

EXECUTIVE OFFICE OF THE PRESIDENT
OF THE UNITED STATES

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PRESIDENT'S MANAGEMENT ADVISORY BOARD

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MEETING MINUTES

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FRIDAY
APRIL 25, 2014

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The Board convened in Room 350 of the Eisenhower Executive Office Building located at 1650 Pennsylvania Avenue, Northwest, Washington, D.C. at 9:00 a.m., Beth Cobert, Chair, presiding.

PMAB MEMBERS PRESENT

BETH COBERT, Chair
SAM GILLILAND
JEFF KINDLER
GAIL McGOVERN
ENRIQUE SALEM
LIZ SMITH (via telephone)

GSA STAFF PRESENT

STEVE BROCKELMAN, Designated Federal Official and Executive Director, President's Management Advisory Board

ADMINISTRATION OFFICIALS PRESENT

KATHERINE ARCHULETA, Director, Office of Personnel Management
NANI COLORETTI, Assistant Secretary for Management, Department of the Treasury
CAROLYN COLVIN, Acting Commissioner, Social Security Administration
MIKE CONNOR, Deputy Secretary, Department of the Interior

BILL CORR, Deputy Secretary, Department of Health and Human Services

CHRIS CUMMISKEY, Acting Under Secretary for Management, Department of Homeland Security

LISA DANZIG, Associate Director of the Office of Performance and Personnel Management, Office of Management and Budget

THERESA GRUBER, Assistant Deputy Commissioner for Operations, Social Security Administration

ELLEN HERBST, Chief Financial Officer and Assistant Secretary of Administration, Department of Commerce

VALERIE JARRETT, Senior Advisor, Office of the President of the United States

HELEN KANOVSKY, Acting Deputy Secretary, Department of Housing and Urban Development

CHRIS LU, Deputy Secretary, Department of Labor

TYRA MARIANI, Chief of Staff to the Deputy Secretary, Department of Education

VICTOR MENDEZ, Acting Deputy Secretary, Department of Transportation

SARAH BLOOM RASKIN, Deputy Secretary, Department of the Treasury

JOE SALVATOR, Deputy Assistant Administrator, Office of Security Operations, Transportation Services Administration, Department of Homeland Security

ERIC SELEZNOW, Acting Assistant Secretary, Employment and Training Administration, Department of Labor

DAN TANGHERLINI, Administrator, General Services Administration

Mr Brockelman called the meeting to order at 9:04 a.m. He welcomed those in attendance. The President's Management Advisory Board (PMAB) is governed by the provisions of the Federal Advisory Committee Act. The meeting was open to public observation via webcast.

Chair Cobert said the PMAB would discuss how it can continue to improve management across the federal government to positively impact citizens and businesses. She welcomed Valerie Jarrett, Senior Advisor to the President of the United States, and thanked her for attending the meeting.

Ms Jarrett thanked the Chair and the Executive Director for their leadership. She welcomed the members of the PMAB to the White House on behalf of the President of the United States. The President has a big agenda for the coming year, and is committed to ensuring that the executive branch runs efficiently and smoothly. PMAB's members have expertise that will be helpful to the federal government. The President takes PMAB's advice and counsel seriously. She thanked PMAB for their efforts, which are sincerely appreciated.

Chair Cobert reviewed the agenda for the meeting. The main focus of the meeting would be about achieving world-class service. Presenters from the agencies would provide case studies of their particular issues and the challenges they face. Introductions were made.

Update on the President's Management Agenda

Chair Cobert provided the update of "how we got here and where we're going." The Second-Term President's Management Agenda was formulated in a process that began by listening to PMAB members, federal workers from frontline supervisors up to cabinet members, Congress, and the American people. The Agenda has four central pillars: effectiveness, efficiency/value, economic growth, and people & culture. The Administration is grateful for PMAB's contributions to the Agenda. People's expectations with respect to customer service have risen over time.

The Infrastructure Permitting Dashboard tracks progress of significant projects with the aim of accelerating the permitting process. Effectiveness will be improved through the smart deployment of Information Technology (IT) resources. Efficiency will be improved through expanding shared services, the Freeze the Footprint goal for federal workspace, grants reform, and reducing the rate of improper payments. Economic growth will be improved by investing in efforts to bring the products of federal research to entrepreneurs. The engagement of the federal workforce is critical to the success of all these efforts, and a dashboard to monitor engagement has been implemented at the operating unit level.

The Government Performance and Results Act (GPRA) Modernization Act provides a framework for driving performance management. The Act mandates the identification of a finite number of goals, people who will work toward those goals, quantifiable targets and public reporting.

Chair Cobert provided her initial observations on the Agenda. Real progress is being made within agencies on many of the initiatives that make up the agenda, in some cases leading to significant impacts (especially in talent exchange and buying smarter). Sharing best practices can drive change throughout the federal government, increasing the impact that government can deliver. How can we increase the pace at which we replicate good things across the government? Best practices are shared through some formal forums. She invited comment on how to go about sharing best practices within and across agencies.

Ms Herbst said several interlocking councils have been formed to share best practices. They do so through the use of online tools. Ms Coloretti said Office of Management and Budget (OMB) has been helpful by pushing for coordination and collaboration. Chair Cobert asked how to inculcate the mindset of improvement and bring it to scale. Ms Colvin said publishing goals and performance against those goals has been helpful in sharing best practices.

Progress on Ongoing PMAB Initiatives

Mr Tangherlini provided the update on Strategic Sourcing Priorities. He thanked the PMAB members for their continued service. General Services Administration (GSA) has enjoyed some tremendous success, thanks in part to the work of PMAB. People often fail to realize the scale and scope of the federal government and thereby miss opportunities for collaboration and cooperation. “Going to market with a single face” will provide the best value and, oftentimes, the best quality to the government.

The Strategic Sourcing Leadership Council, comprising agencies with 80% of the federal buy, meets quarterly to report on progress toward goals. GSA measures its market share as a proxy for spend under management. Approximately \$300 million have been saved under the initiative so far, but more important is the opening of barriers that have prevented collaboration. The biggest such opening has been the identification of prices paid, inculcating a spirit of competition among contracting officers. Category management will further the success already realized by the Council. GSA is committed to using data as leverage to drive behavior. GSA is developing cost-to-spend metrics to measure how much it costs to realize savings. Can we reduce acquisition duplication? The money agencies save is kept by them and can be applied to their missions. Ms Herbst said upcoming efforts will focus on teaching individuals that money saved will be reinvested in their agency’s mission. Line managers need to do a more sophisticated analysis of their requirements. Mr Tangherlini asked how to convince people to cede some control. Member Gilliland asked whether GSA has the data it needs to assess the progress it’s making. Mr Tangherlini said they are making progress, but victory is not around the corner. Agencies need common contract-writing systems. Ms Archuleta said GSA taking on some of the Office of Personnel Management’s (OPM) contracting work frees up OPM employees to focus on other projects.

Mr Tangherlini provided the report on the Freeze the Footprint policy. For the federal government’s real property, FY15 will see the cost curve slow its rate of increase and turn downward. This accomplishment has been achieved by asking agencies to adopt baseline benchmarks and report their results. The goal is to reduce office space

requirements across government. Technology advances have allowed the proliferation of telework eligibility, reducing floor space needs while increasing productivity. Freeze the Footprint has provoked a larger conversation about how government sees itself performing its work in the future. It is difficult to quantify the productivity impacts of open office arrangements because baseline numbers are not available. The federal workforce is changing and with it their attitudes about work environments. Member McGovern said GSA should demonstrate that the program works, gain trust and over-communicate. Member Gilliland said telework is viable but supervisors need to set goals for workers and trust them. Ms Mariani said one of the challenges she faces is training managers to manage remote employees. Member Kindler suggested periodic video teleconferences to maintain eye contact in a format where people cannot multitask.

Ms Archuleta provided an update on Senior Executive Service (SES) Development and Performance Measurement. The federal government must be tech-savvy to manage a workforce dispersed to every state in the union. When it comes to training, what are methods to reach the most employees in the most effective way? In FY13, federal agencies experienced significant budget reductions, resulting in deep cuts to spending on training. As a result, OPM and OMB partnered with federal agencies to provide enterprise executive development solutions across agencies. OPM will lead an SES Onboarding initiative, identify a curriculum for SES leadership development, and will partner with stakeholders to deliver enterprise and cross-agency executive development solutions. Ms Archuleta seeks input from the PMAB on how to anticipate the needs of the workforce of the future.

Member Gilliland asked for comment on the newly implemented performance appraisal process. Has the process been helpful in differentiating performance and providing guidance on career progression? Member McGovern said, in addition to those appraised, appraisers must also be examined. Ms Herbst said more work and discussion is needed to create a plan for increasing SES mobility, one of the original goals of the initiative. Member Salem said measurement must be consistent across raters.

The Advisory Board recessed between 10:31 and 10:42 a.m.

Discussion of 2014 Focus Areas

Ms Colvin and Ms Danzig provided an introduction to the case study reports on customer service. Ms Danzig said the goal of this cross-agency priority is to create a better match between customer expectations and the delivery of services and products. Staff seeks comments from PMAB Members on inculcating a service culture and on how to create metrics to determine success. Previous Administrations have made efforts to improve customer service. President Obama issued Executive Order 13571 in 2011 requiring agencies to identify a person responsible for improving customer service and to develop customer service plans that identify implementation steps for their customer service activities, including a signature technology-based initiative. Ms Colvin said Social Security Administration (SSA) is working to streamline transactions and develop

standards for high-impact services. How do we scale up our online business to accommodate customers who want to interact that way?

Ms Gruber of SSA provided the case study report on Customer Service. SSA is in the midst of shifting from a community-based model of service to one that maintains that even as it incorporates new modes of interaction. SSA pays about \$850 billion annually to 65 million people each month, with a 1.4% administrative cost. Last year, SSA saw 43 million office visitors and received 70 million calls from beneficiaries. This year, 50% of retirement and disability claims will be filed online, as will 70% of Medicare claims. How do we get customers to accept new service delivery channels? The new portal "my Social Security" will engage customers earlier and throughout their lives; 11 million users so far have signed up for the service. Mobile-based interactions have increased dramatically, and SSA wants to do more in this mode. New models for customer engagement may include video conferencing and/or web collaborations. gOnline is SSA's portal for staff (some 35,000 employees at 1,200 field offices), giving them access to marketing and informational resources. Challenges for SSA include maintaining an agile and adaptable workforce, managing with resource uncertainty, improving time to market, ensuring access for vulnerable populations, combating fraud and protecting privacy, and legislative and regulatory limitations. Ms Colvin said an additional challenge lies in managing interactions with state programs which handle a significant portion of Social Security (SS) benefits delivery and interactions.

Member McGovern said that 20 years from now, no one will want to visit a field office or handle social security issues over the phone. Think now about that end state and prepare for that. "Your whole philosophy has to be around humanless interactions," including training beneficiaries to move to new modalities. Member Smith suggested a paradigm of assuming that SSA has no choice but to move toward technology-based interactions. Ms Bloom Raskin said SSA needs to think through how to prevent data breaches.

Mr Salvator of the Transportation Security Administration (TSA) provided the case study report on Managing across a Dispersed Workforce. TSA employs 48,000 uniformed workers at 448 airports. This workforce screens 1.8 million passengers, 1.2 million checked bags, and 3 million carry-on bags daily. TSA has shifted its strategy from one-size-fits-all screening to a risk-based, intelligence-driven approach, including Pre ✓™. TSA customer support initiatives include the My TSA app, a phone contact center, TSA Cares for travelers with disabilities and certain medical conditions, support for injured service members, and passenger support specialists. Customer service challenges include balancing service and security concerns, maintaining workforce morale, educating the public, managing media, and workforce communication. Screeners are distributed around the country and are away from computers during working hours.

Member Kindler asked for comment on how TSA had improved its customer service over the last five years. Mr Salvator said management focused on employee conduct, boiling policy down to ten simple principles of behavior. Supervisors were made accountable for providing training to their employees. Member Salem said random

checks are necessary and people will come to accept them, but inconsistency across airports is frustrating. What are the barriers to consistency? Mr Salvator identified issues around communicating with employees due to infrastructure limitations. Member Salem suggested formation of a social media strategy to monitor and respond to emergent issues in the social media environment. Media should be aggregated and patterns identified. Member Smith said bad behavior cannot be completely eliminated but can be mitigated through media and marketing strategies. Member Gilliland suggested publishing performance data and feedback to improve consistency. Chair Cobert said a larger issue worthy of further discussion was the follow-up to benchmarking. Member Salem suggested identification of a “customer service champion.” Member McGovern said employee satisfaction is a leading indicator for customer satisfaction.

Mr Seleznow of the Department of Labor (DoL) provided the case study report on customer service in the Workforce Investment System (WIS). WIS serves 18 million jobseekers and distributes \$3.4 billion annually. The system has two customer bases: employers and jobseekers. Training is provided at American Job Centers (AJCs), of which there are 2,532. The AJCs saw a 150% increase in walk-ins during the recent recession, although funding decreased. Funding flows in turn from DoL to state workforce investment boards, local workforce investment boards, AJCs and service providers. Users of the AJCs are triaged so they can meet with appropriate personnel. WIS keeps metrics on seven parameters, including jobs obtained, retained and salaries made. The funding stream makes it difficult to mandate collection of certain types of data.

Member McGovern suggested the addition of success parameters. She said the WIS is “crying out for standardized IT,” along the lines of LinkedIn. Exogenous events may destroy the accuracy of the metric, but the collection of the data will remind staff that the data is important. Chair Cobert said DoL should learn more about the statistical connection between job placement and customer satisfaction. Member McGovern suggested a hybrid approach of web-based technologies coupled with face-to-face interaction.

Meeting Summary

Chair Cobert provided a summary of takeaways from the day’s meeting: thinking more about technology as the default to help customer service; leveraging employee and user communities as a source of mutual assistance; finding ways to improve training for remote workforces; identifying customer loyalty champions within organizations; and creating meaningful and actionable metrics. Member Kindler suggested convening SES groups to share best practices and highlight successes. Member McGovern said she was once again struck by the federal workers’ talent, passion, commitment and desire to serve. Member Gilliland said good progress is already being made. This is an opportunity to set some audacious goals around improving customer service. Member Salem said there should be more mechanisms to share government’s success stories. “Improving customer service is a journey, not an event.” Member Smith said, to improve customer service, it is important for employees to hear directly from the customers about how employees’ actions have had an impact on customers’ lives. Chair

Cobert said the President's Management Agenda was created to help give the American people the government they deserve. The meeting was adjourned at 12:24 p.m.