
SCORECARD STANDARDS FOR SUCCESS

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In August 2001, the President launched his *Management Agenda* targeted to “address the most apparent deficiencies where the opportunity to improve performance is the greatest.” The Agenda includes five government-wide initiatives, each of which is described more fully in the *Budget* chapter on Governing for Accountability.

- Strategic Management of Human Capital;
- Competitive Sourcing;
- Improved Financial Performance;
- Expanded Electronic Government; and
- Budget and Performance Integration.

In order to ensure accountability for performance and results, the Administration is using an Executive Branch Management Scorecard. The Administration will use this scorecard to track how well departments and agencies are executing the management initiatives, and where they stand at a given point in time against overall standards for success.

The scorecard employs a simple grading system common today in well-run businesses: green for success, yellow for mixed results, and red for unsatisfactory. Scores are based on five standards for success defined by the President’s Management Council and discussed with experts throughout government and academe, including individual Fellows from the National Academy for Public Administration. The standards for financial management, for example, were reviewed by the Secretary of the Treasury, the Comptroller General, and the Director of the Office of Management and Budget.

Under each of the five standards, an agency is “green” if it meets all of the standards for success, “yellow” if it has achieved some but not all of the criteria, and “red” if it has any one of a number of serious flaws. For example, in financial management, an agency is “red” if its books are such a mess that auditors cannot express an opinion on the agency’s financial statements, or if an agency has a history of spending more money than has been given to it in law by the Congress.

The initial scorecard shows a lot of poor scores, reflecting the state of the government this Administration inherited. This was to be expected since, as the President indicated when selecting the *Management Agenda* items, the areas are “targeted to address the most apparent deficiencies where the opportunity to improve performance is the greatest.” The marks that really matter will be those that record improvement, or lack of it, from these starting points.

The initial scorecard can be found in the *Budget* chapter on Governing for Accountability. The agency chapters, which follow, discuss in greater detail the scores for individual departmental and agencies.

Over time, the scores should improve as departments and agencies correct the problems. The Administration will update this report twice a year and issue a mid-year report during the summer. This Administration will not indulge in grade inflation; we will hold ourselves responsible and report honestly when progress is too slow.

SCORECARD STANDARDS FOR SUCCESS

Human Capital

Green	Yellow	Red
<p>Must Meet All Core Criteria:</p> <ul style="list-style-type: none"> • Agency human capital strategy is aligned with mission, goals, and organizational objectives: 1) integrated into Budget and Strategic Plans; 2) consistent with OPM's human capital scorecard (issued by December 1, 2001); and 3) complies with standards for internal accountability systems to ensure effective merit-based HRM. • Agency has a citizen-centered organizational structure that is delayed and oriented toward performing the mission assigned to it. • Agency 1) sustains high-performing workforce that is continually improving in productivity; 2) strategically uses existing personnel flexibilities, tools, and technology; and 3) implements effective succession plans. • No skill gaps/deficiencies exist in mission critical occupations. • Agency differentiates between high and low performers through appropriate incentive and rewards. • Changes in agency workforce skill mix and organizational structure reflect increased emphasis on e-government and competitive sourcing. 	<p>Achievement of Some but not All Core Criteria; No Red Conditions.</p>	<p>Has Any One of the Following Conditions:</p> <ul style="list-style-type: none"> • Agency human capital strategy is not aligned to support the mission, goals, and organizational objectives and is not integrated into Budget and Strategic Plans. • Agency organizational structure is not citizen-centered and not delayed. • Agency does not 1) strategically use existing personnel flexibilities, tools, and technology; and 2) implement succession plans. • Agency is not addressing skill gaps/deficiencies in mission critical occupations. • Agency fails to reward high performers and fails to address low performance. • Agency outsources without training and deploying adequate contract management staff, and/or without appropriate planning to accommodate displaced employees.

SCORECARD STANDARDS FOR SUCCESS
Competitive Sourcing

Green	Yellow	Red
<p>Must Meet All Core Criteria:</p> <ul style="list-style-type: none"> Completed public-private or direct conversion competition on not less than 50 percent of the full-time equivalent employees listed on the approved FAIR Act inventories. Competitions and direct conversions conducted pursuant to approved competition plan. Commercial reimbursable support service arrangements between agencies are competed with the private sector on a recurring basis. 	<p>Achievement of Some but not All Core Criteria; No Red Conditions.</p>	<p>Has Any One of the Following Conditions:</p> <ul style="list-style-type: none"> Completed public-private or direct conversion competition on less than 15 percent of the full-time equivalent employees listed on the approved FAIR Act inventories. Competitions and direct conversions are not conducted in accordance with approved competition plan.between agencies are competed with the private sector.

SCORECARD STANDARDS FOR SUCCESS
Financial Management

Green	Yellow	Red
<p>Must Meet All Core Criteria:</p> <ul style="list-style-type: none"> Financial management systems meet Federal financial management system requirements and applicable Federal accounting and transaction standards as reported by the agency head. Accurate and timely financial information. Integrated financial and performance management systems supporting day-to-day operations. Unqualified and timely audit opinion on the annual financial statements; no material internal control weaknesses reported by the auditors. 	<p>Achievement of Some but not All Core Criteria; No Red Conditions.</p>	<p>Has Any One of the Following Conditions:</p> <ul style="list-style-type: none"> Financial management systems fail to meet Federal financial management systems requirements and applicable Federal accounting standards as reported by the agency head. Chronic or significant Anti-deficiency Act violations. Agency head unable to provide unqualified assurance statement as to systems of management, accounting, and administrative controls. Auditors cite material non-compliance with laws and regulations, or repeat material internal control weaknesses; or are unable to express an opinion on the annual financial statements.

SCORECARD STANDARDS FOR SUCCESS
Expanding E-Government

Green	Yellow	Red
<p>Must Meet All Core Criteria:</p> <ul style="list-style-type: none"> • Strategic Value: all major systems investments have a business case submitted that meets the requirements of OMB Circular A-11 (Exhibit 53, Form 300). • IT Program Performance: On average, all major IT projects operating within 90% of Form 300 cost, schedule, and performance targets. <p>E-government and GPEA implementation: (must show department-wide progress or participation in multi-agency initiative in 3 areas)</p> <ul style="list-style-type: none"> • Citizen one-stop service delivery integrated through Firstgov.gov, cross-agency call centers, and offices or service centers. • Minimize burden on business by re-using data previously collected or using ebXML or other open standards to receive information. • Intergovernmental: Deploying E-grants or Geospatial Information one-stop. • Obtaining productivity improvements by implementing customer relationship management, supply chain management, enterprise resource management, or knowledge management best practices. 	<p>Achievement of Some but not All Core Criteria; No Red Conditions.</p>	<p>Has Any One of the Following Conditions:</p> <ul style="list-style-type: none"> • Less than 50% of major IT investments have a business case per OMB Circular A-11 (Exhibit 53, Form 300). • On average, all major IT projects operating at less than 70% of Form 300 cost, schedule and performance targets. <p>Fulfills not more than one of the following:</p> <ul style="list-style-type: none"> • Citizen one-stop service delivery integrated through Firstgov.gov, cross-agency call centers, and offices or service centers. • Minimize burden on business by re-using data previously collected or using ebXML or other open standards to receive information. • Intergovernmental: Deploying E-grants or Geospatial Information one-stop. • Obtaining productivity improvements by implementing customer relationship management, supply chain management, enterprise resource management, or knowledge management best practices.

SCORECARD STANDARDS FOR SUCCESS
Integrating Budget and Performance

Green	Yellow	Red
<p>Must Meet All Core Criteria:</p> <ul style="list-style-type: none"> • Integrated planning/evaluation and budget staff work with program managers to create an integrated plan/budget and to monitor and evaluate its implementation. • Streamlined, clear, integrated agency plan/budget sets forth outcome goals, output targets, and resources requested in context of past results. • Budget accounts, staff, and specifically program/activities are aligned to support achieving program targets. • Full budgetary cost is charged to mission accounts and activities. Cost of outputs and programs is integrated with performance in budget requests and execution. • Agency has documented program effectiveness. Analyses show how program outputs and policies affect desired outcomes. Agency systematically applies performance to budget and can demonstrate how program results inform budget decisions. 	<p>Achievement of Some but not All Core Criteria; No Red Conditions.</p>	<p>Has Any One of the Following Criteria:</p> <ul style="list-style-type: none"> • Planning and budgeting separate with little collaboration. Levels of organization have little and formal communication. Focus on getting funds for independent use. • Traditional budget request with little attempt to tie resources to results or communicate with other than budget technicians. • Excessive numbers of accounts, historical anomalies, accounts that fund illogical parts of programs. Centralized accounts that fund program resources; accounts that fund multiple programs with little in common. • No attention to charging cost to the right bureau, let alone the activity. Substantial costs "mixed up" at the agency or bureau level. Program managers lack authority over resources. • Focus on getting money for a good cause. Justification by anecdote. Little focus on outcomes, or how program influences them.