Office of Education called Title I of the Elementary and Secondary Education Act which disburses \$2 billion worth of money each year to states to form the grants where the purpose is to remediate the educational deficits of disadvantaged children. When I go down that track, I am very quickly led to the conclusion that summer interns do not have the competence and evaluation technology to answer that question. In order to answer that question persuasively so that one will want to form policy on the basis of it, and spend money on it, and make changes on it or not make changes on it, there is a need for a highly sophisticated kind of experimental design to determine whether disadvantaged kids who went into the program ended up later performing better than comparable kids who didn't go into the program. That kind of question is the basic question that applies to most social action programs and in my judgment must be answered with the evaluation technology that is appropriate; I think the PEBSI program was a clear example of the kind that is not appropriate.

So, to move from that point of your question to the other one about the established constituency, the only thing I would say there is this: I think basically the answer is yes, that the real clients of evaluation work that is carried out in Federal agencies are few. They are executives, heads of executive agencies. They are the White House, the President and the OMB, and they are the Congress. Those are extraordinarily stable constituents except insofar as individuals in the position change. Again, I think it's important that appropriate information should go to those people.

Of course, we also have the public; and that is different. I don't know whether I am sticking to your question or not, but I



would say that the kind of methodology or the kind of system that we have developed is one that, in our judgment, is best calculated, hopefully, to yield the least ambiguous, most defensible, and most relevant kinds of information with respect to program effectiveness that would be useful for decision-making to the several branches of the Federal Government.

MR. STROMSDORFER:

I'd like to comment on this statement of having an established constituency. I think it is this lack of a consensus or established constituency, for instance, which, in my judgment, has brought the Occupational Safety and Health Program to pretty much of a stalemate. This is curious because the law itself passed by an overwhelming majority (the law is an interesting law, too, because it does recognize, although not as clearly as I would like it to do, that there are costs involved in administering a program like OSHA and that there are likely to be some social conflicts arising out of your efforts to administer this law).

To repeat, the law was passed by an overwhelming majority, and the moment we undertook the effort to make the law operative, we came to a grinding, crunching stalemate. I don't understand quite what is going on here. My knowledge of the democratic system and of political science isn't great enough to encompass this. It's a curious situation.

Not only has the program come to a grinding halt, but our efforts to try to find out what is going on with what is happening are pretty well stymied, too.

MR. CAREY:

All things have to come to an end. The panel is at an end. The Chair retires and yields to our hosts, MITRE.

MR. GRANDY:

Thank you, Bill, and also my thanks to all of the members of the panel. I recognize that these presentations have taken somewhat longer than we anticipated. Judging from all of your perseverance here, however, I think they have been very helpful and illuminating. There are some common threads through them and also some very diverse ones.

We are going to take a coffee break, but we want to reconvene and continue our program until about six o'clock or as close thereto as we finish that part of our program. At that point, we will adjourn for our reception and dinner. Let's stop now for some coffee. If you would return promptly, it would help us.

**END**