

# GOVERNMENT PERFORMANCE COALITION

American Society for Public Administration \* Association of Government Accountants \* Coalition for Effective Change  
Committee for Economic Development \* Council for Excellence in Government \* George Washington University School of Public Policy and Public  
Administration \* Heritage Foundation \* IBM Center for the Business of Government \* Institute for the Study of Policy Implementation  
Professor Donald Kettl \* Management Concepts\* The Mercatus Center at George Mason University \* National Academy of Public Administration  
Performance Institute \* Progressive Policy Institute \* The Rockefeller Institute \* Senior Executives Association

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December 20, 2000

## MEMORANDUM

**To:** President-Elect Bush  
**From:** The Government Performance Coalition

The Government Performance Coalition is a group of organizations committed to the improvement of government management. We offer you (and later, the Congress) our collective judgments on the management challenges ahead and on significant actions the President can take to focus the Administration on managing for results.

Many of these issues and recommendations are familiar to you from your past experiences. Arraying them together in this way best conveys the reality that all these items need to be addressed from the start of the Administration, to form an effective management strategy and thus make policy implementation successful.

A host of high visibility management issues await your leadership, even before you set new policy directions. Examples may be found in the General Accounting Office's list of "High Risk Areas" (e.g., FAA, DOD financial management, Medicare, HUD, student aid, Superfund, NASA) and "Performance and Accountability Series." Major management challenges can become serious political and legislative issues, as has happened with the IRS, student aid, and the FAA. Such problems may not all be cured or forestalled by our recommendations, but their frequency and intensity should surely be much reduced.

As a group and individually, we offer assistance as you formulate your management agenda during the transition and the coming year. We believe there can be wide areas of agreement between the Administration and Congress on government management issues.

We will contact your Transition staff after the first of the year to discuss a meeting with the appropriate people to present our views and respond to questions on these issues.

Coalition members whose work is most pertinent to each Agenda item are listed by acronym or short title, as spelled out on the Attachment.

### **The Managing for Results Agenda**

**Appointees as Leaders and Managers.** Your success as President depends in large part on the people you appoint. Appointees must, of course, be fully committed to your agenda. They must recognize that leading and managing change in the agencies is a difficult, time-consuming task. Our first recommendation is that you strongly consider the specific ability of Presidential nominees to lead and manage large, complex Federal agencies. If they fully appreciate the management dimensions of their positions, they will focus their staff effectively. Each confirmation committee may explore appointee management competency. Management issues are increasingly prominent in the hearings of authorizers and appropriators. [*CEG; Institute; ASPA; NAPA; CEC (see also, GAO/Sen. Voinivich questionnaire)*]

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**Chief Operating Officers (COOs).** In recent years, a Chief Operating Officer has been designated for each cabinet agency (the Deputy Secretary in most, the CFO in others) and in most other agencies. We urge you to designate these senior positions for this role, and to make clear to nominees to these positions that one of their most important tasks is to ensure the effective implementation and management of programs and policies. The COOs have met as the President's Management Council (PMC), led by the OMB Deputy Director for Management, to address common issues and avoid wasteful duplication of effort. We urge you keep this high level focus on agency management and to use it aggressively to tackle management issues before they become major problems. *[CEG/Brookings; Mercatus; NAPA; CEC]*

**Career Employees.** The career service will give you the loyalty and commitment to your policies to which you are entitled. There are, however, significant workforce problems to be addressed, including the low esteem in which some hold federal workers, government's frequent failure to attract the best candidates, insufficient investment in training and development, the much discussed expected high rates of early retirement of "baby boomer" skilled workers and managers, outbidding on pay and quality of the work place by the private sector, unimaginative workplaces, overly complex procedures for dealing with poor performing employees, and outdated, inefficient hiring procedures.

You should demand high performance while granting workers the flexibility they need to reform workplace processes and achieve higher productivity. You should personally affirm, publicly and repeatedly, your confidence in federal workers and your belief in the intrinsic value of federal service, and make a commitment to invest the necessary resources to ensure a qualified, motivated, well trained workforce that has the tools needed to carry out government's missions. Your office should provide the leadership to devise and implement changes in specific aspects of career service that need modernizing. *[RPPI; NAPA; Heritage; CEC; Concepts]*

**Accountability, Strategic/Annual Planning, Performance Reporting.** The Government Performance and Results Act (GPRA) offers you something no other new President has had: a statutorily-required goal setting, planning, and public performance reporting mechanism evolving in every agency. GPRA is a unique tool to drive your policy goals down into the system and to hold agencies accountable for results. There are, of course, risks. Some goals will not be met, and GPRA plans and reports increasingly draw media and congressional attention. Nonetheless, used in conjunction with the budget, GPRA can be a powerful tool for Presidential goal setting and for holding agencies accountable for achieving the results you desire.

We urge you to put your own stamp of approval on the government-wide performance plan that should accompany your first budget and policy initiatives in February 2001, and ensure that all senior officials are familiar with GPRA tools and your expectations for results. Ask the Director of OMB to work with the agencies to make this system work for you, by carrying your strategic plan vision into annual performance plans, closely monitoring results, following up on needed management changes, and reinforcing your commitment with agency heads. You should also explore ways to link merit pay and bonuses to agency achievement under GPRA plans. *[CEC; Rockefeller; Heritage; RPPI; NAPA; Mercatus; CEG; Brookings; ASPA; Campbell]*

**E-Government.** Much of government is working hard to improve service delivery and program goal achievement through electronic technologies, often in close cooperation with the private sector, putting services on line, and contracting with experienced vendors. A more robust, coordinated, focused approach is needed to fulfill e-

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government's promise of transforming organizations and the delivery programs and services, and creating new ways to engage the public interactively. Success requires White House leadership and support, including ensuring that appointees are committed to, and capable of fully supporting electronic government; encouraging agencies to be entrepreneurial; and seeking new investment capital to support agency innovation and to focus on cross-agency needs, such as privacy and security improvements. It calls for effective partnerships with the private sector, including early consideration of practical approaches to the emerging issue of competition between government and the private sector. *[CEG; Heritage; NAPA; CEC]*

**Procurement.** Government procurement is making real progress in becoming more cost-effective and in finding creative ways to work with the private sector, such as stronger accountability provisions, "share in savings" approaches and use of credit cards for small purchases. If you maintain a strong focus in this area it will save money and make best use of the private sector partnership. *[RPPI; CEG; Heritage; ASPA; NAPA; CEC]*

**Regulations.** Traditional regulatory techniques are often not very effective. Higher quality analysis of regulatory impact is needed. Some agencies are trying incentive and accountability mechanisms, in combination with traditional enforcement. This can improve regulatory decision-making and compliance, and reduce burdens on those regulated, although we note that there can be intense disagreements over regulatory alternatives. To help forestall that, you may wish to obtain bi-partisan advice on regulatory reform. *[CEG/Brookings; Mercatus; Heritage; NAPA; CEC]*

**Rationalizing Policy; Reducing Program Overlap.** Few issues of importance lie within the sole purview of one agency (or congressional committee). Similar programs (including tax provisions and regulations) in multiple agencies usually address only part of a problem and rarely work within a common strategy. This is inefficient and limits goal achievement. We urge you to focus on *issues* rather than *agencies*, hold agency heads accountable for results within an effective cross-agency strategy (as expressed the government-wide GPRA plan above), and require net impact performance measures. *[CEG/CED; Heritage; Mercatus; ASPA; NAPA; CEC]*

**Program Research and Evaluation.** Program research and evaluation provide the essential information executives need to implement your policies effectively. We urge you to insist that each agency develop a multi-year research and evaluation strategy, tied to the GPRA plans and the budget, and that your Administration work with Congress to finance it. This should be a key part of your first budget. *[CEG/CED; Heritage; ASPA; NAPA; CEC]*

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We are prepared to meet with you or your team to discuss any of these items. On particular items, your staff should contact the individuals named on the attachment. We also offer a website, [www.govresults.com](http://www.govresults.com), that links to all our sites. To communicate with the Coalition on organization issues, such as meetings, staff may contact Barry White at the Council for Excellence in Government at 202-530-3250, [bwhite@excelgov.org](mailto:bwhite@excelgov.org).

You have our best wishes for a successful transition into office and for the success of your Presidency.