Here is a copy of this month's President's Management Agenda Newsletter. Read the update from Robert Shea, in the Budget and Performance Integration section, as he discusses budget-performance integration, the Program Assessment Rating Tool and the new website expectmore.gov.

Enjoy!
-Carl DeMaio

Implementation Update on the President's Management Agenda

The Performance Institute

IN THIS ISSUE: MARCH 2006

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

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The Performance Institute is helping government manage for RESULTS! *See how well your organization measures up. Take our free Performance Measurement Assessment:* www.PerformanceWeb.org/Survey

Government-Wide News

Your Agency is Green. So What?

"Forty percent of the average Federal agency's management disciplines are as we want them to be, whereas 20% of them are unacceptable. In PMA scorecard terms, this means that about 40% of the agencies' scores are green, while about 20% are red." Hear Clay Johnson deliver the keynote address at the 8 th Annual Government Performance Summit on April 3-5, 2006. Read more at http://www.whitehouse.gov/results/agenda/fy06q1-ddm-update.pdf

Budget and Performance Integration

Institute Urges Congress to Link to ExpectMore.gov

The Institute has sent an open letter to lawmakers on Capitol Hill trumpeting ExpectMore.gov's benefit to taxpayers. “I urge you to share with your constituents the current efforts to bolster government transparency by driving them to ExpectMore.gov. Americans deserve a government that performs and openly reports its results,” wrote the Institute's President Carl DeMaio. Click here to read more:

UPCOMING EVENTS

Government IT Security Series
May 1–2, 2006 | Arlington, VA

The 2006 National Forum on Women in Executive Leadership in Government
May 8-9 , 2006 | Arlington, VA

Balanced Scorecard Measurement and Management in Government
May 8-9, 2006 | Arlington, VA

The 2006 Lean Six Sigma for Government
May 18-19, 2006 | Arlington, VA

WEBINARS

Strategic Human Capital Management in Government: Lessons Learned after 5 Years
April 19, 2006 | 1:00pm-2:30pm PM EST

To see more webinar events please click here
www.PerformanceWeb.org/Webcast

Partner Event

Performance-Based Budgeting: Reach Green and Stay There

ALG Software is a leading provider of single-solution performance-based budgeting, activity-based cost management, and performance measurement software. Successfully used by federal government organizations to “Reach Green and Stay There” on the OMB Scorecard, our solutions are employed a broad range of agencies and departments. To learn more visit www.algsoftware.com/fedpi .

http://www.performanceweb.org/Press/2006/expectmorehillletter_2-16-06.pdf

Transparency = Accountability

"With the publication of the FY 2007 Budget, this Administration will have assessed almost 800 programs – 80% of the federal budget. And what do these assessments show?" Read this update from Robert Shea as he discusses budget-performance integration, the Program Assessment Rating Tool and the new website expectmore.gov. Click here to read more: http://www.whitehouse.gov/results/agenda/budgetperformance.html

Project Horizon - A New Approach To Interagency Planning

It is quite clear; for agencies to effectively plan for the future and capture a unified view of upcoming challenges and opportunities, they must work together to develop strategic goals and understand interagency barriers to success. This article discusses what is necessary to reap the full rewards of budget-performance integration, as well as how agencies need to start utilizing the strategic planning process for the future and not still focus on “fighting the last war”. Read more at http://federaltimes.com/index.php?S=1527532

As Budgets Tighten, ‘Effective' Programs Fare Better

So it seems as though the Program Assessment Rating Tool (PART) is making a difference when it comes down to budget time. The PART is used to evaluate federal programs and rate them on their performance to determine which programs are performing and which ones aren't performing. The PART groups federal programs into the following categories: effective, moderately effective, adequate, ineffective or results not demonstrated. According to the Federal Times, “almost three quarters of the programs rated effective by the Office of Management and Budget are slated for budget increased in the president's fiscal 2007 proposal, compared with 60 percent in the 2006 proposed budget”. Read more at http://federaltimes.com/index.php?S=1527039

Balanced Scorecard Measurement and Management in Government

It is a true statement in government, “what gets measured, gets done”, and utilizing the balanced scorecard framework can help you achieve the level of performance you are looking for. It is a framework that not only looks at prospective targets, but also the end-results of meeting those targets. Through effectively implementing a scorecard approach to management, you will be able to easily communicate organizational objectives and develop key performance indicators, all while collecting the right data, for the right purpose at the right time.

For firsthand insight into one of the most popular performance management frameworks in existence, we invite you to be part of The 2006 National Conference on **Balanced Scorecard Measurement and Management in Government** on May 8-9, 2006 in Arlington , VA. This conference features of multiple interactive case studies and cutting-edge expertise on the latest Balanced Scorecard initiatives, it promises to be the most comprehensive Balanced Scorecard event this year. To learn more, visit http://www.performanceweb.org/CENTERS/GPM/Events/P585/P585.htm

Agencies Share Pain of 1 Percent Budget Cut

2007's fiscal proposal has been getting much attention lately due to talks of spending cut backs, but maybe even more pressing would be the 1 percent reduction in discretionary funds. This reduction works out to cut $8.2 billion from the federal budget and is the largest across-the-board cut in seven years. Cuts will have to be made, which will result in fewer new hires, longer job vacancies and potential layoffs especially in staff-heavy agencies. For more details visit: http://federaltimes.com/index.php?S=1595124

Improved Financial Performance

Meta-Mania

Transferring money between agencies can become a tricky deal. The GAO repeatedly identifies intragovernmental transactions as a material weakness when they perform their annual assessment of the federal government's finances. Sam Mok, CFO of the Department of Labor, is promoting a new standard for exchanging financial data called the Extensible Business Reporting Language (XBRL). Mok says “It's not a software, it's not a hardware, it's not a programming language; it's a new concept.” Read more at http://www.govexec.com/dailyfed/0306/030106mm.htm

OMB: Questions Remain In Effort To Consolidate Financial Systems

OMB officials recently stated that “Uncertainties cling to a governmentwide mandatory effort to consolidate information technology systems for financial management. Karen Evans, OMB administrator of e-government and information technology noted that “There's a lot of questions out there that we still need to answer.” Danny Werfel, Chief, Financial Analysis and Integrity Branch of OMB will discuss this issue at the 2006 Government Financial Internal Controls Summit taking place on March 22-23. Read more at http://www.govexec.com/story_page.cfm?articleid=33619&dcn=e_tma

Improving the Accuracy and Integrity of Federal Payments

This report highlights the substantial progress Federal agencies have made in meeting the President's goal to eliminating improper payments. The Federal Government eliminated $7.8 billion in improper payments in Fiscal Year 2005, reducing the government-wide improper payment total by 17%. Read this update on eliminating improper payments in government at http://www.whitehouse.gov/results/agenda/improvingfederalpayments.pdf

Financial Management Reaches New Heights

The 15 year anniversary of the Chief Financial Officer's (CFO) Act of 1990 was marked on November 15th, 2005. The core tenets of this law are to strengthen financial leadership, develop more disciplined financial controls, improve financial management systems, and improve the accuracy and timeliness of financial information for decision making." Read more to find out where financial management stands today in the eyes of OMB, and what they see in store for the future http://www.whitehouse.gov/results/agenda/fy06q1-offm.pdf

Homeland Security Gets Help Strengthening Financial Controls

The Department of Homeland Security recently awarded a contract that could be worth as much as $42 million dollars over five years to PricewaterhouseCoopers in attempt to comply with new standards governing the assessment of internal controls over financial reporting. The department is trying to prepare for the audit of their internal controls. The CFO for the department, Andrew Maner, said "The DHS Financial Accountability Act imposes profound challenges to us -- DHS is the first Cabinet department required to have an audit of its internal controls over financial reporting”. Read more at http://www.govexec.com/story_page.cfm?articleid=33479&dcn=e_gvet

http://www.performanceweb.org/CENTERS/LE/Events/L204/L204.htm

Strategic Management of Human Capital

OPM Director Testifies Before House Federal Workforce Subcommittee on Budget/Agency

Priorities for 2007

U.S. Office of Personnel Management (OPM) Director Linda M. Springer discussed OPM's 2007 proposed $256 million discretionary budget and its link to OPM's new *Strategic and Operational Plan* in testimony before members of the House Subcommittee on the Federal Workforce and Agency Organization, part of the House Government Reform Committee. To read more, click here http://www.opm.gov/news/opm-director-testifies-before-house-federal-workforce-subcommittee-on-budgetagency-priorities-for-2007,1032.aspx

OPM Chief Urges New Vision to Recruit Younger Feds

Government is on the verge of a “retirement tsunami,” in the near future; with nearly 90% of senior level executives eligible for retirement within the decade. Some agencies are very nervous about the impending transition while others welcome the opportunity to promote rising talent from a younger generation of leaders. Management believes that now more than ever it is imperative for managers to cross generational gaps in order to spark innovation, create job satisfaction and educate the future leaders. To read the full story visit: http://www.federaltimes.com/index.php?S=1575070

Women in Executive Leadership

The 21st century has been a time of amazing change for women. Women are now involved in every segment of our society and have equal opportunities to participate in the workplace. Yet we still face the challenges of fairness and equity, women only make up 42.8% of the permanent federal workforce, compared to 46.4 percent in the Civilian Labor Force.

To help you address the state of women leadership and develop strategies to expand and strengthen that leadership, the Performance Institute has assembled ***The 2006 National Forum on Women in Executive Leadership*** . This Forum will be the first ever to discuss the promotion of women into leadership positions in government. We hope you'll join us in Arlington , VA from May 8–9, 2006 at the Hilton Arlington for this one-of-a-kind summit. To learn more, go to http://www.performanceweb.org/CENTERS/HC/Events/P586/P586.html

DoD will Proceed with NSPS Plan, Despite Adverse Court Ruling

For the last year we have all wondered if NSPS would ever move forward, well the time is here. The Defense Department plans to proceed with the April rollout of its controversial personnel system for a small group of nonunion employees, despite a judge's ruling enjoining parts of the reform plan. Mary Lacey, the Pentagon's program executive overseeing the National Security Personnel System, said the department plans to transfer two groups of employees to the new pay system this year, as previously announced: a first group of 11,000 employees on April 30 and the second group in the fall. She said the second group would comprise 75,000 to 100,000 employees. To read the article, go to: http://federaltimes.com/index.php?S=1565465

Don't Leave Yet, But If You Must…

With the retirement wave looming in front of every manager in government the Office of Personnel Management is working hard to prevent the baby boomers from leaving. What is Office of Personnel Management Director Linda Springer's advice to federal workers thinking about retirement? “We'd love to have you stay,” she said, talking with me about the needs of baby boomers as they reach their retirement years. “The federal government is doing a lot of great things, and being part of that can be exciting at any point in your career.” To read the article, go to http://www.fcw.com/article92428-02-27-06-Print

A Reminder That New Pay and Personnel Systems Aren't Free

Leaving the old General Schedule comes at a price. The Department of Homeland Security is asking Congress for an extra $41.7 million in fiscal 2007 to continue setting up its new pay and personnel system, MaxHR, which will replace the GS system used across the government for decades. The increase, if approved, would bring total funding for MaxHR to $71.4 million. To read the article, go to: http://www.washingtonpost.com/wp-dyn/content/article/2006/02/07/AR2006020701710.html?referrer=email

Federal "Brain Drain" And Strategic Human Capital Management

With an estimated 44 percent of all federal workers becoming eligible to retire over the next five years, and 61 percent attaining eligibility four years later, federal agencies are sharpening their Strategic Human Capital Management skills to help combat "brain drain", maintain continuity and meet unrelenting demands on personnel resources. To read the article, go to: http://www.fednews-online.com/view_publication.aspx?publicationId=8873

Government Document without the Governmentese: OPM Plan Sets Clear Goals

All too often government strategic plans and agency objectives disappear on managers bookcases. Well thanks to OPM we have a new example on how to create a clear, strategic plan that can actually be used and understood. The Office of Personnel Management announced a "to do" list yesterday. It released a new five-year strategic and operational plan that is strikingly clear and simple. Past OPM plans have been filled with dense text, making it difficult to figure out what the agency's goals were, or featured glossy photos and mostly rhetorical fluff. The new plan is neither. To read the article go to, http://www.washingtonpost.com/wp-dyn/content/article/2006/03/09/AR2006030902234.html

Efforts to Change Personnel Rules Move Slowly

Lately there has been a lot of arguing over what to do with the General Schedule; should we keep it, should we scrap the entire system or do we just keep portions of it? About 1,400 federal personnel experts are in Baltimore this week, debating how to reshape the government's workforce for the next century. There is give-and-take on how best to develop leaders, recruit the best and brightest, and provide higher pay to top performers. To read the article go to; http://www.washingtonpost.com/wp-dyn/content/article/2006/02/28/AR2006022801497.html

Pentagon to Civilians: get Department Wide Experience

Civilian executives in the Defense Department will need experience across the department to be competitive for high-level jobs, the new deputy undersecretary of defense for civilian personnel policy said Tuesday. Experience across the department does not necessarily mean switching jobs, Bradshaw said. It can also mean sitting on joint-duty task forces or gaining other experiences that cross component lines. To read the article go to; http://www.govexec.com/story_page.cfm?articleid=33575&dcn=todaysnews

Proposed Defense HR System Suffers Setback

The Defense Department's proposed merit-based personnel system lost a battle in court last week. Judge Emmet G. Sullivan of the U.S. District Court for the District of Columbia ruled that several portions of the National Security Personnel System that dealt with labor relations were illegal. To read the article go to; http://www.gcn.com/print/25_5/40006-1.html

Acquisition and Sourcing

Pentagon to Streamline Process for Buying Business Systems

A trial program to revamp the Defense Department's process for acquiring business systems will be formally announced in the next four to six weeks, an official leading the Pentagon's business transformation efforts said this week. To read more, go to http://www.govexec.com/story_page.cfm?articleid=33643&dcn=todaysnews

Contracting in Perspective - The Changing Face of Government-wide Procurement

Contracting via government- or agency-wide buying vehicles is running a bit wild. As more agencies proceed with plans for their own vehicles, GSA's historic near-monopoly on such contracts is threatened. To read more, go to http://www.gcn.com/print/25_5/40051-1.html

Dynamic Strategic Sourcing: More Choices, Lower Prices

Strategic sourcing has become a priority in federal procurement, but implementation has been sporadic. This is due in large part to the enormous workload required, and the significant downsides to traditional strategic sourcing methods. It is time for some fresh thinking on this important issue. To read more, go to http://federaltimes.com/index.php?S=1574366

Strategic Sourcing Sparks Debate

An industry event today that focused on the government's strategic sourcing initiative prompted a spirited debate between the speakers and the audience of industry officials.

URL - http://www.fcw.com/article92339-02-15-06-Web

The Acquisition Project and Performance Management Series

Government is changing the way it does business. With the emphasis being place on Project Management Competencies, Earned Value Management and Performance-Based Acquisition, now is the time to prepare yourself with the tools and techniques necessary as the FAR is updated. To assist your agency in implementing these changes and requirements, you are invited to attend the Acquisition Project and Performance Management Symposium in Arlington, Virginia on May 17 – 19, 2006. To learn more, click here
http://www.performanceweb.org/CENTERS/CA/Events/C153/C153.htm

Expanded E-Government

Fostering the Development of Common Systems and Solutions

To foster the development and use of common solutions across the Federal Government, the Office of Management and Budget established E-Government Implementation plans with each agency in fiscal year (FY) 2005. These plans were developed to promote and monitor agency adoption and utilization of government-wide solutions and schedule decommissioning of unnecessarily redundant systems. To read more, got to
http://www.whitehouse.gov/results/agenda/fy06q1-egov.pdf

ANOTHER VIEW: The Government Needs To Address Wireless E-Mail Risks

Government agencies are increasingly relying on wireless e-mail communication in their Continuity of Operations Plans (COOP). This is particularly troubling given that almost all wireless e-mail service in the government today is delivered by a

single vendor. If there were a physical or cyber-attack on this provider's infrastructure, it would cripple a critical means of communication. To read more, go to http://www.gcn.com/print/25_4/38250-1.html

Government IT Security

Government agencies face many challenges in securing vital information in today's high-tech environment. You hear it every day. Hackers, worms, spam, phishing schemes and other malware are in. ltrating your network, compromising security and possibly causing vital information loss. It seems like every tech trade article, blog, and newsletter is sounding the alarm over yet another major security risk that could bring your agency's infrastructure crashing down. And to some extent, they're right! These threats have the potential to cause a great deal of destruction, but some are worse than others. I would like to invite you and your team to The Performance Institute's ***Government IT Security Series*** being held May 1–4, 2006 in Arlington , Virginia . To learn more, go to http://www.performanceweb.org/CENTERS/IT/Events/T217/T217.htm

President: Carl DeMaio
Newsletter Editor: Cynthia Craig

The **Implementation Update on the PMA** is provided as a free monthly e-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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