

EXECUTIVE OFFICE OF THE PRESIDENT
OF THE UNITED STATES

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PRESIDENT'S MANAGEMENT ADVISORY BOARD

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MEETING

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THURSDAY
DECEMBER 19, 2013

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The Board met telephonically at 3:00
p.m. Eastern Standard Time, Beth Cobert, Chair,
presiding.

PMAB MEMBERS PRESENT:

BETH COBERT, Chair
SAM GILLILAND, Member
JEFF KINDLER, Member
GAIL McGOVERN, Member
SHANTANU NARAYAN, Member
ENRIQUE SALEM, Member

FEDERAL GOVERNMENT STAFF PRESENT:

STEVE BROCKELMAN, PMAB Executive Director and
Designated Federal Officer, General Services
Administration
DUSTIN BROWN, Office of Management and Budget
KATIE MALAGUE, Office of Management and Budget

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1 P-R-O-C-E-E-D-I-N-G-S

2 (3:02 p.m.)

3 MS. MALAGUE: Thank you, very much.
4 This is Katie Malague with the Office of
5 Management and Budget and I want to thank all
6 of you for joining today's President's
7 Management Advisory Board call.

8 We have an opportunity today about
9 an update on the design of the administration's
10 second term management agenda and outline
11 potential themes for the PMAB's work in 2014.

12 Here at OMB, I am joined by Beth
13 Cobert from OMB, who we will hear from shortly;
14 Steve Brockelman, who is with GSA's Office of
15 Executive Councils, and Dustin Brown, who is
16 also with OMB.

17 Before we begin today's meeting, I
18 would like to make one administrative
19 announcement. This Advisory Board operates as
20 a committee under the Federal Advisory
21 Committee Act or FACA, which means our

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1 discussion today will be recorded and made
2 available on the White House website. Members
3 of the public are also able to listen during the
4 call.

5 Next, we will make time for some
6 introductions. As you know, this is the first
7 meeting with our new Chair, OMB's Deputy
8 Director for Management, Beth Cobert. Beth
9 joins OMB after nearly 30 years with McKinsey
10 and Company, where her cross-sector consulting
11 work provided a particularly useful foundation
12 for her federal role. I will turn it over to
13 Beth.

14 DEP. DIRECTOR COBERT: Thank you
15 very much, Katie.

16 As many of you know, in recent months
17 OMB has seen several leadership transitions,
18 including our director, Sylvia Matthews Burwell,
19 Deputy Director Brian Deese and myself.

20 Before joining OMB in late October,
21 as Katie mentioned, I had multiple leadership

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1 roles within McKinsey working with a mix of
2 industries in the corporate non-profit and some
3 government entities on key strategic
4 operational and organizational issues.

5 I led major projects to generate
6 performance improvements to process
7 streamlining, enhance customer service,
8 improve deployment of technology, more
9 effective marketing programs and strengthened
10 organizational effectiveness.

11 Beyond that client work within
12 McKinsey, I had multiple leadership roles,
13 largely around talent management, including
14 recruiting, training, and performance
15 evaluation. And these are the experiences and
16 a very high level of excitement and commitment
17 to public service that I am looking forward to
18 bringing to bear in my work at OMB.

19 Before we get into the heart of
20 today's agenda, I would also like to add that
21 a focus on better management practices as a way

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1 to improve impact of the government is a belief
2 and a commitment that is shared across the OMB
3 leadership team.

4 Director Burwell, Sylvia's
5 experiences at the Bill and Melinda Gates
6 Foundation and the Walmart Foundation has
7 helped shaped her perspective on the importance
8 of using data, performance metrics, thinking
9 about core processes, focusing on service with
10 potential for IT as key levers to drive greater
11 impact, themes that I am sure that many of you
12 share.

13 Sylvia and Brian Deese, our Deputy
14 Director, and myself are committed to working
15 together on these issues to bring together the
16 budget and management sides of the organization
17 and are all very enthused about engaging with
18 you and getting your input on how to make
19 ourselves more effective and to bring a higher
20 level of operating effectiveness to government.

21 As I begin my tenure in this role,

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1 it has been a whirlwind six and a half, seven
2 weeks, and I am hoping to focus on areas where
3 we can find ways to look across multiple
4 agencies and share best practices to have the
5 biggest impact.

6 I am really looking forward to
7 today's discussions and meeting you and, more
8 importantly, to the ongoing dialogue that we
9 look forward to having in the future.

10 Before we turn to the management
11 agenda conversation, also so we can help each
12 other by knowing who is talking when, I would
13 like folks to just go around and do a brief
14 introduction, where you are from, so we can all
15 recognize the voices. And then if you have any
16 opening thoughts, we would be delighted to have
17 them.

18 Sam, maybe we can start with you.

19 MEMBER GILLILAND: Okay, I am sorry.

20 Did you say Sam?

21 DEP. DIRECTOR COBERT: Yes, I'm

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1 sorry.

2 MEMBER GILLILAND: Okay. Yes, and
3 I was on mute. So, apologize for the delay.

4 Yes, my name is Sam Gilliland and I
5 am the former Chairman and CEO of Sabre, based
6 in Dallas, Texas.

7 DEP. DIRECTOR COBERT: Great.
8 Jeffrey? Jeff?

9 MEMBER KINDLER: Yes, hi. It is
10 Jeff Kindler. I am the former Chairman and CEO
11 of Pfizer.

12 DEP. DIRECTOR COBERT: Great.
13 Gail?

14 MEMBER McGOVERN: Gail McGovern.
15 I am the President and CEO of the American Red
16 Cross.

17 DEP. DIRECTOR COBERT: Shantanu?

18 MEMBER NARAYAN: Yes, I am Shantanu
19 Narayan. I am President and CEO of Adobe
20 Systems.

21 DEP. DIRECTOR COBERT: Great. I

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1 think Enrique is the last person we have on the
2 line today. Correct? Enrique may be joining
3 in progress. Okay.

4 So, thank you all. Great to hear
5 your voices and I do look forward to meeting each
6 of you live and in person in the coming months.
7 And thank you also for your service to the
8 administration and the American people. It
9 really does make a big difference.

10 So, let me start by giving you a
11 little bit of an update on where we are on some
12 of the key themes of the management agenda and
13 then, as Katie said, what I would like to turn
14 to after that is a couple of areas that we have
15 been thinking about as topics to engage with you
16 on over the course of 2014, tell you why we are
17 thinking about those and get your feedback. So,
18 that is a bit of our agenda for the time we have
19 today.

20 As you may know, in late summer, the
21 President announced a process to outline these

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1 key management priorities for the second term.
2 And when this group got together in the summer,
3 I know you talked about, I understand you talked
4 about where we were and our emerging thinking
5 on that.

6 Since that time, we have been
7 running a process here across the federal
8 government, working with agencies, talking to
9 individuals who led efforts around improving
10 management effectiveness in the past across
11 multiple administrations to try and gather
12 ideas and recommendations on the ways to enhance
13 federal management.

14 This design effort is still underway
15 and it has certainly been a focus of mine in the
16 less than two months that I have been getting
17 started in terms of pulling this together and
18 thinking about priorities. We are still
19 working through many of the details to shape the
20 agenda and set the specific action that we will
21 be working on. But I wanted to bring you up to

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1 date on where we have been and where we think
2 we are going, in terms of how we are shaping
3 this.

4 Throughout the process, we have
5 really focused on four core broad themes as the
6 pillars of the second term management agenda:
7 effectiveness, efficiency, economic growth,
8 and people and culture. And our work has been
9 to identify things that we can take on across
10 agencies and within agencies against each of
11 those pillars.

12 For us, these will be really the
13 kinds of things that can make a difference in
14 terms of government conformance and meet our
15 aspiration of having actions that will be
16 tangible and measurable in terms of our impact
17 and can make a difference to the American people
18 and to American business.

19 One of the first of these is around
20 effectiveness, improving how the federal
21 government delivers service to the public, both

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1 through the use of technology, as well as
2 through better processes, as a way to increase
3 our effectiveness. And we will come back to
4 this service theme as one of the things we want
5 to focus on with you in the coming year.

6 It is really important for us to set
7 our aspirations high, in terms of level of
8 service the federal government provides and get
9 it to a standard that is comparable to what
10 people experience in the rest of their external
11 lives.

12 Another area is continuing to find
13 ways to eliminate waste and find the operational
14 savings in programs, processes, and systems to
15 build efficiency. That is the efficiency thing
16 and we will come back and talk about what we are
17 trying to do across that, particularly in some
18 things that cut across government.

19 The third are on economic growth is
20 taking steps to ensure that the government is
21 enhancing economic growth, including ways to

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1 continue to open up government data to help
2 create new businesses or create new
3 opportunities for existing businesses and to
4 include other efforts we have in place, like in
5 speeding up and improving the effectiveness of
6 the federal permitting process to enable things
7 that can really promote jobs and the economy
8 move at a faster pace.

9 And finally, in a theme we heard a
10 great deal about in our conversations with
11 people here across agencies, with individuals
12 who worked on government reforms in the past,
13 is investing and focusing on how the government
14 can attract, develop, and retain a first-class
15 federal workforce that will enable us to really
16 deliver successfully in the 21st Century and to
17 try and bring the best and brightest to service
18 in government.

19 As we thought about these themes, we
20 all are also doing this in the context of a world
21 where we know fiscal constraints will continue.

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1 And so it is really more important than ever that
2 we integrate our management efforts with our
3 budget processes and delivery of government
4 services.

5 What we are trying to do in this
6 agenda is ensure that taxpayer dollars are spent
7 wisely and that we are really getting the value
8 of those dollars.

9 Each of these themes, as I have
10 described them, are quite broad in scope. Many
11 of them build on past efforts from the first term
12 and from previous administrations. But for us,
13 the focus has been trying to say what are the
14 pieces that we have in place that we can build
15 on and how do we set our priorities going forward
16 and building new initiatives where it makes
17 sense.

18 We are still in the process of
19 gathering this input from stakeholders within
20 the government, from stakeholders in Congress,
21 from external experts. And so I want to just

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1 stop there and say we are working through this.
2 I know we have had some discussion in the past
3 but I wanted to pause and see if there were any
4 questions or comments from any of you.

5 (Pause.)

6 DEP. DIRECTOR COBERT: So, in terms
7 of our timing, just so you know where we are
8 going, we have been in what we have been calling
9 here the design phase for actually a little bit
10 longer. Probably a little bit longer than,
11 frankly, we would have liked. The shutdown,
12 among other things got a little bit in our way.
13 But we are trying to focus in the new year to
14 pivot to implementation. And one of the things
15 that I have been focused on in working with the
16 team here is thinking about how we integrate
17 this agenda and the specific things we are going
18 to go after with the overall government
19 performance management framework that exists
20 through the GPRA Modernization Act, where
21 agencies are required to articulate specific

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1 quantifiable goals for improved performance,
2 make those goals transparent to the public and
3 track their performance.

4 There is also a process for creating
5 cross-agency priority goals and we are going to
6 have the initiative as a management agenda
7 reflected in those. Again, for us, creating
8 that measurability and that accountability can
9 be really important as we think about how we
10 drive to make a difference.

11 And finally, as we think about these
12 goals, we are also trying to think about what
13 are the things we can do in the near term, as
14 well as creating the basis for follow-on
15 initiatives and longer-term success.

16 As we have been starting to
17 articulate these themes for the management
18 agenda, there is a couple of areas that we
19 thought about as opportunities to try and focus
20 the PMAB's engagement in the coming year.

21 I know in the past we have taken

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1 advantage of the advice you have offered around
2 topics like IT management, executive
3 development, strategic sourcing. And as we
4 have thought about the agenda for the PMAB in
5 2014, what we were trying to construct were a
6 couple of places where we could be focused
7 enough so we can get some really quality and
8 in-depth input in areas where we thought that
9 there would be particular lessons that we can
10 learn from your own experiences in running
11 companies and driving performance in your own
12 organizations.

13 The two topics that we thought about,
14 and again, this is where we would like to get
15 some feedback and comments from you, one is
16 around customer service and the second is around
17 creating a culture of effectiveness and
18 engagement with employees. Those were right to
19 the pillars around effectiveness and the first
20 class federal work force we talked about in the
21 management agenda.

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1 So, let me take a minute and talk
2 about each of those and pose a couple of
3 questions to you. Customer service, a topic
4 near and dear to my own heart and one where in
5 the federal sector we sometimes don't have the
6 same discipline of alternative providers. We
7 are the only provider. And so finding ways to
8 think about how we really raise the bar on
9 ourselves, how can we foster great systems and
10 great processes, how can we foster feedback on
11 how we are doing and where we need to make
12 improvements?

13 And we also feel like we are at a
14 place where the bar that we need to meet from
15 the expectations of citizens, from the
16 expectations of businesses, not that we do it
17 better than the government did it yesterday, but
18 we do it in the same level of quality,
19 effectiveness, speed, care, responsiveness
20 that organizations like yours and others can
21 deliver on a day to day basis.

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1 And so we are trying to think about
2 how we raised the bar on ourselves with a
3 particular focus on making sure we are more user
4 centric, starting with the customer back and how
5 we think about things, how we think about
6 building metrics that are appropriate for the
7 kinds of processes and customer service
8 interaction throughout the year. And how do we
9 think about building accountability in the
10 system? Accountability for the folks who are
11 leading these efforts so that they really can
12 deliver and that we can hold ourselves
13 accountable for getting things better on a
14 continuous and ongoing basis.

15 With that framing, I would love to
16 just pause for a minute and get your initial take
17 in terms of this topic of addressing service.
18 How do you think about the elements that might
19 be most important for us to focus on? And
20 reflecting on your own experiences, I know that
21 all of the organizations that you are part of

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1 think that service and the way you deliver it
2 to your customers is clearly important and that
3 clearly affects your experience with your
4 enterprises.

5 MEMBER GILLILAND: Beth, it's Sam.

6 DEP. DIRECTOR COBERT: Yes, Sam.

7 MEMBER GILLILAND: I guess maybe
8 the first question that comes to mind is just
9 around focus and I am curious as to how you think
10 about this. This is a pretty broad topic.

11 DEP. DIRECTOR COBERT: Yes.

12 MEMBER GILLILAND: And so I think we
13 are kind of all facets of customer points. How
14 would you think about where we might focus our
15 energies more specifically so that we would
16 develop some approaches which would drive
17 success maybe in a focused area that could then
18 be broadened, kind of franchised out to other
19 areas? How have you thought about where we
20 might focus? Because it is a very broad topic
21 and certainly it is a lofty goal to kind of take

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1 us from where we are today to being at kind of
2 market-benchmarked capabilities.

3 DEP. DIRECTOR COBERT: Well, let me
4 respond to that and then I will let others weigh
5 in.

6 I think in terms of both our own
7 efforts and where we, at least I have been
8 thinking that the President's Management
9 Advisory Board might be able to help us, I
10 thought about two different things but we are
11 still in formulations. So, your input is
12 helpful here.

13 One is helping us think about how to
14 define metrics for the different kinds of
15 processes that we have in the government where
16 we are trying to raise service standards. So,
17 specifically, leveraging people's own
18 experiences in how they have used metrics
19 effectively, I think can help us get some good
20 tangible examples of the kinds of metrics that
21 might make sense as we look across different

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1 processes. And then the owners of those
2 processes have something to measure against.

3 So, one place is using metrics,
4 developing metrics, getting them embedded would
5 be one topic within service. We can then
6 understand our starting point. And I agree
7 with you that we have set a high bar here.

8 The second place, as we are thinking
9 about the second term management agenda and one
10 we are still working through is ourselves
11 picking not every process in government but a
12 few to focus on ourselves, in terms of
13 cross-agency approaches, creating tools that
14 are reusable. And so another place where, as
15 we refine that list and we really are trying to
16 make it a list of things that is shorter than
17 one hand, actually having you collectively help
18 us on those specific processes and the analogies
19 to those processes may be in your own
20 businesses.

21 So, it would be sort of the metrics

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1 conversation might be one and then as we tee up
2 specific processes to work on, trying to get you
3 to help us focus on that handful. And then we
4 can try and think about the lessons learned that
5 come out of that.

6 So, that is at least one idea for how
7 we focus.

8 MEMBER McGOVERN: Can I also chime
9 in there? Because I had the same question that
10 Sam did. This is Gail.

11 DEP. DIRECTOR COBERT: Hi, Gail.

12 MEMBER McGOVERN: I feel like even
13 the word metric along with customer service
14 across all these agencies might still be a bit
15 broad. And I haven't thought this through but
16 I throw it out for future consideration. Maybe
17 we take one agency with one set of customer
18 service activities and figure out how to improve
19 the level of customer service. Because so many
20 of your agencies are totally different from each
21 other and the scope is still, as Sam said, very,

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1 very broad. And I think where this Advisory
2 Board has been most successful in the past is
3 when there is a clearly defined challenge that
4 may be a level or two more specific than
5 something as broad as even getting metrics for
6 customer service because they could be
7 radically different, depending on the function
8 that you are providing.

9 DEP. DIRECTOR COBERT: So, what I am
10 hearing from both of you is as we get our
11 priorities focused on sort of which processes
12 and places we are going to focus on first,
13 getting you to target at that narrow set and
14 focusing on those specific ones versus doing
15 everything that cuts across at a high level.
16 That is the theme from both of you that is really
17 helpful.

18 I would agree, by the way.

19 MEMBER McGOVERN: That captures
20 mine. I don't know if captures Sam's or my
21 colleagues'. But you said it well, Beth, as far

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1 as my belief is concerned.

2 MEMBER GILLILAND: Yes, and that is
3 what I was getting at, Gail. So, I appreciate
4 your further elaboration on it.

5 DEP. DIRECTOR COBERT: Thoughts
6 from anyone else on this one?

7 MEMBER NARAYAN: Beth, this is
8 Shantanu. And first, we look forward to
9 working with you.

10 I think that as a team, the
11 Management Advisory Board has always thought if
12 we can clearly visualize what success looks like
13 and have a clear articulation of that, then we
14 are using the contributions of this team to make
15 sure that we are working towards that goal.

16 So, I think that the theme that you
17 heard earlier, which I agree with, is let's make
18 sure we visualize when we are successful with
19 this what does that mean. What does that mean
20 in terms of what the experience might be for
21 customers? What does it mean in terms of which

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1 agencies we take on?

2 What does it mean in terms of really
3 just visualizing success? Because I think you
4 will find this group is very results-oriented
5 and we want to make sure that the time that we
6 spend on this has the impact that we think it
7 should have.

8 DEP. DIRECTOR COBERT: No, I am all
9 for that one. So, yes.

10 And I think part of it, to be fair,
11 we are sort of in the midst -- one of the things
12 that I have been trying to do since my arrival
13 is within these four themes that we talked about
14 earlier is to try and get us quite focused here
15 on what are the things we are going to work on
16 first. Within those themes, all of which are
17 quite broad, what are the specific agencies or
18 the specific processes we are going to take on?
19 What are the specific activities?

20 We have talked about things, themes
21 in the past about shared services like if we come

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1 back we say where. And we are honestly still
2 in the midst of formulating that.

3 But I think as we take that and get
4 ourselves organized around what we are going to
5 try and deliver sooner versus later, the ability
6 to then take your input and get it focused on
7 those tangible things as we have narrowed our
8 agenda, will be really helpful. We are just a
9 little bit ahead of the game in sort of getting
10 that formalized but not -- and so I think this
11 is consistent with our bias around trying to get
12 tangible and specific and not just have those
13 things.

14 MEMBER NARAYAN: This is Shantanu
15 again. You know we have also discussed at our
16 prior meeting a couple of other potential agenda
17 items. And I am wondering, you know, what
18 happened to some of those they were looking at
19 -- facilities of the government across
20 different regions to try and understand whether
21 there was some cost savings associated with that.

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1 I know we had discussed an area of innovation
2 when Steve was involved.

3 Maybe you can give an update on sort
4 of through this transition what we are looking
5 at with respect to the other areas that were
6 identified, Beth.

7 DEP. DIRECTOR COBERT: So, we have
8 continued to do some work and we can come back
9 with an update on facilities and an overall
10 effort here, in fact, around what we have called
11 this Freeze the Footprint, which is just a way
12 of describing what we are trying to do in terms
13 of both making sure we aren't growing a federal
14 footprint but also having the kind of facilities
15 we need that are cost effective and reflect the
16 way that work is done today.

17 So, that work continues and we can
18 give you an update on that when we get together.

19 The theme about innovation and
20 fostering innovation I will come to in a minute.
21 Because one of the other topics that we have been

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1 working through and part of this is this -- again,
2 it will come off as really broad. So that is
3 what we are going to get through the key elements
4 of it is about how we change the culture, which
5 relates to the people theme to get a group of
6 -- to increase the performance focus, the
7 willingness to be innovative and some of those
8 kinds of things embedded in the workforce here.
9 And that is a little bit where that one comes
10 back.

11 But in terms of the transition,
12 Steve and I have spent lots of time together
13 making sure that we know what that input is, we
14 are continuing to act on it and providing a
15 follow-up on that when we all get together is
16 something we would be happy to do.

17 MEMBER SALEM: Okay, thank you.

18 DEP. DIRECTOR COBERT: So maybe I
19 can synthesize but if other folks who are on the
20 phone want to just make sure I haven't lost you.
21 On customer service, what I have heard is good

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1 topic, aspirational goal, getting our work with
2 you and our work here, I would add, focused on
3 going from the concept to a level of specificity,
4 where you can really work with us on some
5 tangible things, would be something in that
6 frame could be a good way to spend some time
7 together. And I know we would benefit from it.

8 MEMBER McGOVERN: This is Gail. I
9 think that captures it. To just echo what
10 Shantanu said, the more tangible and
11 well-defined the problem is, as well as the end
12 state your trying to achieve, the more effective
13 we are as a group. You know, if you could frame
14 out the problem, I believe it would make a world
15 of difference. So, I think you summarized it
16 well.

17 DEP. DIRECTOR COBERT: And we will
18 come back at the end with next steps. One of
19 the reasons we are going to talk about why we
20 actually -- I wanted to move the interaction
21 with this group back to sort of the springtime

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1 was because I want to make sure that we have got
2 something framed up for you, which means both
3 finishing our prioritization process here and
4 then coming back to you with something, again,
5 as you have described, structured and tangible
6 where you can really give a specific input. And
7 it will take us a little bit of time to do that.

8 And hence, our desire to say let's
9 do this in the spring versus I think we
10 originally had a date in January.

11 And as I just looked at my bar and
12 our bar for making sure we are using your time
13 well, I wasn't sure we would be ready in January.
14 And so, therefore, I wanted to be -- I thought
15 we were much better off having a more in-depth
16 and meaty conversation in the spring than one
17 that was at high level in January.

18 Hence, why the January date came off,
19 in case you were wondering. So, I'm all for
20 tangibility.

21 MEMBER McGOVERN: Sounds good.

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1 MEMBER SALEM: Good, okay.

2 DEP. DIRECTOR COBERT: Let me talk
3 a little bit about the second topic. By the way,
4 I think we will get some of the same feedback
5 about make this tangible. And so your input on
6 places where you could do that is really
7 helpful.

8 Again, we have had the conversations
9 here about the second term management agenda.
10 As we are thinking about what we want to do about
11 performance, enormous amount of feedback, as I
12 said earlier about the criticality of the
13 federal workforce to any of the things we want
14 to get done. You know, having them engaged,
15 figuring out ways to do that and figuring out
16 how to do that in a climate which you know again,
17 has been a very tough one for the workforce here
18 between multiple years of pay freezes,
19 furloughs, government shutdowns. It had taken
20 its toll. And part of our effort, it is thinking
21 about how we can engage in that light.

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1 As you may know, the federal
2 employees, actually for a number of years now,
3 have participated in what is call the Federal
4 Employee Viewpoint Survey, FEVS, which is a very
5 specific too, not unlike some employee
6 engagement surveys you might have in your
7 organization that helps pinpoint specific areas
8 for agencies and work units to address.

9 And we now have the ability not just
10 to use this at the level of the overall workforce
11 but to actually use it as a tool that managers
12 can have to drill down to the level of an actual
13 operating unit, understand the perspective of
14 their employees about work and about the work
15 they are doing, employee engagement, to be able
16 to compare themselves to peer groups that
17 actually faced, frankly, the same similar kinds
18 of challenges in terms of the external context
19 but are managing to find ways to actually
20 deliver better performance, better engagement,
21 better experience for the people working there.

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1 And so, one of the things we want to
2 do is take advantage of this. This is a very
3 valuable tool that we have here. And thinking
4 about how we use it and other things to really
5 engage the workforce and think about this topic
6 of culture and performance and a focus on how
7 we can improve that across the government,
8 recognizing that the starting point for each
9 agency is quite different. These results
10 actually get published every year. And you can
11 see massive differences between different kinds
12 of agencies and agencies who really made a
13 difference in their performance through focused
14 leadership efforts.

15 And so one of the places, again,
16 where we do need to get more specific, but if
17 I thought about a schematic area, is learning
18 and benefitting from everyone's experience is
19 engaging your own workforce in building a
20 culture of excellence.

21 How do you do that? What are the

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1 things you can do to share best practices? How
2 can we think about actions that can happen at
3 both the leadership and down the organization
4 in finding ways to engage in employees?
5 Because we do believe that better engagement
6 leads to better performance and better outcomes
7 and all those kinds of things.

8 So I want us to pause there again.
9 I know I have just given you a high-level
10 description of a really big problem. I am
11 guessing the first piece of feedback will be
12 make it more tangible. I agree. But we would
13 love to get your thoughts around this whole
14 issue of culture and employee engagement as
15 another topic to get a focus on but to engage
16 on with this group.

17 MEMBER McGOVERN: So, may I ask a
18 question? Is there a -- could you drive a Mack
19 truck between the best ones and the worst ones?
20 Or is it just shades of gray? Is there somebody
21 there that really seems to have figured out best

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1 practices in their agency and has great scores
2 or is it across the board kind of malaise?

3 DEP. DIRECTOR COBERT: There is
4 actually quite a wide variation. And, there is
5 a group called the Partnership for Public
6 Service that does a bunch of analysis of this
7 data. It is a nonprofit that looks at this every
8 year. One of the people who have ended up on
9 the top every year is NASA, consistently moving
10 to the top. But there are other organizations
11 that have made -- they do, they cut the data and
12 you get sort of 30 percentage points differences
13 between the tops and the bottoms.

14 So, there is actually quite a big
15 span. If you look at the top quartile and the
16 bottom quartile, there is a big spread. I know
17 we looked at one agency and we looked at actually
18 a particular operating unit that operates
19 across the country and it was, what, about 30
20 or 40 points between the same people doing the
21 same work, but in different locations in terms

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1 of the top quartile and the bottom quartile. So,
2 there is a pretty big spread.

3 MEMBER GILLILAND: Yes, I think my
4 -- this is Sam, maybe a comment and then a
5 question. So, in the last term of the PMAB, we
6 had worked on a new performance appraisal system
7 which I think is in various stages of
8 implementation as we speak.

9 DEP. DIRECTOR COBERT: Yes.

10 MEMBER GILLILAND: And so that was
11 one thing that we did. And then I know there
12 were a number of us that participated in and even
13 presented at some of these training, I don't
14 know if we would call them training sessions but
15 certainly large groups of folks, and I am going
16 to forget the nomenclature now but it is part
17 of the --

18 MEMBER McGOVERN: SES.

19 MEMBER GILLILAND: Yes. Yes, SES,
20 where we had the opportunity to weigh out some
21 of what we saw as best practices in the private

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1 sector for engaging employees. And there were
2 a variety of topics.

3 How are you envisioning this as
4 differentiated from some of the work that we
5 have done there? Where are you thinking that
6 we would focus next?

7 It is sounding like a much broader,
8 and maybe I should say much deeper, view of how
9 we might focus on a culture of excellence than
10 simply the engagement we had with the SES. But
11 I am just curious again, maybe it is a little
12 bit more of this focus question. Again, we have
13 done some things, historically working on the
14 PMAB. What would you see going forward that is
15 differentiated from some of the work that we
16 have already done?

17 DEP. DIRECTOR COBERT: Sure. So, a
18 couple of things to follow up on. We continue
19 to leverage the work that you have done on the
20 SES. And again, we can talk to you about that
21 when we get together for longer.

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1 MEMBER GILLILAND: Okay.

2 DEP. DIRECTOR COBERT: We are
3 continuing to build on that as we think about
4 the second term management agenda. So, when we
5 get together in person, we can describe more of
6 the specifics but you should feel that that work
7 has actually gone to a very good place. And part
8 of what we are thinking about is how do we
9 continue to both take those ideas but also make
10 sure that they are really implemented more
11 broadly across government as we think about the
12 second term management agenda.

13 So, that does actually have a home
14 and it is moving forward.

15 MEMBER GILLILAND: Okay.

16 DEP. DIRECTOR COBERT: And when we
17 get together, I will put that, as well as the
18 facility thing on a list of sort of things to
19 bring you up to speed on.

20 MEMBER GILLILAND: Okay.

21 DEP. DIRECTOR COBERT: So, I would

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1 say this is a little bit different from that,
2 in terms of that was focused on a particular and
3 very critical cohort. But this is, I think, a
4 different question in terms of how do we think
5 about engaging the workforce more broadly.

6 Now clearly, that kind of leadership
7 cadre makes a big difference in how the
8 workforce is engaged. Right?

9 MEMBER GILLILAND: Sure.

10 DEP. DIRECTOR COBERT: It is a
11 slightly different question; complementary but
12 to the other. Sort of the broader culture of
13 excellence question. How do we use top
14 leadership to do that? How do we think about
15 driving accountability around? And so again,
16 related to the other, the SES is a component,
17 I think, this from the target -- it is just a
18 broader workforce, rather than the more focused
19 SES effort, which again, continues.

20 MEMBER GILLILAND: Okay. Well
21 again, this is another one where I would just

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1 say the extent to which, and this is I think you
2 are hearing this in much of our commentary on
3 this call, I think the extent to which you can
4 lay out for us what you see as the goal and we
5 can focus our efforts and make it work well in
6 one agency, as an example, and then with the
7 hopes that we can expand programs to the other
8 agencies, that would be great.

9 DEP. DIRECTOR COBERT: Yes. And a
10 couple of ideas that we were thinking about, but
11 again, and we will come back and work this
12 through, I think there is a question about the
13 role that top leadership plays and how your
14 actions and what you do to help then signal and
15 do this because we have got a question about how
16 we engage senior leadership, agency leadership,
17 the overall leadership with the broad workforce.
18 That is one question.

19 I think another, to the extent that
20 you use anything that is akin to some version
21 of an employee viewpoint index, there is lots

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1 of versions of these, I know, from my prior life.
2 How do you help create best practices? How do
3 you help facilitate this best practice sharing?
4 And we can also again, one way to do this might
5 be to have a case study of one agency that is
6 thinking about what they are trying to do to gain
7 improvements and have you help them think about
8 what to do in their specific contexts, that
9 might be one way. But this question about how
10 do you take the dispersion that exists in every
11 organization and spread practices from one
12 place to the next? That would be another topic
13 that I think would be helpful to us.

14 MEMBER GILLILAND: Okay.

15 DEP. DIRECTOR COBERT: Beyond the
16 focus questions, which again, you are preaching
17 to the choir here, any other thoughts on those?
18 Those are at least topics from the conversations
19 you have had in the past. We are bringing you
20 back up to speed, letting you know where we have
21 made progress. I have heard about innovation

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1 in real estate, the SES one for sure. Are there
2 others? We can go back through the list but if
3 there is other particular things that you have
4 got interest in, that will be helpful to us as
5 we start to orchestrate and think about when we
6 get together next.

7 MEMBER MCGOVERN: Well, it may be a
8 good idea to just step back and look at each of
9 the projects that we were assigned to from the
10 SES leadership to the performance appraisals,
11 to the strategic sourcing, you know, every one
12 of them, and just give us a sense of very quickly
13 where they are, what the outcomes were, just so
14 that we are back up to speed. Because some of
15 those, I don't know if we can check them off the
16 list or we did all we could do. And then if you
17 could, to Sam and Shantanu's point, just lay out
18 what you expect these next two to ultimately
19 look like I think would be a big help.

20 DEP. DIRECTOR COBERT: We are happy
21 to do that. And in fact, we will come back to

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1 you with the list because we continue to work
2 each of those. I actually had a meeting on
3 strategic sourcing yesterday.

4 So, we are happy to come back to you
5 with that, as well as a pretty well-orchestrated
6 view of how we get the sessions going.

7 My bias at this point would be beyond
8 the updates on where these are. And given how
9 each of these topics of customer service and
10 organizational excellence are so broad, we
11 would probably focus each session on one of
12 those, versus dividing it into too many pieces
13 that will help with the focus and let us go
14 deeper.

15 And so we will do that. My sense is
16 we have to decide here at our end which one we
17 think we are more ripe to do first but we can
18 work through that. And that is very helpful.
19 And we will get back to you on each of these
20 because we have specific things that are, in
21 fact, underway coming out of the ideas that

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1 surfaced in the conversations and we are happy
2 to share them.

3 MEMBER McGOVERN: Good.

4 MEMBER GILLILAND: Good.

5 DEP. DIRECTOR COBERT: So, sorry,
6 somebody was about to speak.

7 MEMBER McGOVERN: I think both Sam
8 and I said good and okay.

9 DEP. DIRECTOR COBERT: Okay, we
10 like that. We like good and okay.

11 (Laughter.)

12 DEP. DIRECTOR COBERT: Any other
13 thoughts? Otherwise, I may just sort of take
14 us to next steps, where we are going. And maybe
15 I can even give you 15 minutes or 10 minutes back
16 on your calendar. I know that you have got
17 plenty of things you could use them for.

18 So, this is really helpful. We are
19 going to take this input. We will start
20 planning things. We have already started
21 working with your offices around dates for the

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1 spring.

2 And in addition to the OMB
3 transitions mentioned earlier, we have had some
4 turnover in this group, as you know, and one of
5 the things we also are going to be doing which
6 is why we want to have a meeting in the spring
7 is reviewing our needs, thinking about the
8 topics in particular in the management agenda
9 and, therefore, trying to best shape the
10 President's Management Advisory Board to be
11 aligned with those efforts, including
12 potentially sort of thinking about the group,
13 adding some members as we go.

14 We don't need to do it today but I
15 would welcome any recommendations you have
16 about individuals who you think could be really
17 helpful, particularly with the focus on these
18 topics and who might have an interest in trying
19 to contribute to the debate here and help us
20 against these goals we have about taking and
21 leveraging your knowledge and the knowledge of

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1 your peers in the private sector to improve the
2 way the government operates and manage
3 ourselves more effectively.

4 So again, give it some thought. I
5 would welcome any ideas. You can send me an
6 email or give me a call and we can figure that
7 out as we go forward.

8 MEMBER SALEM: Beth, hi, this is
9 Enrique. I was listening and I didn't have an
10 open line.

11 I just wanted to make one comment to
12 add to what was being said --

13 DEP. DIRECTOR COBERT: Go ahead.

14 MEMBER SALEM: -- about the
15 previous initiatives.

16 One thing to consider is before we
17 spin up the two new initiatives, which I think
18 sound great, you may want to consider a couple
19 of things. One, there is probably a lot of
20 progress still to be made on some of the others.
21 Because I know that with a specific initiative

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1 that we worked on, which was improper payment,
2 which I know you will give us a readout on, I
3 know there was a lot more to do. You know,
4 strategic sourcing, again, I think there is a
5 lot more to do.

6 And so one thing you may want to
7 consider, besides just giving us the readout and
8 taking on two new initiatives is maybe we look
9 at the group and say some of the group will work
10 on the new initiative and some of the group will
11 stay, helping make sure we just over deliver on
12 some of the previous initiatives. Because I
13 think there is so much good stuff that we have
14 gotten started, I would just like to believe
15 that there is a lot more than we can get out of
16 those initiative that we have already done a lot
17 of work on.

18 And so one thing to consider is do
19 we put some people on the new initiative or one
20 or two of them and then leave a small group, one
21 or two people still helping to get more value

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1 out of the previous one.

2 DEP. DIRECTOR COBERT: That is very
3 helpful and it is particularly helpful because
4 we are, just to be clear, we are continuing to
5 work on those within the frame of efficiency.
6 For example, accelerating our progress on
7 strategic sourcing is something that we are
8 spending a lot of time thinking about. So, that
9 was an interesting model to think through.

10 But just rest assured here, we
11 aren't dropping those. I have no desire to stop
12 the old ones and create the new. In some ways
13 it takes a long time to get momentum. And so
14 now that we have gotten some momentum on some
15 of those things, we want to actually make sure
16 we accelerate it. We are very committed to
17 doing that.

18 Great, very helpful.

19 Logistics-wise, we are going to,
20 again, look for a meeting in the spring. We are
21 working on calendars to make that happen, both

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1 to have people onboard and equally and probably
2 more importantly, make sure that we are really
3 ready to engage you in a highly productive way.
4 So, we will be in touch between now and then.
5 And any further thoughts, Enrique, like yours
6 on how we can best use our time together, I know
7 how valuable all of your time is. And we are
8 incredibly grateful that you are willing to
9 commit it to us and to helping advance the goals
10 here and support what we can do and the
11 government can do to do better by our citizens
12 to get our money for our taxpayers' dollars.

13 Any questions or other thoughts?
14 Otherwise I think, at least from our side, we
15 have gotten some very clear and specific
16 feedback from you, which is what we were looking
17 for today.

18 MEMBER GILLILAND: This is Sam. No
19 questions here. I look forward to working with
20 you.

21 DEP. DIRECTOR COBERT: Thank you.

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1 MEMBER NARAYAN: No questions here
2 as well. Happy holidays.

3 DEP. DIRECTOR COBERT: Okay. So
4 happy holidays to everybody. I am really
5 excited to working with all of you, as we embark
6 here and I embark on my role, it is certainly
7 a challenging one.

8 As I have told most people I have
9 spoken to, my impression after six weeks is
10 there is, frankly, lots of great stuff going on
11 as people are really working hard to make
12 government more effective. And there is also
13 an equally large opportunity to continue to do
14 more. And those are the things that get me
15 excited about having taken on this role and
16 working with you together on this.

17 So thank you very much. I hope
18 everybody has a great holiday, a little time off
19 to relax. Safe travels if you are going
20 somewhere. And we look forward to working with
21 you in 2014.

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(Whereupon, at 3:47 p.m., the
foregoing meeting was concluded.)