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

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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
  – 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

• 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 the 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/

Congressional Institute:  server.conginst.org/conginst/results/

Financenetc  www.financenetc.gov/financenetc/fed/cfo/gpra/

GAO:  www.gao.gov/special.pubs/gpra.htm

Government Executive:  www.govexec.com/dailyfed/0997/090897b1.htm

Mr. Armey:  armey.house.gov/results/welcome.htm