Here is a copy of this month's President's Management Agenda Newsletter. The latest management scorecard has been released! Check out what agencies have made it to green in the Government-Wide section of the newsletter.

Enjoy!

-Carl DeMaio

Implementation Update on the President's Management Agenda

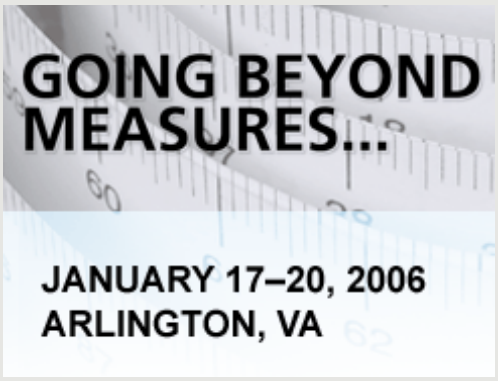
The Performance Institute

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*** 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

President's Management Agenda – The Scorecard

The Executive Branch Management Scorecard tracks how well the departments and major agencies are executing the five government-wide management initiatives. To see the latest scorecard, go to http://www.whitehouse.gov/results/agenda/scorecard.html

PERFORMANCE: 'How Are We Doing Now?': Better Performance Analysis Helps Agencies Meet Goals

Federal agencies can better meet mission aims when they collect and analyze performance data and use the information for key management decisions and practices, the Government Accountability Office said in a recent report. To read more, go to http://www.governmentleader.com/issues/1_4/upshot/85-1.html

Program Evaluation: OMB's PART Reviews Increased Agencies' Attention to Improving Evidence of Program Results

UPCOMING EVENTS

Going Beyond Measures
January 17-20, 2006 | Arlington, VA

Human Capital Management Week
January 23-27, 2006 | Arlington, VA

Government Project Management Week
February 6-10, 2006 | Arlington, VA

UPCOMING WEBINARS

WEBINAR: Improving Performance Management in State Government
December 08, 2005 | 11:00am-12:30pm

WEBINAR: Improving Performance Management in City and County Government
December 08, 2005 | 1:00pm-2:30pm

Getting Down to the Critical: Designing Key Outcome Indicators for the Public Sector

As dashboards have become popular, many organizations have gone from drowning in data to drowning in metrics. With so many metrics, how do you decide which ones are critical? Join this free Web seminar to learn how to design key outcome indicators for your organizations that go beyond metrics. Register at www.pilotsoftware.com/PIseminar.

GAO examined agency progress on 20 of the 40 evaluations OMB recommended in its PART reviews at four federal agencies: the Department of Energy, Department of Health and Human Services, Department of Labor, and Small Business Administration. About half the programs GAO reviewed had completed an evaluation in the 2 years since those PART reviews were published; 4 were in progress and 3 were still being planned. Program restructuring canceled plans for the remaining 2 evaluations. To read more, go to http://www.gao.gov/cgi-bin/getrpt?GAO-06-67

Program Reviews Strain OMB, Agency Staff

Formal evaluations of federal programs completed by the White House each budget cycle are labor-intensive and fail to provide specific enough suggestions for management improvements, the Government Accountability Office said in a report published Monday. Examiners at the Office of Management and Budget are having a hard time keeping up as more programs are added each year to the list of those reviewed using a questionnaire called the Program Assessment Rating Tool, GAO said. To read more, go to http://www.govexec.com/story_page.cfm?articleid=32705&dcn=e_gvet

Public Giving Government, Business Lower Marks

The publics view of the government has eroded over the past year and its view of business corporations is now at the lowest level in two decades. The public's rating for the federal government has fallen from 59 percent favorable last year to 45 percent now, according to a poll by the Pew Research Center for the People & the Press. To read more, go to http://news.yahoo.com/s/ap/20051026/ap_on_re_us/public_pessimism;_ylt=ApY6MZNOgnW5yd5g_Rm3HZeyFz4D;_ylu=X3oDMTA5aHJvMDdwBHNlYwN5bmNhdA--

Feds Train To Achieve Six Sigma Results

Discipline has saved the Navy millions on 500 projects
Atypical motorist might need an entire afternoon to fill the car with gas, rotate the tires and change the oil. But a skilled pit crew on a raceway could carry out the same tasks in mere seconds.
Pit crews have pared the process down to only the necessary people and movements to achieve maximum efficiency. That concept of reducing wasted motion and eliminating mistakes is at the heart of a management style taking hold in some parts of government. To read more, go to: http://www.fcw.com/article90990-10-03-05-Print

Deep Thinkers

Lean six sigma, a management term with a cult-like following in the private sector, is quickly gaining converts among Defense and civilian agencies. It started as a tool to improve how work gets done in Japanese car factories in the 1940s and morphed into a symbol of corporate efficiency in the 1990s. Now lean six sigma has turned into the latest government catchphrase for eliminating waste and reducing errors. To read more go to:
http://www.govexec.com/dailyfed/1105/110205mm.htm

IRS Commissioner: Agencies Have Too Many Management Chiefs

HERSHEY, PA.--The proliferation of chief officers in agencies' senior management ranks is not necessarily good for government, the head of the Internal Revenue Service said Tuesday.
"Staff functions have been fragmented, so they're largely impotent," IRS Commissioner Mark Everson said at the Executive Leadership Conference. Everson also argued that chief information officers need not report directly to department secretaries. "I think that's ridiculous," he said. To read more visit:
http://www.govexec.com/story_page.cfm?articleid=32706&dcn=e_gvet

Budget and Performance Integration

Performance Budgeting: PART Focuses Attention on Program Performance, but More Can Be Done to Engage Congress

The PART process has aided OMB's oversight of agencies, focused agencies' efforts to improve program management, and created or enhanced an evaluation culture within agencies. Although the PART has enhanced the focus on performance, the PART remains a labor-intensive process at OMB and agencies. To read more, go to http://www.gao.gov/cgi-bin/getrpt?GAO-06-28

Budget Performance Integration: An Update from Robert Shea

As you know, in late July, the Program Assessment Rating Tool (PART) was awarded the prestigious Innovations in American Government Award, administered jointly by the Ash Institute for Democratic Governance and Innovation at Harvard University's Kennedy School of Government and the Council for Excellence in Government. The award is given annually to recognize innovative excellence in the public sector. This award acknowledges the hard work of both OMB and the executive agencies in assessing and improving the performance of Federal programs. To read more, go to http://www.whitehouse.gov/results/agenda/fy05q4-bpi.doc

Improved Financial Performance

CFO Act of 1990: Driving the Transformation of Federal Financial Management

In the 15 years since the enactment of the CFO Act, the federal government has made substantial progress in strengthening financial management. The past 3 administrations have all made financial management reform a priority. Improving financial management has been one of the cornerstones of the President's Management Agenda from the outset of the current administration. There has been a clear cultural change in how financial management is viewed and carried out in the agencies and a recognition of the value and need for good financial management throughout government, which was not the case in 1990. To read more, go to http://www.gao.gov/new.items/d06242t.pdf

Financial Accountability and the Government: Approaching A-123 with an Open Mind

Twenty-three years after the Federal Managers Financial Integrity Act (FMFIA) and fifteen years after the Chief Financial Officer's Act, the federal government is finally in the spotlight for submitting timely, accurate and useful financial statements in accordance with new internal control requirements via OMB's Revised Circular A-123. To read more, go to http://www.performanceweb.org/CENTERS/Budget_Financial/FinancialAccountability andthe%20GovernmentArticle.pdf

Shared Vision, Shared Goals, Shared Results

The President's vision for improving financial performance is that Federal managers have accurate and timely financial information to manage costs. One measure of how agencies are progressing toward achieving the vision is the Improving Financial Performance initiative under the President's Management Agenda (PMA). By meeting each performance standard under the initiative, taxpayers have greater assurance that accurate and timely data is available for decision-making. To read more, go to http://www.whitehouse.gov/results/agenda/fy05q4-offm.doc

Accounting Improvements Underway At Pentagon

The Pentagon is making progress getting its financial books in order, but senior officials said Wednesday that they still do not know when they will wrap up an audit of Defense Department spending. It may take at least four or more years, they said. Concerned that billions of dollars in the defense budget are squandered each year, Congress has pressed Defense officials to account for all dollars -- from health care to program development costs -- spent by DoD. To read more, go to http://www.govexec.com/story_page.cfm?articleid=32786&dcn=e_gvet

NASA's Financial Can't Be Audited Says GAO

To say that NASA still has a lot of work cut out for it to come up with a financial management system that would please the GAO is an understatement. In Congressional testimony as well as a separate report, GAO blasted the agency's new core financial management system, saying it has not addressed several of the agency's most pressing management challenges. GAO asserts that the new NASA system lacks "basic functionality." To read more, go to http://www.fedsmith.com/articles/articles.showarticle.db.php?intArticleID=744

Getting Real About Real Property: PMA is Transforming Federal Property Management

About a year and a half ago, President Bush, with little fanfare, issued Executive Order 13327, making federal property management part of the effort to transform government and folding it into his management agenda.

The order required the 23 executive agencies to designate senior real-property officers, outlined their duties, and directed them to share best practices via a Federal Real Property Council through the Office of Management and Budget. To read more, go to http://www.governmentleader.com/issues/1_4/features/81-1.html

Clean Audits, Weak Systems

The good news: More agencies are receiving clean audits on the their financial statements. The bad news: Their financial systems can't generate the comprehensive data needed for day-to-day financial management. To read more, go to http://www.governmentleader.com/issues/1_4/upshot/82-1.html

Strategic Management of Human Capital

Senators Skeptical of Pentagon Plan for Personnel Reform

A group of senators instrumental in addressing federal personnel issues voiced concern at a hearing Thursday over the final regulations on the Defense Department's National Security Personnel System. Sen. Susan Collins, R-Maine, expressed discontent with the planned makeup of the National Security Labor Relations Board, which would replace the Federal Labor Relations Authority in handling the Pentagon's labor-management disputes. Collins said she is concerned because the secretary of Defense is slated to have sole responsibility for appointing members of the board. "I believe it would be wise to designate one these slots for a union representative," Collins said. To read more please visit: http://www.govexec.com/story_page.cfm?articleid=32837&dcn=e_gvet

Do the Retirement Wave

Five years ago, talk of an emerging calamity began to dominate discussions of the future of the federal bureaucracy. The government, it was said, was facing a rapidly emerging "human capital crisis." Half the federal workforce, doomsayers noted, would be eligible to retire within the next decade, leaving unprepared agencies facing massive recruitment and retention problems. To read more, go to http://www.govexec.com/dailyfed/1105/111405ol.htm

Coming of 'Pay Bands' Spurs Curiosity of Defense Employees

The Pentagon plan to overhaul workplace rules for about 650,000 Defense Department civil service employees does not answer the big questions: What do the new salary scales look like, and where do employees fit in them?
Numerous Diary readers at Defense agencies across the country say they are eagerly awaiting "pay bands" in hopes that they will provide a clue as to their future compensation. Although the Pentagon has raised employee expectations -- and anxiety, in some cases -- it appears to be in a race against time to provide employees with more information. To read more, go to http://www.washingtonpost.com/wp-dyn/content/article/2005/10/27/AR2005102702545.html

Telework Guide for Managers Urges a Focus on Results

The managers of employees working away from the office should focus on results and communicating with workers to maintain productivity, according to a new guide for implementing telework in the workplace. Federal managers and supervisors should set objectives and expectations and avoid relying on observation to gauge a teleworker's performance, recommends "Implementing and Managing a Telework Program: A Complete Guide to Properly Managing Telework Employees." To read more, go to http://www.govexec.com/story_page.cfm?articleid=32646&dcn=e_wfw

DoD Addresses Military and Civilian Pay

The Department of Defense (DoD) last week said that improving the process that provides service members with correct pay and allowances is part of the department's plan to modernize. This announcement, which pertains to military members, corresponded with the announcement that DoD is rolling out its new pay and personnel system for its civilian employees too, called the National Security Personnel System. To read more visit: http://www.federaldaily.com/federaldaily/index.htm#24a

Private Sector Surpasses Agencies on Pay to Deployed

Wachovia Corp., the banking giant, Eaton Corp., an industrial manufacturer, and Enterprise Rent-a-Car keep their employees on full salary and benefits, regardless of military compensation, when they are called to active duty in the reserves and National Guard.

Other organizations also help out their reserve and Guard employees beyond the letter of the law. Citizens Financial Group Inc., the Los Angeles Police Department, Sears, Roebuck and Co., the state of Delaware and Toyota Motor Sales USA Inc. provide financial support to their employees, including a pay differential, for periods ranging from a year to the duration of the deployment. To read more visit: http://www.washingtonpost.com/wp-dyn/content/article/2005/10/29/AR2005102901133.html

But Seriously, Folks, the Two Sides Are Far Apart on Future of Civil Service

Yesterday's forum on the future of the civil service offered a good chuckle but little sign of compromise between union leaders and the Bush administration.
The round of laughter came moments after moderator Patricia McGinnis observed that "there is not a great deal of trust in this conversation." Clay Johnson III, a top presidential deputy, leaned over the arm of his chair to hug Colleen M. Kelley, president of the National Treasury Employees Union. Kelley's rejoinder was a mock plea to turn off the camera.
There was little humor, however, over the most contentious issues raised by the administration's plans to overhaul pay systems at the departments of Defense and Homeland Security and to apply some of the concepts to the rest of the government. To read more visit: http://www.washingtonpost.com/wp-dyn/content/article/2005/11/03/AR2005110300726.html

GAO Radically Restructures Pay to Reflect Market Rates, Performance

The Government Accountability Office, which strives to serve as a model for federal agencies, moved last week to more closely link employee compensation to market conditions and job performance -- changes that effectively take the GAO out of the traditional federal pay system.
David M. Walker, the head of the GAO, informed employees of the changes Thursday and briefed reporters the next day. No employee will take a pay cut. Some top-notch performers will get higher pay, and some employees will see their salaries rise more slowly because a compensation study found they are being paid above market rates. To read more please visit: http://www.washingtonpost.com/wpdyn/content/article/2005/11/06/AR2005110601139.html?referrer=email

Evaluations, Cronyism and Pay

A panel of two union leaders and two top federal officials convened at The Washington Post the other day to discuss the Bush administration's goal of replacing the General Schedule pay system with one that more strongly links pay raises to annual performance evaluations at all federal agencies. Such changes are underway at the departments of Defense and Homeland Security. The White House wants permission from Congress to make similar changes government-wide.
The panelists were asked to respond to a common employee fear about the proposed system -- that managers will slant annual evaluations to reward favored workers -- and explain what could be done to prevent such cronyism. To read more please visit: http://www.washingtonpost.com/wpdyn/content/article/2005/11/06/AR2005110600804.html?referrer=email

Labor Keeps Its Guard Up Against Efforts to Change Workplace Rules

Organized labor was back in court yesterday, filing a suit to stop new workplace rules at the Defense Department.
Ten unions, representing more than 350,000 Defense civil service employees, asked a federal court to block a regulation that would allow top Pentagon officials to override union contracts and to streamline the process for hearing employee appeals of major disciplinary action.
A similar lawsuit was filed against the Department of Homeland Security this year, and unions have prevailed in the first round of court tests. To learn more please visit:
http://www.washingtonpost.com/wpdyn/content/article/2005/11/07/AR2005110701401.html?sub=AR

Defense to Hold Off On Implementing NSPS Labor Rules

The Defense Department and unions reached an agreement Wednesday to delay implementation of the National Security Personnel System's labor relations portions until February.
Government and union lawyers filed a joint request for the postponement at the U.S. District Court for the District of Columbia. The agreement is meant to make it unnecessary for unions to seek a temporary restraining order. Such an order would halt implementation until a judge has ruled on the merits of the case. To read more please visit:
http://www.govexec.com/dailyfed/1105/111605r2.htm

Administration Outlines Steps To Government Wide Personnel Overhaul

The Bush administration on Monday released a rough plan for implementing the broad changes that would be required if Congress passes yet-to-be-introduced personnel reform legislation.
The move marks the latest step in the administration's quest for a government wide overhaul of pay systems.
Dubbed the Working for America Act, the draft legislation was written by the Office of Personnel Management and the Office of Management and Budget. It would replace the General Schedule with performance and market-based pay, requiring reforms similar to those in progress at the Homeland Security and Defense departments. To read more please visit: http://www.govexec.com/story_page.cfm?articleid=32813&dcn=e_gvet

Competitive Sourcing

Acquisition Advisory Panel Is Working to Finish Review, but Could Get Extension

With its year-long charter scheduled to expire early next year, the Acquisition Advisory Panel is working to finalize its findings and recommendations, even as it appears that the panel could get an extension from Congress.
Sen. John Warner (R-Va.) chairman of the Armed Services Committee, Nov. 10 included language in the fiscal 2006 defense authorization bill (S. 1042) giving the advisory panel an additional year to prepare a final report and requiring only an interim report in February when the original deadline comes around. To read more, go to http://www.performanceweb.org/CENTERS/Contracting_Competitive/FCR-NOT-A0B1Z3G8C1@notification.HTML

The Government Accountability Office (GAO) Released the Following Reports, Testimony, and Correspondence:

CORRESPONDENCE
Review of OMB Circular A-76 Health Benefit Cost Factor Needed.
GAO-06-87R, November 17 http://www.gao.gov/cgi-bin/getrpt?GAO-06-87R

These and other GAO products are available from the "Reports and Testimony" section of GAO's Internet site, http://www.gao.gov.

Defense Bill Could Limit DOD Contracting Activity

The Defense Department could be limited in its ability to use contracts outside DOD, based on a provision in the Senate version of the Defense Authorization bill. To read more, click here http://www.fcw.com/article91377-11-10-05-Web

InfoReliance to Build Competitive-Sourcing Database For OFPP

The Office of Federal Procurement Policy finally will have an easier way to collect data to see whether the Bush administration's competitive-sourcing initiative is living up to its claims of saving billions of dollars and improving efficiencies. To read more, click here http://www.gcn.com/vol1_no1/daily-updates/37358-1.html

IRS Prepares for IT Competitive Sourcing Study

The IRS seeks industry capabilities that are available for a seat-management competitive sourcing study under the Office of Management and Budget's Circular A-76. to read more, click here
http://www.washingtontechnology.com/news/1_1/daily_news/27198-1.html

House, Senate Conferees Agree on 2006 Spending for USDA

Conferees put limits on USDA's spending for competitive sourcing, requiring Agriculture to obtain congressional approval for use of funds for competitive sourcing. To read more, click here http://www.gcn.com/vol1_no1/daily-updates/37442-1.html

Justice to Put Data Center Jobs Up For Competition

The Justice Department is planning competitive sourcing studies for its two data processing centers, its chief information officer said Wednesday. To read more, click here http://www.govexec.com/dailyfed/1005/102605d1.htm

Lawmakers Strike Anti-Outsourcing Measure

Democrat and Republican lawmakers have struck a deal to scuttle a controversial anti-outsourcing measure contained in a House-passed spending bill. To read more, click here http://federaltimes.com/index2.php?S=1189520

Agencies Take Actions to Improve Accountability for Results

Several steps were taken during the fourth quarter to demonstrate accountability for competitive sourcing results. http://www.whitehouse.gov/results/agenda/fy05q4-cs.doc

Expanded E-Government

Senate, House Need To Come To Terms Over E-Gov Funding

Legislation allocating $5 million for the administration's E-Government Fund and placing limits on competitive sourcing for certain agencies cleared the Senate last month and is headed for a conference committee so House and Senate lawmakers can work out differences. To read more, click here http://www.gcn.com/24_32/news/37499-1.html

Reaching the Potential of Information and Communication Technologies

Eight years ago, the South Korean Government turned to the internet to set up its purchasing system offering online information about more than 420,000 standard products. To read more, click here http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:20721189~menuPK:34457~pagePK:34370~piPK:34424~theSitePK:4607,00.html

CIOs Seek Advice From Their Elders

When Carlos Solari took over as chief information officer at the Executive Office of the President three years ago, the job seemed daunting, he said. Solari knew he had to develop a technology strategy and performance measures, but he felt snowed under by hundreds of regulations, laws and initiatives. To read more, click here http://www.fcw.com/article91402-11-14-05-Print

Providing Citizen Centered Results

The E-Gov Initiatives, in particular Disaster Management, Geospatial One-Stop (GOS), USA Services, and GovBenefits.gov, played a key role in supporting the response to hurricanes Katrina and Rita. http://www.whitehouse.gov/results/agenda/fy05q4-egov.doc

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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