

Section III - Work Plans

INTRODUCTION

Draft work plans for the Evaluation Phase of the Reorganization Project are attached for your review and suggestions/comments.

These plans are based on the results of the just-completed fact-finding phase for each EOP unit.

These work plans outline the proposed efforts of the specific task groups -- The EOP Analysis Group, the Administrative Support Group, the Decision Analysis Group, the Resources Group, the Congressional Liaison Group and the Public Awareness Group.

For ease of review, Executive Summaries are included for all groups' plans.

1.0 ANALYSIS GROUP WORK PLAN

- 1.1 Purpose: Develop organizational options based on analysis of EOP functions
- 1.2 Methodology: Functional analysis will utilize various techniques to assess how Presidential needs are being served within EOP
- 1.3 Apply inclusion/exclusion criteria to each EOP function
 - o Inclusion:
 1. Function required for interdepartmental conflict resolution and coordination of crisis response--and cannot be performed as well in other agencies.
 2. Function required for implementation, follow-up, or evaluation of major Administration initiatives--and cannot be performed as well in other agencies.
 3. Function required for objective issue presentation to President and Vice President--and cannot be performed as well in other agencies.
 4. Function required for close support of essential EOP units--and cannot be performed as well in other agencies.
 5. Function provides an essential link in President's communications outside EOP (Congress, government agencies, public interest groups, general public).
 6. President wants function performed in EOP.
 - o Exclusion:
 1. Function no longer needs to be performed.
 2. Only purpose is to provide visibility for a concern or issue.
 3. Only purpose is to provide representation or advocacy of a particular group or viewpoint at a high level.
 4. Function falls within jurisdiction of a single department outside EOP.
 5. Functions duplicate/overlap that of other EOP units.
- 1.4 Compare unit responsibilities and functional processes
 - o General presumption--More specialized the functions, more probable non-EOP tasks.
- 1.5 Identify overlaps within and outside EOP
 - o Duplicative or overlapping substantive areas
 - o Procedurally similar activities in different substantive areas
- 1.6 Determine needed clarifications and realignments
 - o Eliminate inter-unit conflict or competitive staff-building
 - o Improve communications, reduce unit numbers and staff size
- 1.7 Address larger structural organizational issues which emerge
 - o In order to benefit the President, any restructuring of EOP should:
 1. Reduce role confusion and increase understanding of individual and unit responsibilities.
 2. Eliminate unnecessary overlap and duplication.
 3. Improve lines of control, reporting, and communication.
 4. Increase openness and responsiveness.
 5. Improve service of Presidential needs.

2.0 ADMINISTRATIVE SUPPORT GROUP WORK PLAN

2.1 Purpose: Present options and recommendations for EOP administrative support

2.2 Objectives:

- o Eliminate marginal administrative tasks and functions
- o Transfer certain functions from White House to other EOP units.
- o Transfer selected functions out of EOP to other Government entities (e.g., GSA)
- o Contract out some functions to private sector
- o Reduce costs through improved operating efficiencies, management controls

2.3 Basic Approach

- o Inventory and cost out administrative support activities
- o Evaluate operational efficiencies and importance to EOP missions of each Unit's function/task. Consider following:
 - a. Is it essential to unit mission? Is output of marginal value? Is its importance diminishing as Administration matures?
 - b. Can it be performed as well in some EOP unit other than White House? Outside EOP? (consider economies of scale, greater specialization, improved quality at same/lower cost)
 - c. Can it be contracted out to private sector for lower average unit cost? (flexibility for peak load needs without maintenance of unutilized capacity during slack periods)
 - d. Can similar functions/tasks be combined within EOP units? Can identical functions be centralized across EOP units? (eliminate duplication, gain economies of scale, work specialization, and improved utilization of equipment, personnel, management controls)
 - e. Are there opportunities for work simplification, work flows? (continuous overtime, professionals doing subprofessional work at greater cost)

2.4 General Methodology: Review data for EOP units and compile a selected inventory of administrative services from the following: Accounting; appointments & tours; budget management; computer (special uses); data processing; duplicating; Hill contacts; household & grounds; legal services; mail/correspondence; messengers/chauffeurs; payroll; personnel; phone answering; press/media; printing; procurement; security; space; supplies; telephone switchboard; typing/word processing

2.5 Report Outline:

- o Description, inventory, cost analysis, location of selected functions
- o Presentation of options for improved quality and cost reduction:
 - a. Functions to be transferred, eliminated, contracted, improved/added
 - b. Efficiencies of organizational change (economies of scale, improved management, fuller personnel utilization); systems/processes (work simplification); facilities (better equipment utilization)
 - c. Comparison of current costs to expected costs (personnel and dollars)
- o Development of policy considerations (labor/management, legal constraints); new performance standards; general implementation schedule

2.6 Special Considerations:

- o Sensitivity--Options developed for early decision and implementation before EOP general reorganization; keep documents & actions internal to EOP until overall EOP reorganization recommendations made public
- o Coordination--Essential to review options and develop implementation plans with EOP unit principals for impacted units before final plans made
- o Policy Alternatives--Make every effort to transfer employees with functions

3.1 Objectives:

- o Document and analyze decisionmaking processes of selected EOP Units
- o Determine responsibility center interrelationships in these processes
- o Describe implications of outcomes of present/alternative approaches
- o Suggest organizational changes to improve current processes

3.2 Tentative Decisionmaking Topics: Without preconceptions as to the best approach or solution; focus of the analysis is on identifying particular adaptations and institutional customs that the EOP is using, including:

- a. Unit Coordination - Role confusion among EOP units with similar general missions; repetitive review of decisions; unnecessary inter-unit competition
- b. Delegation of Authority - Broadens organizational scope, permits certain efficiencies, but diffuses power, increases number of centers
Problems: (1) Amount of filtering - Do high priority decisions reach President? Does tacit decisionmaking at lower levels preempt choices at higher levels? Do lower priority decisions move up, absorb unneeded Executive attention; (2) Overprocessing - Is there unnecessary review and decisionmaking authority (excessive vertical layering), with marginal value of input to options?
- c. Expertise Coverage - Use of specific professional perspectives on basic issues (economic, political, congressional)
- d. Focus of Administration Initiative - Balancing Presidential, EOP, and Cabinet roles in decisionmaking process
- e. Monitoring, Evaluation, Feedback - Assure correct interpretation and implementation of decisionmaker's intentions; reflect results of earlier decisions; communicate and follow-up on decision
- f. Forecasting - Long-term considerations, planning perspectives; determine if broad policy guidelines exist operationally at all levels
- g. Organizational Interest - Influence by special interest groups; degree of impact on decisionmaking, information flow
- h. Line-Staff Relationships - Effect on operations; determine clear distinction between line-staff authority/responsibility in decisionmaking process

3.3 Mini-Case Studies: Basis for selection - (1) Collectively encompass most EOP Units; (2) Illustrate alternative organizational adaptations within EOP; (3) Suggest successes and problems in decisionmaking process.Cases and Analysts are:

- o Frequency Management (JTIDS), Rural Telecommunications Policy -- Carradine
- o Vance SALT II Visit (Cruise Missile) -- Vernamonti
- o Plutonium/Nuclear Reactors, Food Stamp Purchase Requirement -- Helmer
- o Minimum Wage, Footwear Trade Agreements -- Cunningham

3.4 Special Considerations:

- o Sensitivity of Issues - Keep internal within PRP/EOP
- o Review with EOP Principals - Essential (Suggest review after Report done but before submitted for Advisory Committee review)
- o Presidential Interest - Report will raise questions of Presidential preference (Those who work with him most closely can advise on this)
- o Policy Orientation - Not judgemental as to quality of decision nor a time-and-motion study.

4.1 Function: Scheduling and control of quality, production, and distribution of all Project work products. Specific tasks include:

- a. Scheduling: Develop, maintain, and monitor activity schedules to ensure on-time completion of work
- b. Quality Control: (1) Identify, secure, and document use of outside experts to review and comment on Project work products; (2) Provide editorial and proof-reading support for Project output
- c. Production: (1) Provide secretarial and word processing support; (2) Secure graphics and printing support
- d. Distribution/Secretariat: Review and route all incoming material; distribute all outgoing material; maintain Project central files
- e. Project Documentation: (1) Develop and maintain documentation on Project organization, management, and processes; (2) Prepare a final evaluative report on the Project

4.2 Approach: Quality and production control approach:

- a. Scheduling:
 - o Detailed critical path schedule developed and updated weekly
 - o Comparison of current status to original work plan communicated weekly to team leaders and members to provide accountability and performance
 - o Detailed initial schedule ensures immediate measure of Project work status and permits reasonable prediction of completions
- b. Quality Control:
 - o All Project output subject to quality control through expert review and editing
 - o Recognized experts assist in review of Project work products to determine appropriateness, accuracy, timeliness of specific subject matter (Use of invitees rather than consultants insofar as possible for economy)
 - o Editorial Control - Emphasis on consistency and clarity in format, style, syntax, grammar; use of commonly understood English (not jargon); proof-reading of all copy
- c. Production:
 - o Word processing support and secretarial pool with transcribing capability; dictaphones available for immediate Project needs
 - o Production resource augmented by use of OMB word processing center and OMB loan clerical support during peak activity periods; OMB convenience copier and graphics, printing, and binding services
- d. Distribution/Secretariat:
 - o Maintained to control input, production, distribution, and archives of all Project materials
 - o Receipt and routing of incoming correspondence, clerical work assignments, maintenance of distribution lists, core library, and central files of all relevant Project data
- e. Project Documentation:
 - o Preparation of a final evaluative report, outlining Project development, management, control, and processes
 - o Information is regularly exchanged with Government Reorganization Project to assist them in their planning

5.0 CONGRESSIONAL LIAISON WORK PLAN

- 5.1 Strategy: Concern about quantity and quality of Hill contact on Reorganization
- o Build specific control elements into process
 - o EOP Study first to go to Congress; tone and procedures will affect any later contacts for other Reorganization plans

5.2 Ground Rules:

1. Low Profile: Contacts made on "informal" basis with low profile
 - o Considerable problems if it becomes common knowledge that team members soliciting advice on Reorganization studies (demand to have views heard)
2. Limit Contacts: Make only those contacts absolutely necessary to provide otherwise unavailable information
3. Exchange of Information: None, for time being; only specific thoughts or information from Hill people on Reorganization
 - o Do not solicit opinions on other matters
 - o Do not offer any information as to specifics of final draft, etc.

THIS LAST POINT IS ESSENTIAL (includes discussion of schedule)
4. Procedure: Hill contact restricted to Analysis Team members only
 - o Clear each appointment with Terry Straub
 - o Allow Terry Straub to make initial contact
 - o Will narrow focus of probe and enable accurate tracking of contacts
 - o Terry will try to accompany Team members to appointments (gain understanding and aid in tracking of discussions)
 - o Necessary to plan approach and fit within reasonable time frames
 - o Meet day in advance in brief session to discuss internal strategy: (A.D. Frazier, H.L. Harris, D. Woodham, T. Straub, appropriate Team members; not all will attend Hill meeting). Discuss role in Hill meeting - Essential to be prepared and discuss matter in advance to avoid image of confusion and lack of direction
5. Timing: Suggested time-line strategy for introduction of EOP Reorganization Plan - Attached as Figure 5.5.1
6. Questions which need answering:
 1. Who do we want to testify when Bill is in Committee: (Submit names of identified public interest advocates and Administration officials?)
 2. Will Reorganization Project want to introduce other plans while EOP plan under consideration? Does this help or hurt us and if so, which plans? (Congress can hold EOP plan until sometime in Fall for final consideration)
 3. Who will select floor managers? (Depend on leadership or recruit special types to work members when plan reaches floor?)
 4. What is most appropriate way to involve President in this process? (Recommended he do only two things now - Press Conference to announce plan and briefing to leadership prior to plan introduction)
What other ways appropriate to involve him early?
 5. Will White House liaison help in taking floor counts in both Houses?
 6. Letter to Congressional members soliciting their input in writing to T. Straub with possible follow-up with team members
 7. Wherever possible, Analysis Team should try to reinforce fact that Reorganization Project intends to make Government more efficient in service to people, as opposed to simply cutting costs and size, If we can redirect expectations of what Reorganization will do, and do this early, we may well avoid significant disillusionment later in Project

6.1 Public Awareness: Critical importance to Congress, Government, special interest groups, press, general public

- o Meets Presidential commitment to public involvement and openness in Government
- o Precludes potential claim of exclusion from participation
- o Provides external views to Reorganization staff, Project management, Administration policy makers

6.2 Basic Goals:

- o Focus study effort by identifying problem areas, public concerns
- o Stimulate and solicit ideas on Reorganization
- o Generate and build broad base of support among constituencies and Congress for acceptance and approval of final proposals

6.3 Special Interest Groups: Principal vehicle for public involvement in EOP

- o Letters to special interest groups, associations, interested others
- o Informal meetings with representatives of important aggregate interests; e.g., AFL-CIO, Chamber of Commerce, large national associations (NAM, ABA, etc.)

6.4 Media: Selected coverage and response to media requests and stimulation of targeted media outlets through a general "Reorganization is taking place" tone and through specific substantive media coverage including:

- o In-depth interviews to report progress, limited findings, possible alternatives. Forums: National Journal (Bonafede), Fortune (Cameron), American Banker (Hutnyan), Federal Times (Mace), Government Executive, Congressional Quarterly, Washington Post (Causey), Washington Star (Cramer), Public Admin Review, Journal of American Management Administration
- o General interviews to discuss efforts, float possible proposals, identify supporters for future implementation efforts. National columnists: Bartlett, Behr, Novak, Kraft, Sidey, Witcover, Rowan, Riesel, Hyatt; EOP Reorganization press contacts; Selected others: Nelson (L.A. Times); Glass (Cox), Dale (N.Y. Times), White House recommendations; Television: MacNeil/Lehrer, CBS Morning News, NBC Today (latter two only for releases, former much later on)
- o Response to media inquiries - Green "Information Packet"
- o Trade press - Same as for Media (Lists ready in anticipation)

6.5 Tasks:

- o Identify special interest groups, constituencies, others affected by Reorganization; compile unit mailing lists (in process)
- o Meet with unit analysts, unit staff for special constituencies; correlation of similar groups, individuals associated with more than one unit
- o Catalog and circulate mail; respond to needs of appropriate EOP Reorganization staff and Team needs

1.0 Analysis of EOP Functions

Data generated about the functions now performed in EOP provide a basis for analysis of future organizational options. The data will be analyzed and displayed so that conclusions can be drawn and recommendations put forward.

One method of analysis will be the application of inclusion/exclusion criteria to EOP units. The following working criteria will be used for asking basic questions concerning the manner in which Presidential needs are being served.

Inclusion

1. Function is required for resolution of inter-departmental conflicts and coordination of rapid interdepartmental response to crises - and cannot be performed as well in other agencies.
2. Function is required for implementation, follow-up, or evaluation of major Administration initiatives - and cannot be performed as well in other agencies.
3. Function is required for impartial data collection and objective issue presentation for the President and Vice President - and cannot be performed as well in other agencies.
4. Function is a required form of close support for other essential Executive Office of the President entities - and cannot be performed as well in other agencies.
5. Function provides an essential link in the President's communications outside the Executive Office of the President (e.g., public, Congress, agencies or public interest groups).
6. The President wants the function performed in the Executive Office of the President.

Exclusion

1. Function no longer needs to be performed.
2. Only purpose is to provide visibility for a concern or issue.
3. Only purpose is to provide representation or advocacy of a particular group or viewpoint at a high level.
4. Function falls within jurisdiction of a single department outside the Executive Office of the President.
5. Functions duplicate/overlap that of another Executive Office of the President unit.

Functions will also be analyzed according to substantive responsibilities and consequent unit processes. In general, the more specialized the substantive functions performed by the unit, the stronger the presumption that the function or unit belongs in a department or agency outside the EOP.

The data will be used to identify the extent to which units and/or functions overlap with other EOP and non-EOP units. Functional breakdowns will identify activities carried out by different EOP units addressing the same or overlapping substantive areas, and activities that are procedurally similar though they cover different substantive areas. Where there is duplication and overlap, means of consolidation will be considered.

Where ill-defined roles and jurisdictional boundaries may have resulted in inter-unit conflict or competitive staff-building, options will range from clarification and reallocation of functions among existing units to major organizational realignments. The analysis will consider the liabilities of overcentralization, e.g., Presidential need for options and conflicting points of view. The potential benefits of realignment include reduced role confusion, smoother lines of communications, and reduced unit numbers and staff size.

Other questions addressed by the functional analysis include: how much information gathering, proposal generation, policy option drafting, and other tasks are necessary for functional performance? At what point does the size of particular EOP units impede their ability to reflect Presidential preferences? Other questions to be considered are: the types of staffing (generalists/specialists); policy management/operational activities; and relation of staff size and resources to functional priorities within a unit.

Finally, the analysis will address the larger structural organizational issues which emerge from the more detailed function-by-function approach. As desirable as an EOP reorganization built around less staff and fewer units may be, the major benefits to the President from potential restructuring should:

- o Reduce role confusion and increase the understanding of individual and unit responsibilities;
- o Eliminate unnecessary overlap and duplication;
- o Improve lines of control, reporting, and communication;
- o Increase openness and responsiveness; and
- o Improve service of Presidential needs.

General Approach

During the next four weeks, as alternatives are developed, each proposed reorganization action will be subjected to the following questions:

1. Does it reduce the size of the EOP?
2. Does it increase the effectiveness or efficiency of the EOP?
3. Is it fair?

The first question is necessary and the second is a rational follow-up. The importance of the third question is obvious -- all units must be treated as fairly as possible. While this does not imply across-the-board cuts, it does mean that (1) all units should be prepared to sacrifice to achieve the President's objectives, and (2) the project team must be prepared to justify fully each reorganization proposal.

DRAFT

April 20, 1977

PRESIDENT'S REORGANIZATION PROJECT

TO: A.D. Frazier, Jr.
FROM: Rick Heuwinkel
SUBJECT: Plan for Administrative Support Report

The purpose of the report will be to present options and recommendations for ways to achieve personnel and dollar cost savings in administrative support services throughout EOP while simultaneously looking for ways to upgrade those services.

I. OBJECTIVES

The report will present options and recommendations for elimination of marginal administrative tasks and functions, for transfer (where possible) of other administrative functions out of the White House to other EOP units, for transfer out of EOP to other governmental entities (such as GSA), and (potentially) for contracting some functions to the private sector. Early emphasis will be placed upon changes that can be made independent of, and even before, the final EOP reorganization recommendations. Of course, these will be flexible enough to accommodate changes wrought by EOP reorganization.

The report will also present options and recommendations for cost reductions through operating efficiencies. Emphasis will be placed upon identifying management controls leading to improved productivity.

II. EARLY PATTERNS

The basic approach will be to inventory and cost out the administrative support activities (identified in Section III below) and evaluate their operational efficiency and importance to EOP missions. The following are considerations to be utilized in our evaluations:

- A. Is the administrative task or function essential to the EOP units' mission? Or is the output of the task of marginal value such that it could be done without in the interests of austerity? Is its importance diminishing as the Administration matures?
- B. Can the administrative function or task be performed as well in some EOP unit other than the White House, or outside of EOP altogether (in some other governmental entity)? Perhaps other parts of the executive branch have economies of scale that would lower production costs or have a greater range of specialized services that could render improved quality at the same or lower cost.
- C. Can the function/task be done by contract to the private sector for a lower average unit cost? Perhaps the flexibility afforded through contracting can fulfill peak load requirements without incurring the costs of maintaining unutilized capacity during slack periods. Or perhaps lower costs and/or improved quality can be gained through contracting where, again, economies of scale and greater specialization come into play.
- D. Can similar functions be combined within EOP units or can the identical functions be centralized across EOP units to eliminate duplication and gain economies of scale? Perhaps combination/centralization would provide opportunities for greater job specialization, better utilization of equipment and personnel, a greater range of specialized services, simplified work flows, and improved management controls.
- E. Are there opportunities for work simplification (reduction of redundant steps or processes) and improved utilization of personnel and equipment in administrative functions within EOP units as now functioning? Are there professionals doing subprofessional work at a commensurately higher cost than necessary? Is overtime being continuously used where hiring additional full-time employees would result in lower production costs?

III. GENERAL METHOD

The initial step is to review data for each EOP unit in the fact-finding phase and compile an inventory of administrative services as follows:

- | | |
|--|--------------------------------|
| A. Computer (other than payroll, accounting) | M. Supply room |
| B. Typing | N. Personnel |
| C. Other word processing (e.g., text editing) | O. Accounting |
| D. Data collection, storage, retrieval | P. Payroll |
| - Library | Q. Budget management |
| - Research service | R. Security |
| - Clipping service | S. Press and media |
| - Central files (or records management) | T. Contact with Hill |
| - Archives | - Substantive policy |
| - Other | - Lobbying |
| E. Printing | U. Legal services |
| F. Xerox, other duplicating | V. Space |
| G. Telephone switchboard | W. Household and grounds staff |
| H. Phone answering workload (e.g., casework) | X. Other |
| I. Mail/correspondence | |
| J. Messengers/Chauffeurs | |
| K. Appointments (top WH staff, Cabinet, President) tours | |
| L. Procurement | |
| - non-GSA supplies | |
| - GSA (telephones, vehicles, typewriters) | |
| - Contracts for services (professional, maintenance, cleaning, etc.) | |

IV. REPORT FINDINGS

Both Phase I and Phase II reports will set out options and recommendations for selected administrative functions across all of EOP as well as within each EOP unit. The Phase II report will also include more detailed implementation plans for the options selected in Phase I. The reports will utilize the following general outline:

- A. Description, inventory, and cost analysis of selected administrative functions as they are now performed in EOP including a "map" of their locations in EOP.
- B. Presentation of options for improved quality and for cost reduction in terms of:
 - 1. Functions to be transferred (from the White House to other parts of EOP or out of EOP), eliminated, contracted, or improved/added.
 - 2. Efficiencies in terms of changes in organizations (for economies of scale, better management, fuller utilization of personnel), systems/process (economies achieved through work simplification), and facilities (better utilization of equipment).

Each option will show current costs in comparison with expected costs (personnel and dollars) for each function.

- C. Development of policy considerations (e.g., labor/management aspects, legal constraints), new performance standards (especially setting out the marginal services that would not be performed any more), and a general implementation schedule.
- D. Recommend option and the supporting rationale.

V. SPECIAL CONSIDERATIONS

A. Sensitivity

Even though options will be developed for early decision and implementation (ahead of the general EOP reorganization), it may be very desirable to keep these documents and actions internal to EOP until the overall EOP recommendations are made public.

B. Coordination with EOP Principals

It is essential that options be reviewed with the EOP principals who will be impacted before they are finalized. Implementation plans should be developed with participation of those principals.

C. Policy Alternatives

Every effort should be made to move employees along with the transfer of functions.

cc:

Frank Wilson
Jon Turner
Bobbie Myers
Don Maggin
Bernita Joyce

April 29, 1977

PRESIDENT'S REORGANIZATION PROJECT

TO: A. D. Frazier *AD*
FROM: Robert Cunningham
SUBJECT: Decision Report: Process and Outline

Our intent is to document and analyze the process through which several decisions were staffed out within the EOP. As such we will be reporting on the dynamics of decisionmaking as employed by responsibility centers identified in the Analysis Report. This latter report documents responsibility centers now in place; our effort is to determine how these centers work together.

I. Objectives

For purposes of this report, we view the President as the final decisionmaker. The EOP exists among other reasons to inform and facilitate this decisionmaking process. Our study of this process, through analysis of a sample of decisions, may suggest organizational changes which would improve the decision process, though not necessarily the final decisions per se.

Our objective then is to study decisionmaking and to utilize our study findings in developing final reorganization recommendations. Our premise is that a good organization produces actionable decision options; a poor organization yields good decision options in the long run in a less than systematic manner.

Our responsibility is not to decide which decisions the President and others should make, but rather to describe how decisions are being made; what the implications are for decision outcomes of present and alternative decision-making processes; and finally, how the decisionmaking process might be improved to make decision outcomes less arbitrary, more predictable, more comprehensive in their staffing, and more sensitive to strategic and tactical effects.

II. Early Patterns

An intensive study of the issues identified in Section III below should illuminate decisionmaking patterns. Fact-finding to date, however, suggests a number of tentative decisionmaking topics which merit further analysis. They include the following:

A. Unit Coordination ("Hinge" Difficulties)

Several EOP units administer functions which are very similar in process and product. Such similar roles may generate complementary work which illuminates and expedites efficient decisionmaking. Conversely, this same condition may produce redundancy, excessive or inadequate issue coverage, excessively short staffing deadlines, and unnecessary inter-unit competition.

B. Delegation of Authority

Delegation of authority broadens the scope of organizational activity and provides many efficiencies in decisionmaking. However, once authority is delegated, the power to make decisions becomes diffused and responsibility centers naturally proliferate. Two generic problems may result:

1. Filtering. Perhaps some decisions which ought to reach the President do not. What is happening is that there are centers of responsibility which require higher authority to act or make decisions and cannot compete effectively for executive time. This may result in inaction and decisionmaking inertia. It may also result in tacit decisionmaking at lower levels which proceed on the assumption of higher approval. Once made, such decisions may preempt alternative choice at higher levels. Conversely, other decisions of low Presidential priority may move upwards and absorb executive attention.

2. Over-processing. Some responsibility centers have the authority to participate in the review and decisionmaking process, although their mission, role and input to that process may add little of value which has not already been provided by others. To what extent does the current EOP organization exhibit a tendency to excessive vertical layering?

C. Expertise Coverage

Every decision of Presidential interest (we will attempt a definition of that "interest") has multiple effects. Does the array of expertise (e.g., political, economic, labor/management, congressional) applied to an issue match its predictable consequences? Do the experts react in terms of their respective disciplinary perspectives?

D. The Focus of Administration Initiative

Given the multiple sources of policy initiative which exist in the Federal Government, the question of the proper distribution of initiatives between the Cabinet Departments and the Presidency is raised with respect to a large number of issues reaching the Oval Office. To what extent does the decision process provide for an appropriate balancing of Presidential, EOP, and Cabinet initiatives?

E. Monitoring, Evaluation, and Feedback

With every Presidential decision there is a need both to reflect within that process the results of previous similar decisions, and assure that the interpretation and implementation of the decision reflects the President's (or other decisionmaker's) intentions. How are Presidential decisions communicated? Is follow-up assigned to individuals or units? What monitoring roles are appropriately maintained within EOP?

F. Forecasting

Does the process reflect anticipated results; long-term considerations; out-year implications? What planning perspectives are applied in the decision process? OMB

"costs out" the budget; CEA costs out economic impact; who costs out social impacts? Do broad policy guidelines exist in operational form to support decisionmaking at all levels? If not, can they be provided?

G. Organizational Interest

Is the decision process being properly influenced by responsibility center constituencies or special interest groups? Are organizational interests so specialized that the unit's input to the decision process ignores all broader issues? Conversely, are the interests so broad that the unit's input lacks depth or sophistication? In general, are the parochial interests of individual units distorting the information flow in the decision process?

H. Line-Staff Relations

Are line units staffing decisions affecting their operations? Are staff units using the decision process as a means of gaining line authority? Or, is the decision process forcing line responsibility on staff units? Is there a clear distinction between line and staff responsibility and authority? Are line and staff units clearly identified?

The above topics will focus our analysis of the issues listed below. Our aim in that analysis is to identify the particular adaptations and institutional customs the present Administration is adopting with respect to each of those topics. We do not have a preconception that any one organizational solution is best. In some cases, however, our analysis of the cases below may indicate that an alternative organizational approach might be worth pursuing.

III. Mini-Case Studies

Our case study approach is constrained by time, our raw data, and the fact that many issues of equal interest are either too sensitive or would require too much new data collection. The issues below were selected for these reasons:

1. The issue collectively encompass most EOP units.
2. The issues illuminate alternative organizational adaptations within EOP.

The cases, with analyst identified, include:

<u>Case Study</u>	<u>Individual</u>
1. Frequency Management (JTIDS)	Sam Carradine
2. Vance SALT II visit (Cruise Missile)	Len Vernamonti
3. Plutonium/nuclear reactors	John Helmer
4. Food Stamps purchase requirement	John Helmer
5. Minimum wage	Robert Cunningham
6. Footwear trade agreements	Robert Cunningham
7. Rural Telecommunications Policy	Sam Carradine

For each of the above, we are planning the following stages:

1. Draft statement of the issue as available in our files.
2. Discussion of statement with relevant team members.
3. Redraft of case studies for internal team review.
4. Discussion of case studies with selected principals.
5. Incorporation of all case studies within a final report.

IV. Report Outline

The components of prime interest in the report will be the case studies themselves, and their analysis. The other sections below may change substantially, but are indicative of themes which will appear in the report.

A. Introduction

- ° Purpose: Decisionmaking perspective in reorganization
- ° Recent trends in EOP decisionmaking
- ° Carter Administration objectives

B. Aspects of Decisionmaking

- ° Underlying constraints on Presidential decisionmaking
- ° Decision patterns
- ° Is there an optimal decisionmaking process?

C. Case Studies

D. Implications from the Case Studies

- ° Reassessment of "decision patterns"
- ° Description of the current decisionmaking process

E. Preliminary Conclusions

- ° Problems in achieving Administration objectives
- ° Alternative approaches to decisionmaking
- ° Organizational implications
- ° Recommendations

V. Schedule

<u>Date</u>	<u>Milestone</u>
Monday, April 25	Draft Plan (completed)
Wednesday, April 27	Advisory Council Review
Friday, April 29	Working draft of Report

V. Schedule (cont'd)

<u>Date</u>	<u>Milestone</u>
Saturday, May 7	Final report available
Monday, May 9	Final report and executive summary

VI. Special ConsiderationsA. Sensitivity

The report will be helpful to PRP and EOP if we can keep it internal. We will treat it as a sensitive document.

B. Review with EOP Principals

It is essential that we review our case studies with the principals involved. I suggest that this process take place after the report has been assembled but before it is submitted for Advisory Council review.

C. Presidential Interest

I am certain that the report will raise questions of Presidential preference. Those who work with him most closely can advise on this.

D. Policy

We regard this as a policy study. It is not a mechanical time-and-motion study.

There are no perfect solutions, nor will some global problems confronting EOP be resolved through our recommendations (i.e., problems of public trust, expanding governmental roles, expanded public access to the President, and general complexity all impinge upon whatever reorganization we suggest). However, there are from our perspective marginally better and worse alternatives, and we will suggest them where appropriate.

cc:

Frank Wilson
Sam Carradine
John Helmer
Len Vernamonti

PRESIDENT'S
REORGANIZATION
PROJECT

DRAFT

79

WASHINGTON, D.C. 20503

April 20, 1977

TO: A. D. Frazier, Jr.
FROM: Frank Wilson, x 5014
SUBJECT: Resources Group Responsibilities

I. FUNCTION

The Resources Group has been charged with the scheduling, and control of quality, production, and distribution of all Project work products. Specific tasks under each responsibility include:

A. Scheduling

Develop, maintain, and monitor activity schedules to insure the on-time completion of work.

B. Quality Control

(1) Identify, secure, and document the use of outside experts to review and comment on Project work products.

(2) Provide editorial and proof-reading support for Project output.

C. Production

(1) Provide secretarial and word processing support.

(2) Secure graphics and printing support.

D. Distribution Secretariat

Review and route all incoming material; distribute all outgoing material; maintain Project control files.

E. Project Documentation

(1) Develop and maintain documentation on Project organization, management, and processes.

(2) Prepare a final evaluation report on the Project.

II. APPROACH

The quality and production control approach is shown as Figure 1.

A. Scheduling

A detailed critical path schedule has been developed and is updated weekly. Comparison of current status to the original work plan is communicated to team leaders and members on a weekly basis to provide accountability and performance. Teams may finish work early but are thereby encouraged to complete work on time.

The development of a thoroughly detailed initial schedule ensures an immediate measure of Project work status and permits reasonably accurate prediction of completion dates.

B. Control

(1) Quality Control. All Project output is subjected to rigorous quality control through expert review and painstaking/keen editing.

A continuing effort is maintained to identify and secure the talents of recognized experts to assist in the review of Project work products. To augment the efforts of the interdisciplinary study team, Project work is reviewed by outside sources to determine its appropriateness, accuracy, and timeliness of a specific subject area.

In the interests of economy, the Project uses the expertise of invitees when possible rather than consultants.

Several categories of specialists will continue to be used, with expertise in political science, history, organizational development, management, and other pertinent subject areas.

- (2) Editorial Control. Consistency and clarity are emphasized in format, style, syntax, and grammar. An attempt is made to use commonly understood English by eliminating jargon. All typed drafts are proof read to reduce copy errors.

C. Production

Word processing support is provided and a secretarial pool with transcribing capability is maintained. Dictaphones are available for recording interviews, memoranda, and other immediate Project needs.

The production resource is augmented by use of the OMB word processing center and OMB loan clerical support during peak activity periods. OMB also provides a convenience copier and graphics, printing, and binding support.

D. Distribution/Secretariat

A Secretariat is maintained to control the input, production, distribution, and archives of all Project materials. Responsibilities include receipt and routing of incoming correspondence, assignments for clerical work, and maintenance of distribution lists. A core library and central files of all relevant information are also maintained.

E. Project Documentation

Documentation on Project organization, management, staffing, and processes are maintained.

The Resources Group is preparing a final evaluative report, outlining Project development, management, control, and processes. Information is regularly exchanged with the Government Reorganization Project to assist them in their planning.



Memorandum

83
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

TO: Hubert L. Harris
A. D. Frazier

DRAFT

DATE: April 13, 1977

FROM: Terry Straub *TJS*

SUBJECT: EOP Reorganization

After giving some thought to the EOP project needs regarding input from Hill staff types I thought it would be appropriate to put some strategy thoughts on paper.

As you know, I have some considerable concern about both the quantity and quality of any contact that is made on the Hill in the name of the Reorganization Project. For this reason I think it would be best to build a few control elements into the process. You would agree I hope, inasmuch as the EOP study will be the first to go to the Congress, the tone and the procedures we set in place will affect any later contacts for other Reorganization plans.

I am in the process of developing wider strategy for the overall Reorganization Project, but I know your timetable is moving faster than the others and your Hill requirements will be considerably accelerated over the other teams that are just now coming into place. Accordingly, I want to do this short version of what will be in part a larger strategy developed over the next few weeks.

Some Ground Rules:

1. Low Profile: I would ask that any contact made be on an "informal" basis and that all contacts be kept as low in profile as possible. We will be into considerable problems if it becomes common knowledge that your team members are soliciting advice on Reorganization studies. I will have every member or staffer calling me demanding to have their views heard or angry that they were not asked for their views on a given area they feel is within their legislative jurisdiction.

2. Limit Contacts: For the reasons stated above I would also ask that only those contacts be made that are absolutely necessary to provide information that cannot be acquired by other means.

3. Exchange of Information: There should be no "exchange," as such, of information. This should be a one way street for the time being. That is to say, Hill people should be giving you their thoughts or specific information on the subject you ask them about and nothing more. We need not solicit their opinions on any other matter than the one at hand, nor should we offer any information as to specifics on what the final draft will contain, etc. This last point is essential. Advance knowledge of any specifics to be treated by Reorganization by any staff person on the Hill will tip our hand. This embargo should extend to any discussion of the schedule of the Reorganization plans as they will come to the Hill, if you have knowledge of it.

4. Procedure: It is my understanding you intend to appoint an Analysis Team from among your staff within the next few days and this team (approximately a half dozen people) will be allowed exclusive access to Hill staff for EOP information retrieval. I will ask that they clear each appointment with me and allow me to make the initial contact for them. This helps narrow the focus of your probative efforts and enables me to track more accurately on your team's appointments. I will try to accompany them to their initial appointments so I may get an understanding of the subject matter discussed. This will be a good learning opportunity for me as well as allowing me to keep some track of the discussions. Because of this it will be necessary for us to plan the approach, so as to avoid a helter skelter approach to the Hill, and to fit all of this against some reasonable time frames. Accordingly, the other half of this procedure will be for us to meet in brief session the day before any Hill meeting to discuss our own internal strategy for the meeting. This brief meeting should include the following people:

A. D. Frazier
Hubert L. Harris

The appropriate team members from EOP Reorganization Study

Dave Woodham
and myself.

Each participant in the meeting should give some thought before the meeting as to his or her role in the Hill meeting (although not everyone at the pre-meeting will attend the Hill meeting) and be prepared to discuss it briefly at the pre-meeting.

Everyones' time is valuable and we can perform our business with dispatch if we come prepared. In NO case shall we ever walk into a meeting on the Hill without having had the opportunity to discuss the matter ahead of time. This would convey to the Hill the exact image we are trying to avoid, that of confusion and lack of direction.

Timing:

Following is a suggested time-line strategy for the introduction of the EOP Reorganization plan.

I = (Introduction)

I minus 60 to I minus 20: Informal data gathering on Hill by the EOP Analysis Team. All contacts coordinated through Straub. All meetings preceeded by in-house strategy sessions.

I-14: Notification to House Government Operations Committee and Senate Government Affairs Committee intention to present the EOP plan within two (2) weeks. Affirm all committee procedures at this time for handling of the Plan while in Committee.

I-7: President presents overview of the Final Draft of the Plan to the Congressional leadership at the weekly leadership breakfast. Also solicits suggestions on strategy.

I-6: Informal briefing of substance of the Final Draft to the Committee staff. President telephones Ribicoff and Brooks to notify of impending arrival.

Floor managers selected for the EOP plan. Meet and are briefed by (Lance, Wellford, Frazier)

I + 0 EOP Plan delivered to Both committees. Presidential press conference to announce the delivery of the plan (w/Lance) to Congress.

I + 0 to I + 45 EOP plan in Committee. Testimony by Administration Officials and Public Interest Groups. (Advocates

I + 15 1st phase decision making regarding necessary amendments to the Plan.

I + 25 2nd phase decision making re: necessary amendments.

I + 30 Final deadline for any Presidential Amendments.

I + 40 Floor managers meeting to plan floor strategy.

I + 45 Bill reported out of Committee. 1st floor count due in both Houses.

I + 55 2nd floor count due both Houses.

I + 45 to I + 44 lobbying efforts by identified advocates on going to members.

I + 60 Deadline for final action, both Houses.

Understand this schedule is based on an assumption the Congress will use the full allotted time of 60 days to consider each plan. Of course some of the plans will have smoother sailing than others. Hopefully, EOP is one of these. If so we will need to adjust our schedule accordingly.

Questions I need answers to:

1. Who will we want to testify when the bill is in Committee? Do we want to submit the names of identified public interest advocates (re Droz) as well as administration officials?
2. Will the Reorganization project want to introduce other Reorganization plans to the Congress while the EOP plan is under consideration? Does this help or hurt us and if so which plans are likely to be introduced? Remember the Congress, under the rules, can hold the EOP plan until sometime in the Fall for final consideration. (Counting the August recess etc. against the calendar)
3. Floor managers, who will select them? Should we depend on the leadership or do we want to recruit the Elliot Levitas types to work the members when the plan reaches the floor?
4. What is the most appropriate way to involve the President in this process? I have recommended he do only two things as of this writing. The Press Conference to announce the plan and the briefing to the leadership prior to the plans introduction. What other areas or ways is it appropriate to involve him early?
5. Will we have WH Liaison help when it comes to taking the floor counts in both houses? We'll need it I think.
6. For A.D.: As soon as possible I would like to have your thoughts on the specific contents of the EOP package. This alone will enable me to begin to identify the trouble spots

that may exist on the Hill.

Also would like to know if you feel there will be a need for any legislative initiatives for the EOP Reorganization.

I realize you might not yet be to the point that gives you a hard fix on all 16 or so functional areas of EOP, but if you have in your mind identified some areas that will most likely be radically affected (i.e. Telecommunications, Property Council etc) then some advance warning would be most helpful for my purposes.

7. Finally, I would ask that wherever possible the Analysis Team try to reinforce the fact that the Reorganization Project is intended to make more efficient the government in its service to people as opposed to simply cutting costs and reducing the overall size.

If we can re-direct the expectations of what Reorganization will do, and do this early, we may well avoid significant disillusionment later in the project. I would recommend we all make an effort to do this with some regularity.

cc: Harrison Wellford



PRESIDENT'S
REORGANIZATION
PROJECT

DRAFT

88

WASHINGTON, D.C. 20503

April 19, 1977

MEMORANDUM FOR: A. D. Frazier, Jr.

FROM: Fred Droz, Ext. 5014

SUBJECT: General Public Awareness Strategy for
EOP Reorganization Project

The Public Awareness component is very critical to the EOP Reorganization effort. It is important because:

- A. The public, press, and special interest groups will be interested in measuring President Carter's commitment to public involvement and openness in government. There will be a backwards look at the EOP reorganization process in terms of public involvement during the Government-wide reorganization effort.
- B. Specific special interest groups, Congress, State and local government representatives, etc., should not be able to indicate that they were excluded from participation in a substantive area that impacts their interests.
- C. The EOP reorganization staff, management, and other Administration policy makers will probably find external group comments useful.

There are some basic goals of the public awareness component:

- ° To help identify problem areas and concerns of the EOP public (albeit a limited public) in order to focus study efforts.
- ° To stimulate and solicit ideas, suggestions, and approaches that may contribute to the Reorganization effort.
- ° To generate and build a broad base of support within the EOP's limited public. This would include Congress as a member of that constituency and would be important for acceptance and approval of any final proposals.

Special Interest Groups

This will be the principal vehicle for public involvement in the EOP Reorganization Project. Their participation will be coordinated by the following devices:

- A. Letters to special interest groups, associations, interested citizens, etc. These letters will solicit written comments and any other pertinent suggestions about the EOP unit about which groups are concerned.

These letters are being sent to aggregate interest groups who represent large interests, i.e., Wilderness Society, large labor unions, National Association of Manufacturers, etc.

The mailing and press lists for all units in the EOP have been obtained. The groups selected for letters will be chosen from these lists, team suggestions, and discussions with respective units.

- B. Informal meetings with large, important, and knowledgeable representatives of aggregate interests, i.e.,

1. AFL-CIO
2. Chamber of Commerce
3. National Association of Manufacturers
4. American Bankers Association
5. American Manufacturers Association
6. etc.

These one-on-one meetings would be an opportunity for the entire staff or specific teams to discuss a particular area of EOP.

Media

The quantity of planned media coverage will not be great. The effort will mostly be concerned with responding to media requests and stimulation of targetted media outlets.

The substance of EOP reorganization is not very interesting to the American public. The fact that President Carter is reorganizing his "household" is the interest, and their interest will be more concerned with numbers, dollars, and people in a general way. Consequently, we will have two types of media coverage: a general "reorganization is taking place" tone, and the more specific substantive media.

The following media efforts will be considered:

- A. Interviews with specific media that is relevant to EOP reorganization. This will be a more in-depth type of interview with a goal of informing relevant constituencies of the progress, limited findings, and possible alternatives of the EOP Reorganization Project. This type of interview can be used as a means of quelling rumors or floating trial balloons and both may have to be utilized a little further down the line. The forums for this type of coverage could be:
 1. National Journal - Dom Bonafede
 2. Fortune Magazine - Juan Cameron
 3. American Banker - Joe Hutnyan
 4. Federal Times - Don Mace
 5. Government Executive
 6. Congressional Quarterly
 7. Washington Post - Mike Causey
 8. Washington Star - John Cramer
 9. Public Administrative Review
 10. Journal of the American Management Association
- B. Interviews with general media. To discuss general reorganization efforts, to float possible reorganization proposals, to identify supporters and constituencies for future implementation purposes.
 1. National Columnists
 - a. Charles Bartlett - Chicago Sun-Times
 - b. Peter Behr - Baltimore Sun
 - c. Bob Novak

- d. Joe Kraft
- e. Hugh Sidey
- f. Jules Witcover
- g. Carl Rowan
- h. Victor Riesel
- i. James Hyatt - Wall Street Journal

NOTE: An interview with most of these National columnists has already been done once by Bert Lance, Harrison Wellford, and A. D. Frazier, Jr., on the day of the Reorganization Bill signing.

2. EOP Reorganization Press Contacts

These are contacts that we have developed since March 1977.

3. Miscellaneous

- a. Jack Nelson - Los Angeles Times
- b. Andrew Glass - Cox
- c. Ed Dale - New York Times
- d. White House recommendations

4. Television

- a. MacNeil/Lehrer
- b. CBS Morning News
- c. Today

NOTE: CBS Morning News and Today should only be used when we have something to talk about or to release. In the same vein, MacNeil/Lehrer should be done much farther down the line.

- C. Response to Media requests. We have developed the green "information packet" as a means of responding to press inquiries. We may want to expand that, but I do not find a great demand for information about EOP reorganization at this time and do not suggest we create a new one.
- D. Trade Press. This group will be treated in the same manner as "C". We may want to float something later in a particular area.

The trade press will be more interested in our activities than the general media. We now have the lists of all trade press interested in all EOP units.

Citizen Inquiries

We are continuing to respond to general inquiries from the public and mail that has been referred by White House, etc.

If the mail is relevant and a relatively valuable reorganization suggestion, it is sent to the appropriate team for review.

We have developed a working relationship with the White House Office of Public Liaison. Consequently, we will help them respond to inquiries and speaking requests in regard to EOP reorganization.

Schedule

<u>Phase</u>	<u>Start Date</u>	<u>Tentative Completion Date</u>
1. Identify key groups, organizations and individuals	In process	April 29
2. Solicitation Letters	May 3	May 16
3. Conduct Briefings	Continuing	
4. Collect and summarize press clips	April 21	June 3
5. Report on Public Awareness Progress	April 25	May 25

Issues for Discussion

1. Outreach to other government personnel. How do we involve State and local governments, Washington representatives of Mayors, Governors, County Executives, etc.? How do we involve other Federal employees?
2. What manner of contact do we have with Federal employee unions? Do we allow them to comment on personnel matters as they affect EOP reorganization? Will we be opening a Pandora's box by soliciting?



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