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FISCAL 1977 ADMINISTRATION OBJECTIVE

Administration proposed only one fiscal 1977 objective, implementation of the Presidential Management Initiatives program. This is a completely new objective, not a 1976 follow-on.

IMPLEMENTATION OF THE
PRESIDENTIAL MANAGEMENT INITIATIVES PROGRAM

Proposed Objective:

To implement the Presidential Management Initiatives program and to reach certain quantified FY 1977 goals.

Justification:

This program was initially begun at the request of the President and has since been established as a requirement of the Office of Management and Budget through the issuance of Circular A-113. The level of interest in the program, both in the White House and the Department, is sufficient to warrant monitoring by the Secretary.

Approach:

The program is centered around five major initiatives as follows:

- o Decisionmaking and Departmental Organization
- o Evaluation of Current Programs
- o Reduction in Reporting and Regulation Burden
- o Contracting Out and Reducing Overhead Costs
- o Personnel Management

Within those five initiatives are some 24 specific action areas, which variously require action by one or more operating units, the Office of the Secretary, or some combination of both.

Resources:

The execution of this program does not require the expenditure of any resources beyond those already provided for the management of the Department.

Responsible Persons:

The Departmental Coordinator for this project is Assistant Secretary Kasputys. In addition, eleven Departmental coordinators have been named, one for each major activity, and coordinators have been designated within each operating unit.

IMPLEMENTATION OF THE PRESIDENTIAL MANAGEMENT INITIATIVES PROGRAM

<u>Objective</u> To implement the Presidential Management Initiatives program and to reach certain quantified FY 1977 goals, as specified below.	<u>Change in Status</u> New Objective													
	Milestones			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
<u>Decisionmaking and Departmental Organization Goals:</u> <ol style="list-style-type: none"> 1. Establish goal for reduction in operating unit organizational subunits. 2. Eliminate all "assistant to" positions, except Schedule C. 3. Achieve Departmentwide supervisory ratio of 6.9 to 1. 4. Establish MBO systems in all operating units. <u>Evaluation of Current Programs:</u> <ol style="list-style-type: none"> 1. Establish, in cooperation with operating units, baseline measures and goals for each efficiency evaluation and incorporate in this objective. 			o											

Milestones

Goals for Reduction in Reporting and Regulation Burden:

1. Achieve goals in quantified manhour reporting burden reduction:
 - A. Five percent reduction
 - B. Fifteen percent reduction (September, 1978)
2. Complete categorization and review of all Commerce regulations in Code of Federal Regulations.

Contracting Out and Reducing Overhead Costs:

1. Reduce travel expenditures by \$1.9 million from FY 77 travel budget of \$31,182,000.
2. Eliminate or reduce the processing frequency and number of reports on 40 computer applications.
3. Increase proportion of total rental cost of DOC computer systems equipment inventory by 3rd party sources and plug-to-plug compatible equipment from 14% to 20%, with associated cost savings of \$364,000.

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
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Contracting Out and Reducing Overhead Costs
(Continued)

Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep

4. Increase proportion of gross ADP obligations for services obtained from the private sector from 18.1% to 20%.
5. Decrease the 177 AV facilities by 5%.
6. Achieve 10% savings in long distance toll charges (or \$59,980) and credit card charges (or \$8,020) and 5% savings in number of telephone instruments (or 1665).
7. Reduce total mailing costs by 10% (or \$646,472) and decrease number of periodicals sent by 1st class by 10% (15).
8. Reduce the volume of records on hand by 10% to 363,404 cubic feet.
9. Reduce space inventory by 5% (or 445,633 sq. ft.) and increase density of occupancy per employee to 155 square feet.

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Milestones	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<p><u>Personnel Management Goals:</u></p> <ol style="list-style-type: none"> 1. Assure 40 Individual Development Plans for persons identified as high potential and train 400 managers and supervisors in new course in personnel administration fundamentals. 2. Hold average grade increase between 1976 and 1977 to .075 or better; increase rate of position review and vacant position review to 90%. 3. Increase coverage of productivity data submitted to National Center for Productivity from 26% to 30% of total DOC employment. 												

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PRESIDENTIAL MANAGEMENT INITIATIVES

DEPARTMENT OF COMMERCE

Background:

The Department of Commerce's Presidential Management Initiatives Program was launched officially on July 29, 1976 at a special meeting Secretary Richardson held with top Commerce management officials. The purpose of this program, initiated by OMB, was to carry out some 24 separate actions aimed at improving the efficiency and effectiveness of Federal operations and assuring that decisionmaking was thoroughly supported and effectively implemented.

The Department had earlier begun a series of initiatives that were designed for the same purposes as the Presidential Management Initiatives Program, and these were incorporated into the Department's action plan to form a comprehensive Commerce program. The five major initiatives of the program were:

- o Decisionmaking and Departmental Organization
- o Evaluation of Current Programs
- o Reduction in the Burden of Federal Reporting and Regulation
- o Contracting Out and Holding Down Overhead Costs
- o Personnel Management

The 24 action areas referred to above were subcategories of these five. (The Departmental action plan, including a more detailed history, is included in the fifth tab of this book.)

The DOC Approach and Organization:

In preparation for Secretary Richardson's meeting to launch the program, Assistant Secretary Kasputys had established an eleven person task force to coordinate Secretarial-level guidance. Thus, the preparations for that meeting were sufficient that an initial implementation schedule was distributed and each primary operating unit was requested to select an overall coordinator and a representative for each of the five major topic areas. This rapid response organizational concept (depicted in the attachment to this section) enabled the Department to react

quickly to all the Presidential initiatives within OMB's tight deadlines. Furthermore, it assured the participation of all effected parties in the planning and execution of the program.

Major Accomplishments:

Although the section of this briefing book entitled "Significant Accomplishments" describes the achievements under the program in somewhat more detail, the following are some of the major ones:

- o An Assistant Secretary for Policy was established to make more effective use of the various pools of analytic competence within the Department. This organization can integrate analytic efforts of various organizational units, so as to improve the focus of the Department's policy advocacy.
- o An Office of Program Evaluation, reporting to the Assistant Secretary for Administration, was created to conduct special studies to evaluate the effectiveness of Departmental programs in meeting objectives, identify and investigate major program or management issues, and advise the operating units in the development and operation of evaluation and measurement systems.
- o The Department's Management by Objectives program was renewed and revitalized to provide a means by which the Secretary could identify and approve objectives and their operational plans for achievement and, most importantly, monitor progress toward the achievements.
- o The Department's first program for reducing the number of public use reports, concluded last June, was among the most successful in the government, and our new program for reducing public manhours associated with such reports was informally identified by the Commission on Federal Paperwork as the best of any agency. The Commission is considering using it as a model for other agencies and has sent representatives from several agencies to review our system.

Determining Progress Objectively:

The Department has gone considerably beyond the requirements of OMB by developing an objective, systematic method of determining what effect the activities under this program have on the Department's operation. This has been accomplished by subjecting

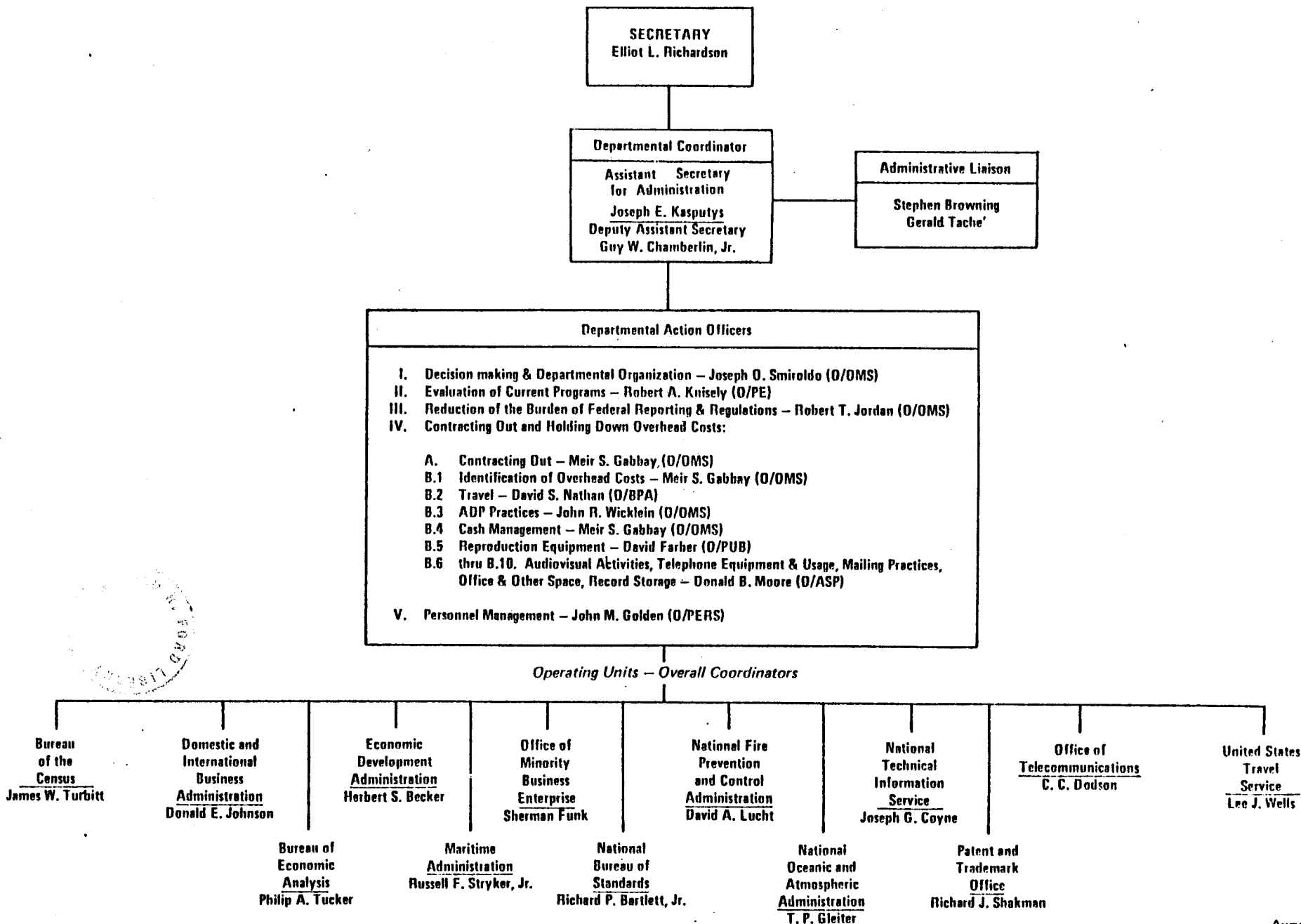
each of the 24 action areas to a careful review and establishing a quantified baseline measure and goal for those areas in which it is possible. The quantified baseline measure serves as a benchmark to show the status of a particular area at the time the program began, and the quantified goal provides both a target to strive for and a means of judging the extent of our progress over time. For example, in the productivity measurement area, the baseline measure is the percentage of employees covered by centrally reported measurement statistics (26%), and the goal is to increase this coverage to 30% of employment by the end of the fiscal year.

Baseline measures and goals have already been established at the Departmental level (see the section of this book entitled "Baseline Measures") and are now being developed by each operating unit. To aid in monitoring progress, these goals will be incorporated into the Departmental Management by Objectives system (see the section of this book entitled "Departmental and Bureau Objectives"). In all instances, the baseline measures and goals were developed by the person responsible for their execution.

OMB Circular A-113

On November 17, 1976, the Office of Management and Budget issued Circular A-113, "Preparation and Submission of Management Plans", that is based upon the Presidential Management Initiatives Program. The primary differences are that A-113 expands upon the PMI program, increases the discretion given Departments in determining the topics to be covered, links the timing of the plan with the budget cycle, and adds two new subjects: a missions and objectives statement and an evaluation review statement. A copy of this Circular is included in the final section of this book.

**THE STRUCTURE FOR DEVELOPING AND IMPLEMENTING
PRESIDENTIAL MANAGEMENT INITIATIVES
IN THE DEPARTMENT OF COMMERCE**



DEPARTMENT OF COMMERCE

PRESIDENTIAL MANAGEMENT INITIATIVES

Significant Accomplishments

Decisionmaking and Departmental Organization

- o Created an Assistant Secretary for Policy to (1) make more effective use of the various pools of analytic competence within the Department, and (2) improve the focus of the Department's policy advocacy by integrating analytic efforts of various organizational elements.
- o Created an Office of Program Evaluation to improve oversight of operating programs within the Department.

Evaluation of Current Programs

- o Designed and implemented ten efficiency evaluations which cover such topics as:
 - .. compilation of voting and registration statistics.
 - .. revision of boycott reporting methods (DIBA).
 - .. streamlining of application/approval process under Title II (EDA).
 - .. review and coding of ship review invoices and summaries (MARAD).
 - .. fish inspection and grading program.

Reduction in the Burden of Federal Reporting and Regulations

- o Issued instructions (dated September 9) to Departmental operating units for implementing:
 - .. reviews of the public reporting burden; and
 - .. inventories and categorization of all programs governing regulations.

Contracting Out and Holding Down Overhead Costs

- o Contracting Out. The DOC Committee on Commercial and Industrial Activities has accelerated the inventorying of commercial and industrial activities within the

Department. Primary operating units have scheduled the evaluation of the selected activities. Plans are now being made to establish subcommittees which will have as their prime responsibility the review of evaluations conducted by primary operating units.

- o Travel - A travel reduction goal for FY 1977 has been established to hold FY 1977 travel costs to the FY 1976 level for ongoing programs of the Department. Achievement of this goal will result in a savings of \$1.9 million from the enacted 1977 President's budget.
- o ADP Practices
 - oo The Department is presently developing detailed programs for conducting six major ADP installation performance evaluations during fiscal year 1977. Performance evaluation teams will be identified and assigned by the end of November. A pilot evaluation program will be initiated shortly with an expected completion date of March 1977.
 - oo Seven operating units have scheduled reviews of their existing computer applications. Two of these reviews are now underway. First planned accomplishment is set for November 1976.
- o Cash Management - EDA has received approval from the Department of Treasury to proceed with the electronic transfers of funds to borrowers under its loan programs. EDA also plans to issue about 3,000 letters of credit to grantees under the local public works program in preference to making advances to them.
- o Audiovisual Activities - The audiovisual plan has been expanded to include a review of the Department's graphic arts capabilities, and to establish a central clearinghouse for films, slide shows and video tapes.
- o Telephone Equipment and Usage
 - oo Established the following FY 1977 Departmental goals:
 - Reduce telephone toll costs ten percent (or \$60,000) by the end of FY 77; and
 - Reduce the number of telephone instruments to an average of one per employee.

- oo In the Main Commerce Building, the new Centrex II system will enable the Department to eliminate most private lines (PLs). An intensive review of the need for telephone credit cards is underway.
- o Mailing Practices - The Department has made a change in its document security policies to conform with those of other Federal agencies; it has eliminated the use of registered mail for documents carrying a confidential classification. It is estimated this policy change will result in savings of \$15,000 per year.
- o Office and Other Space
 - oo The Economic Development Administration is embarking on an office space retrenchment project at the same time it is experiencing an 18 percent increase in personnel. The density occupancy will go from 161 square feet per employee to 137 square feet.
 - oo Among other actions under this initiative, the Office of Minority Business Enterprise will adopt the open landscaping office layout and relinquish approximately 4,000 square feet for reassignment to other Department of Commerce users.
- o Records Storage. A personnel services contract has been awarded to develop a comprehensive Records Control Schedule for OMBE, the only DOC bureau with any records schedule.

Personnel Management

- o Personnel Ceilings - The Department has evaluated its internal system for administering personnel ceilings and has found that it does not provide the effectiveness, efficiency, and flexibility needed. Plans have been established to place responsibility for manpower control in the personnel offices thereby providing greater flexibility with respect to intra-agency allocation of employment ceilings and a more uniform and consistent control system.
- o Position Management - The Department has recently instituted the vacancy review process and the position review process which both entail onsite desk audits and onsite reviews of vacancies. Operating unit position classifiers will now take a strong role in personnel management evaluation of headquarters and field organizations. These

initiatives are expected to lead to improvement in Departmental position management and classification systems.

- o Executive Selection - The Department has identified the Patent and Trademark Office's executive selection and development system to serve as a model for the remainder of the Department's organizational components. The model system has been distributed to all operating personnel offices for use as a guide in establishing comparable systems by the end of FY 77.

Presidential Management Initiatives

BASELINE MEASURES AND GOALS

<u>Initiatives</u>	<u>Responsible Office</u>	<u>Baseline Measures and Goals</u>
<u>Decisionmaking and Departmental Organization</u>		
1. Policy Analysis Staff.	OOMS	N.A.
2. MBO Program.	OPE	Baseline: Six bureau MBO systems as of October. Goal: MBO systems in all bureaus (14).
3. Decisionmaking	OOMS	N.A.
4. Staffing Pattern Review:		
o Unnecessary position layering.	OPERS	Baseline: Departmentwide supervisory ratio of 6.7 to 1 as of June 30. Goal: Departmentwide supervisory ratio of 6.9 to 1.
o Excessive organizational subdivisions and consolidation of subunits.	OOMS	Baseline: 390 organization subunits subject to Departmental approval. Goal: (To be established based upon input from operating units)

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<u>Initiatives</u>	<u>Responsible Office</u>	<u>Baseline Measures and Goals</u>
<p>4. Staffing Pattern Review: (Continued)</p> <ul style="list-style-type: none"> o Guidelines for "assistant to" positions including number per policy official and grade level. o Procedure for agency deputy-level review of proposals to create new subdivisions. 	<p>OPERS</p> <p>OOMS</p>	<p>Baseline: (Number of "assistant to" positions to be determined by December 30).</p> <p>Goal: 100% elimination, excluding Schedule C.</p> <p>N.A.</p>
<p><u>Evaluation of Current Programs</u></p> <p>5. Efficiency Evaluations (individually).</p>	<p>OPE</p>	<p>(see attached list)</p>
<p><u>Reduction in the Burden of Federal Reporting and Regulation</u></p> <ul style="list-style-type: none"> Reporting Burden Reduction. Regulation Burden Reduction. 	<p>OOMS</p> <p>OOMS</p>	<p>Baseline: 533 reports totaling 4,425,202 manhours as of June 30.</p> <p>Goal: Five percent reduction in public manhour burden by September, 1977; 15% by September, 1978.</p> <p>N.A.</p>

<u>Initiatives</u>	<u>Responsible Office</u>	<u>Baseline Measures and Goals</u>
<u>Contracting Out and Holding Down Overhead Costs</u>		
1. Contracting Out.	OOMS	Baseline: FY 76 contracting - automatic data processing, \$9,484,000; printing and reproduction, \$7,389,000; maintenance of equipment (non-ADP), \$11,347,000; warehousing and inventory, \$16,000; and program services, \$84,624,000.
. Identification of Overhead Costs.	OOMS	N.A.
. Travel.	OBPA	Baseline: FY 1977 travel budget of \$31,182,000.
. ADP Practices:		
o Reduce unit cost of data processing.	OOMS	(A proposal for a baseline measure for this initiative will be submitted by November 20, based upon a bureau survey now underway.)
o Eliminate marginal/nonessential workload.	OOMS	Baseline: 980 computer applications being processed as of September.
		Goal: Eliminate or reduce the processing frequency and number of reports on 40 applications.

<u>Initiatives</u>	<u>Responsible Office</u>	<u>Baseline Measures and Goals</u>
1. ADP Practices (Continued)		
o Reduce equipment rental through increased competition.	OOMS	<p>Baseline: 14% (\$1.956 million) of total rental cost of DOC computer systems equipment inventory by 3rd party sources and plug-to-plug compatible equipment</p> <p>Goal: Increase to 20% by end of FY 77, reflecting associated cost savings of \$364,000.</p>
o Analyze need and methods used for expanding Government computer capacity.	OOMS	<p>Baseline: 18.1% (\$17 million) of gross ADP obligations were for services obtained from the private sector in FY 1976.</p> <p>Goal: Increase to 20% by end of FY 77</p>
o Minimize the automatic computer issuance of inaccurate or unnecessary checks and purchase orders.	OOMS	N.A.
o Strengthen agency ADP management to overcome problems of computer fraud and security.	OOMS	N.A.
Cash Management	OOMS	(Baseline to be developed by November 12).

<u>Initiatives</u>	<u>Responsible Office</u>	<u>Baseline Measures and Goals</u>
3. Reproduction Equipment	OPUB	(Baseline for commercial contracts by December and for copier utilization by January, 1977, both based upon bureau surveys.)
4. Audiovisual Activities	OASP	<p>Baseline: 177 AV facilities in FY 76; \$3,775,345 acquisition cost of AV equipment.</p> <p>Goal: Reduce number of AV facilities by 5%; no increase in acquisition value of AV equipment.</p>
5. Telephone Equipment and Usage	OASP	<p>Baseline: \$599,811 in long distance toll charges; \$80,200 in Main Commerce credit card charges; 33,300 telephone instruments.</p> <p>Goal: 10% reduction in toll and credit card charges; 5% reduction in telephone instruments.</p>
6. Mailing Practices	OASP	<p>Baseline: \$6,464,724 FY 76 total mailing costs; 150 periodicals sent by 1st class; 153 periodicals sent by other classes.</p> <p>Goals: Reduce total mailing costs by 10%; decrease number of periodicals sent by 1st class by 10%.</p>
6a. Records Storage	OASP	<p>Baseline: 403,782 cubic feet of records on hand in FY 76.</p> <p>Goal: Reduce the volume of records on hand by 10% to 363,404 cubic feet.</p>

<u>Initiatives</u>	<u>Responsible Office</u>	<u>Baseline Measures and Goals</u>
17. Office and Other Space	OASP	<p>Baseline: 8,912,674 square feet in space inventory; 163 square feet of office space per employee.</p> <p>Goal: Reduce space inventory by 5%; increase density of occupancy by 8 square feet per employee.</p>
<u>Personnel Management</u>		
18. Executive Selection and Development	OPERS	<p>Baseline: No Individual Development Plans in FY 76; No training in personnel administration fundamentals.</p> <p>Goal: 40 Individual Development Plans for persons identified as high potential; 400 managers and supervisors trained in new course on personnel administration fundamentals.</p>
19. Work Force Quality	OPERS	N.A.
20. Position and Classification Management	OPERS	<p>Baseline: Average grade increase of .15 between 1975 and 1976; FY 76 rate of position review of 52.5%; FY 76 rate of vacant position review of 59.5%.</p> <p>Goal: Hold average grade increase to .075; increase rate of position review and vacant position review to 90%.</p>

<u>Initiatives</u>	<u>Responsible Office</u>	<u>Baseline Measures and Goals</u>
<u>Personnel Management</u> (Continued)		
1. Productivity Measurement	OOMS	Baseline: 26% of DOC employees covered by productivity data submitted to National Center for Productivity. Goal: Increase coverage to 30% of employees.
2. Employment Ceilings	OPERS	N.A.

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Possible Baseline Measures for PMI Efficiency Evaluations

OPE staff is presently working with bureaus to reach agreement on baseline measures for each efficiency evaluation. The following are the measures being proposed to bureaus. A final list of measures will be completed by November 26.

1. Census: Alternatives for Compiling Registration and Voting Slots

Potential Measure: current cost of survey (\$5 million biennially) vs. cost of alternative tested.

2. DIBA: Boycott Reporting Methods

Potential Measure: manhours of respondent burden currently; dollar costs and manhours of DIBA's system maintenance currently vs. corresponding costs after overhaul of reporting system.

3. EDA: Title II Application/Approval Process

Potential Measure: current respondent burden; mean time to process vs. corresponding measures after changes.

4. MARAD: Ship Repair Invoices

Potential Measure: current respondent burden and MARAD administrative costs vs. subsequent measures.

5. NOAA: Fish Inspection

Potential Measure: current productivity of fish inspectors vs. subsequent productivity of fish inspectors.

6. NOAA: Chart Sales

Potential Measure: current productivity of chart sales vs. subsequent productivity of chart sales staff.

7. OMBE: One-Stop Centers

Potential Measure: total cost for equivalent services in single service models vs. total cost for equivalent services in one-stop center.

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8. PTO: Replace Patent Copy Reproduction System

Potential Measure: current manpower and overhead costs per copy vs. subsequent. N.B. May have to be qualified by consideration of quality of reproduction.

7. USTS: Literature Distribution

Potential Measure: current distribution costs vs. subsequent costs. N.B. No baseline measure may be adequate here because study is aimed at effectiveness as well as efficiency considerations. Conceivably, higher cost brochures, more expensively distributed to more appropriate recipients may yield a more effective program.

10. OPUBS/OOMS: Personnel Utilization

Potential Measure: Number of personnel currently (201) vs. equivalent measure subsequently.



IMPLEMENTATION OF THE PRESIDENTIAL MANAGEMENT INITIATIVES PROGRAM

<u>Objective</u> To implement the Presidential Management Initiatives program and to reach certain quantified FY 1977 goals, as specified below.	<u>Change in Status</u>											
Milestones	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<u>Decisionmaking and Departmental Organization Goals:</u> 1. Establish goal for reduction in operating unit organizational subunits. 2. Eliminate all "assistant to" positions, except Schedule C. 3. Achieve Departmentwide supervisory ratio of 6.9 to 1. 4. Establish MBO systems in all operating units. <u>Evaluation of Current Programs:</u> 1. Establish, in cooperation with operating units, baseline measures and goals for each efficiency evaluation and incorporate in this objective.			o									

Milestones

Contracting Out and Reducing Overhead Costs
(Continued)

Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep

4. Increase proportion of gross ADP obligations for services obtained from the private sector from 18.1% to 20%.
5. Decrease the 177 AV facilities by 5%.
6. Achieve 10% savings in long distance toll charges (or \$59,980) and credit card charges (or \$8,020) and 5% savings in number of telephone instruments (or 1665).
7. Reduce total mailing costs by 10% (or \$646,472) and decrease number of periodicals sent by 1st class by 10% (15).
8. Reduce the volume of records on hand by 10% to 363,404 cubic feet.
9. Reduce space inventory by 5% (or 445,633 sq. ft.) and increase density of occupancy per employee to 155 square feet.

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Model PMI Objective for Operating Units

IMPLEMENTATION OF THE PRESIDENTIAL MANAGEMENT INITIATIVES PROGRAM

Objective	Change in Status											
To implement the Presidential Management Initiatives program as it pertains to (name of operating unit) and to reach certain quantified FY 1977 goals as specified below.	New											
Milestones	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<p>A. <u>Decisionmaking and Departmental Organization Goals:</u></p> <ol style="list-style-type: none"> 1. Reduce number of organizational subunits from _____ to _____ . 2. Reduce number of "assistant to" positions from _____ to zero, excluding Schedule C positions. 3. Reduce supervisory ratio to 6.7 to 1 (if not already accomplished). 4. Make decision on establishment of operating unit MBO system. <p>B. <u>Goals in Evaluation of Current Programs:</u></p> <p>(Separate goals and milestones should be established for each efficiency evaluation. The Office of Program Evaluation is working with bureaus to establish baseline measures and goals.)</p>												

Presidential Management Initiatives
DEPARTMENT OF COMMERCE ACTION PLAN

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Presidential Management Initiatives

DEPARTMENT OF COMMERCE ACTION PLAN

Introduction

The President, in his July 24, 1976 letter to James Lynn, Director of the Office of Management and Budget, announced a new government-wide program aimed at further improving the general management of the government. This ambitious program of Management Initiatives emphasizes that the way in which government programs and activities are managed can have substantial impact on their effectiveness. The President noted that:

Just as it is more exciting to build a new boat than to scrape away barnacles year after year, there is a tendency to give higher priority to a new dramatic policy initiative than to consider the programs we already have to see how they can be improved -- to scrape away the "barnacles" that build up over time around almost any program or agency.

In order to carry out the more than twenty specific sets of actions that the President asked be undertaken, the Department of Commerce has developed the action plan contained in this report. This plan has provided us with an opportunity to develop a cohesive strategy for implementing a number of management improvement projects, including both those suggested in Mr. Lynn's letter of July 27, 1976, and some which had been begun independently by this Department. The President's Management Initiatives program allows us to bring these projects together under a focused objective and to give them the additional emphasis that results from Presidential attention.

Foremost among the initiatives already undertaken by the Department is the creation of an Assistant Secretary for Policy. The Assistant Secretary for Policy can make more effective use of the various pools of analytic competence within the Department. He can integrate analytic efforts of various organizational units, so as to improve the focus of the Department's policy advocacy. This organization brings together into a unit reporting directly to the Secretary four policy support staffs: the Office of Policy Development and

Coordination, the Bureau of International Economic Policy and Research, the Office of Energy and Strategic Resource Policy and the Office of Regulatory Economics and Policy. The Assistant Secretary for Policy also serves as Executive Director of the Department Policy Council, a forum for discussing and reviewing major Departmental policies and programs composed of Secretarial officials and the heads of Primary Operating Units.

A second organization was formed to improve oversight of the operating programs in the Department. This Office of Program Evaluation reports to the Assistant Secretary for Administration, who serves on the Executive Committee of the Policy Council. The Office conducts special studies to evaluate the effectiveness of Departmental programs in meeting objectives, identifies and investigates major program or management issues, and advises the operating units in the development and operation of evaluation and measurement systems.

At the direction of Secretary Richardson, the Department's Management by Objectives program has been renewed and revitalized. MBO in Commerce is a disciplined process through which the Secretary identifies and approves objectives and their operational plans for achievement and, most importantly, monitors progress towards such achievement in terms of the plans. The MBO program requires that both objectives and plans be stated in such specific, tangible terms that accomplishments can be verified as part of the monitoring process.

Throughout the past several months the Department has stressed the need for specific evaluation and monitoring systems to assure that objectives are being effectively identified and achieved. For example, in order to increase the efficient utilization of the Department work force, five personnel management evaluation systems are currently being implemented. Two of these are executive and management evaluation systems that are designed to monitor and augment work force quality and development. In addition three new systems are being installed to improve position classification and management and to control grade escalation. The combined implementation of these programs will provide an effective, integrated system for management improvement throughout the Department.

The Department has had considerable success in still another of the President's five initiatives -- that of reducing the burden of Federal reporting and regulation. In response to the President's reports reduction mandate of March 1, 1976, the Department reduced the number of its public-use reports by slightly over thirteen percent, while concurrently effecting a slight reduction in the number of public manhours associated with the reports.

While these are only illustrations of our accomplishments in recent months, they serve to demonstrate the solid base of activity and commitment upon which we are basing the President's Management Initiatives program. We welcome the opportunity and challenge the President's program provides.

Implementation Procedure

Secretary Richardson officially launched the Department's Management Initiatives program on July 29, 1976 at a special meeting of Commerce top management at which he stressed his personal commitment to the program. In preparation for that meeting, the Secretary had earlier designated Joseph E. Kasputys, Assistant Secretary for Administration, as his representative for the program. Assistant Secretary Kasputys had established an eleven person task force to coordinate Secretarial-level guidance. Thus, the preparations for the July 29 meeting were sufficient that an initial implementation schedule was distributed and each primary operating unit was requested to select an overall coordinator and a representative for each of the major topic areas. This rapid response organizational concept enabled the Department to react quickly to all the President's initiatives within OMB's deadlines. (The organizational structure is depicted in an attachment to this section.)

By August 3 all planning activities were underway, and on August 6 the first products -- proposals for efficiency evaluations and for contracting out -- were submitted for Departmental review. These proposals were first reviewed by two specially formed Selection Panels, consisting of high level Departmental and operating unit personnel, and the recommendations of the Selection Panels were submitted to Assistant Secretary Kasputys for his final decision. Simultaneously, the Departmental coordinators for the remaining topics issued their guidance to operating units for responding

to the short term deadlines, and a Departmental milestone schedule was developed to assure that these short term deadlines were met. (A copy of that milestone schedule is included as an attachment to this Section.

Thus, in less than a month, the Department has developed and implemented a wide-ranging action plan responsive to both the letter and spirit of the President's program, a plan that is both challenging and achievable and includes an organizational structure to assure it is carried out. We intend to continue our remaining tasks at the same fast pace and foresee no difficulties in meeting the September 3 and subsequent reporting dates. As the other implementation efforts proceed, they will be reported to OMB as part of the monthly progress reports to commence on September 21.

**THE STRUCTURE FOR DEVELOPING AND IMPLEMENTING
RESIDENTIAL MANAGEMENT INITIATIVES
IN THE DEPARTMENT OF COMMERCE**

SECRETARY
Elliot L. Richardson

Departmental Coordinator
**Assistant Secretary
for Administration**
Joseph E. Kasputys
Deputy Assistant Secretary
Guy W. Chamberlin, Jr.

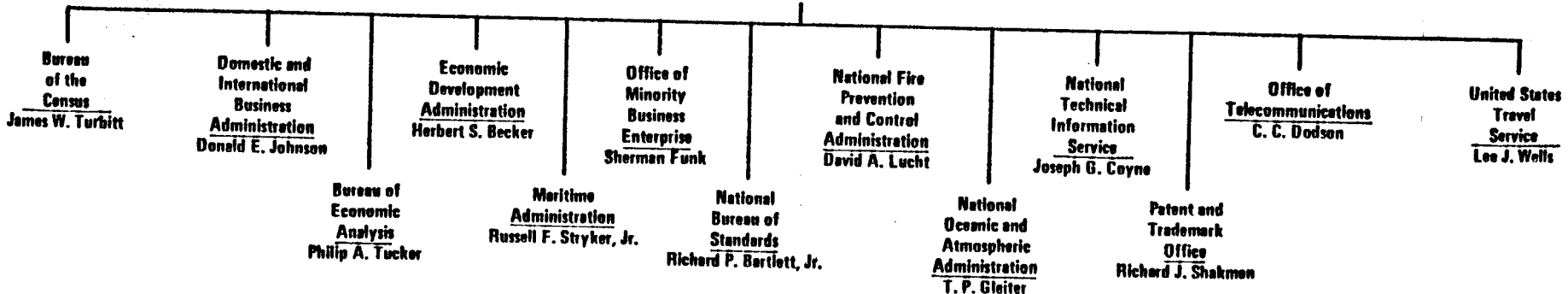
Administrative Liaison

Stephen Browning
Gerald Tache'

Departmental Action Officers

- I. Decision making & Departmental Organization – Joseph O. Smiralde (O/DMS)
- II. Evaluation of Current Programs – Robert A. Knisely (O/PE)
- III. Reduction of the Burden of Federal Reporting & Regulations – Robert T. Jordan (O/DMS)
- IV. Contracting Out and Holding Down Overhead Costs:
 - A. Contracting Out – Meir S. Gabbay (O/DMS)
 - B.1 Identification of Overhead Costs – Meir S. Gabbay (O/DMS)
 - B.2 Travel – David S. Nathan (O/BPA)
 - B.3 ADP Practices – John R. Wicklein (O/DMS)
 - B.4 Cash Management – Meir S. Gabbay (O/DMS)
 - B.5 Reproduction Equipment – David Farber (O/PUB)
 - B.6 thru B.10. Audiovisual Activities, Telephone Equipment & Usage, Mailing Practices, Office & Other Space, Record Storage – Donald B. Moore (O/ASP)
- V. Personnel Management – John M. Golden (O/PERS)

Operating Units – Overall Coordinators



1976 DEPARTMENTAL MANAGEMENT INITIATIVES PLAN

WEEK BEGINNING: MONTH: MILESTONES	AUGUST					SEPTEMBER				OCTOBER				NOVEMBER				DECEMBER						
	J	2	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22	29	6	13	20	27	
1. Secretary's briefing of DOC top management on Presidential Management Initiatives Program.	△																							
2. Designation of responsible officials by operating units.		△																						
3. Briefing of Departmental action officers on required activities and responsibilities.		△																						
4. Submission of listings (efficiency evaluations and functional areas to be contracted out) by operating units to Departmental coordinator.		△																						
5. Status review meeting for Departmental action officers.			△																					
6. Nominating committees to complete review of operating unit listings: a. Efficiency evaluations. b. Contracting out candidates.			△	△	△																			
7. Status guidance briefing for operating unit overall coordinators to be chaired by A/S for Administration.			△																					
8. Submission of operating unit spare, report reduction and ADP plan to Departmental coordinator.				△																				
9. Departmental action officers submit overall plans covering each topic area.				△																				
10. Submission of overall plan, ten (10) efficiency evaluations, five (5) contracting out proposals, ADP plan and report to reduction plan to OMB. Spare plans to GSA with copy to OMB.					△																			
11. OMPA to develop and report on plans to further reduce travel costs in FY 77 to Departmental coordinator.						△	△																	
12. OASD to report on achieved and expected savings in telephone equipment and usage to Departmental coordinator.						△	△																	

NOTE: △ - Day that the Milestone is scheduled to be completed (e.g., △ Milestone is scheduled for completion on the 29th day of the month.)

WEEK BEGINNING: MONTH: MILESTONES	AUGUST					SEPTEMBER				OCTOBER				NOVEMBER				DECEMBER						
	J	2	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22	29	6	13	20	27	
13. O/Per. to identify (establish) one executive selection and development system and report on action to Departmental coordinator.					△	△																		
14. Submission of report ref. Milestones 11, 12, and 13 to OMB.					△	△																		
15. O/Per. to begin systematic re-examination of internal position management and classification system.					△	△																		
16. Report to OMB on: a. DOC assessment of policy making evaluation, decision making capabilities and steps taken to improve. b. ADP progress reports. c. Evaluation of current internal systems for administering personnel callings.									△															
17. Report to NARS (GSA) on achieved and expected savings in mail practices.										△														
18. Review and revise contracting out implementing instructions and procedures.											△													
19. Implement executive development system for "high potential" employees.												△												
20. Monthly progress report to be submitted to Departmental coordinator.													△											
21. Monthly progress report submitted to OMB.																						△		
22. Monthly progress reports submitted to Departmental coordinator.																							△	
23. Submit monthly progress report to OMB.																								△

△ Milestone completion date is September 1st.
△ Milestone completion date is September 3rd.

Presidential Management Initiatives

DEPARTMENT OF COMMERCE ACTION PLAN

INITIATIVE: 1

TITLE: Decisionmaking and Departmental Organization

RESPONSIBLE OFFICIAL: Joseph O. Smiroldo TELEPHONE: 377-3707

I. Policy Analysis Staff

Determine extent to which there is a unit available to assist the agency head in carrying out the functions listed in the Summary Sheet (Issue 1, Item A); and report to OMB on steps taken to establish or upgrade such a unit.

A. Accomplishments to Date

The Department of Commerce has recently established an organizational framework having both the mandate and capacity to:

- o establish and/or affect the nature, type and quality of Departmental MBO's;
- o assure that the internal decisionmaking processes will take into account all relevant factors, including the impact of Department of Commerce decisions on competing priority goals of the Administration, the programs of other Agencies, and the general public;
- o identify the need for and guide the design and implementation of program impact and efficiency evaluations;
- o assure prompt and complete implementation of Secretarial decisions, and;
- o integrate the foregoing decisionmaking and implementation actions into the Department of Commerce budget process.

The creation of two new organizations, the Office of the Assistant Secretary for Policy and the Office of Program Evaluation, along with the establishment of the Department of Commerce Policy Council, constitute the framework which provides for increased Secretarial focus on these Departmental efforts.

1. The Office of the Assistant Secretary for Policy, which is comprised of an Office of Policy Development and Coordination, an Office of Regulatory Economics and Policy, a Bureau of International Economic Policy and Research, and a new Office of Energy and Strategic Resource Policy, was established in May 1976. The Assistant Secretary for Policy:

- o serves as the principal adviser of the Secretary of Commerce on matters relating to the assessment of regulatory impacts on business and industry, on policy matters associated with energy and resource development on international economic policy development, and on other selected policy development matters of direct concern to the Secretary;
- o provides for the Secretary coordinative and integrative services on broad policy matters concerning more than one operating unit of the Department; and
- o serves as the Executive Director of the Department of Commerce Policy Council which draws together resources to strengthen the Department's role in Federal policymaking and provides a focal point for Departmental policy development and review.

2. The Office of Program Evaluation, which reports to the Assistant Secretary for Administration, was established in October 1975 to improve oversight of operating programs in the Department of Commerce. The Office performs the following functions:

- o Interprets Presidential initiatives in the areas of program planning, management control, and operational evaluation;
- o Conducts special studies to evaluate the the effectiveness of Departmental Programs in meeting objectives established through legislation or other appropriate authority;
- o Operates the Secretary's management by objectives system;
- o Identifies major program, operation or management issues and problems and undertakes analyses to resolve them; and
- o Advises and assists operating units in the development and operation of systems for the identification of program objectives and the measurement of the results of actions taken against these objectives.

B. Action Steps

Action Completed.

II. MBO Program

Review agency MBO's for possible improvement and include those necessary to carry out actions directed by the President.

A. Accomplishments to Date

The Department's MBO system is designed to help the Secretary identify objectives and develop operational plans to achieve these objectives on a fiscal year basis. It also helps him track progress towards such achievement, primarily through a series of "rolling" quarterly conferences which total more than 100 hours a year.

By and large the system draws its objectives from statements of Presidential and Secretarial policy and from the Department's planning process. It presently has 61 objectives, the bulk of which are concerned

with program operations.

Originally developed in 1973, the system was redesigned for the present Secretary in 1976. Staff responsibility for its operation lodges with the Office of Program Evaluation, under the Assistant Secretary for Administration. This Office is also charged with staff responsibility for program impact and other evaluations.

Plans for MBO in fiscal 1977 and beyond stress:

- o More objectives with impact or other output targets.
- o More quantitative targets.
- o Inclusion of Presidential initiatives.
- o A longer planning horizon.
- o A coupling of MBO tracking with regular performance and financial reviews.
- o A strengthening of MBO at the bureau level.

B. Action Steps

<u>Milestones</u>	<u>Estimated Completion Date</u>	<u>Remarks</u>
1. Complete incorporation of the new objectives meeting the above criteria into the MBO system. ^{1/}	November 1976	<u>ON SCHEDULE</u>
2. Develop plans to strengthen MBO at the Bureau level.	December 1976	<u>ON SCHEDULE</u>
3. Begin regular performance/financial reviews	January 1977	<u>ON SCHEDULE</u>

^{1/} Includes MBOs necessary to carry out the Presidential Management Initiatives Program.

III. Decisionmaking

Develop and utilize checklist approach to decisionmaking.

A. Accomplishments to Date:

None

B. Action Steps

<u>Milestones</u>	<u>Estimated Completion Date</u>	<u>Remarks</u>
1.a. Submit draft of decision-maker's checklist to DOC operating units for review and comment.	September 8, 1976	<u>COMPLETED</u>
b. Request information concerning the extent to which DOC operating units are utilizing the checklist approach to decisionmaking.	September 8, 1976	<u>COMPLETED</u>
2. Receipt of (a) comments on OMB decisionmaker's checklist and (b) information relating to utilization of checklist approach to decisionmaking from operating units.	September 16, 1976	<u>COMPLETED</u>
3. Submit comments and suggested revisions concerning decisionmakers checklist to OMB.	September 21, 1976	<u>COMPLETED</u>

IV. Staffing Pattern Review

- o Review current staffing patterns and organizational structure to identify unnecessary position layering and excessive organizational subdivisions.

A. Accomplishments to Date:

Two major position management and classification systems are in place (see attachments). The systems

are the Vacancy Review process and the Survey of Position Description Process. Both of these systems are designed to have managers, together with personnel specialists, review their organizational structures and report on (1) the disposition of vacant positions, and (2) the propriety of grade allocations of positions under their jurisdiction.

B. Action Steps

<u>Milestones</u>	<u>Estimated Completion Date</u>	<u>Remarks</u>
1. Develop, in conjunction with the Office of Organization and Management Systems, a revised issuance on position management in accordance with the President's Management Initiatives.		
a) draft developed	October 15, 1976	<u>ON SCHEDULE</u>
b) issuance	November 15, 1976	<u>ON SCHEDULE</u>
2. Review supervisory ratio to employees supervised on a quarterly basis to examine abnormally narrow spans of control.	Start reviews at end of first quarter of FY 77 (December 31, 1976), and make review every quarter thereafter.	<u>ON SCHEDULE</u>
3. Establish a benchmark for an appropriate supervisory span of control and any organization which falls below benchmark must report action taken to broaden span of control.	November 1, 1976	<u>ON SCHEDULE</u>
o Develop plan to consolidate subunits.		

A. Accomplishments to Date:

Departmental organization elements carry out systematic review and evaluation programs to assure that organizational structures are not fragmented and are

conducive to the effective accomplishment of programmatic objectives and responsibilities. Generally, these review and evaluation programs entail such efforts as: studies to eliminate or curtail low priority activities and to improve work methods and procedures; and, surveys to improve organization structures, including elimination of excessive organization and unnecessary supervisory layering.

Several examples of organization restructuring efforts within the Department follow:

- o The Maritime Administration (MARAD) has drastically revised its organization structure to meet program requirements. For example, with a few exceptions, MARAD has eliminated all organization structures below the Division level as well as many Deputy and Assistant positions. As a result, MARAD has achieved a more effective and flat organization structure with a heavy emphasis on project management operations.
- o As part of the National Bureau of Standards (NBS) effort to eliminate organizational fragmentation, the Management and Organization Division is reviewing the NBS organization structure as to its effectiveness in facilitating the accomplishment of programmatic objectives. NBS expects, within the next few months, to consolidate several organizational entities--thereby achieving operational and administrative savings through reductions in the overall administrative structure.
- o The National Oceanic and Atmospheric Administration (NOAA) is presently revising the directive that provides specific policy guidance in the establishment or revision of NOAA organizational elements. NOAA is also planning to undertake a comprehensive review of existing organizations by December 31, 1976.

B. Action Steps

<u>Milestones</u>	<u>Estimated Completion Date</u>	<u>Remarks</u>
1. Formally request operating units to document recent efforts and future plans to consolidate organizational subunits.	September 17, 1976	<u>COMPLETED</u>

<u>Milestones</u>	<u>Estimated Completion Date</u>	<u>Remarks</u>
2. Receive operating unit documentation of recent efforts and future plans to consolidate organizational subunits.	October 1, 1976	<u>COMPLETED</u>
3. Monitor on a quarterly basis operating unit actions directed at consolidation of subunits.	January 31, 1977 April 30, 1977 July 31, 1977 October 31, 1977	<u>ONGOING</u>
o Establish guidelines for "assistant to" positions including number per policy official and grade level.		

A. Accomplishments to Date:

Decision made to eliminate all "assistant to" positions (except those that are in Schedule C category) and redescribe them on an "actual duties and responsibilities" basis. Additionally, no new "assistant to" positions will be established.

B. Action Steps

<u>Milestones</u>	<u>Estimated Completion Date</u>	<u>Remarks</u>
1. Include in above-mentioned issuance on position management a prohibition on establishment of "assistant to" positions (except in Schedule C category) and define the basis on which these positions must be established.		
a) draft	October 15, 1976	<u>ON SCHEDULE</u>
b) issuance	November 15, 1976	<u>ON SCHEDULE</u>
2. Initiate review of current "assistant to" positions in Department under criteria set forth in proposed issuance.	November 30, 1976	<u>ON SCHEDULE</u>
a) complete required corrective action	January 31, 1977	<u>ON SCHEDULE</u>

- o Establish procedures to ensure at least agency deputy level review of proposals to create new subdivisions.

A. Accomplishments to Date:

Existing regulations prescribe an organization and position management system for the Department of Commerce as the means of assuring that functions are organized and staffed in the most economical manner consistent with effective program accomplishment.

Procedures to ensure Departmental level review of proposals to create new subdivisions are incorporated in the Department of Commerce's Organization Order series which is used to prescribe the basic organization arrangements of the Department, namely:

- o To establish, abolish or consolidate Departmental operating units, or the principal offices (i.e., Departmental offices) that comprise the Office of the Secretary; and
- o To prescribe the basic organization structure of and assignment of functions within operating units and, as necessary, within the offices of Secretarial Officers and Departmental Offices.

Organization orders are issued for each Secretarial Officer, each Departmental office, and for each operating unit of the Department.

The Assistant Secretary for Administration is responsible for developing and prescribing administrative procedures for the individual directives, including Department Organization Orders, within the Department's primary directives system.


B. Action Steps

Action Completed

March 29, 1976

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MEMORANDUM FOR Assistant Secretaries and Heads of Bureaus
and Offices
Attention: Personnel Officers


From: John M. Golden
Director of Personnel

Subject: Average Grade Controls

There have been a number of indications recently that "grade creep" will again come under the close scrutiny of the White House, the Office of Management and Budget, and the Civil Service Commission.

In anticipation of a formal requirement to control the movement of our average grade and, even more importantly, to insure the effective management of our personnel resources, it is requested that all operating units carefully assess their procedures for the review of vacant positions as required under Section 5.02-c of Department Administrative Order 201-37. Appropriate steps should be taken to insure that such a review is in fact conducted in every instance where a vacancy occurs and that a capability is maintained for reporting the results of such review by major operating units on a quarterly basis.

Reporting Requirements:

In lieu of the current quarterly position management information called for on Form CD-209, Quarterly Personnel Statistical Report, each operating personnel office shall submit quarterly, for each major operating unit which it services, a breakdown of the results of the above required vacancy review showing (1) total vacancies during the quarter, (2) the number reviewed with the operating official, (3) the number of positions changed in grade as a result of the review, (4) the number of positions abolished outright (where there is a resulting continuing loss of head count within the organization), (5) the number of positions abolished where the space is used to establish a different position bearing no relationship to the vacancy, and (6) the total grades saved during the quarter as a result of the review process.

With regard to item (6) above, consider in that "total grades saved" figure the grades attached to any positions abolished outright, i.e., outright abolition of a GS-3 position would represent three "total grades saved" even though the average grade of the unit would rise.

as a result of that action. Also, where a vacancy occurs during a given quarter but a final decision has not been made as to its disposition, do not report it as a vacancy until a decision is made. Such pending actions should be accounted for in a "Remarks" statement at the conclusion of your report.

Due Dates:


Vacancy review reports should be submitted to the Office of Personnel within 15 days following the close of the quarter ending on June 30, 1976, and the end of each quarter thereafter.

Appropriate records should be maintained by quarter to facilitate any post audit of the effort.

June 21, 1976

- 16 -

MEMORANDUM FOR Heads of Operating Units
and Departmental Offices
Attention: Personnel Officers


From: John M. Golden
Director of Personnel

Subject: Combined Whitten and Maintenance Review

The attached paper sets forth the requirements of the combined Whitten - Maintenance Review program.

While Whitten Review schedules are called for by July 1 of each year, due to the press of time the initial schedule may be submitted at any time prior to July 15. In transmitting your schedule please indicate your intention to either (1) adopt the combined Whitten - Maintenance Review program alone, or (2) continue the Maintenance Review program under Department Administrative Order 202-516 supplemented by the "Combined Program" to insure 100 percent coverage each year.

It will be appreciated if the Commerce units in the New York area could be scheduled for maintenance review as provided for under paragraph e. during the July-September quarter utilizing the job information developed for those units for the 1976 Whitten report to determine which positions require your attention.

Any questions you may have regarding this program or the option of continuing maintenance review under Department Administrative Order 202-516 should be submitted to the Classification and Executive Assignments Division.

Attachment

COMBINED WHITTEN AND MAINTENANCE REVIEW

In lieu of the two-year cyclic review called for under Section 5.01 of Department Administrative Order 202-516, Maintenance Review, operating personnel offices may elect to conduct a modified maintenance review program combined with the Whitten Review.

Such a combined review process, at a minimum, will embrace the following features:

- a. All positions serviced by the personnel office shall be certified as to their accuracy and completeness relative to all principal duties and responsibilities by both the supervisor and the employee on an annual basis.
- b. All positions not so certified shall be desk audited and appropriately described during the quarter following the quarter in which the Whitten Review was conducted.
- c. The Whitten Review process shall be conducted throughout the organizations serviced by the operating personnel office on a quarterly basis commencing July 1 of each year. Organizational units comprising approximately one-fourth of the total workforce shall be scheduled for such review during each quarter.
- d. The results of the Whitten Review conducted during a given quarter shall be reported to the Office of Personnel within 15 days following the close of the quarter utilizing the format indicated in the Attachment.
- e. Within the succeeding quarter, all positions not certified complete and accurate by both the employee and the supervisor shall be desk audited by a representative of the personnel office. A new position description shall then be prepared and certified by both the employee and the supervisor.
- f. In those instances where, as a result of the Whitten Review of an organizational unit, uncertified position descriptions do not represent at least 20 percent of the positions in the unit, additional positions shall be selected to bring the total positions audited to a minimum of 20 percent. Positions so selected shall be those which, in the judgment of the responsible classification analyst, would be most likely to produce constructive results.
- g. Where classification problems are uncovered, corrective action should be initiated immediately. However, any adverse actions that may be required may be delayed until the completion of the next scheduled review but not in excess of one year provided:

- (1) The supervisor and the employee are made fully aware of the corrective action required and the reasons for it;

(2) The supervisor agrees that in the event the position becomes vacant for any reason the required corrective action will be taken prior to the time the position is filled again;

(3) The employee agrees to referral against any position for which qualified that will support or exceed the employee's current grade;

(4) The supervisor agrees to attempt to restructure the position to overcome any deficiencies prior to the next scheduled maintenance review;

(5) Appropriate records of all such positions shall be maintained to facilitate the assessment of the impact of the above four provisions; and

(6) Prior approval of the delay in execution of adverse actions is obtained from the Office of Personnel.

Scheduling:

a. An annual Whitten Review schedule shall be submitted to the Office of Personnel prior to July 1 of each year showing the organizational units to be covered during each quarter and the number of positions in each unit.

b. Amendments to the schedule shall be submitted to the Office of Personnel in advance of the quarter when changes will be made.

c. Organizational units which are not completed within their scheduled review quarter shall be rescheduled and completed the following quarter.

Reporting:

In addition to the report called for under paragraph d. (first page), the following reports shall be required:

a. A brief narrative report of the status of classification within each unit reviewed under paragraph e. (first page) setting forth (1) the number of positions certified complete and accurate by both the employee and the supervisor; (2) the uncertified positions audited, the findings resulting from the audit, and the disposition of each case; and (3) similar information concerning the additional audits conducted of certified positions to reach the 20 percent coverage.

These reports should be submitted to the Office of Personnel as the organizational reviews are completed, but not later than 30 days following the completion of the quarter. A copy should be provided the organizational unit head.

b. The requirement for a consolidated annual Whitten Review report to be submitted to the Office of Personnel not later than July 15 has not been changed by the above.

* * *

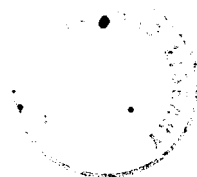
Those operating personnel offices not opting for the Combined Whitten and Maintenance Review may continue the maintenance review program as prescribed in Department Administrative Order 202-516. This is conditioned on:

a. Adherence to the scheduling and reporting requirements of Department Administrative Order 202-516; and

b. Whitten reviews of all organizational units not scheduled for maintenance review during the year being conducted in accordance with the above, excluding only paragraph f.

Attachment

6/21/76



WHITTEN REVIEW QUARTERLY REPORT

For Quarter Ending _____

1. Organizations Scheduled for Review:
(Division Level) and number of positions

2. Status of position descriptions, by organization:

<u>Title</u>	<u>Series</u>	<u>Grade</u>	<u>P.D.No.</u>	<u>Incumbent</u>	<u>Certified</u>	<u>Rec Aut</u>
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3. Attach listing of uncertified position descriptions showing title, series and grade, and incumbent, by organizational unit.

PRESIDENTIAL MANAGEMENT INITIATIVES
DEPARTMENT OF COMMERCE ACTION PLAN

INITIATIVE: 2

TITLE: Evaluation of Current Programs

RESPONSIBLE OFFICIAL: Robert A. Knisely TEL: 377-4132

I. Policy and Evaluation Unit

Assign to agency policy and evaluation unit responsibility to identify need for, and guide the design and implementation of program impact and efficiency evaluations.

A. Accomplishments to Date:

As was discussed under Initiative 1, the Department has already accomplished this action.

B. Action Steps:

Action Completed.

II. Efficiency Evaluations

A. Accomplishments to Date:

In response to the President's Management Initiatives, the Department of Commerce held a meeting of representatives of each Primary Operating Unit which elicited a large number of proposed efficiency evaluations. Subsequently a Task Group of agency representatives was formed to select a group of projects to propose to the Assistant Secretary of Administration for both internal and external review. That group selected seventeen studies, from which the Assistant Secretary for Administration chose ten to be reviewed by OMB and the remainder to be monitored internally.

The process of designing efficiency evaluation studies for external review should properly be an iterative one, involving negotiation between the Office of the Secretary and the Primary Operating Unit. Since the schedule for developing efficiency evaluation plans has so far not afforded sufficient time for such reiteration, the descriptions provided here can reflect only our current plans for the conduct of these projects. The projects set out below are presented in alphabetical order and are described in the attached appendix. Since we intend to complete all studies, the selection of this group from a larger list represents the only meaningful setting of priority in this context.

B. Action Steps

- o Study alternatives for compilation of voting and registration statistics.

<u>Milestones</u>	<u>Estimated Completion Date</u>	<u>Remarks</u>
1. Conduct Annual Survey	Jan. 1977	<u>ON SCHEDULE</u>
2. Conduct Experimental Surveys Prototypes	Aug. 1977	<u>ON SCHEDULE</u>
3. Process Data	Oct. 1977	<u>ON SCHEDULE</u>
4. Complete Study	Dec. 1977	<u>ON SCHEDULE</u>
o <u>Revision of Boycott Reporting Methods (DIBA)</u>		
1. Submit Concept Report to OEA	Sept. 1976	<u>ON SCHEDULE</u>
2. Approve Systems Concept	Oct. 1976	<u>ON SCHEDULE</u>
3. Submit System Design to OEA	Nov. 1976	<u>ON SCHEDULE</u>
4. Determine Final Format of Statistical Summary	Nov. 1976	<u>ON SCHEDULE</u>
5. Obtain OMB Forms Clearance for Revision	Dec. 1976	<u>ON SCHEDULE</u>

<u>Milestones</u>	<u>Estimated Completion Date</u>	<u>Remarks</u>
6. Prepare ADP Specs.	Jan. 1977	<u>ON SCHEDULE</u>
7. Prepare ADP Programs	May 1977	<u>ON SCHEDULE</u>
8. Produce First Quarter Summaries	May 1977	<u>ON SCHEDULE</u>
o <u>Streamlining of Application/Approval Process under Title II (EDA)</u>		
1. Document Identification and Collection	Oct. 1976	Major Re- vision: New study schedule available in November.
2. Document Review	Oct. 1976	
3. Statistical Review	Oct. 1976	
4. Process/Procedure Identification	Nov. 1976	
5. Interviews	Dec. 1976	
6. Data Analysis	Jan. 1977	
7. Complete Report	Jan. 1977	
o <u>Study of the Review and Coding of Ship Review Invoices and Summaries (MARAD)</u>		
1. Initiate Study	Sept. 1976	<u>COMPLETED</u>
2. Analyze Survey Data	Oct. 1976	<u>ON SCHEDULE</u>
3. Complete Interim Report	Nov. 1976	<u>ON SCHEDULE</u>
4. Complete Project	Dec. 1976	<u>ON SCHEDULE</u>
o <u>Study of Chart Sales Program (NOAA)</u>		
1. Initiate Study	Sept. 1976	<u>COMPLETED</u>
2. Complete Analysis of Survey Data	Nov. 1976	A major revision of this study is expected and a new schedule will be completed in early Nov.
3. Complete Interim Report	Dec. 1976	
4. Complete Study	Dec. 1976	

<u>Milestones</u>	<u>Estimated Completion Date</u>	<u>Remarks</u>
o <u>Study of Fish Inspection and Grading Program (NOAA)</u>		
1. Initiate Study	Mar. 1977	<u>ON SCHEDULE</u>
2. Complete Analysis of Survey Data	Jun. 1977	<u>ON SCHEDULE</u>
3. Complete Interim Report	Jun. 1977	<u>ON SCHEDULE</u>
4. Complete Project	July, 1977	<u>ON SCHEDULE</u>
o <u>Efficiency Study of One-Stop Centers (OMBE)</u>		
1. Commence Contract	Oct. 1976	Study delay of one month due to slippage in contract award.
2. Review Draft Final Report	Dec. 1976	
3. Approve Final Report	Feb. 1977	
o <u>Evaluation of Systems to Replace Patent Reproduction System (PTO)</u>		
1. Award Contract	Mar. 1977	<u>ON SCHEDULE</u>
2. Initiate Equipment Replacement	Jan. 1978	<u>ON SCHEDULE</u>
3. Total System Implementation	July 1978	<u>ON SCHEDULE</u>
o <u>Efficiency Evaluation of Literature and Brochures Distribution Program (USTS)</u>		
1. Initiate Study	Nov. 1976	<u>ON SCHEDULE</u>
2. Evaluate Study Findings	Mar. 1977	<u>ON SCHEDULE</u>
3. Issue Interim Report	Jun 1977	<u>ON SCHEDULE</u>
4. Complete Study	Aug. 1977	<u>ON SCHEDULE</u>

<u>Milestones</u>	<u>Estimated Completion Date</u>	<u>Remarks</u>
o <u>Personnel Utilization Study (O/Pubs)</u>		
1. Prepare Draft Report	Nov. 1976	Delay two mos. due to
2. Prepare Final Report	Dec. 1976	(1) temporary reassignment
3. Audit Implementation of Recommendations	Jan. 1977	and (2) large amt. of data requiring analysis.
III. <u>Management Plan.</u>		
Develop, in accordance with OMB guidance which will follow, a management plan (to complement agency budget submissions for FY 1978), including a description of agency program impact evaluations.		
A. <u>Accomplishments to Date:</u>		
Although the Department has initiated a number of activities relating to management planning and evaluation, we must await OMB guidance to determine if they are responsive.		
B. <u>Action Steps:</u>		
An action plan will be developed upon receipt of the OMB guidance.		