



WHITE HOUSE FORUM ON  
MODERNIZING GOVERNMENT  
OVERVIEW AND NEXT STEPS

MARCH 2010







“We’ve got to get the best bang for every single dollar that the government has in its possession. And when Washington lags a generation behind in how we do business that has real and serious impact on people’s lives. When we waste billions of dollars, in part because our technology is out of date, that’s billions of dollars we’re not investing in better schools for our children, in tax relief for our small businesses, in creating jobs and funding research to spur the scientific breakthroughs and economic growth of this new century. And we know that the tools, the technology, the solutions are out there. You know because you put them in place every day.”

— President Barack Obama  
*White House Forum on Modernizing Government*  
*January 14, 2010*





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# Introduction

It's time to modernize government—streamline what works, and eliminate what doesn't. Information technology and innovative management advancements have transformed how the private sector operates—and revolutionized the ease, convenience, and effectiveness by which it serves its customers.

The Federal Government has missed out on that transformation, due in large measure to the huge technology gap between the public and private sectors. This IT gap has resulted in billions of dollars in Federal Government waste and slow, inadequate service to citizens.

There is much to learn from the best of the private sector. That's why the President called for a Forum on Modernizing Government in order to hear from leaders in the private sector—from those far removed from Washington—who every day manage to lower costs while improving performance and customer satisfaction.

The Forum on Modernizing Government was held at the White House on January 14, 2010. The participants in the Forum included leading CEOs from a wide range of industries, Cabinet Deputy Secretaries, labor union leadership, and senior White House staff. The private sector leaders who participated in the Forum shared business best practices—ideas on leveraging technology to streamline Federal operations, improve customer service, and maximize technology return on investment. The discussions focused on how these lessons from these leaders who have driven progress and productivity in the private sector can best be applied to the operations of the Federal government.

The sheer scale of the Federal Government and its unique and diverse services bring particular constraints and complexities to its work. But, too often, government has focused too heavily on its uniqueness and has not taken advantage of advancements in the private sector. This Administration has a deep responsibility to improve the efficiency of its operations and the quality of the services it delivers our citizens, and we believe that applying best practices from the private sector will accelerate our efforts to do so.

While the Forum was specifically focused on technology, we heard a consistent refrain from participants that technology alone is not a solution. The concepts discussed at the Forum reinforced that visionary leadership, strong day-to-day management, detailed reporting, thorough evaluation of processes, and ongoing review of customer needs are the true drivers of success. A disciplined management framework allows technology to be deployed effectively, and enables dramatic productivity improvements. When implemented without this management framework, technology often is wasteful and distracting.

As the purpose of the Forum was to lift business best practices out of the private sector for application in the Federal Government, participants were surveyed in advance to identify root-cause factors and management principles that contribute to success. The Deputy Secretaries who moderated the Forum focused discussions on those factors to examine insights with clear applicability to Federal Government management challenges. Notably, these discussions left both sides with a desire to continue the exchange of ideas and information. Deputy Secretaries were eager to engage the private sector in the particular challenges of government operations. The CEOs were eager to dig deeper—to bring their skills to bear on specific government challenges and projects.

The actions outlined in the Next Steps section highlight our desire to leverage the specific insights gained from the Forum and to harness this mutual commitment to keep working together. We sincerely appreciate the input Forum participants have provided us thus far and look forward to their continued assistance. In the Next Steps section, we outline the structure for this ongoing feedback from the private sector as we work together to close the technology gap between the private sector and Federal Government and to improve efficiency and effectiveness of government operations.





# Overview of the Forum on Modernizing Government

## Participants

Fifty CEOs who participated in the Forum represent a broad range of industries and were invited to the Forum based on their demonstrated management expertise, innovation, excellence in customer service, and / or successful use of technology to improve operations. Other participants included Cabinet Deputy Secretaries (the leaders responsible for managing agency operations), agency Chief Information Officers, White House staff, and labor union leaders. The full list of participants is attached to this plan as Attachment A.

## Agenda

The Forum on Modernizing Government kicked off with introductory remarks by Jeff Zients, the Chief Performance Officer and Peter Orszag, the Director of the Office of Management and Budget. Director Orszag introduced the President of the United States. The President spoke to the audience about the Administration's commitment to closing the technology gap between the public and private sectors and eagerness to learn from solutions already used successfully in the private sector. The President pointed to the ability to book a restaurant reservation online using Open Table or track a UPS package on an iPhone as examples of how the Federal Government could draw from the private sector to better deliver services to citizens. The President emphasized that the stakes of improving Federal Government operations are high since the way government does business has a significant impact on people's lives. The President's full remarks are attached to this plan as Attachment B.

Following the President's speech, participants divided into breakout sessions, each of which focused on one of three technology-related topics: Streamlining Operations, Improving Customer Service, and Maximizing Technology Return on Investment. Detailed descriptions of the breakout session discussions are included in the following section.

Following the sessions, all participants came together for the closing session of the afternoon. Jeff Zients, Vivek Kundra, the U.S. Chief Information Officer, and Aneesh Chopra, the U.S. Chief Technology Officer, led a discussion that featured representatives from each breakout session reporting back the highlights from their discussions to the group as a whole.

Valerie Jarrett, Senior Adviser to the President, provided closing remarks. She thanked the participants for their involvement and emphasized the Administration's desire to continuously engage with the private sector.

## Overview of Breakout Sessions

The participants participated in breakout sessions on the following technology-related topics: Streamlining Operations, Improving Customer Service, and Maximizing Technology Return on Investment. Each session was moderated by a Deputy Secretary and a White House staff facilitator. Participants shared success stories as well as some lessons learned—both of which provided real value to the government participants. All sessions were streamed live on the White House website and are currently available at [www.whitehouse.gov](http://www.whitehouse.gov).

Across the five breakout sessions, a consensus emerged around a number of recommended approaches and best practices. Following the Forum, these ideas were combined with insights gained from debrief calls with participants and synthesized into a set of “First Principles” on leading organizational change, maximizing return on technology investments, and transforming customer service.

A brief background on each breakout session topic, and a summary of the discussions in each area, follows.

### *Topic One: Leveraging Technology to Streamline Operations*

Two of the breakout sessions, moderated by the Deputy Secretary of Veterans Affairs Scott Gould and the Deputy Secretary of Defense Bill Lynn, focused on successfully managing large-scale business transformation and IT system development projects.

The Federal Government delivers services critical to the American people, yet the quality of the processes and IT systems supporting these key services is often woefully inadequate. Examples of outdated, inefficient government processes and IT systems abound with numerous government systems still paper-based and reliant on 1960s- and 1970s-era manual processing. Where the government has attempted to modernize these outdated processes and systems, the results have often been disappointing. Projects run over schedule and over budget, and often do not live up to their promises. The American people deserve better.

Over the past 20 years, the private sector has made enormous advances in operational productivity through the use of technology and management innovations to transform complex processes and manage large-scale IT system development. From just-in-time manufacturing to automation of paper processes to online customer ordering, the private sector has transformed business processes to radically reduce costs, increase quality, and cut delivery times for goods and services. The Federal Government has a great deal to learn from the private sector’s proven ability to scope and manage large-scale process and system improvements.

The moderators organized the breakout discussions around the three factors that the participants identified as most critical for driving success: communicating a clear vision, identifying the right processes to reengineer, and continuous engagement of line management. In addition to comments on the general principles noted in the next section, the discussion surfaced a number of insights including the need to dedicate an organization’s best talent to change efforts, even if that means removing them completely from their line jobs; the idea that bold goals are the only way to unlock new ways of thinking about an

intractable problem; and the concept that projects with a longer timeframe than 12 to 18 months are simply too long-term to be successful.

### ***Topic Two: Leveraging Technology to Transform Customer Service***

Two breakout sessions, moderated by Deputy Secretary of Education Tony Miller and Deputy Secretary of Interior David Hayes, focused on leveraging technology to meaningfully improve customer service.

The American people deserve a government that is responsive to their needs. Americans should expect high-quality interactions with the Federal Government, whether they are calling the IRS for an answer to a tax question or visiting a Social Security office to make a change to their benefits. Yet, despite some important efforts to improve customer satisfaction during the past fifteen years, the government still lags significantly behind the private sector in delivering excellent customer service.

The private sector constantly monitors customer satisfaction and improves service delivery in order to stay competitive. Customers demand new ways to access products, services, and support, and innovative companies anticipate these demands and constantly refine their customer-facing operations accordingly. Importantly, the private sector has discovered ways to improve customer service while lowering costs—from moving check-in for flights online to providing online instant messaging with service representatives about a product. Technology advancements are harnessed to deliver products and services cheaper and better.

The Federal Government must transform its customer services in ways similar to what has been done in the private sector, both in terms of improving customer satisfaction measuring and monitoring, and in terms of better deliver citizen-facing services.

The breakout moderators focused their discussions on the questions of how to best create a culture of customer service, develop a deep understanding of customer needs and motivations, and hardwire customer feedback into operations. In addition to comments on the general principles noted in the next section, the participants' insights included the idea that front-line employees are an organization's best source of information on customer needs, that meeting customer needs can be done through the design of processes—not after the fact through customer support, and that new technologies can be utilized to allow customers to help one another (e.g., discussion boards).

### ***Topic Three: Maximizing Technology Return on Investment***

Deputy Secretary of State Jack Lew moderated a breakout session focused on managing a technology portfolio to maximize return.

Over the past decade, the Federal Government has spent more than \$500 billion on IT—the past year's budget alone was \$76 billion—yet the government has both consistently lagged the private sector in operational productivity over this period and also suffered a long series of disappointing returns on this IT spending. Poor IT project choice and management can be blamed for much of this result. Stories abound of large numbers of government IT projects running substantially over budget, behind schedule, and yielding disappointing results versus expectations. Many projects end up being canceled after years of work and hundreds of millions of dollars of expense. For example, after spending almost 2 years and

\$600 million, the Census Bureau was forced to drop plans to adopt handheld computers for the 2010 census, and is reverting to paper-based data collection. This type of story is all too common.

At the same time, technology has been at the center of historic private sector productivity gains. Companies in the private sector have faced many of the same challenges as the Federal Government in managing their technology investments. Chief executives must decide between competing priorities, define criteria for choosing projects, and identify ways to get more return from their overall technology spending during challenging economic times without sacrificing the future. Leading private sector firms have demonstrated substantially improved processes for managing their IT project portfolios. In order to improve its productivity, the Federal Government must learn from these processes to better manage its own IT project portfolio and IT spending to realize a greater return on its IT investment.

Deputy Secretary Lew focused the discussion on participants' experiences using strategic planning processes to drive thinking on IT investments, and the types of oversight mechanisms that best flag problems quickly. In addition to comments on the general principles noted in the next section, the conversation produced insights such as the recognition that customization can and should often be avoided, that end-user needs must be carefully considered throughout the life of a project, and that customer benefits should be delivered at each milestone to keep a project on track.

## First Principles Emerging from the Forum on Modernizing Government

### *On Leading Organizational Change:*

#### **Establish clear goals and vision**

Organizations must work toward clear goals and a clear vision of success. The goals must be communicated from the highest level of the organization, but must be owned at all levels. Leaders must demonstrate ongoing commitment to key goals by continually monitoring progress and by eliminating activities that are not supportive. Several participants encouraged the Federal Government to set bold goals sufficient to truly shift thinking; modest goals encourage merely incremental thinking.

#### **Create a “solution-oriented” environment**

The CEOs reported that they ask their employees to do more with less in challenging economic times—and that their employees respond to the challenge. Likewise, Federal managers should challenge employees to think about how they can solve operational challenges. Too often the government environment focuses on constraints, not solutions. One potential recommendation is to deploy small cross-functional teams to tackle problems—and provide them with the support they need from the top.

#### **Scope projects with reasonable timeframes and regular milestones**

The CEOs reported that in their experience, projects over 18 months simply do not make sense. The risks of changing business requirements, lack of focus, and obsolescence from runaway projects is too great. In fact, one participant counseled that if tangible customer benefits cannot be achieved within 12 months, the project should be terminated.

### *On Maximizing Technology Return on Investment:*

#### **Re-engineer operational processes first**

Federal managers should only begin technology projects if the underlying operational processes have been evaluated and streamlined first. A technology effort can serve as a catalyst for a thorough process evaluation, but it should not precede that important work. It is important that business leaders drive technology efforts and that they establish clear, demonstrated business needs before investing in technology.

#### **Continuously engage business unit managers in technology efforts**

The CEOs said that an organization must assign its best people to run technology transformation efforts and that they must officially redeploy these change agents so that they are fully dedicated to the project. Management in business units must be fully integrated into technology efforts. No projects should be standalone technology projects. Business unit managers should be engaged and accountable from initial requirements gathering to the end of the project’s life cycle.

#### **Procure technology in a manner that meets organizational needs**

The CEOs discussed the importance of tightly coupling organizational needs with procurement decisions. The length and complexity of the Federal Government technology procurement process can put

its IT investments at risk. Because of the time it takes for government to procure technology solutions, the solutions themselves can almost by definition become obsolete. This procurement system must be changed to better match business needs.

#### **Minimize customization and utilize shared services**

Increasingly, customizable off-the-shelf solutions are being used by the private sector as a cost effective alternative to large, unwieldy, custom IT projects. The Federal Government must strongly consider available technology solutions before defaulting to costly, long-term system development efforts. Additionally, the Federal Government must standardize common processes to enable low-cost, shared services (e.g., consolidating data centers) where possible, both within agencies and across government. CEOs warned that even private sector organizations face real resistance to standardization across business units and that high-level sponsorship of such efforts is critical.

#### ***On Transforming Customer Service:***

##### **Create a culture of customer service**

In the best performing private companies, CEOs ensure that employees at all levels understand their customers and are given the tools to serve them well. Agency leadership must communicate the importance of customer service and ensure that even employees without direct customer-facing activities understand how their work serves customers. Management must regularly interact with customers so that they understand evolving customer needs. Most importantly, front-line customer service workers must be empowered to actually solve problems.

##### **Clearly communicate service standards and expectations**

Service standards (e.g., call wait times and claims processing times) should be clearly defined and publicly available. This definition helps motivate employees and helps manage customer expectations. When service standards cannot be met, customers must be informed—a non-negotiable best practice in the private sector.

##### **Understand customer needs and provide consistent service across channels**

Agencies should continuously collect comprehensive customer feedback across the whole customer experience, not just each channel. As communication preferences change, the Federal Government must adapt its services to interact with its customers when and how they prefer. Consistency of service across channels is important—a customer who gets an answer on the phone should receive the same answer in-person at a local office.



## Next Steps

While the “First Principles” gleaned from the Forum consist largely of straightforward management best practices, successful implementation of these practices continues to elude many organizations in both the private and public sectors. These principles only will be successfully applied across the Federal Government with a dedicated effort by government managers and with continued support from the private sector. Government managers will need to prioritize their efforts, take bold actions, and leverage successful examples from the private sector to overcome the historic hurdles of resource constraints, competing priorities, and frequent leadership changes.

To that end, we are prioritizing our follow-up efforts to the Forum by focusing on the application of private sector best practices in two areas of critical Federal Government weakness: IT Program Management and Customer Service. The techniques used in the private sector to manage both of these areas have improved dramatically over the last two decades and there is a large, obvious opportunity for the Federal Government to take advantage of those advances. Starting immediately, we are focused on developing and implementing solutions to meaningfully improve these areas across the Federal Government. These efforts are detailed below and on the following pages.

Due to the success of the Forum, we are developing mechanisms for ongoing interaction and information sharing between government managers and private sector leaders. The Forum highlighted the eagerness of private sector leaders to lend their expertise, and that of their companies, to the common goal of improving Federal Government operations. We will be harnessing this spirit of engagement by facilitating ad hoc interactions between government managers and informal networks of private sector advisors. We also plan to explore the creation of more formal advisory boards of private sector experts to advise Federal managers when appropriate.

### **IT Program Management**

As previously detailed, the Federal Government has difficulty managing large-scale technology efforts. The Forum made it clear that there are best practices in industry for the design and ongoing review of these types of technology efforts that increase their likelihood of success. By comparison to these industry best practices, most Federal Government IT projects are too large and not sufficiently integrated into business unit operations. Multi-year Federal IT efforts are typically driven by technology managers—who often turn over during the life of the project—rather than agency business leaders. Agency business leaders are not held accountable for project success, and in turn do not adequately invest in IT project management. As a result, in comparison to industry best practices, Federal IT projects are too often marked by milestones spaced too far apart and deliverables that fail to deliver tangible end-user value. Further, Federal IT change efforts are typically managed in isolation from business operations, so those working on long-term solutions are too often not concerned with, or even aware of, the evolution of day-to-day business considerations.

The Forum reinforced the belief that there is a clear and significant opportunity to learn from the efforts of the private sector in this area and to implement best practices for successfully managing IT efforts

both at the project and portfolio levels. Moving forward, we are working aggressively to integrate private sector best practices into our broad initiative to close the IT gap. Immediate actions spurred on by the Forum include:

***Action: Increase Accountability by Governing IT Projects in a Transparent Manner***

The principles emerging from the Forum support this Administration's belief that agencies must measure their progress on IT projects against defined metrics, and that the results must be shared broadly and publicly. Transparency brings accountability and attention to projects that need to be either modified or shut down. Further, the American people deserve to understand how their tax dollars are spent.

Last June, the Federal Chief Information Officer, Vivek Kundra, launched the Federal IT Dashboard. The IT Dashboard provides easy online access to Federal technology spending information, project status updates, project manager contact information, and evaluation reports. This launch marked an important first step in the transparent governance of IT projects across the Federal Government.

Forum participants reinforced the role good data, transparency, and accountability play in ensuring the success of large-scale projects. The Federal CIO has begun regular reviews of specific at-risk projects, called "Techstat" sessions, in which the agency CIO, the agency business owners, and agency budget examiners come together to review project data and make decisions on troubled projects. Each session concludes with a concrete action plan to either reconfigure projects as necessary to make them successful, or to cancel them outright. These TechStat sessions have been hardwired into the Administration's management practices.

***Action: Evaluate Comprehensive IT Project Review Best Practices***

Industry best practices dictate that at both the agency and Federal level, leaders must systematically review the progress of major projects in the IT portfolio. Just as in the private sector, leaders must make funding, staffing, and scheduling decisions with the data available to them.

Several of the private sector leaders mentioned that their organizations have developed experience-tested IT review methodologies including governance rules, processes, and tools. These leaders indicated that they would be willing to share those methodologies for application in the management of Federal IT projects.

As an immediate step toward our larger IT program management improvements, we are soliciting IT project review processes and related tools from the private sector. While reporting processes and tools are only as good as the data within them, and only effective if they do not become cumbersome, we believe the structure of the tools themselves is valuable. Leveraging review tools and processes that have proven successful in the private sector will undoubtedly accelerate our IT project review improvement efforts.

The cross-agency council of Chief Information Officers will review the proven processes and tools we collect from industry and develop a set of streamlined tools to be made available for use across government.



## Customer Service

By our design, many of the CEOs at the Forum represented organizations that are well-known for excellence in customer service. These participants discussed the importance of cultivating a culture of customer service, of having managers engaged with customers, and for empowering front-line employees to meet customer needs. Their experience has taught these CEOs that while high-level sponsorship is requisite, breakthrough customer service cannot be achieved solely through a top-down mandate. Entire organizations need to be oriented toward serving customers and anticipating customers' changing needs. Service standards have to be adopted and shared publicly so customers know what to expect with every interaction. Successful customer service tactics must be identified, refined and replicated across entire organizations.

Further, the CEOs detailed the fundamental, proven importance of utilizing effective customer satisfaction monitoring systems to inform customer service initiatives. By comparison, the customer satisfaction measurement efforts of most Federal agencies are rudimentary at best.

For example, many of the best customer service organizations in the private sector have developed special tools to measure customer satisfaction across the entire customer experience—not just one channel or interaction. Even the most advanced Federal agencies in this area use mechanisms that measure customer interactions in isolation—how successful was a single phone call or web search—without consideration of the larger customer experience.

Given the obvious distance between the best practices employed successfully by the private sector and current government practices, we are working to identify the practices with the highest potential impact, and to apply them across agencies as quickly as possible. With the guidance from participating CEOs in mind, we have started with a focus on developing a baseline understanding of citizen satisfaction and improving the communication of service standards:

### *Action: Develop Customer Satisfaction Surveys that Measure the Customer Experience*

As an immediate step toward our larger customer service efforts, we are studying customer experience survey methods utilized by high-performing companies in the private sector, and analyzing how they can best be applied to the government context. By better understanding the best practices in customer monitoring, we can modernize the way government agencies measure citizen satisfaction with the services they provide. While comparisons between the services the private sector delivers and the services the Federal Government delivers are not exact, the need for comprehensive, actionable data is comparable.

### *Action: Clearly State Customer Service Standards*

Immediately following the Forum, we began working with agencies to encourage them to clearly articulate their customer service standards and post them publicly. We are working with agencies that provide the highest volume of services to citizens to ensure they state expected and actual processing times and that they work to improve these times. Where possible, we will be assisting agencies in their efforts to enable citizens to find out online where they are in a queue if they have a claim or an application pending with the Federal Government. As demonstrated by high-performing private sector organizations,

allowing citizens to find information about their status online holds the promise of improving accuracy, increasing operational efficiency by highlighting potential bottlenecks, and lessening the burden on strained call centers and walk-in offices.

### ***Action: Create a Community of Customer Service Excellence***

We are forming a community of practice to connect Federal managers responsible for customer service at each agency with one another to share best practices and to learn new techniques for delivering excellent service. This customer service community of practice will provide a forum for highlighting, and replicating, those customer service best practices already occurring in pockets of the Federal Government. It will also be a mechanism for introducing, testing and implementing private sector best practices. Importantly, the creation of the community of practice acts as at first step toward elevating and professionalizing customer service across the Federal Government.

## **Ongoing Private Sector Involvement**

While the Forum provided a great deal of value through the generation of the First Principles that already have spurred or supported several specific improvement efforts, the promise of a far larger impact comes from government managers and private sector participants continuing their collaboration into the future.

Participants in the Forum uniformly recognized the benefits of ongoing engagement. The CEOs expressed an eagerness to serve by lending their expertise, and that of their companies, to help the government achieve performance improvements. The Agency leaders who participated welcomed the opportunity to learn from the private sector, and expressed excitement at the possibility of engaging CEOs and their teams at a more in-depth level to work through the challenges and nuances of the government environment that have hindered past improvement efforts.

We plan to harness this spirit of engagement by facilitating interactions between government managers and informal networks of private sector advisors and by exploring the creation of formal advisory boards of private sector leaders to focus on particular challenges as needs arise.

### ***Facilitating Ad Hoc Interactions and Informal Networking***

Following the Forum, ad hoc relationships have formed organically between CEOs and the various Deputy Secretaries in attendance. The ability to share insights, management perspectives, and practical knowledge with counterparts across the public and private sector has benefits for all participants and furthers our efforts to improve government operations. We are facilitating these informal interactions by creating a database of CEOs who participated in the Forum and who have expressed an interest in working with us further. The database captures the private participants' specific areas of expertise and interest and allows us to efficiently "match" these CEOs with Federal Government management challenges. We will broaden this database over time to include other interested private sector experts and academic leaders. We will be deploying this database of private sector experts in a number of ways, including:

### *Cross-Agency Efforts*

Many agencies share similar management challenges, especially in our key areas of focus, IT Program Management and Customer Service. Where we can learn from the best of the private sector and bring their successful practices into government, we want to leverage these efforts as broadly as we can.

Therefore, we plan to leverage much of our outreach to the private sector for input into cross-agency efforts. One mechanism for sharing these best practices across government is through existing cross-agency councils. Councils are comprised of the senior functional leaders in all major government agencies—for example, the Chief Information Officer Council and the Chief Acquisition Officer Council.

We may engage private sector participants to assist informally these cross-agency efforts by asking them to share their insights at a council event, provide advice and counsel on a particular challenge, serve as a sounding board for proposed solutions, or simply suggest avenues for further exploration.

### *Agency-Specific Efforts*

The Forum discussions supported the underlying hypothesis that while the experience of managing in the public and private sectors is different, leaders in both sectors face many of the same management challenges. Many of the private sector participants expressed an interest in leveraging their relevant experiences by working directly with Federal Government leaders on specific, tangible projects. To that end, we are working to match interested CEOs and other private sector leaders with Deputy Secretaries and their teams for informal, individual counsel. Interested Deputy Secretaries can tap into private sector expertise for their most pressing management challenges. We are confident that this focused collaboration will yield results that demonstrate the role the private sector can play in helping the Federal Government address hurdles that seem insurmountable, and that these types of focused collaborations will energize broader improvement efforts.

Beyond the facilitation of ongoing, informal interactions between the private sector and Federal Government, the Forum illuminated the potential impact of establishing more formal, standing bodies of private sector leaders to advise the Federal Government on management performance issues. The large and growing gap between the best practices and productivity of the private and public sectors is unacceptable and creating a close tie between private sector leaders and their government counterparts holds promise as an immediate, effective tool for closing that gap.

To that end, we are exploring the creation of one or more advisory bodies of private sector executives to work with specific government groups on particular issues as we move ahead with our improvement efforts.





# Attachment A: List of Participants

## CEOs

Tom Adams, Rosetta Stone	Gary Kelly, Southwest Airlines
Sam Allen, Deere & Co.	Jim Kennedy, T. Rowe Price
Steve Ballmer, Microsoft	Klaus Kleinfeld, Alcoa
Dan Bane, Trader Joe's	Wendy Lea, GetSatisfaction
Jeff Bewkes, Time Warner	Debra Lee, BET
Carl Camden, Kelly Services	Andrew Mason, Groupon
John Chen, Sybase Inc.	Bill McComb, Liz Claiborne, Inc.
James Crowe, Level 3 Communications	John McGlade, Air Products & Chemicals
Peter Darbee, PG&E	Harold Mills, Zero Chaos
Scott Davis, UPS	Cheryl Milone, Article One Partners
David Dougherty, Convergys	Shantanu Narayen, Adobe
Mickey Drexler, J.Crew	Craig Newmark, Craigslist
Jeff Fettig, Whirlpool	Pamela Nicholson, Enterprise
Ping Fu, Geomagic	Indra Nooyi, PepsiCo
Al Fuller, Integrated Packaging (NJ)	Gregory Page, Cargill
Daniel Fulton, Weyerhaeuser	Punita Pandey, netCustomer, Inc.
Sam Gilliland, Sabre Holdings	John Riccitiello, Electronic Arts
Robert Glaser, Real Networks	Ronald Sargent, Staples
Charles Harrington, Parsons	David Segura, Vision IT
Daniel Hesse, Sprint Nextel	Jeremy Stoppelman, Yelp
Angie Hicks, Angie's List	Michael Thompson, Fair Oaks Farms
Chris Hughes, Facebook	Glenn Tilton, United Airlines
Sal Iannuzzi, Monster	Daniel Weirich, GW Micro
Jeff Joerres, Manpower	
Jeff Jordan, OpenTable	
Andrea Jung, Avon	

**Deputy Secretaries:**

John Berry, Office of Personnel Management  
Bill Corr, Department of Health and Human Services  
Lori Garver, National Aeronautics and Space Administration  
Scott Gould, Department of Veterans Affairs  
Seth Harris, Department of Labor  
David Hayes, Department of Interior  
Jack Lew, Department of State  
Chris Lu, Cabinet Affairs  
Bill Lynn, Department of Defense  
Kathleen Merrigan, Department of Agriculture  
Tony Miller, Department of Education  
David Ogden, Department of Justice  
Bob Perciasepe, Environmental Protection Agency  
Daniel Poneman, Department of Energy  
John Porcari, Department of Transportation  
Ron Sims, Department of Housing and Urban Development  
Neal Wolin, Department of Treasury

**Labor Union Leadership:**

Bill Dougan, National Federation of Federal Employees  
John Gage, American Federation of Government Employees  
David Holway, National Association of Government Employees  
Greg Junemann, International Federation of Professional and Technical Engineers  
Colleen Kelley, National Treasury Employees Union

**White House Staff:**

Peter Orszag, Director, Office of Management and Budget  
Valerie Jarrett, Senior Adviser to the President  
Jeff Zients, Chief Performance Officer (CPO)  
Aneesh Chopra, Chief Technology Officer (CTO)  
Vivek Kundra, Chief Information Officer (CIO)  
Mike D'Amato, Senior Adviser to the CPO  
Susan Tynan, Performance and Management Adviser  
Pope Ward, Adviser to Cross-Agency Councils



## Attachment B: President's Remarks

THE PRESIDENT: Thank you. Please have a seat, everybody. Thank you so much. Well, good afternoon, everyone, and thanks for all of you for being here today.

I'd like to recognize the Deputy Cabinet Secretaries who are with us for their leadership at our agencies. And it's exciting to see the leaders of some of the most innovative, cutting-edge, tech-savvy companies in the world gathered in the city where I had to fight tooth and nail just to get a BlackBerry. There may be a little bit of a cultural clash here, but that's exactly why we want you here. I really appreciate the time all of you have taken to be in Washington for this Forum. I know how busy all of you are.

We stand in the midst of challenging times for our economy—I don't think that's any secret. And I know that many of you have felt these challenges in your industries and in your businesses—some of you have felt them quite acutely. But I also know how you've managed to meet them, and managed through them—experimenting and innovating and finding new ways to increase productivity and better serve your customers. We're here today because I believe your government should be doing exactly the same thing.

When I first started campaigning for this office, I said I wanted to change the way that Washington works. And when I said that, I meant how it works for the American people. I meant making government more responsive to their needs. I meant getting rid of the waste and the inefficiencies that bloat our deficits and squander their hard-earned savings. I meant finally revamping the outdated technologies and information systems that undermine our efficiency and threaten our security, and fail to serve their interests. And I asked all of you to this Forum on Government Modernization today because I believe that this last objective—bringing our government into the 21st century—is critical to achieving all those other objectives.

Now, I can say without any hesitation that our government employees are some of the hardest-working, most dedicated, most competent people I know. Government workers get a bad rap. They are dedicated; they put in a lot of hours and they care deeply about what they do. And they desperately want to provide the very best service for the American people. But all too often, their best efforts are thwarted because the technological revolution that has transformed our society over the past two decades has yet to reach many parts of our government. Many of these folks will tell you that their kids have better technology in their backpacks and in their bedrooms than they have at the desks at their work.

To this day, there are still places in the Federal Government where reams of yellow files in manila envelopes are walked from desk to desk, or boxes of documents are shipped back and forth between offices because files aren't yet online. Believe it or not, in our patent office—now, this is embarrassing—this is an institution responsible for protecting and promoting innovation—our patent office receives more than 80 percent of patent applications electronically, then manually prints them out, scans them, and enters them into an outdated case management system. This is one of the reasons why the average processing time for a patent is roughly three years. Imminently solvable; hasn't been solved yet.

Even worse, too often, when we've attempted to update or replace outdated technology, we end up spending exorbitant sums of money on technologies that don't meet our needs—or that took so long to implement that they were obsolete before we even started using them.

I just met with Department of Veterans Affairs Eric Shinseki, who, a veteran himself, cares so deeply about making sure that veterans get their claims processed efficiently. We've been talking for 10 years about putting electronic systems in place for Veterans Affairs to reduce the backlog, and so far it has not yet happened—not because people don't want it to happen, but partly because previous purchasing decisions have mismatched what VA has with what the Department of Defense has; they don't speak to each other, they don't merge.

None of this is acceptable—particularly at a time when we're experiencing such economic difficulty and so many people are struggling. We've got to get the best bang for every single dollar that the government has in its possession. And when Washington lags a generation behind in how we do business that has real and serious impact on people's lives. When we waste billions of dollars, in part because our technology is out of date, that's billions of dollars we're not investing in better schools for our children, in tax relief for our small businesses, in creating jobs and funding research to spur the scientific breakthroughs and economic growth of this new century.

And we know that the tools, the technology, the solutions are out there. You know because you put them in place every day. It's time we started putting them to work for the American people. If you can book dinner on Open Table, or a flight on Southwest or United online, then why shouldn't you be able to make an appointment at your local Social Security office the same way? If you can track your UPS package with your iPhone, then why not be able to check the status of your citizenship application on a website, rather than having to write a letter and wait for a letter back?

Now, these are simple, cost-effective steps—ones which we've already taken, or at least are in the process of taking. But these are just the beginning. Going forward, I want to see solutions like this in every agency. I want to ask ourselves every day, how are we using technology to make a real difference in people's lives? How are we making it easier for small business owners to get loans so they can open their doors and expand their operations and create new jobs? How are we helping young people get student loans, so they can get the education they need to pursue their dreams? How are we ensuring that the brave men and women who've served this country get their benefits as quickly and as easily as possible? How are we cutting costs and reducing our deficit so that our children and our grandchildren aren't saddled with debt?

Improving the technology our government uses isn't about having the fanciest bells and whistles on our website—it's about how we use the American people's hard-earned tax dollars to make government work better for them. And this is something I'm very serious about.

Now, this is why I appointed the very first ever Federal Government CIO and CTO—and Vivek Kundra and Aneesh Chopra are both coordinating our efforts and ensuring that we're embracing the best, most effective technologies possible.

It's also why we introduced our IT Dashboard at [usaspending.gov](http://usaspending.gov). Here's a website, which I've personally reviewed, where the American people can monitor every IT project in the Federal Government. If a



## ATTACHMENT B: PRESIDENT'S REMARKS

project is over budget, or behind schedule, this site tells you that, and by how much—and it provides the name, the email and the phone number of the person responsible. To date, the site has gotten 78 million hits. We've already terminated a number of projects that weren't performing—and going forward, we won't hesitate to cut more and then take that money and reinvest it in someplace that's actually going to make a difference.

But here is the reason all of you are here—we can't do this alone. Many of you are pioneers—harnessing new technologies to build thriving businesses; some of you have revolutionized industries; you've changed the ways that we look at the world. And if I had any doubt about how much government has to learn from all of you, then the homework assignment you all completed would have certainly convinced me otherwise. I think the depth and the thoughtfulness of your responses indicates that all of you spent real time on preparing for today, and I deeply thank you for it.

I hope all of you will continue those efforts at the Forum today. I want the very best of what you've got. I want you to tell us not just what we can do to better serve the American people, but how we can do it. How we can do it without spending a whole lot of taxpayer dollars is especially what I want to hear from you.

And I also want to emphasize I don't want to just hear your input today—we're going to need it in the months and years ahead as well. A lot of this stuff takes time to implement, even when it's implemented well. That's why I've charged our Federal Chief Performance Officer, Jeff Zients, who you already heard from, to work with Vivek and Aneesh, and all of you, to make sure the changes we make have a lasting impact.

We'll need each of you to keep stepping up and sharing your insights and your ideas and your expertise. We're going to need you to help us build the kind of government that the American people expect and the kind of government that they deserve—and that's one that spends their money wisely, serves their interests well, and is fully worthy of their trust and their respect.

So that's the purpose of today's Forum; that's the ongoing mission of this Administration. And I very much look forward to hearing what you have to offer us. Thank you very much for being here, everybody.

