

OMB Circular A-11, Part II: Strategic Plans and Annual Performance Plans

Presented By

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GPRA

Lineage:

- Construct outlined in President Reagan's last Management Report.
- First drafted in 1991 by a Republican Senator during the Bush Administration.
- Became law in August 1993. Passed by a Democratic Congress and signed by President Clinton.
 - > Bipartisan sponsorship
 - > Across the political spectrum
 - > Unanimous vote

Antecedents

- PPBS, MBO, ZBB
- Financial Statements
- Other countries:
 - The Scando-Anglos:
Australia, New Zealand, United Kingdom,
Canada, Sweden
- Sunnyvale
- Oregon
- Private sector
 - analog to the bottom

Coverage

- All Cabinet departments
 - All departmental components
- Nearly every independent agency
- Government-owned or -controlled corporations
- Only the Executive Branch
- Approximately 115 entities
 - 17 were exempted by statute or OMB

The Basic Construct of GPRA

- Strategic Plans
 - >Foundation
- Annual Performance Plans
 - >Execution
- Government-wide Performance Plan
 - >Overall relationship to budget
- Annual Performance Report
 - >Accountability
- Management Flexibility

Schedule

Pilot Phase:

- Performance measurement pilot projects
 - >FY 1994-96
 - >Done
 - All Cabinet departments
 - 14 independent agencies
 - Total of 70+ pilots
- Managerial flexibility pilot projects
 - >FY 1995-96
 - >Annulled

More Schedule

Current Phase:

- Government-wide implementation
 - > Beginning in September 1997.
 - Strategic Plans
- Government-wide performance plan
 - > February 1998 and annually thereafter.
- Performance budgeting pilots
 - > Yet-to-be
- Program performance reports
 - > A millennium happening

What Are We Trying To Do?

- Ask three questions of any manager

>What are you trying to achieve?

>How well are you doing?

>How do you know?

What Else?

- Focus on program execution
 - > Less emphasis on inputs
 - People, dollars, process
 - > More emphasis on outputs & outcomes
 - > Less emphasis on policy
- Program entirety rather than deltas

And ?

- Accountability
- Make GPRA disappear

Strategic Plans

- September 30, 1997
 - >Due to Congress and OMB
- 100 plans due
 - >94 percent delivered
 - >5 percent delayed
 - >1 percent recalcitrant
- Not since the fall of the Soviet Union
- Marvel of procrastination
 - >50 months post-enactment

What's In A Plan?

- Six required elements
 - >Mission statement
 - >General goals and objectives
 - >Means and strategies
 - >Relationship between general goals and annual performance goals
 - >External factors
 - >Program evaluation

More On Strategic Plans

- Cover at least a six-year period.
- Revised and updated every three years.
 - >By September 2000
 - >Minor adjustments can be made annually.
- Consultation with Congress
- Outreach and opportunity for interested or potentially affected parties, e.g., stakeholders, customers, to provide views

Getting To September 30th

- OMB Guidance
 - > Issued September 1995
 - > Interagency task group (Jan. 1995)
- OMB Reviews of Draft Plans
 - > Summer 1996, Spring 1997.
- GAO
 - > Checklist
 - > Letter reports
- Congress
 - > House teams
 - > Scorecard

More on Getting There

- Interagency clearance
 - >OMB checklist
 - >Consistency among goals for cross-cutting programs
 - >Consistency with President's program
 - A strategic plan is not a budget request!
- Transmittal letter
 - >Summary of consultation
 - >Contrary views
 - >Use of contractors/consultants

What's the Result?

- No perfect plans
 - >No model plans, either.
- Substantial improvement from earlier drafts.
 - >Higher scores
- 94 agency plans that were sent on time, and the met the basic requirements of the statute.
- A likelihood that many agencies will make minor adjustments to these plans next February.
- Continuing selected consultation.

Using Strategic Plans

- Foundation for annual performance plan
 - >Progress in accomplishing long-term goals.
 - >Incremental and derivative.

Annual Performance Plan

- Three basic elements:
 - > Annual performance goals and indicators
 - > Means and strategies
 - > Description of how data will be verified and validated.
- Distinctions:
 - > All program activities vs. major functions
 - > Tied to specific budget accounts rather than agency aggregate level.

Sequence of the Annual Performance Plan

- September:
to OMB with the budget request
- February:
to Congress, concurrent with the President's budget.
>revised to reflect budget decisions.
- September/October:
'operating plan' at agency choice.
>revised to reflect appropriations.

Nuances

- Alternative form of measurement
 - > non-qualified goal
 - > authorized by OMB
 - > descriptive statements of satisfactory and minimally effective program
- Aggregation, dis-aggregation, consolidation of program activities
- Budget year funding of future year performance
- Budget year performance funded by past years

More Nuances

- Use of regulation and tax expenditures
- Managerial Flexibility Waiver Requests
- Management problems
- Capital planning

Several Examples of Goals

- Improve productivity by 10 percent.
- Promote economic growth in Appalachia.
- Maintain combat forces at a high level of readiness.
- Reduce product defects.
- Eliminate errors.

Web Sources

Fedworld: www.fedworld.gov/pub/results/results.htm

NPR: www.npr.gov/initiati/mfr/

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