Another month of significant progress by federal agencies in implementing the President's Management Agenda. -Carl



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Table of Contents:

1. Government-Wide News
2. Integrating Performance and Budgeting
3. Improved Financial Management
4. Strategic Management of Human Capital
5. Competitive Sourcing
6. Citizen-Centered e-Government

The **Government Performance Series** consists of 7 interactive forums on key elements of the PMA. By attending one of these forums, you will acquire the latest news and practices on the PMA, as well as receive applied training in performance management using established frameworks and case studies from key innovators from government. These forums are kept to a limited size to encourage interactivity and have been very, very well received. Bring actual projects you are working on for expert review and improvement using the methodologies you learn.

The seven specially designed forums are:

- Strategic Planning and Change Management
- Performance-Based Budgeting Simulation

- "Show Me the Measures" – Model Performance Measures for Government Functions
- Employee Performance Evaluations and Development
- Performance-Based Contracting
- Performance Measures for IT
- Designing, Auditing and Improving Performance Information Systems in Government

For more information on the Government Performance Series, go to: Government Performance Series

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1. Government-Wide News

a. GAO Testimony: Progress in Implementing the PMA

-The General Accounting Office released a Testimony from Patricia Dalton, Director Strategic Issues, on the progress in implementing the President's Management Agenda government wide. While there has been continuing progress in implementing the five crosscutting PMA initiatives, the progress has been uneven and continued focus is needed to improve management and address the initiatives in an integrated way. To download this statement, go to: PMA Progress

b. Achieving Measurable Results at HUD

-Angela Antonelli, Chief Financial Officer of the Department of Housing and Urban Development, discussed how to achieve measurable results at the recent Government Performance Summit. HUD has translated the PMA core initiatives into HUD specific PMA initiatives and has successfully linked those initiatives to their strategic goals. The end results have led to a vast improvement in HUD's overall performance because they have successfully integrated their initiatives with their strategic plan and have

simultaneously tied their internal initiatives to critical elements of the PMA. To view the PowerPoint presentation from the Summit, go to: Antonelli Presentation

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2. Integrating Performance and Budgeting

a. PART: Federal Managers Need to Get Ready

-Carl DeMaio, President of the Performance Institute, issued a commentary in the Federal Times on the future impact of the Performance Assessment Rating Tool (PART). He challenges the common negative reactions to the PART and offers federal managers advice on how to approach the PART and use the PART exercise as a valuable learning tool to diagnose management deficiencies. To read this commentary, go to: DeMaio Commentary

-To take the PART test to determine how your program fares, go to: PART Self-Test

b. GAO Testimony: Current Developments in Performance Budgeting

-The General Accounting Office released a statement by Paul Posner, Managing Director Federal Budget Analysis, Strategic Issues on the current developments and future prospects of performance budgeting. GAO found that credible performance information and measures are critical for building support for performance budgeting, successful performance budgeting is predicated on aligning performance goals with key management activities, and the test of performance budgeting will be its potential to reshape the kinds of questions and trade-offs that are considered throughout the budget process. To download this statement, go to: Performance Budgeting

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3. Improved Financial Management

a. Government Fails Sixth Straight Audit

-While there were some record improvements in financial management over the past

fiscal year, GAO was still unable to express an opinion on the consolidated financial statements because of certain material weaknesses in internal control and in accounting and reporting. Aggressive new measures being put in place for financial reporting in the coming fiscal years demand that federal agencies resolve internal control weaknesses to ensure future clean audits. To read the GAO release on the FY 2002 audit, go to: Audit Failure

-To read a commentary on the recent audit failure from The Performance Institute, go to: Audit Commentary

b. Financial Management at GSA

-Deborah Schilling, Budget Director for General Services Administration, presented a case study on how to improve financial management at the Government Performance Summit. She described not just the core criteria to satisfy OMB requirements, but included effective ways that GSA has developed and implemented a balanced suite of measures that address both financial and quality issues around business lines while simultaneously collecting data for monthly and quarterly reports on present results and future action. Additionally, Ms. Schilling discussed Recovery Auditing, Accelerated Reporting, and Smart-Pay Controls, and the essential underlying architecture that ultimately aligns the business, processes and technology to achieve the strategic goals. To download this presentation, go to: Schilling Presentation

c. GAO Report: DOD's Metrics Program for Improving Financial Management Performance.

-The General Accounting Office released a report on Department of Defense financial management metrics and how they are improving financial management. DOD's failure to produce an opinion on the FY 2002 audit is a large contributing factor to the government's failed audit. GAO found that despite shortcomings, DOD's metrics have focused attention on highly visible financial management problems. To download this report, go to: Financial Improvement

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4. Strategic Management of Human Capital

a. Survey of Federal Employees

-Office of Personnel Management released the Federal Human Capital Survey, the largest survey of federal employees ever undertaken to assess the presence and extent of conditions that characterize high performance organizations. The survey results reveal a extensive information about the strengths of the federal workplace and areas where additional focus is needed to improve human capital management in the government consistent with the goals of the PMA. To download the survey and other pertinent information, go to: Federal Human Capital Survey

b. Performance Measurement System at HHS

- Evelyn White, Principal Deputy Assistant Secretary for Administration and Management at the Department of Health and Human Services (HHS), provided an overview of the Department's ongoing implementation of a performance measurement system integrating individual performance contracts that improve management accountability at the Government Performance Summit. HHS has adopted a phased approach, starting with the development of performance contracts for political appointees that will eventually cascade down to the level of career Senior Executives and other employees. This new performance management system, which is based on ten Department-wide management objectives and ten Department-wide outcome goals, is designed to ensure the linkage between individual performance and organizational end outcome goals. To download her presentation, go to: White Presentation

c. GAO Testimony: Modern Performance Management Systems Are Needed to Effectively Support Pay for Performance

-General Accounting Office released a testimony from Christopher Mihm, Director Strategic Issues, on the key practices for effective performance management that federal agencies should consider as they develop and implement performance management systems as part of any pay reform. To implement results-oriented pay reform, or pay for performance, agencies must have modern, effective, credible and validated performance management systems that are capable of supporting pay and other personnel decisions. To download this testimony, go to: Pay for Performance

d. GAO Report: Integrating Human Capital and Mission Results

-General Accounting Office released a report that identifies six executive branch agencies that had taken key actions to integrate their human capital approaches with their strategic planning and decision making. These key actions may prove helpful to other agencies as they seek to ensure that their human capital approaches are aligned with their program goals. To download this report, go to: HC Integration

e. GAO Report: Creating a Clear Linkage Between Individual Performance and Organization Success

-The General Accounting Office released a report that identifies nine key practices that federal agencies can consider as they develop modern, effective, and credible performance management systems using public sector organizations' approaches to reinforce individual accountability for results. To download this report, go to: Performance Management

f. Defining the Role of HR in Competitive Sourcing
May 28-29, 2003 Arlington, VA

-To assist in the understanding of the role of Human Resource Managers in the revised OMB Circular A-76, The Performance Institute is presenting this comprehensive forum on Defining the Role of HR in Competitive Sourcing. This Forum will demonstrate how to comply with the new legislation and mandates, overcome employee fears and misconceptions, assess the benefits and drawbacks of competitively sourcing specific HR functions, and accommodating displaced employees. To learn more or to register, contact Blake Zach at 703-894-0481 or via email at zach@performanceweb.org

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5. Competitive Sourcing

a. OMB to Keep Current Definition of Inherently Governmental

-Angela Styles, Office of Federal Procurement Policy Administrator, said in a House testimony that the current definition of inherently government will most likely remain in the final version of the revised Circular A-76 would. This is the federal work that cannot be outsourced. The new definition in the revision that was released in November made every job presumed commercial in nature and had to be proven to be inherently government to make it ineligible for outsourcing. The new Circular will most like keep the

strict 12-month deadline for completing job competitions. To read more, go to: Inherently Governmental

b. Getting to Green in Competitive Sourcing

-David Drabkin, Deputy Associate Administrator for Acquisition Policy at General Services Administration, gave a presentation on Getting to Green in competitive sourcing at the recent Government Performance Summit. Mr. Drabkin stated how agencies need to focus competitive sourcing based on functions rather than positions when looking at their FAIR Act inventory to decide where competition will exist. Key functions Mr. Drabkin identified as good candidates for competition include: IT, tax collection, grants, logistical support and training. To download this presentation, go to: Drabkin Presentation

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6. Citizen-Centered e-Government

a. IT at Risk

-Mark Forman, Director of Technology and E-government at OMB, stated in a testimony to the House Government Reform Subcommittee on Government Efficiency and Financial Management that 771 projects included in the fiscal 2004 budget are currently considered at risk. These programs have a total cost of $20.9 billion and will not be allowed to proceed until managing agencies present a proven business case to OMB. Substantial improvements are critical is these programs are to move forward. To read more, go to: IT at Risk

b. Cross Agency/Intergovernmental Collaboration in e-Gov

-Jim Van Wert, Senior Advisor for Policy, Planning and e-Gov at Small Business Administration, gave a presentation on cross agency and intergovernmental collaboration in e-Government at the recent Government Performance Summit. Mr. Van Wert recommended that agencies should have a strong business case, create teams with clear governance structure, develop a complete work plan constantly get feedback from stakeholders, and measure and report performance in order to best manage e-Government initiatives. He also suggested that understand resistance, seeking buy-in and keeping commitment high should be addressed to overcome resistance to e-Gov

initiatives. To view his presentation, go to: Van Wert Presentation

c. New e-Gov Plan to be Released

-The plan for implementing the E-Government Act of 2002 will be released later this month. The new plan will be the latest version of the E-Government Strategy that it will move beyond the 24 e-Government initiatives. The Plan will examine the way e-Government plans in the 2004 budget request will align with the new Act. The plan will be posted to OMB's e-Gov website at www.egov.gov when it is released.

d. New e-Gov Poll Report Released

- A new report presents the findings of a five-part study on the issue of e-government conducted by Hart-Teeter on behalf of the Council for Excellence in Government and Accenture. The report presents the findings of a poll of a cross section of the American public and five foreign countries concerning their views on the role e-Government plays in their lives and their expectations for the future of e-Government. To download this report, go to: e-Gov Poll

e. Four e-Gov Initiatives Nominated for FOSE Award

-Four of the President's E-Gov initiatives were nominated for the Showcase of Excellence Award honoring the programs that best exemplify the government's efforts to improve the delivery of services to citizens at FOSE 2003, the largest information technology exposition serving the government marketplace. The initiatives were Free File, regulations.gov, GoLearn.gov, and GovBenefits. To read more, go to: FOSE Awards

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The Performance Institute is a private think tank that serves as the nation's leading authority and repository on performance-based management practices for government organizations. Its mission is to identify, study and disseminate the leading management innovations pioneered by "best-in-class" government programs at federal, state and local levels. Through its national conferences on pressing issues, interactive executive training programs, and best practice research projects, the Institute provides cutting-edge expertise in the design, implementation and evaluation of strategies to solve operational challenges and enhance government performance.

Reason Public Policy Institute is a public policy think tank promoting the principles of competition, accountability, performance and

transparency in government. Through practical and innovative approaches to complex government management problems, Reason seeks to assist federal, state and local government leaders in implementing change in the design and management of government programs.