

Getting Ahead

NEWS AND ADVICE FOR YOUR CAREER AND FINANCES

Best program strategies focus on outcomes

By FRANK JOSSI

Many agencies this year are on their third version of strategic plans first required in 1997, but several still struggle with the process.

Many officials who craft their agencies' plans still have difficulty pinpointing the desired outcomes of their programs and defining credible and consistent metrics with which to measure those outcomes.

John Mercer, as a Senate Governmental Affairs Committee counsel, was a principal author the 1993 Government Performance and Results Act that mandates the strategic plans. Today Mercer operates a consulting firm that helps agencies write strategic plans. He does not lack for clients.

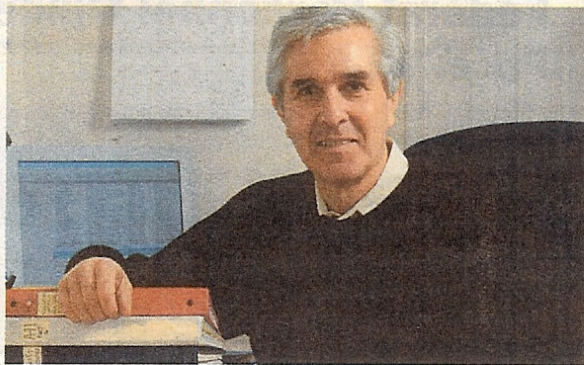
The most common problem that agencies face is that "they're not outcome oriented" in writing the strategic plan, Mercer said. "They're good at stating 'here's what we do' but that's not good enough. They need to have specific, outcome-oriented goals and strategy to get to those results, not a strategy that says, 'Give us more money.' You have to show how, with the financial resources you have, you can get to those results."

For example, a goal that says an agency plans to encourage employees to "respect each other's opinion" is nothing more than a slogan, said Mercer. It works as a goal if the agency plans to survey employees every year and sets a reasonable benchmark for success — a certain percentage of employees agreeing that the agency respects their opinion.

Congress passed the Results Act to require agencies to develop strategic plans complete with measurable goals and a game plan to reach them. Never before had Congress and the president asked agencies to detail fully what they did and propose goals for doing it better.

Think of the Results Act as a three-chapter book. The first part, a long-term strategic plan, lays out general goals and objectives of a particular agency. The second chapter, the annual performance plan, proposes specific measurable goals for all of an agency's activities. The final chapter is an annual performance report, which provides a progress report.

The 200-plus page document works as both a doorstop and a



ALAN LESSIG/FEDERALTIMES

John Mercer, who helped author the 1993 Government Performance and Results Act, says it's not enough for agencies to simply have goals — they must specify how they will achieve them.

sweeping insight into an agency's mission, operations and plan for improvement.

Making the strategic plan a management tool requires cascading the key goals down to managers along with ideas on how to meet them.

"A manager has to be able to say, 'These things over here on page 87, that's what I'm working on,'" Mercer said. "If the goals are too general they can't find themselves in the plan."

The strategic plans are vetted by the Office of Management and Budget and sometimes garner additional oversight from the General Accounting Office and Congress. Mercer said the two agencies with the best strategic plans are the Transportation and Labor departments. Each approached the tasks in unique ways with good results.

Teaming on strategies

At Transportation, before crafting a new performance plan in 2002, 30 to 40 representatives of 10 operating agencies met monthly and shared information with one another through phone calls and e-mail, said Jim McEntire, who worked in the department's budget office and oversaw the performance planning process before moving to the Labor Department last year.

The Federal Aviation Administration (FAA), the National Highway Traffic Safety Administration (NHTSA) and other agencies wrote their own strategies and goals, and those were incorporated into the department's overall strategic plan, he said. Information from front-line managers and administrators, in turn, was gathered to craft the divisions' plans.

The division managers explain how they're going to carry out the

goals that Congress, government commissions or their own departments set for them. For example, a presidential commission recommended in 1997 reducing the fatality rate on commercial flights by 80 percent by 2007. The NHTSA wanted to reduce accidents by more than 40 percent by 2008. The department's two strategic plans focus on those goals and adopt methods to attain them, from increased inspections of large trucks to adding rumble strips and other safety features to federal highways.

Transportation has a rich motherlode of data, making goals fairly easy to establish, McEntire said. While putting down goals and strategies is important, "it's even more important to look at what the trend is. If you make your numbers, it's good. If you're doing it over time and things are moving in the right direction, it's just as good," he said.

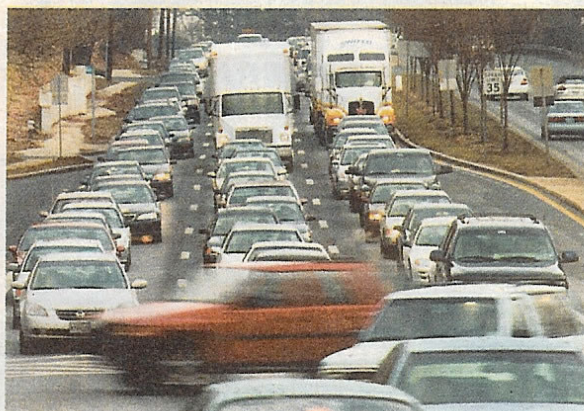
The process took four months and resulted in a document in excess of 200 pages. Transportation has enjoyed some success in changing in-house discussion from one of inputs and outputs, to one of outcomes.

"Habits of thought are sometimes the most difficult thing to change in a large organization," McEntire said.

New goal at Labor

Labor's new strategic plan added one goal — creating a competitive work force — to the initial three goals it had in a former strategic plan, said Patrick Pizzella, the department's assistant secretary for administration and management. The earlier plan outlined a strategy for producing a prepared, secure and qualified work force.

"The new goal really deals with



GANNETT NEWS SERVICE

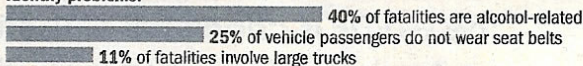
STRATEGIC VIEW

Managers must go through a series of steps to write their agencies' strategic plans. For example, the Transportation Department sets a goal of making highways safer:

Goal:

Reduce the number of highway fatalities per 100 million vehicle miles from 1.7 in 1996 to 1.0 in 2008

Identify problems:



Identify remedies:

- Encourage states to enforce laws related to seat-belt use and drunk driving
- Increase truck inspections
- Add rumble strips, other safety features to federal highways

Adopt measures:

- Highway fatality rate
- Large truck-related fatality rate
- Alcohol-related fatality rate
- Percentage of front-seat occupants using seat belts

SOURCE: Transportation Department 2003-08 Strategic Plan

GRAPHIC BY LISA ZILKA CHAVEZ

the 21st century and how we need to compete in a new world," he said.

The new goal, along with continuing strategies and research into outcomes, came about after six to nine months of meetings with representatives of Labor's 19 divisions and the department's top leaders. Those representatives gather information not only from their divisions but also from their constituencies at the regional and state level, he said. For example, producing a competitive work force requires improved collaboration between business and training providers at the state level.

"They often make some good points," said Pizzella of groups outside of Labor who have a stake in the agency. "These plans are hatched in Washington, and we like to hear from users who point out how there might be a better way of doing business."

Each goal has subgoals, he explained. For example, the goal of creating a quality national work force calls for reducing injuries, providing equal opportunities and

reduced exploitation of child labor. Labor, for instance, sees as a subgoal reducing injuries in several industries and sets benchmarks for the five most hazardous industries. For mining, the goal has been to reduce injuries 15 percent; the last survey showed a 9.6 percent drop. The statistics show progress, if not quite success.

Labor's strategic plan was judged the best of any agency by a management institute at George Mason University. Pizzella ticks off the keys to the department's strong strategic planning, among them strong support from agency head Elaine Chao, good committees and subcommittees working on goals and moving them down to the front-line worker, frequent measurement of progress, and a push for constant innovation.

Strategic plans, Pizzella said, are about "creating measurable outcomes and goals and then having regular follow-up to measure progress. If the indicators along the way don't look good, the plan also helps you get back on track."