It's been an exciting month! The “Measures that Make a Difference” Online Performance Measurement Database as well as the Performance Management Maturity Model were both released this week at the Fifth Annual Government Performance Summit in Washington, DC. The database will offer government managers the opportunity to share up to five successful performance measures per program with fellow managers. The model is a self-assessment tool for evaluating a “performance-based organization.”

These tools can be found on The Performance Institute's website at www.performanceweb.org. Try them out and let me know what you think!

- Carl DeMaio



Date: April 2005

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If you find this newsletter useful and informative, please forward it to your friends and colleagues!

Government-wide News

Database/Model Launched to Improve Government Performance Management

As federal management has moved to a performance-based culture, the ability to assess change in agencies towards performance management has been a big challenge. Speaking at the 2005 Government Performance Summit, Performance Institute President Carl DeMaio launched the "Measures that Make a Difference" Online Performance Measurement Database as well as the Performance Management Maturity Model. Both tools will be invaluable resources to government managers struggling to improve the performance and transparency of their programs. The "Measures that Make a Difference" Database will allow government managers to share five performance measures per program that they feel have had the biggest impact on agency operations and outcomes. The database will allow agencies

to exchange measures over mission area and function area. The "Performance Management Maturity Model" is a self-assessment tool that government programs can utilize to evaluate the extent to which they exhibit characteristics as a "performance-based organization." The tool compliments existing frameworks such as the Scorecard for the President's Management Agenda and the Program Assessment Rating Tool (PART). Programs will be categorized using a 5 step model. The PMMM is based on a similar approach used by the software engineering field with the Capability Maturity Model (CMM). To access these resources, go to: http://www.performanceweb.org/

Assessing the President's Management Agenda

The Government Accountability Office released a testimony from David M. Walker, Comptroller General of the United States, on the progress and continuing challenges related to the President's Management Agenda (PMA). GAO is not making any new recommendations in this testimony but believes that serious and sustained efforts are needed to improve the management and performance of federal agencies and to ensure accountability. To accomplish this, GAO recommends that a governmentwide performance plan could help to institutionalize a focus on planning and managing for results while building on the administration's efforts to assess progress and contribute to efforts to compare results across similar programs. I n addition, a governmentwide strategic plan, informed by a set of key national indicators to assess the government's performance, position, and progress, could provide an additional tool for governmentwide reexamination of existing, as well as new, programs. The PMA provides a valuable foundation for a fundamental review needed to address a range of 21st Century challenges. To access this testimony, go to:
http://www.gao.gov/cgi-bin/getrpt?GAO-05-574T

Which Federal Agencies Best Inform the Public?

The Mercatus Center at George Mason University released the "6th Annual Performance Report Scorecard: Which Federal Agencies Best Inform the Public?" The Mercatus Center research team has judged the annual reports based on three criteria: transparency, benefits to the community, and forward-looking leadership. The purpose for the Annual Performance Report Scorecard is to encourage continual improvement in the quality of information provided to Congress, the President, and the public regarding the effectiveness of agency activities. As a result, policymakers will be able to make more informed funding and policy decisions. To access the Scorecard report, go to:
http://www.mercatus.org/governmentaccountability/subcategory.php/215.html

A Culture of Better Government

The Administration is focused on moving agencies beyond the novelty of measuring management reforms on a color-coded scorecard, and focusing instead on making better management an ingrained part of federal life. The administration is pursuing several specific initiatives tied to improving how the government operates. They would: root out wasteful spending by reducing improper payments, selling off unused and rundown properties, consolidating or restructuring redundant programs and eliminating programs with no purpose; allow agencies to adopt performance-based personnel systems similar to those approved for the Defense and Homeland Security departments; tackle longstanding management failures at the Pentagon by partnering with the Government Accountability Office to develop action plans. To read more, go to: http://federaltimes.com/index2.php?S=774731

Budget and Performance Integration

Budget-Performance Integration in Government

This training will focus on developing performance goals and measures by applying the Government Management Logic Model Framework as a template for developing accurate and succinct performance goals and measures for government programs. This framework will aid government managers in the stewardship of the annual and long-term objectives of the individual program and the organization, and is in compliance with GPRA performance criteria as well as OMB PART guidance. For more information or to register, go to: http://www.performanceweb.org/Events/Courses/P435/P435.htm

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Improved Financial Management

OPM Splits CFO and Management Duties

The Office of Personnel Management (OMB) has split its financial and management divisions in two to enhance attention to both areas. Under the revised structure, the Division for Management and the Chief Financial Officer has become two separate entities. Robert Danbeck, former vice president of human resources for IBM India, has been hired to lead the management division. Danbeck also will serve as OPM's chief human capital officer, a role previously held by Doris Hausser, senior policy adviser to the OPM director. Danbeck will oversee five areas: human capital management services; contracting, facilities and administrative services; security and emergency actions; equal employment opportunity; and information services and chief information officer. For more information, go to: http://federaltimes.com/index2.php?S=760163

Government Auditing Standards for Continuing Education

The Government Accountability Office released a document that provides guidance to auditors and audit organizations in implementing the continuing professional education (CPE) requirements prescribed by the 2003 revision of Government Auditing Standards. This guidance document expands and modernizes the types of programs and the list of subjects and topics that could satisfy CPE requirements under Government Auditing Standards. This guidance document on CPE requirements replaces the April 1991 document, entitled Interpretation of Continuing Education and Training Requirements. To access the guidance, go to: http://www.gao.gov/cgi-bin/getrpt?GAO-05-568G

Strategic Management of Human Capital

Observations on Proposed Defense Personnel System Regulations

The Government Accountability Office (GAO) released a testimony from David M. Walker, Comptroller General of the United States, on the Department of Defense's (DOD) new human resources management system - the National Security Personnel System (NSPS). GAO has three primary areas of concern: the proposed regulations do not (1) define the details of the implementation of the system, including such issues as adequate safeguards to help ensure fairness and guard against abuse; (2) require, as GAO believes they should, the use of core competencies to communicate to employees what is expected of them on the job; and (3) identify a process for the continuing involvement of employees in the planning,

development, and implementation of NSPS. To read this testimony, go to: http://www.gao.gov/cgi-bin/getrpt?GAO-05-517T

Leadership/Supporting Infrastructure Needed For Flexibilities Use

GAO released a statement from Eileen Larence, Director Strategic Issues that provides an update of GAO's work on the progress agencies have made in implementing these flexibilities to better accomplish their missions and achieve their goals. In addition, it provides information on GAO's experiences with human capital reform and also highlights a set of consistent principles, criteria, and processes that can help to guide future reforms, whether they are new flexibilities granted to individual agencies or applied governmentwide. To access this statement, go to: http://www.gao.gov/cgi-bin/getrpt?GAO-05-616T

OPM Retirement Readiness Study

Office of Personnel Management (OPM) Acting Director Dan G. Blair issued a memorandum to Chief Human Capital Officers of Federal agencies and departments regarding OPM plans to conduct a survey about Federal employees' readiness in preparing for retirement. The survey will be used to develop a Retirement Readiness Profile which will provide employees with their individual state of readiness using various dimensions that should be considered when planning for retirement. Agencies will be able to use the retirement readiness profile as a tool to identify the general status of retirement of their employees and to plan specific programs to address issues identified. The retirement readiness profile will be used by OPM to conduct periodic surveys of the Federal workforce to track overall trends in retirement readiness. To read more, go to: http://www.opm.gov/viewDocument.aspx?q=873

Developing and Managing the Federal Acquisition Workforce

The Office of Federal Procurement Policy (OFPP) issued a policy letter that emphasizes the importance of the Federal acquisition workforce and creates new training and development requirements for civilian agencies. The policy supports the President's Management Agenda and its focus on human capital and financial management. The new policy broadens the definition of the acquisition workforce by including acquisition-related functions such as program management. Under the new policy, defense and civilian acquisition workforce requirements will also be aligned to ensure that the federal acquisition workforce has common training standards. To access this letter, go to: http://www.acqnet.gov/AcqNet/Library/OFPP/PolicyLetters/

Competitive Sourcing

Inherently Governmental Jobs to be Opened to Competition

The Bush administration is planning to open inherently governmental jobs to competition - with other federal employees. Inherently governmental jobs - such as security officers, law enforcement officers and acquisition officers - have never been subject to competition before, and doing so will bring more efficiency and cost savings to that work, said David Safavian, administrator of federal procurement policy at the Office of Management and Budget. Safavian was addressing an audience of federal employees and contractors attending the Performance Institute sponsored 2005 Government Performance Summit in Washington on April 25. To read more, go to: http://federaltimes.com/index2.php?S=809526

OMB Wants More Firms to Compete for Jobs

A new report to be released soon by the Office of Management and Budget (OMB) details how half of the A-76 competitions held to date have failed to draw competitive bids from the private sector. Federal employees, therefore end up with a lopsided record of victories: About 90 percent of the work agencies compete is won by federal employees. Agencies can take several steps to increase outside participation in federal job competitions: focus on larger competitions, which provide more financial incentive to companies; outline the work to be done but allow companies to determine the best way to do it; and provide companies with drafts of work to be competed and use their input to make the competitions more lucrative. To read more, go to: http://federaltimes.com/index2.php?S=803250

Managing an Effective Competitive Sourcing Program

The Office of Federal Procurement Policy's Federal Acquisition Institute is responsible for providing training to the civilian acquisition workforce. The Online University recently added "Managing an Effective Competitive Sourcing Program" to its list of courses available to the public. Featuring commentary by OMB Deputy Director Clay Johnson III, as well as senior executives from Departments and agencies, this online course explains the A-76 process, best practices, and lessons learned. For more information, go to:
http://sra.digiscript.com/presentation/index.cfm?media_id=15325

Streamlining and Simplifying Grant Management Processes

The Government Accountability Office (GAO) released a report on grant management. The federal government distributed about $400 billion in federal grants in fiscal year 2003 through about 1,000 different federal grant programs administered by several federal agencies with different administrative requirements. To augment the progress toward streamlining grant administration, GAO recommends that OMB ensure that (1) initiatives have clear goals for completion, (2) agency annual progress reports are prepared, (3) efforts toward common reporting continue on track, (4) OMB's streamlining strategy integrate the three individual initiatives now under way, and (5) grantee input is solicited on an ongoing basis. To access this report, go to: http://www.gao.gov/cgi-bin/getrpt?GAO-05-335

Managing A-76 Competitions

Competitive sourcing aims to increase efficiency and improve performance, but many agencies still lack adequate training necessary to achieve these goals. Continuous changes to A-76, OMB's guidance circular for managing public-private competitions, and legislation make it difficult for agency employees to stay on top of the rules of the game. Agencies need to acquire proper training in order to successfully fulfill their responsibility in the A-76 process. In this course, you will learn to develop a comprehensive strategy for competitive sourcing and conduct A-76 compliant competitions that are critical to achieving cost efficiency and performance effectiveness success in your agency. For more information or to register, go to: http://www.performanceweb.org/Training/COURSES/managing_A-76_competitions.htm

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Expanded E-Government

Federal Government Signs SmartBUY Agreement with Oracle

The Office of Management and Budget (OMB), General Services Administration (GSA) and Department

of Defense (DoD) announced a government-wide SmartBUY agreement with Oracle USA, Inc. The agreement provides significant savings on Oracle databases, application servers, associated options and Oracle applications for government agencies. OMB created the SmartBUY initiative to ensure that the Federal Government leverages its immense buying power to achieve maximum cost savings and quality for commodity software. In addition to providing substantial savings, the agreement streamlines the acquisition of Oracle products throughout the Federal Government, providing significant benefits to the acquisition and procurement community. For more information, go to: http://www.whitehouse.gov/omb/pubpress/2005/2005-10.pdf

More Effective Use of OMB's Investment Reviews

The Government Accountability Office (GAO) has issued a report that offers recommendations to enable OMB to take advantage of potential benefits of using its Management Watch List as a tool for analyzing, setting priorities, and following up on IT projects. Since OMB did not consistently require or monitor follow-up activities, OMB did not know whether the project risks that it identified through its Management Watch List were being managed effectively, potentially leaving resources at risk of being committed to poorly planned and managed projects. In addition, OMB could not readily tell GAO which of the 621 projects received follow-up attention due to poor monitoring. GAO concludes that OMB was not using its Management Watch List as a tool in setting priorities for improving IT investments on a governmentwide basis and focusing attention where it was most needed. To access this report, go to: http://www.gao.gov/cgi-bin/getrpt?GAO-05-276

To access a testimony from David A. Powner, Director, Information Technology Management Issues, on this report, go to: http://www.gao.gov/cgi-bin/getrpt?GAO-05-571T

Government IT Security Summit 2005
May 25-26, Arlington, VA

Government agencies are being held accountable to ensure the protection of their information and information systems. Accordingly, OMB is mandating that agencies secure 90% of their information systems by 2005. This is in addition to the 2002 E-Government Act, the Clinger-Cohen Act and OMB's Circular A-130 which have laid out new stringent guidelines for ensuring information and IT security. To help agencies meet the many challenges of compliance, planning, budgeting and implementing best practice information security, the Performance Institute is pleased to host the 2005 Government IT Security Summit. This two-day event will showcase the latest cutting-edge innovations in IT security management as well as the most effective new strategies and tools that are helping to shape the new landscape. Discover strategies to comply with the latest mandates, implement the latest guidelines, and employ the newest tools to protect your valuable resources. For more information or to register, go to: http://www.performanceweb.org/itsecurity/

Agency Spotlight: Performance Management Award - DOT

The Performance Institute is proud to present the 2005 Performance Management Excellence Award to the Department of Transportation. The Performance Management Excellence Award recognizes management practices in the federal government that have led to increased transparency, accountability, and program performance.

Over the past year, the Department of Transportation has shown significant improvement in implementing managerial reform throughout the Department. These efforts culminated in improved scores in 4 of the 5

categories on the President's Management Agenda scorecard. Within one quarter, the agency improved scores from yellow to green in the categories of Performance Management, Competitive Sourcing, E-Government, and Human Capital. The Department is building upon that success by driving performance management throughout its various bureaus. For example, the Department has fully linked its strategic plan with human capital strategies, institutionalizing annual workforce planning and analysis while integrating various competitive sourcing initiatives. This kind of continued initiative shows that the Department of Transportation is not just interested in reaching a green score, they are committed to staying green.

The 2005 Performance Management Excellence Award was presented to the Department of Transportation at the fifth annual Government Performance Summit from April 25 through April 27, 2005 at the Washington Convention Center, Washington, DC.

To access Transportation's management plans, go to: http://www.dot.gov/PerfPlan2004/index.html

President: Carl DeMaio
Newsletter Editor: Vincent Badolato

The Implementation Update on the PMA is provided as an informational newsletter to all federal employees about the latest news from the federal government and independent news media about the President's Management Agenda, the Administration's plan to improve performance of government.

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.

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