

**14. USA**

*William P. Shields, Jr., Program Associate, National Academy of Public Administration with J. William Gadsby, Director, Management Studies Program, National Academy of Public Administration*

**Overview**

In the 1990s, many Americans believed that government had become too large and ineffective in responding to their needs. Many had “grown tired of new government programs initiated every year, with none ever ending. They were tired of senseless sounding government jobs, tired of larger and larger bureaucracies in Washington interfering more and more with their lives.” (Gore 1996)

Aside from the American public’s sentiment, there was general recognition that **agencies focused on processes when implementing government programs, not on the goals or results those programs were designed to achieve.** At the same time, many of the laws and regulations under which the government operated were arcane and burdensome, preventing agencies from taking advantage of innovative practices.

**The sequence of reforms**

The National Performance Review/National Partnership for Reinventing Government (NPR) undertook its initiatives in three phases.<sup>1</sup>

**Box 1 Three phases of reform in the USA**

Phase I 1993-1994	NPR began its work by identifying fundamental reforms to the governmental process, including customer service and procurement. It considered downsizing to be a major objective, while identifying waste and opportunities for management improvement. Agencies were ordered to develop customer service plans.
Phase II 1995-1998	NPR redirected its focus from process reforms to the basic question of what government should do. One reason for this refocus was the shift in congressional power from the Democrat to Republican party. Republicans ran on an agenda of rethinking the notion of “Big Government.” During this phase, NPR considered ways to devolve some authority and functions to state and local governments, and it proposed increased use of private entities to deliver services. User fees and agency reorganization were advocated and/or undertaken.
Phase III 1998-2001	NPR shifted its attention to “new ideas,” including efforts aimed to improve chronically troubled agencies and those that would broadly appeal to Americans. Effective use of information technology and electronic government received particular attention during this phase, as did outcome measurement and one-stop access to government information.

In addition the Government Performance and Results Act (GPRA) was passed and signed into law in 1993. It placed a requirement on agencies to institutionalize their processes for strategic planning and measuring results.

### **Reformers' concerns**

The NPR objectives included a **decreased workforce** and **elimination of ineffective programs**, targets that would likely be embraced by the American public. These concerns were emphasized through a public relations effort launched by Vice-President Gore. Aside from traditional news shows, he appeared on numerous late night, entertainment-based programs.

Under Vice President Gore's leadership, NPR lasted for eight years. At the outset, Vice President Gore convened "town hall" style meetings in several dozen agencies, and he drew on the organization and management expertise of private sector executives.

Several NPR objectives gained substantial traction through the lawmaking process. For example, procurement reform, considered to be a major objective, was codified in the Federal Acquisition Streamlining Act of 1994.

In these respects, the Clinton Administration announced the NPR program knowing that the issues to be addressed would resonate among the American public. It sought public support as it initiated the reforms.

Efficiency and effectiveness was also the concern behind a parallel congressional initiative in passing the GPRA. Several congressional committees—and committee chairmen, especially—view GPRA as a solid means of improving the efficiency and effectiveness of government programs. Senator Fred Thompson, Chairman of the Senate Committee on Governmental Affairs, stated, "Accountability begins with federal agencies effectively telling us what they're trying to accomplish and whether or not they're accomplishing it."<sup>ii</sup>

### **Institutional starting points**

#### **Constitution/political system**

The USA is a democratic republic, comprised of 50 states and the District of Columbia. Two major parties currently dominate the political process: the Democratic and Republican Parties.

The United States Constitution establishes the American system of government. It provides for three distinct branches of the national government, which are both separate and interdependent. The legislative, executive and judicial branches are co-equal and have individual powers. They also have shared powers and each branch has some degree of oversight over the others

In addition, the Constitution established a federal system in which power is divided between the national and state governments. Powers that are not delegated to the national government by the Constitution are reserved to the states, unless these powers are prohibited by the Constitution. This federal system has two fundamental characteristics. The first is the concept of indirect democracy. Citizens have the opportunity to vote for representatives to work on their behalf in government. Second, each level of government raises money through taxing citizens who live in

## **Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

the area it serves. Unless each government can provide for its own fiscal resources, it cannot act independently.

### **Structure of Government**

The power of the executive branch is vested in the President of the United States, who is elected to serve a four-year term. He may not be elected more than twice. The President's constitutional duties include serving as Commander-in-Chief of the U.S. Armed Forces, negotiating treaties with foreign nations, and ensuring that national laws are "faithfully executed." This last duty is especially important in that it empowers the president to administer government programs through departments and agencies.

The legislative branch, the U.S. Congress, consists of the House of Representatives and the Senate. The Constitution places several powers within this bicameral national legislature, including the power to levy taxes, coin money, regulate commerce and provide for the national defense. In order to become law, legislation must be introduced in the Congress, passed by both chambers in identical form, and signed by the President. The House is composed of 435 members who are elected by popular vote to serve two-year terms. The House initiates all national revenue bills and the Speaker of the House is its presiding officer.

The Senate is composed of 100 members who are elected by popular vote to serve six-year terms. Two members are elected from each state. The presiding officer is the Vice President of the United States, but his only significant Senate duty is voting on legislation when there is a tie vote. The Majority Leader serves as a driving force behind defining the Senate's agenda and moving legislation forward.

The Constitution provided for a Supreme Court to settle legal disputes among states or between states and the national government. The Court is composed of nine justices who are appointed for life with the confirmation of the Senate. The Constitution also allowed Congress to establish lower national courts, as it deemed necessary. Congress exercised this prerogative by establishing the federal court system with the Supreme Court serving as the final arbiter of legal dispute.

The judicial branch plays a critical role in protecting the rights and liberties guaranteed to U.S. citizens. As such, federal courts can strike down any act, at any level of government, if they determine that the act is unconstitutional and violates the nation's fundamental, democratic principles. This concept of judicial review did not derive from the Constitution but from case precedent.

In addition to the national government, there are 50 state governments and one for the District of Columbia. The national and state governments share certain concurrent powers, such as the ability to tax and to make and enforce laws. Each also has exclusive powers that the other cannot abridge. In general, matters that lie entirely within state borders are the exclusive concern of state governments. However, state governments are forbidden from passing any law that denies or erodes the fundamental rights guaranteed in the Constitution. When national and state laws conflict, the national law is considered supreme.

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

The Constitution does not specifically provide for localities, but they play a major role in the structure of government. It is at the local level where citizens typically have the most interaction with their government and where many basic services are directly delivered. More than 87,000 local governments exist in the United States and they take varied forms. County governments have broad responsibilities that may include administering environmental or social service programs, while special districts deal with a specific purpose, such as water or schools. In almost all cases, local governments are created by a state and are subservient to it.

The national government's executive departments, and the bureaus within them, are the operating units for administering national programs and oftentimes delivering services. They are responsible for a wide array of programs, including health care financing, educational grant programs and agricultural subsidies. A secretary, nominated by the President and confirmed by the Senate, manages each department. He or she is aided by presidentially-nominated officials and career staff who work at the departments.

As a general proposition, departmental status is reserved for entities that administer a range of programs directed toward a common purpose of national importance (Moe 2001). The first national government had three departments—State, Treasury and War—to discharge its core functions. As scope of government has increased, so too have the number of departments, which now total fourteen. Together, they employ nearly 88 percent of all federal civilian employees, excluding those working for the U.S. Postal Service. The departments and their secretaries as of May 2001 are listed below.

**Box 2 Departments in the US executive**

Department of Agriculture	Department of the Interior
Department of Commerce	Department of Justice
Department of Defense	Department of Labor
Department of Education	Department of State
Department of Energy	Department of Transportation
Department of Health and Human Services	Department of Treasury
Department of Housing and Urban Development	Department of Veteran's Affairs

The President's Cabinet is an informal institution that is based on tradition and precedent, not law. It consists of the executive department heads, the Vice President and other agency officials that the President chooses. For example, recent presidents have declared that the U.S. Ambassador to the United Nations and the Administrator of the U.S. Environmental Protection Agency would hold Cabinet rank.

How an individual president views the Cabinet determines its importance. Some have convened the Cabinet only on formal occasions, while others have used it as an important source of expertise. It can provide the president with information during the decision making and policy making processes, and it can give advice on issues that crosscut departmental jurisdictions.<sup>iii</sup>

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

In addition to executive departments, other organizational entities exist within the executive branch and play an active role in program administration. Agencies exist outside the departments yet are subject to the same laws unless individually exempted.<sup>iv</sup> Currently, there are approximately 60 agencies performing a range of functions. Congress and Presidents frequently create them to highlight concerns or settle jurisdictional disputes among departments.

Government commissions are noteworthy in two respects. There is usually some degree of detachment from the central management agencies, and there often is plural executive leadership (Moe 2001). A sample of agencies and commissions are listed below.

**Box 3 Major agencies and commissions in the US executive**

Central Intelligence Agency	National Science Foundation
Commodities Futures Trading Commission	Nuclear Regulatory Commission
Consumer Product Safety Commission	Peace Corps
Environmental Protection Agency	President's Council on Physical Fitness
Federal Communications Commission	President's Council on Sustainable Development
Federal Deposit Insurance Corporation	President's Interagency Council on Women
Federal Election Commission	Securities and Exchange Commission
Federal Emergency Management Agency	Small Business Administration
Federal Trade Commission	Smithsonian Institution
National Security Agency	Social Security Administration
National Aeronautics and Space Administration	Selective Service System
National Archives and Records Administration	U.S. Agency for International Development
National Commission on Libraries and Information Science	U.S. Equal Employment Opportunity Commission
National Endowment for the Arts	U.S. Federal Reserve Board
National Endowment for the Humanities	U.S. International Trade Commission
National Labor Relations Board	U.S. Office of Government Ethics
National Performance Review	U.S. Postal Service
	Voice of America

**Central agencies and reform management**

There is no single dominant central agency. Inter-agency groups collaborate on efforts aimed at bringing change to government operations. These groups draw together managerial, operational, financial, labor relations and systems technology experts throughout government. For example, the President's Management Council is composed of Chief Operating Officers from the major executive departments and agencies. Among its responsibilities, the Council analyzes shared management issues, recommends ways to streamline agencies and identifies performance measures for some government functions.

Other inter-agency groups include the Chief Financial Officers Council, composed of departmental and agency Chief Financial Officers who discuss ways to improve

## **Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

financial management systems. The Chief Information Officers Council identifies opportunities to share information resources and supports the national government's development of an information technology workforce.

### **Politicization**

There is a large proportion of political appointments in the civil service with significant change in staff following the election of a new President.

Merit principles prohibit government employees from using their official positions or influence to affect the results of an election or political nomination. They also prohibit government officials from discriminating against an employee or applicant for employment on the basis of political affiliation, and from coercing the political activity of any person.

The Hatch Act, initially adopted in 1929 and amended several times since, regulates the political activities of certain employees or office holders in the executive branch agencies and in positions within the competitive service not in executive agencies.<sup>v</sup> Employees are allowed to actively participate in political campaigns, except as prohibited, retain the right to vote, and express their political opinions. However, the Act prohibits them from being candidates for partisan political office, and it places some restrictions on the solicitation and acceptance of political contributions.

The Office of Government Ethics (OGE), a small independent agency, was established by the Ethics in Government Act of 1978.<sup>vi</sup> It exists to prevent conflicts of interest on the part of government employees, and to resolve conflicts when they do occur. In partnership with executive branch departments and agencies, OGE fosters high ethical standards for employees and strengthens the public's confidence that the government's business is conducted with impartiality and integrity. It also provides guidance to agencies on procedures for monitoring financial disclosure statements that key officials in the three branches are required to submit.

The purpose of the "Ethics in Government" program is to ensure that executive branch decisions are not tainted by any question of conflicts of interest on the part of the employees involved in those decisions. Because the integrity of decision making is fundamental to every government program, each agency head has the primary responsibility for the day-to-day administration of the program.

Each agency head selects an employee of that agency to serve as the designated agency ethics official. This individual and other agency staff are tasked with supporting the agency's ethics program, collectively known as the executive branch's "ethics community" with whom OGE primarily deals and to whom it communicates policy and regulatory changes.<sup>vii</sup>

### **Reform activities<sup>viii</sup>**

Two separate yet interrelated programs shaped U.S. government reform during the past decade. Both emphasized performance management and holding executive departments and agencies responsible for meeting defined results. As such, there was increased focus on "getting the job done" rather than on the processes used.

## **Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

In 1993, President Clinton initiated the National Performance Review (NPR), later renamed the National Partnership for Reinventing Government, an interagency task force designed to reshape federal management. Its self-described mission was to “reinvent government to work better, cost less and get results Americans care about” (Office of the Vice President 1993). As a result of its recommendations, the initiative claimed savings of more than \$136 billion and reduction in the federal workforce of more than 426,000 positions during its eight-year existence. Vice President Gore led the NPR effort.

The GPRA of 1993<sup>ix</sup> (GPRA) set out a framework for promoting performance management in government by **requiring departments and agencies to demonstrate accountability in measurable terms**. It outlined a process of **setting strategic goals and direction; defining annual goals and measures; and measuring and reporting on progress made**. Embedded within the congressional structure, GPRA placed a renewed emphasis on **linking planning and budgeting**.

The GPRA requires departments and agencies to measure performance and results—not merely funding levels—to better track what taxpayers are getting for their dollars. Agencies are not only working to develop and use performance measures in program management; they also are working to integrate this information into budget and resource allocations in order to better determine the costs of achieving goals.

In parallel with these administrative reforms, the Freedom of Information Act<sup>x</sup> allows any person to request access to existing, unpublished records of federal departments and agencies. The Act does not require agencies to create new records, collect information or conduct research to satisfy the request. No reason need be given for making a request, and the burden of proof is placed on the government should it wish to withhold the material. In this regard, certain records may be withheld in whole or part if they fall within one of nine exemptions enumerated in the Act, or meet other exclusions.

The Government in the Sunshine Act<sup>xi</sup> requires multimember federal agencies, whose officials are presidentially-appointed, to conduct meetings that are open to the public. Most agencies falling under the Act are independent regulatory boards and commissions. The Act lists ten exemptions for closing a meeting; they include the need to discuss national security matters or internal personnel rules and practices. Judicial review is permitted should an agency act to close a meeting.

### **Reforms to the organizational structure of government**

Departments and agencies vary widely in their use of decentralized offices to deliver government services. There exist no generally applicable models on the design of field organizations, nor on the degree of authority given to field officials. In some agencies, regional directors have complete authority across all program areas. In others, secretary representatives are given little or no program authority; they often handle interagency or intergovernmental relations.<sup>xii</sup> Overall, it is often argued that decentralized management can provide services more quickly and with a better understanding of local conditions.

## **Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

Performance- or results-based organizations provide personnel and purchasing flexibilities to its heads. They also hold the agency head directly accountable for the organization's performance. The degree to which departmental secretaries hold their managers accountable for their work—and how—varies among the agencies.

The Department of Education's Office of Student Financial Assistance, the Commerce Department's Patent and Trademark Office and the Federal Aviation Administration's air traffic services office have been reorganized as performance-based organizations (PBOs). A PBO is a discrete management unit in which its executive is allowed greater personnel and purchasing flexibilities. The executive is then responsible for committing to clear objectives, specific measurable goals, customer service standards and targets for improved performance. The organization's performance determines his or her pay and tenure.

The Bush administration appears to endorse the concept of PBOs, which it has renamed "results-based organizations" (RBOs). It proposed in May 2001 that the State Department's Foreign Buildings Operation, which oversees international U.S. facilities, be converted to RBO status.<sup>xiii</sup>

### **Cutting back the programs undertaken by government**

Circular A-76, issued by the U.S. Office of Management and Budget in 1966, outlines the processes that an executive agency should use when deciding whether to contract out or retain in-house activities not defined as inherently governmental (otherwise known as "commercial activities").<sup>xiv</sup> However, Circular A-76 is not a mandatory program, and departments and agencies have conducted few cost comparisons between retaining and contracting commercial activities. The Federal Activities Inventory Reform Act of 1998 sought to remedy some of these shortcomings by requiring agencies to submit lists of their commercial activities.<sup>xv</sup> However, it did not require them to undertake cost comparisons.

The National Performance Review offered numerous recommendations in 1993 to reform the government's procurement processes, which had been regarded as cumbersome and duplicative. The Federal Acquisition Streamlining Act of 1994 incorporated many of these recommendations by revising and consolidating existing procurement statutes.<sup>xvi</sup> Under the law, agency procurement officials may purchase goods more quickly through a simplified process if they meet the threshold of \$100,000. Also, small purchases under \$2,500 can be made in paperless transactions using a purchase card.

### **Civil service and personnel reforms**

Title 5 of the United States Code outlines civil service functions and responsibilities.<sup>xvii</sup> It includes definitions for the civil service, merit system principles, performance appraisals, pay rates and systems, administrative procedures, and other matters related to government functions. Many of the Title's provisions are discussed in the subsections below.

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

The Civil Service Reform Act of 1978 codified merit principles applying to federal government employees. It serves as the underlying law for the provisions contained in Title 5. In brief, these merit principles hold that:

- Recruitment, selection and advancement should be determined solely on the basis of relative ability, knowledge and skills after fair and open competition.
- Employees and applicants should receive fair and equitable treatment.
- Equal pay should be provided for work of equal value.
- Employees should maintain high standards of integrity.
- The federal work force should be used efficiently.
- Employees should be retained on the basis of adequacy of their performance.
- Employees should be provided effective education and training in cases where such would result in better performance.
- Employees should be prohibited from arbitrary action and prohibited from using their official authority or influence for the purpose of affecting the result of an election or nomination.

Employees should be protected against reprisal for the lawful disclosure of information which the employees reasonable believe evidences a violation of any law, rule or regulation, or mismanagement, a gross waste of funds, an absence of authority, or a substantial and specific danger to public health or safety.<sup>xviii</sup>

Each department and agency head is responsible for complying with and enforcing civil service laws and regulations, as well as for preventing prohibited personnel practices. In addition, the Office of Merit Systems Oversight and Effectiveness is responsible for promoting effective agency operation of human resources management (HRM) programs consistent with the merit system principles and avoiding prohibited personnel practices.<sup>xix</sup> Much of this work is accomplished by working with agencies to improve their internal HRM accountability systems. Specifically, models, data indicators, and a forum for information exchanges are developed and provided to help agencies assess themselves. The Office of Personnel Management has the leadership role in federal personnel management issues.

**Between 1993 and 2000, the size of the national government's civilian workforce decreased by approximately 15 percent**, or 325,000 full-time equivalent employees.<sup>xx</sup> According to the National Partnership for Reinventing Government, reductions from 1993 to 1999 led to the smallest workforce in 39 years, with almost all Cabinet departments and large independent agencies reducing their workforces. For example, the Office of Personnel Management reduced its workforce by 55 percent during the period.

The main statutory pay system for federal "white-collar" employees is the General Schedule, which covers—with specific exemptions—most white-collar positions in the executive branch and certain legislative branch agencies.<sup>xxi</sup> It consists of 15 grades, each broadly defined in terms of work difficulty, responsibility and qualifications required for performance. A salary range of 10 steps is provided within each grade and advancement among the steps follows an established timetable. To qualify for the next higher step, an employee must demonstrate work at an acceptable level of competence. Employees demonstrating "high quality performance" may

## **Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

advance more rapidly through the rate range for their grades by being granted additional step increases, called “quality step increases.” An employee may receive only one such increase during any 52-week period.

In addition to the General Schedule, there are several other major pay systems. The Federal Wage System covers trade, craft and labor occupations in the federal government, and the Executive Schedule is designed for top officials in the executive branch. The Senior Executive Service System covers most managerial, supervisory and policy positions in the executive branch that are classified above the highest General Schedule level. There are six salary levels in this system.

In response to the growing need for pay reform in the Federal Government, Congress enacted the **Federal Employees Pay Comparability Act of 1990 (FEPCA)**. FEPCA provides guidelines to achieve pay comparability between Federal and non-Federal jobs. The most far-reaching provisions of the Act were to change the way pay is set for the General Schedule (GS) and to maintain comparability by locality. It also calls for establishment of special pay plans for Senior Level (SL) employees (nonsupervisory and nonmanagerial employees classified above grade 15 of the General Schedule), administrative law judges (AL), members of the Boards of Contract Appeals (CA), certain law enforcement officers, employees in the Senior Biomedical Service, and police of the Bureau of Engraving and Printing and the United States Mint. FEPCA authorizes **recruitment and relocation bonuses and retention allowances** in special situations as well.

### **Budget process changes**

In 1993, Congress enacted the GPRA to improve the effectiveness, efficiency and accountability of federal programs by having agencies focus their management practices on program results. GPRA seeks to help federal managers improve program performance; it also seeks to make performance information available for congressional policy-making, spending decisions, and program oversight. With regard to spending decisions, GPRA aims for a closer and clearer linkage between resources and results. GPRA can be seen as the most recent event in a now 50-year cycle of federal government efforts to improve public sector performance and to link allocations to performance expectations.<sup>xxii</sup>

GPRA requires each department and agency to develop **strategic plans covering a period of at least 5 years**. The strategic plan must include the mission statement; identify long-term general goals, including outcome-related goals and objectives; and describe how the agency intends to achieve these goals through its activities and through its human, capital information and other resources. Under GPRA, agency strategic plans are the starting point for agencies to set annual program goals and to measure program performance in achieving those goals. To this end, strategic plans are to include a description of how long-term general goals will be related to annual performance goals as well as a description of the program evaluations used in establishing and reworking goals. Strategic plans must be updated at least every three years.

GPRA also requires each department and agency to prepare an **annual performance plan that includes the performance indicators that will be used to measure “the relevant outputs, service levels and outcomes of each program activity”** in an

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

agency's budget. The annual performance plan is to provide the direct link between strategic goals outlined in the agency's strategic plan and what managers do day-to-day. GPRa then requires that each department and agency prepare an **annual report on program performance for the previous fiscal year**. In the reports, agencies are to review and discuss performance compared with the performance goals established in the annual performance plans. When a goal is not met, agencies are to explain the reasons the goal was not met, plans and schedules for meeting the goal, and, if the goal was impractical or not feasible, the reasons for that and the actions recommended.

GPRa incorporates critical lessons learned from previous efforts:

- Past efforts failed to link executive branch performance planning and measurement with congressional resource allocation processes. GPRa requires explicit consultation between the executive and legislative branches on agency strategic plans.
- Past initiatives devised unique performance information formats often unconnected to the structures used in congressional budget presentations. GPRa requires agencies to plan and measure performance using the "program activities" listed in their budget submissions.
- Past initiatives were generally unprepared for the difficulties associated with measuring the outcomes of federal programs and often retreated to simple output or workload measures. GPRa states a preference for outcome measurement while recognizing the need to develop a range of measures, including output and non-quantitative measures.<sup>xxiii</sup>

Where most with past initiatives did not link performance information developed within the executive branch with congressional processes, GPRa provides that agencies must consult with cognizant congressional committees and other stakeholders as strategic planning efforts progress. This requirement presents a most fundamental change, and perhaps its most significant challenge as legislative staff and executive branch officials seem to approach strategic planning consultations with very different expectations.<sup>xxiv</sup>

In addition, the congressional committee structure requires executive officials to consult with at least four different committees about any given program—the authorization committees in the House of Representatives and the Senate (which establish and modify the program), and the appropriations committees in both chambers (which provide funds to run the program).<sup>xxv</sup> GPRa consultative relationships with congressional committees are still developing. For most departments and agencies, these relationships are stronger than those with the appropriations committees. Demonstrated cases of congressional appropriations being based on GPRa plans are few.

GPRa has been implemented in phases, beginning with selected pilot projects in performance goals, managerial flexibility and performance budgeting. The first strategic plans were submitted to Congress in 1997, and the second round of updated plans were submitted in 2000. All of the agencies have submitted annual performance plans as part of their budget justifications for fiscal years 1999, 2000, 2001 and 2002. Annual performance reports have gone to Congress for fiscal years 1999 and 2000.

## **E-government**

The concept of electronic government varies according to the specific context. One broad-based definition regards it as “the use of technology to improve access to, and communication of, government information and services to employees, governmental entities, organizations, businesses and citizens.”<sup>xxvi</sup> Under this construct, electronic government raises such issues as electronic democracy, regulation of the Internet and intellectual property rights.

In 1996, President Clinton issued an executive order directing departments and agencies to refocus information technology and management to directly support their strategic missions.<sup>xxvii</sup> In this regard, they were to create Chief Information Officers, who would be responsible for designing, developing and implementing information systems in their agencies. In addition, the National Partnership for Reinventing Government played a role in creating Firstgov.gov, a free-access website that provides a centralized place to find information contained on national, state and local government websites.<sup>xxviii</sup> It connects 27 million web pages and more than 1,000 forms and services.

Most government documents can be found on individual government websites, including instructions for securing government-type services. The passport agency, for example, has detailed instructions on the steps needed to obtain or renew a passport, with listings of local offices and the estimated amount of time for processing a request. In addition, the Federal Motor Carrier Safety Administration has placed its business transactions—such as registrations, fees and fines—on the Internet. More than 60 percent of all transactions are processed through this means. This accurate and timely process has cut the turnaround time from 4 weeks for paper transactions to 20 minutes online, freeing up valuable resources for other purposes. An estimated 100,000 forms have been processed thus far.

## **Reform outcomes**

In 1993, President Clinton and Vice President Gore launched the longest running management reform effort in the Federal Government’s history, the Reinventing Government Initiative. This effort was intended to create a Government that works better and costs less. In the past seven years, the Administration streamlined the workforce, eliminated obsolete programs and agencies, empowered its employees to cut red tape, and used partnerships to get results.

The National Partnership for Reinventing Government (NPR) claimed many successes in its efforts to streamline government and make it more “customer-friendly.” In addition to the substantial decreases in the government workforce, it provided a means for employees to cut red tape and use partnerships to get results. In all, NPR stated that \$111.8 billion in savings were made through 1999, including \$54.8 billion through downsizing and \$12.3 billion through procurement reform. NPR successes claimed include an improvement in public trust in the federal government by 9 percentage points over the 4 years to 1998 (*Businesslike Government: Lessons Learned from America's Best Companies* 1998).

NPR also took credit for the lowest level of civilian on-board employment for the executive branch agencies (post-office excluded) since 1961. However, it is

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

important to note that the employee reductions reflected those who worked in full-time civilian government positions. Yet there are many more who provide government services, including contractors and employees at the state and local levels who implement federal mandates and grants. Indeed, one observer claims that the "true size of government" totals 16.9 million individuals, such as federal civilian employees, uniformed military, Postal Service officials, and contract, grant and mandate employees. (Light 1999)

Dr. Donald Kettl, Professor at the University of Wisconsin, tracked NPR from its inception. He gave the overall initiative a "B" grade through 1998, noting that substantial progress had been made but that much work lay ahead. He concluded NPR accomplished its goal of downsizing the workforce, though planning to match the downsized workforce with agency missions was weak. Procurement reform received an A and enhancing customer service a B+. (Light 1999)

Department and agency compliance with the Government Performance and Results Act (GPRA) continues, with many observers noting improvements in agency strategic plans, performance plans and results. The U.S. General Accounting Office, Congress's investigative arm that evaluates federal programs and activities, found that each successive cycle of annual performance planning has seen improvements over prior years' efforts. At the same time, several challenges remain for effective GPRA implementation. These include articulating and reinforcing a results orientation; coordinating programs that crosscut departments; understanding performance consequences of budget decisions; and ensuring that daily operations contribute to results. ("Major Management Challenges and Program Risks: A Governmentwide Perspective" 1999)

**GLOSSARY OF COUNTRY-SPECIFIC TERMS**

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

<b>Accounting Officer</b>	Accounting Officers are normally the most senior officials in a UK public body - the permanent head of a government department or chief executive of an executive agency. Accounting Officers have a personal responsibility for the propriety and regularity of the public finances for which he or she is answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the resources in their charge. An Accounting Officer has particular responsibility to see that appropriate advice is tendered to Minister on all matters of financial propriety and regularity. If a Minister is contemplating a course of action which the Accounting Officer considers would infringe the requirements of regularity or propriety, he or she should set out in writing the objection to the proposal, the reasons for this objection and the duty to inform the Comptroller and Auditor General should the advice be overruled. If the Minister decides to proceed, the Accounting Officer must seek a written instruction to take the action in question.
<b>Ambtenarenwet</b>	The Civil Service Act in the Netherlands setting out the duties of public servants.
<b>Angestellte</b>	German state employees subject to private sector labor laws unlike the Beamte
<b>Beamte</b>	German civil servants that, in principle, have responsibility for undertaking all public functions that imply the exercise of state powers.
<b>Best Value Reviews</b>	A legal requirement on local government in the UK to consult local people, review all its functions periodically, measure its performance and produce a performance plan which will be audited by an independent auditor. In reviewing its functions, the authority is required to consider whether it should be exercising the function, its objectives in doing so, its performance, how competitive that is and to consult other authorities for comparison.
<b>Bundesrat</b>	The Senate in the Federal Republic of Germany representing the sixteen Laender and participating in the legislative process and administration of the Federation. In contrast to the senatorial system of federal states like the United States or Switzerland, the Bundesrat does not consist of elected representatives of the people but of members of the state governments or their representatives. Depending on the size of their population, the states have three, four, five or six votes, which may only be cast as a block.
<b>Bundestag</b>	The parliamentary assembly representing the people of the Federal Republic of Germany.
<b>Celetistas</b>	Federal public servants in Brazil whose employment is governed by the private sector labor code, (CLT).

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

<b>Citizens Charter</b>	UK policy to improve public services by introducing standards of service and measurement their achievement; and to respond better to service users.
<b>Compulsory Competitive Tendering</b>	Requirement imposed on UK local government to submit service provision to market testing.
<b>Crown Corporation</b>	A separate legal entity in Canada created by federal or provincial statute, generally with the intent of conducting revenue producing, commercial activities for the public good.
<b>Crown entities</b>	In New Zealand, semi-autonomous public organizations that are neither core government agencies nor state-owned enterprises.
<b>DAS</b>	DAS appointments (Comissao de Direccao e Assessoramiento Superior – Commission for Senior Administration and Expertise) are senior political appointments in the Federal public administration of Brazil, established in the 1980s, and have some characteristics of a senior executive service.
<b>Efficiency scrutinies</b>	UK reviews of public sector activities undertaken in the late 1970s and early 1980s aimed t reducing the scale of the public sector by questioning and redefining the role of the state.
<b>Estatuarios</b>	Federal public servants in Brazil with a right to job security
<b>Executive Agency</b>	In the U.K., a service operation within government that is granted more direct responsibility for results and increased management flexibility needed to reach new levels of performance. It is a form of semi-autonomous agency.
<b>Financial Management Initiative</b>	1982 UK initiative to place requirements on managers to take more responsibility for planning and managing their own budget and measuring their output.
<b>Gminas</b>	One of three levels of subnational government in Poland. From 1 January 1999, a new administrative division of Poland was implemented. The new administrative structure of the country includes voivodships (regional governments), poviats (an intermediate level of subnational government) and gminas (the most local form of elected government). The gmina is the basic level of public administration introduced in 1990. The most important collective needs of a local community are met here. Rural gminas are headed by voits, urban gminas and gminas with townships headed by mayors, and larger towns are headed by presidents.
<b>Government Performance and Results Act (GPRA)</b>	An Act passed in 1993 in the USA providing a framework for promoting performance management in government by requiring departments and agencies to demonstrate accountability in measurable terms. It outlined a process of setting strategic goals and direction; defining annual goals and measures; and measuring and reporting on progress made. Embedded within the congressional structure, GPRA placed a renewed emphasis on linking planning and budgeting.
<b>La Releve</b>	A Canadian initiative to address issues of difficulty in retaining, motivating and attracting people essential to the work of the public service.
<b>Laender</b>	States of the Federal Republic of Germany.

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

<b>Lean State Advisory Council</b>	An advisory council established in 1995 by the German Federal Government, comprised of political and economic experts from federal and subnational levels to make recommendations on public management topics.
<b>National Partnership for Reinventing Government</b>	See National Performance Review (NPR)
<b>National Performance Review (NPR)</b>	An initiative launched by US Vice President Gore with the aims of decreasing the federal workforce and eliminating ineffective programs.
<b>New Steering Model</b>	A set of ideas originally propounded by Joint Local Government Agency for the Simplification of Administrative Procedures (KGSt) in Germany in 1991. The proposals encourage public sector organizations in Germany to define their outputs more clearly, place unit managers on performance contracts, and show a customer orientation with more flexible resource allocation and greater reliance placed on outsourcing, contracting-out and privatization. These ideas were also discussed widely in the Netherlands.
<b>Next Steps report</b>	1988 UK report recommending the restructuring of the civil service into management units to deliver executive functions, with managerial responsibilities delegated to a Chief Executive, with direct accountability to the Minister for delivering specified performance targets. Implementation of Next Steps policy led to break-up of national pay and grading systems in the Civil Service and major developments in financial management, e.g. commercial-style accounting in agencies.
<b>Országgyűlés</b>	The Parliament of Hungary. There are 386 members of the Parliament; 176 elected by majority vote from single-seat constituencies, 152 elected by party list vote (5% barrier) from 20 multi-seat constituencies, and 58 awarded to achieve proportional representation.
<b>Performance-based organizations (PBOs)</b>	A PBO is a discrete management unit within the US executive in which the agency head is allowed greater personnel and purchasing flexibilities. The executive is then responsible for committing to clear objectives, specific measurable goals, customer service standards and targets for improved performance. The organization's performance determines his or her pay and tenure. The Bush administration has renamed these "results-based organizations" (RBOs).

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

<b>Poviats</b>	<p>One of three levels of subnational government in Poland. From 1 January 1999, a new administrative division of Poland was implemented. The new administrative structure of the country includes voivodships (regional governments), poviats (an intermediate level of subnational government) and gminas (the most local form of elected government).</p> <p>Unlike the gmina, which is responsible for all matters that have not been explicitly assigned to other levels of government, the poviats can implement only those tasks that have been clearly defined for it in the law. There are 308 poviats which are headed by self-government officials (starosta) appointed by democratically elected poviats councils. Also 65 largest urban gminas have been endowed with poviats status.</p>
<b>Procuratorate</b>	<p>The Supreme People's Procuratorate is the highest legal supervisory organ in China. It supervises the activities of other state organs and officials and reports to the National People's Congress and its Standing Committee.</p>
<b>Public Service Agreements (PSAs)</b>	<p>A set of targets that government Departments in the UK must publish and against which they must monitor progress and publish the results in their annual reports. PSAs are designed to show the public what they can expect to get for their money. PSAs include commitments by the responsible Ministers to those who are affected by the public services. Whilst PSAs are set for each department, the Government as a whole agrees them. There are also some PSAs for a number of cross-cutting policy areas, where several departments are involved.</p>
<b>Quango</b>	<p>Term used in the UK to refer to "non-departmental public bodies", i.e. public sector organizations that lie outside of the usual ministry or departmental structures and subject to diverse accountability arrangements. A "quango" is officially defined as a body that has a role in the processes of national Government, but is not a government department or part of one, and which accordingly operates to a greater or lesser extent at arm's length from Ministers.</p>
<b>Resource Accounting and Budgeting</b>	<p>A UK term referring to public sector accounting arrangements that produce the equivalent of the main financial statements from commercial accounts, in particular, a balance sheet and the equivalent of a profit and loss statement. This is used as the basis for planning, controlling and reporting on public spending. Introducing Resource Accounting and Budgeting across government means that all government departments will be managed on the basis of: (i) a resource budget measuring ongoing operations in accruals terms; (ii) a capital budget for new investment in accrual terms; and (iii) a combined cash requirement to cover the preceding two elements. Resource accounting was introduced in all departments from 1998-99. Resource accounts were published from 1999-2000 alongside Appropriation Accounts.</p>

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

<b>Results-based organizations (RBOs).</b>	See: Performance-based organizations (PBOs)
<b>Sejm</b>	The lower chamber of the parliament in Poland. The upper chamber is the Senat.
<b>Self-standing managed organizations</b>	A form of semi-autonomous agency introduced in the Netherlands (zelfstandige bestuursorganen).
<b>Sheng</b>	The 23 provinces in China - singular and plural.
<b>Shi</b>	The 4 municipalities in China - singular and plural.
<b>Social Organizations</b>	Semi-autonomous bodies in Brazil, at arms-length from the executive, which receive specific authorization from the legislature to sign management contracts with the executive branch to receive budgetary allocations.
<b>Special Operating Agency (SOA)</b>	In Canada, a service operation within government granted more direct responsibility for results and increased management flexibility needed to reach new levels of performance. It is an example of a semi-autonomous agency.
<b>Throne Speech</b>	The speech from the throne is the term used for the opening of Parliament by the Governor General in Canada. This is the (usually) annual announcement of the government program. Similar terms are used in other Commonwealth countries and in the Netherlands.
<b>Voivodships</b>	One of three levels of subnational government in Poland. From 1 January 1999, a new administrative division of Poland was implemented. The new administrative structure of the country includes voivodships (regional governments), poviats (an intermediate level of subnational government) and gminas (the most local form of elected government). The voivodship is the largest administrative unit in the subnational organization of the state. There are sixteen voivodships (regions) in Poland. Voivodship can be also understood as the regional self-government (where Sejmik is the governing body) and as the area of activity of the central government appointee – voivod.
<b>Zelfstandige bestuursorganen</b>	A form of semi-autonomous agency introduced in the Netherlands (Self-standing managed organizations).
<b>Zizhiqu</b>	The 5 autonomous regions in China - singular and plural.

**BIBLIOGRAPHY**

- October 13, 1993. *Folha de São Paulo*.  
 Dean, Alan. 2001. *The Organization and Management of Executive Departments*. Washington, DC: National Academy of Public Administration.  
 dos Santos, Luiz Alberto. 1997. *Reforma Administrativa No Contexto Da Democracia*. Brasilia: DIAP and Arko Advice Editorial.  
 Douglas, R. 1993. *Unfinished Business*. Auckland: Random House.  
*Effectiveness, Openness, Subsidiarity: A New Poland for New Challenges* 1998.  
 Warsaw: Chancellery of the Prime Minister of the Republic of Poland.

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

- Friel, Brian. 2001. Administration Plans First 'Results-Based Organization'.  
*Government Executive*.
- Kettl, Donald. 1998. *Reinventing Government: A Fifth-Year Report Card*.  
Washington DC: The Brookings Institution.
- Petrie, Murray and David Webber. 2001. "Review of Evidence on Broad Outcome of  
Public Sector Management Regime"  
(<http://www.treasury.govt.nz/workingpapers/2001/01-6.asp>). The Treasury.  
Wellington
- PUMA. 1998a. "Public Management Developments in Germany"  
(<http://www.oecd.org/puma/gvrnance/surveys/report98/surv98de.htm>). OECD.  
Paris
- PUMA. 1998b. "Public Management Developments in Hungary"  
(<http://www.oecd.org/puma/gvrnance/surveys/report98/surv98hu.htm#A>).  
OECD. Paris
- Radio Press China Directory* 2001. Tokyo: Radio Press, Inc.
- Scott, Graham. 2001. *Public Management in New Zealand: Lessons and Challenges*  
([http://www.nzbr.org.nz/documents/publications/publications-2001/public\\_management.pdf](http://www.nzbr.org.nz/documents/publications/publications-2001/public_management.pdf)). Wellington: New Zealand Business Roundtable.
- Secretariat, Treasury Board. 2001. "Treasury Board Secretariat Organization".  
[http://www.tbs-sct.gc.ca/www/struc\\_des\\_e.html](http://www.tbs-sct.gc.ca/www/struc_des_e.html). Access Date: July 21, 2001.  
Last Update: March 8, 2001.
- Spicer, B., D. Emanuel and M. Powell. 1996. *Transforming Government Enterprises*.  
Wellington: Centre for Independent Studies.
- World Bank. 2000. *Anticorruption in Transition: A Contribution to the Policy Debate*.  
Washington DC: World Bank.

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

Notes:

- 
- i This three-phase construct is from (Kettl 1998)
- ii Statement of Senator Fred Thompson, May 16, 2001.
- iii The term cabinet can create some confusion. In the US sense cabinet does not imply collective accountability, in sharp distinction from the European and Parliamentary notions of cabinets/Councils of Ministers.
- iv Very often, the terms “department” and “agency” are used interchangeably. Unless otherwise noted, discussion of governmental reform efforts generally does not distinguish between the two.
- v The Hatch Act, 53 Stat. 1147, amended in 107 Stat. 1001.
- vi Ethics in Government Act, 92 Stat. 1824; 5 U.S.C. App
- vii Information on the Office of Government Ethics and the text of applicable executive orders, statutes and regulations can be found at [www.usoge.gov/usoge006.html](http://www.usoge.gov/usoge006.html).
- viii See also “Public Management Developments in the United States: Update 2000. [Http://www.oecd.org/puma/country/surveys2000/surv2000us.htm](http://www.oecd.org/puma/country/surveys2000/surv2000us.htm)
- ix The Government Performance and Results Act of 1993, P.L. 103-62 (107 Stat. 285)
- x The Freedom of Information Act, 81 Stat. 54; 5 U.S.C. 552
- xi Government in the Sunshine Act, 90 Stat. 1241; 5 U.S.C. 552b
- xii See (Dean 2001) for a historical description of government decentralization and field organization.
- xiii (Friel 2001)
- xiv Circular A-76 and Congress have defined an inherently governmental function as one “that is so intimately related to the public interest as to require performance by federal government employees.”
- xv Federal Activities Inventory Reform Act, 112 Stat. 2382, 31 U.S.C. 501
- xvi Federal Acquisition Streamlining Act of 1994, 108 Stat. 3242
- xvii See: [www4.law.cornell.edu/uscode/](http://www4.law.cornell.edu/uscode/)
- xviii 92 Stat. 1113, 5 U.S.C. 2301. It can be accessed at <http://www.opm.gov/ovrsight/msp.htm>.
- xix Prohibited personnel practices outline appropriate and non-appropriate means of conduct for government employees. See <http://www.opm.gov/ovrsight/prohibit.htm> for the full version of 5 U.S.C. 2302.
- xx Table 17.3, *Budget of the United States Government for Fiscal Year 2002*. U.S. Government Printing Office, Washington, DC 2001.
- xxi Two other statutory pay systems apply to the Foreign Service and certain employees in the Veterans Health Administration. See 5 U.S.C., Chapter 53, Subchapter I, for how these salaries are established.
- xxii Past initiatives include: (i) reforms as a result of the first Hoover Commission’s efforts to downsize the post-World War II government; (ii) Planning-Programming-Budgeting System which begun in 1965 by President Johnson; (iii) Management Objectives initiated in 1973 by President Nixon; and (iv) Zero-based budgeting initiated in 1977 by President Carter.
- xxiii GPRA defines outcome measures as an assessment of the results of a program activity compared to its intended purpose. Output measures, conversely, refer to the tabulation, calculation or recording of activity or effort, such as checks processed or students enrolled.
- xxiv As identified in the United States General Accounting Office’s report “Performance Budgeting: Past Initiatives Offer Insights for GPRA Implementation”, March 1997.
- xxv Many departments and agencies in the executive branch administer programs that are authorized and funded by different congressional committees. The Environmental Protection Agency is one of the most complex; it must deal with more than 30 committees.
- xxvi James Carroll, “Toward a Management Agenda for the Federal Government in the 21<sup>st</sup> Century: From the Administrative to the Entitlement to the Electronic State” (Draft). September 2000.

**Building on Strengths : Lessons from Comparative Public Administration Reforms : Country Reform Summaries**

---

- xxvii Presidential Executive Order 13011, "Federal Information Technology," issued July 19, 1996.
- xxviii See: [www.firstgov.gov](http://www.firstgov.gov).