



PARTNERSHIP FOR PUBLIC SERVICE

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Part II, Outside Views”**

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Chairman Carper, Ranking Member Coburn, and Members of the Committee, thank you for the opportunity to appear before you today. I am Max Stier, President and CEO of the Partnership for Public Service, a nonpartisan, nonprofit organization dedicated to revitalizing the federal civil service and transforming the way government works. I appreciate your invitation to testify on opportunities to improve the management of the executive branch.

The management challenges facing our federal government are daunting. I know the Committee recently heard the testimony from OMB, GAO and GSA in an effort to identify practical, achievable improvements in how we manage all of the resources at the federal government's disposal, and to address the chronic problems that defy short-term solutions and transitional leadership. I applaud the work that Beth Cobert is doing as OMB's new deputy director for management, and I believe I speak for all of us when I say we would like her to succeed and stand ready to assist in any way we can.

Having said that, improving the management of our government is not a one-man or one-woman job. It requires collective effort, sustained over time, with a focus on clear objectives and measurable results. In my testimony, I would like to share several ideas where I believe this Committee's efforts are most needed, and would yield the most impact.

- 1) Reduce the number of vacancies in critical management positions

Mr. Chairman, I have heard you refer to the high number of vacant posts in our government as "executive branch swiss cheese," and I applaud you and your colleagues on the Committee for calling attention to the fact that vacancies in senior posts reduce accountability and diminish the capacity of federal agencies to get things done. This has to change, and we suggest that now is a good time to start.

There are many reasons for the slow pace of filling vacancies, and there is no one fix. However, this Committee could do a world of good by setting a new expectation that future presidential administrations should work to have their 100 most critical management and security positions filled by May 1st of an inaugural year, and have the top 400 positions filled by the August recess. It is an ambitious goal, but if the Senate sets the expectation and works in good faith to consider nominations fairly and expeditiously, it is achievable.

Even with a full team in place, an administration will not function well if its senior appointees are not fully prepared for the challenges of governing in the federal environment. Appointees must have the tools they need to succeed in their jobs, and this includes learning from others who know from personal experience the policy and implementation challenges facing new appointees. Too many appointees waste the time between nomination and confirmation because they fear crossing a line of what is appropriate for a nominee awaiting action by the Senate. We believe that Congress should actively encourage nominees to seek information, learn from others who have been in those jobs, and make the most of the time available to them during the confirmation process. This Committee in particular is well-positioned to set an example for the rest of the Senate, given its tradition of leadership around presidential appointment and transition issues.

Setting these expectations now, and securing the bipartisan support of your Senate colleagues, will give the next presidential transition teams the guidance they need to ensure that our next president has a full team on the field as quickly as possible, and that the team is well-prepared to govern effectively in the federal environment.

We also urge this committee to consider legislation requiring all C-Suite positions be filled by a career appointee for a renewable term of six years with performance contracts. This would reduce the overall number of political appointees and ensure long-term perspective and leadership continuity between administrations.

The Partnership has additional recommendations regarding presidential transitions, and the opportunity inherent in transitions to hit “reset” and do things better and smarter. These ideas include building on the excellent work you have already done to reduce the number of positions subject to Senate confirmation, and the early steps taken to reduce the paperwork required of nominees. We would be pleased to discuss these and other recommendations with you in greater detail.

2) Focus on execution, and engage the private sector to help

Members of Congress and executive branch officials spend vast amounts of time and energy developing policy. Outside interests – including the business community, nonprofit organizations and the general public – invest heavily in influencing policy and exercising their right to petition our government. But formulating policy is just a small part of making our government work. For all the time spent on policy, we would be well-served if at least as much effort was devoted to execution.

Congress has a critical oversight responsibility, but in our view, oversight often takes the form of an investigation after government has failed in some way. We believe that Congress should do more to oversee the execution of government policy and programs before there is a problem. Understanding how a policy is being translated into mission objectives, how it is being implemented, what skills and expertise are needed, and whether resources are appropriately aligned against performance goals are critical questions that are often asked too late, or not at all. Asking hard questions early and working across branches, and across agencies, to “get it right the first time” should be regular practice and part of the culture of governing. It is concerning that Congress is spending far fewer hours conducting oversight hearings than it has in the past. For example, in the 104th Congress, lawmakers spent 5,397 hours in hearings, but in the 111th Congress those numbers had dropped significantly to 3,758 hours.¹

One important ally in the quest to improve government’s performance is America’s corporate community. Our nation is fortunate to have robust and innovative businesses that have modernized and evolved along with the market. They can serve as advocates and advisors as federal leaders wrestle with using technology, measuring performance, building capacity, streamlining operations, engaging stakeholders and other critical management challenges.

The Partnership has proposed a government-wide talent exchange that would enable senior career employees to spend time in a private sector company, and enable private sector talent to serve temporarily in a federal agency. The idea is to enable better learning across sectors, and the sharing of best practices and new ways of thinking. The idea is not new and it occurs in pockets throughout government, but we believe a government-wide talent exchange authority would have merit and is worth the Committee’s consideration.

Another idea you may consider with respect to talent exchanges is a program to allow congressional staff to serve some time on assignment in a federal agency. I understand that this would be asking Congress to give up an already scarce resource – your people – for a period of

¹ American Enterprise Institute and Brookings Institution, “Vital Statistics on Congress”, July 2013.

time. But as someone who has served in all three branches of government, I believe it would add to the Committee's understanding of management and governing challenges in real and significant ways.

3) Treat government as a single enterprise

Government agencies operate as separate, largely independent organizations; only in times of crisis are multi-agency resources leveraged to address a single problem. But today's challenges are complex and can rarely be resolved effectively by one agency acting alone. The result is subpar performance, along with duplication, overlap and inefficiency.

The Government Performance and Results Modernization Act passed by this Committee is a good start, and we applaud the Obama administration for laying a solid foundation for enterprise government by establishing cross-agency goals and identifying goal leaders from OMB and the agencies. However, we believe the White House should extend even further the enterprise approach to a broader array of cross-cutting goals, missions and administrative functions, investing in the infrastructure necessary to ensure that this approach becomes the accepted norm.

We believe it is critical that the President develop and publicly commit to a strategic enterprise performance plan that identifies the broad array of missions and functions (including the top presidential priorities) that can best be achieved by the whole-of-government enterprise. The plan would set outcome and time-based goals for enterprise missions and functions and put the necessary infrastructure and accountability mechanisms in place to increase the likelihood those targets are achieved. Presidential commitment to and ownership of this strategic enterprise performance plan is absolutely essential to its success. The President's Management Council (PMC) should play a critical role in implementing the plan, holding officials accountable for turning the plan into reality through rigorous performance reviews for each cross-agency priority, mission and management function.

The Partnership recently issued a report, *Building the Enterprise: Nine Strategies for a More Integrated, Effective Government*. In the report, we advocate for a collaborative, multi-agency approach that integrates and leverages the enterprise – that is, the whole of government – to solve today's complex challenges. Encouraging an enterprise approach is one way that Congress can respond to the fragmentation and overlap that continue to exist across agencies and programs, and which we know have been of significant concern to members of this Committee. Common-sense solutions like leveraging federal buying power or sharing mission-support services are possible when we build government's capacity to plan, manage and measure cross-agency goals and missions.

4) Celebrate what is working in government

No organization will improve if we continually tear it down, and the federal government is no different. There is a massive infrastructure in place to expose things that are wrong in government – the agency inspectors general, GAO, congressional oversight, the media and outside “watchdog” organizations – but virtually nothing to highlight what is right so that it can be celebrated and replicated. The Partnership hosts the *Service to America Medals (Sammies)* program, which has become one of the premier recognition programs for great innovation and achievement by federal employees. The accomplishments of *Sammies* winners and finalists are extraordinary – e.g., enabling military amputees to return to active duty, eradicating polio in India, saving the Air Force \$1 billion in fuel costs in a single year – and after twelve years

running the *Sammies* program, we have about 400 more true and inspiring stories like these to share. These accomplishments are a treasure trove of government success, and they deserve to be highlighted and celebrated. The 2014 gala will be on September 22nd. We would love to have you come to see what great government looks like.

5) Hold agency leaders accountable for managing people well

The Partnership's *Best Places to Work in the Federal Government* rankings (www.bestplacestowork.org), which are based on the Office of Personnel Management's Federal Employee Viewpoint Survey, tell a troubling story. Federal employee engagement numbers have been declining steeply for several years in a row. While we suspect that pay freezes, furloughs and anti-government rhetoric are contributing factors, we also know that it is possible to improve employee engagement, even in difficult environments, if leaders are held accountable for doing so. In 2013, for example, nearly one quarter of federal organizations improved their scores, despite the challenging year. NASA, the number one agency in 2012, was not only awarded the top spot again in 2013, but it was also the most improved agency. We urge this Committee to ask the agency leaders who come before you how employee morale is contributing to agency performance, what they are doing to improve employee morale and engagement, and how they will know if their actions are making a difference. Knowing that Congress cares about this critical management metric would drive the rest of government to pay attention to these issues in ways that are not happening today.

6) Develop, manage and engage the senior career leadership of government

The group most essential to the long-term success of government is the Senior Executive Service (SES), the approximately 7,000 career executives who are the top career professionals that manage government programs from administration to administration. This elite cadre of leaders provides continuity across administrations and serves as the bridge between political appointees and the federal workforce.

The challenges our executives face today are greater than ever and the problems they are trying to solve cross traditional boundaries. They require leaders who can serve as enterprise executives and work across government and sectors to achieve their missions. To ensure our federal government has the very best executive leadership team, we believe agencies should identify high-performing talent early and provide opportunities for employees to have broadening experiences, such as rotation assignments to other sectors, levels of government or agencies. This diversity of experience is critical given the nature of the challenges executives will be tasked with solving and will help candidates develop an enterprise perspective. We encourage this Committee to pass legislation that would make experience in another sector, level of government or agency a requirement for entry to the SES. In addition, we believe agencies would benefit greatly from building a pipeline of talent external to government that can contribute new ways of thinking and best practices from other sectors. We encourage agencies to make necessary reforms to the recruiting and hiring process to attract, hire and retain more external talent.

Once executives are selected, agencies should invest in a robust onboarding program to help them succeed. An onboarding program could include elements such as 180- or 360-degree assessments, executive workshops on topics such as how to improve employee engagement or deal with poor performers, group coaching, action-learning projects and mentoring. Executives will need further opportunities to grow and develop during the course of their tenure in the SES. One way to do this is by providing rotation assignments and opportunities for executives to be deployed as a government-wide asset to help solve the federal government's most complex challenges and

achieve cross-agency priority goals. We believe the PMC, working with OMB and OPM, should own leadership in government and ensure it is managed and deployed to achieve these goals.

More must also be done to engage the existing career leadership in government around the President's Management Agenda (PMA). We encourage President Obama to meet with the full SES to communicate his vision for the PMA, energize them to reach these goals and make the connection to their jobs so they own the management agenda and drive it forward. President George W. Bush and President George H. W. Bush held similar meetings with their executives. President Obama will have more success in implementing his agenda if he follows suit and actively engages his executive leadership team.

7) Create a scorecard to hold political leaders accountable

Engaging career leadership is critical, but senior political leaders must also be held accountable for the effectiveness of their organizations. We are pleased to see that the agency deputy secretaries are holding quarterly meetings to discuss their agency's performance metrics. This is the right model, but we would like to see the deputy secretaries go further and include more management issues as part of these conversations. The recently established CAP goals dealing with customer service, shared services and people and culture are good examples of cross-cutting management issues where a real difference can be made if focus is sustained and progress is measured.

The PMC should agree upon a set of metrics, which would be collected, discussed and ultimately shared with the president on a quarterly basis. Such measures could include employee engagement, quality of new people coming into government or quality of leadership. Ultimately, these measures would be part of a scorecard that President Obama could use to hold his top political leaders accountable. Current plans by the administration in this regard are headed in the right direction. Continued attention to these issues by this Committee would also help sustain the effort.

8) Reform the civil service system

Today's hearing adds to the conversation about improving the management of our government. I believe we need a similar conversation around the need to reform the civil service, as it is both one of government's greatest assets and one of its greatest management challenges. Designed more than 60 years ago, the personnel system governing more than 2 million workers is a relic of a bygone era, reflecting a time when most federal jobs were clerical and required few specialized skills, and when the government's role in society was smaller and far less complicated. The world has changed dramatically, but the civil service system has remained stuck in the past, serving as a barrier rather than an aid to attracting, hiring and retaining highly skilled and educated employees needed to respond to today's domestic and global challenges. Civil servants are the government's greatest assets, but they are ill-served by the system in which they work.

On April 2nd, the Partnership will release a framework for civil service reform. Our goal is to start a conversation about how to modernize a system that in its current form was largely designed in the 1940's and received its last comprehensive update in 1978. We know civil service reform will be a significant undertaking – the Senate Governmental Affairs Committee held 12 days of public hearings and seven markup sessions when it considered the Civil Service Reform Act of 1978 – but we believe it is critical and deserves such deliberation to ensure all voices and perspectives are heard. This Committee's leadership will be essential, and we hope

you will consider a series of hearings in the coming months on opportunities to improve the civil service system for the benefit of agencies, federal employees and the people they serve.

Mr. Chairman and members of the Committee, thank you for the opportunity to appear before you today, and for your critical interest in the management of our federal government.