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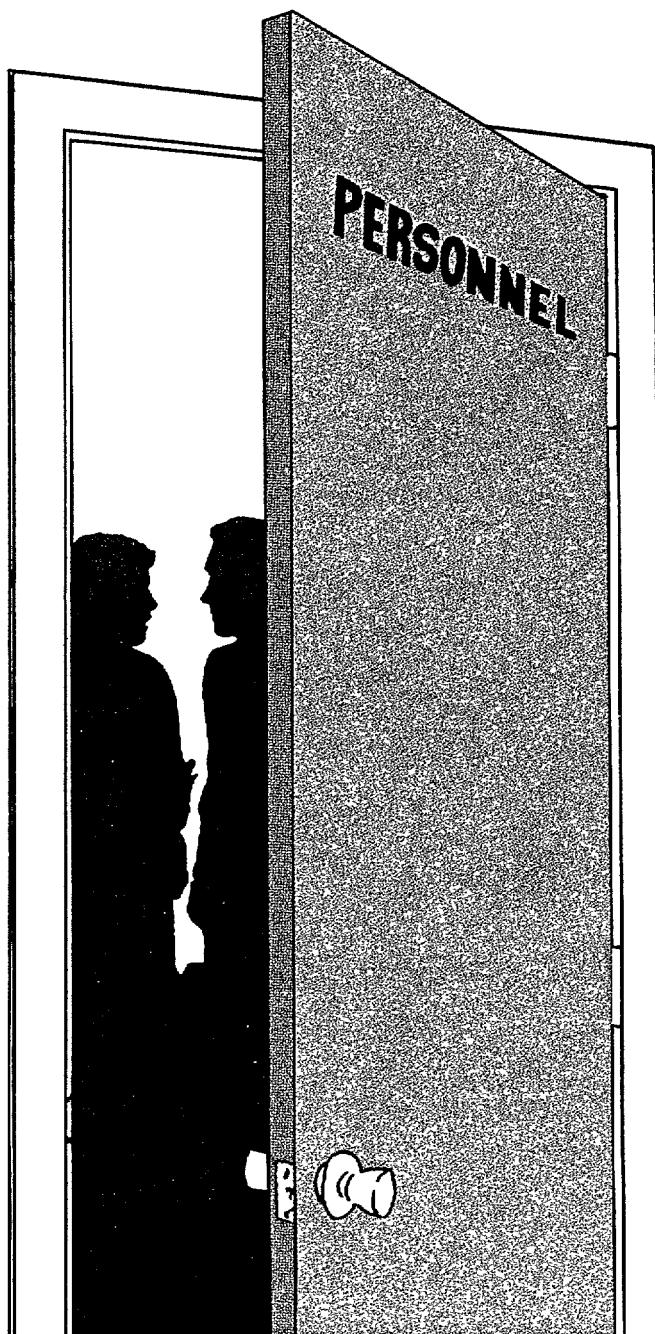
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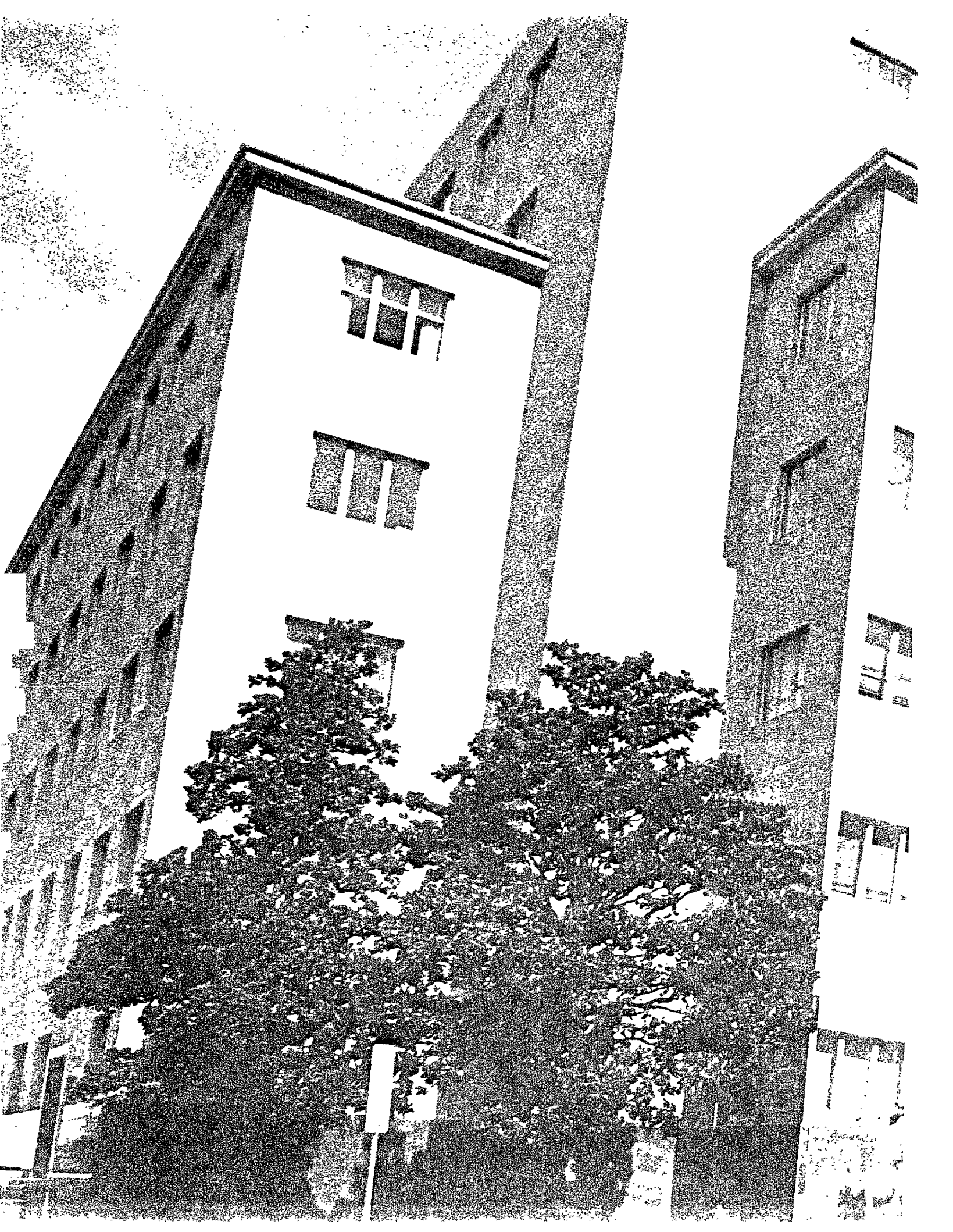
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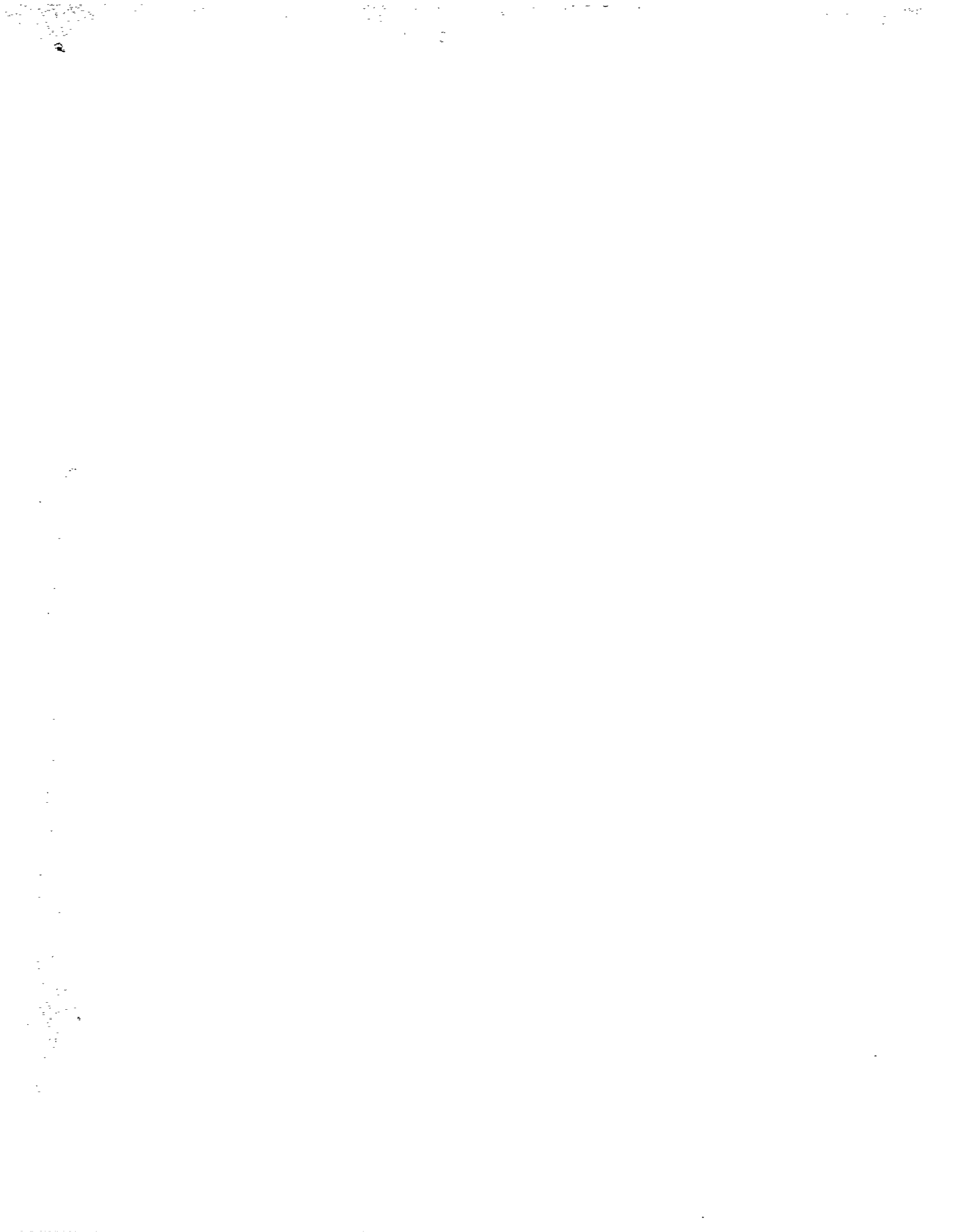
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**Part-Time Work  
And Job Sharing:  
Here To Stay**



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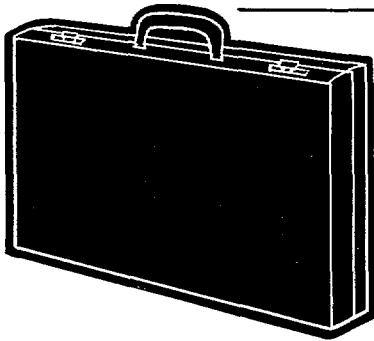
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# From Our Briefcase

## ADP/EDP Information Sources

The Review's last readership survey suggested we "write more about computers," and in this issue we are doing just that. To complement an article on automated analyses (p. 30) and "A Week's Worth" of computer auditing in the 1990's (p. 32), "Briefcase" offers the following resources on automated data processing (ADP)/electronic data processing (EDP).

### Federal Government ADP Standards

Need to know what the U.S. government standards are for ADP? You can consult with the National Bureau of Standards' (NBS) Federal Information Processing Standards publications. These publications contain standards and guidelines in such areas as ADP hardware, software, communications, security, etc. For information, call NBS at (301) 921-3157.

### EDP Auditing Bibliography

Need to do some background reading on EDP auditing? GAO's Office of Library Services recently published *EDP Auditing—An Annotated Bibliography*. With the increasing presence of the computer in all phases of government agencies and activities, auditors need to have access to the latest ADP information available in books, periodicals, and reports. This publication contains a bibliography on EDP auditing in general, the role of the EDP auditor, small computers (auditing mini- and microcomputers), online computer systems, and special audit techniques. The publication is available for pickup in the GAO Technical Library, room 6536, or the GAO Law Library, room 7056. Individuals may obtain a copy by contacting author Ulrike Richardson on (202) 275-3948.

## GAO Reports on ADP Matters

Need a central source of GAO/ADP documents? Each year GAO issues *A Bibliography of Documents Issued by the GAO on Matters Related to: ADP*. The publication contains citations and abstracts of ADP-related documents issued by GAO. References include audit reports, staff studies, speeches, testimonies, Comptroller General decisions, and other GAO documents. The publication is divided into two sections: a citation section and an index section. The citation section lists the reports by accession number, while the index section contains indices of reports by subject, agency/organization, congressional index, and document number. The publication and the documents cited within are available from the GAO Information Handling and Support Facility, (202) 275-6241.

## Other Useful Publications

Want to survey ADP topics and training opportunities? While the three publications just described may meet your needs for specific information, the following three contain more general news for auditors and managers interested in ADP.

*GAO ADP Data Lines* is published by the ADP Administration staff of GAO's Office of General Services and Controller. *Data Lines'* October 1983 issue included articles on potential software problems, microcomputer software licenses, and external sources of ADP training. Inquiries about the publication may be directed to the ADP Administration staff on (202) 275-6126.

Government *COMPUTERNEWS* is a monthly publication dedicated to the interests and needs of computer managers and professionals and the end users of computers and services throughout the federal government. *COMPUTERNEWS'* November 1983 issue contained a special series of 13 articles on computer security, sections on telecommunications and microcomputers, and news about ADP activities in the Department of Commerce, General Services Administration (GSA), and other federal agencies.

In addition, an article on GAO's report entitled "The Census Bureau Needs To Plan Now for a More Auto-

mated 1990 Decennial Census" (GAO/GGD-83-10) appeared on p. 63. For more information about *COMPUTERNEWS*, call (301) 445-4405.

*News Bulletin* is published by the Joint Financial Management Improvement Program (JFMIP) as one way to meet JFMIP's overall objective "to improve and coordinate financial management policies and practices throughout the government so that they will contribute significantly to the effective and efficient planning and operation of governmental programs." In addition to articles on federal debt collection and other financial topics, the October 1983 *News Bulletin* covered microcomputer training available for auditors at the GSA Training Center and GSA's report on "Managing End User Computing in the Federal Government." The proceedings of a workshop entitled "Using Microcomputers for Financial Managers" also were offered. For more information, call (202) 376-5415, or write JFMIP, 666 Eleventh Street, N.W., Suite 705, Washington, DC 20001.

## Giving and Understanding Instructions

What the noted economist John Kenneth Galbraith once said about economics also applies to problems in giving and understanding instructions: "Obscurity rarely, if ever, denotes complexity of subject matter. It usually signifies either inability to write understandable prose or—and more commonly—muddled or incomplete thought."

A good illustration of mangled instructions is the cartoon showing an individual or group in some awkward predicament accompanied by the caption: "What we have here is a lack of communication." Poor instructions can cause employees to feel a sense of failure, possibly creating a negative attitude toward the entire organization. This leads to grievances, customer complaints, and increased waste, accompanied by lowered productivity and quality.

While understanding instructions is important, we as a culture simultaneously expect to be confused by instructions. This is the conclusion of social scientist J. Scott Armstrong, who cited a talk by a Dr. Myron L. Fox on the

"Mathematical Game Theory" before an audience of psychologists, educators, and social workers. In general, the audience was impressed with Dr. Fox's presentation and found it understandable. However, Dr. Fox was a fake—an actor who had made up a lecture using scientific doubletalk and unrelated and contradictory statements. Armstrong says that our culture ranks the most prestigious publications as those which use long sentences, cumbersome words, and complex logic. He suggests that some of the best ways to confuse your audience, while also sounding educated, is to use specialized language—jargon—which can either streamline communication among a group or confuse it even more. GAO employees who use computers may encounter such jargon as "CPU" for central processing unit, which is another way to talk about the computer's brain; "data encoding," which refers to putting information into the computer; and "hard-copy printing," which is typing.

A study published by Joe G. Thomas in the April 1982 *Supervisory Management* shows that new employees appreciate supervisors who, at the outset, define their duties and explain the standard by which employee performance is going to be measured. Thomas says a supervisor's common misconception is to assume that once an employee is given an instruction, it will be understood completely and that the task can be done without further instruction. Thomas says more is required to carry out instructions than just clear communication, but without clear communication, the task probably won't be done right. Some causes for why employees do not follow instructions include the following:

- The to-the-last detail approach. The subordinate follows, with some resentment, the supervisor's instructions to the last detail. Should trouble develop along the way, the subordinate may be reluctant to change anything. And if the boss just happens to be wrong, so will the job . . . intentionally.
- The too-casual approach. A supervisor is too informal in giving instructions. A subordinate may not realize that instructions are being given if the supervisor uses an offhand, by-the-way manner.
- The yes-you approach. A subordinate is once again singled out for another special job to the exclusion of other employees. This "special" employee may retaliate for the extra work by moving ever so slightly away from the instructions because that might be the only way to get out from under the workload.

- The pick-up approach. A supervisor can give too many instructions to too many people in too short a time. Or similar, but different, instructions will be given to these same people. The results can be a backlog of conflicting instructions, confused subordinates, and guesswork about priorities.

Perhaps the federal government and American businesses should borrow a page from their Japanese counterparts when it comes to the subject of communicating instructions. While Americans work in a mountain of memos, reports, and multiple copies of paper, the Japanese rely more on "word of mouth" to get the job done. Besides eliminating paper, the Japanese method allows all employees to become involved in making decisions and reduces the chance for misunderstandings. Studies of this system show that managers in Japanese firms engage in over 30 percent more face-to-face contacts with their subordinates than do managers in America, with more oral communication at all levels in the chain of command.

But whatever method is used, knowledge of how to give and understand instructions will help an organization to meet its goals, which, in turn, will increase job satisfaction and commitment. (*This material was contributed by Eric Green, Office of Publishing Services.*)

## **Federal Procurement Regulation Issued**

Over the years, GAO has worked closely with the Office of Federal Procurement Policy to encourage the development of a federal acquisition regulation (FAR) which would assist major agencies in administering procurements. A joint FAR has now been issued by the Department of Defense, General Services Administration, and National Aeronautics and Space Administration. It establishes a single uniform regulation for use by all federal executive agencies in their acquisition of supplies and services. A 700-page FAR took effect on April 1, 1984. Each federal agency must prepare its supplement to the FAR. Questions? Call Paul Math at (202) 275-4587.

## **Overcoming Constraints to Federal Management**

In the midst of a presidential election campaign in which the federal government is often criticized for inefficient management and excess spending, it is refreshing to read a publication which concentrates on how to remove some of the systemic constraints

which can act to thwart managerial effectiveness and creativity. *Revitalizing Federal Management: managers and their overburdened systems* is the product of the National Academy of Public Administration (NAPA) and was funded by a consortium of 16 federal agencies. Overseen by a council of 11 assistant secretaries for administration from major departments and 5 of their counterparts from independent agencies, the National Academy panel was to conduct a study of major administrative burdens on the federal manager and recommend ways to simplify administration, encourage more effective management, and preserve accountability and consistency.

The panel recognized that every organization needs systems and procedures to organize and direct its activities, but that the federal government has become entwined in elaborate management control systems and the accretion of detailed, and often heavily centralized, administrative procedures. The nine functions the panel studied were procurement, personnel management, budget process, personnel ceilings, information processing technology, travel management, building space acquisition and management, printing, and property management.

Essentially, the panel noted that the internal management processes of the federal government have become so complex and rigid that they must be changed. Listed here are a few of the panel's recommendations:

- Adopt a biennial budget.
- Create an Office of Federal Management.
- Sufficiently fund a merit pay system so that amounts paid to employees are high enough to create real incentives for performance improvement.
- Establish a stronger capability within OMB so that it fulfills its statutory responsibilities for policy guidance and oversight over information resource plans and implementation throughout government.

Chosen from among dozens of recommendations, it is hard to grasp the full flavor of the report from seeing such a small portion of its results. One disadvantage to the product itself is that there is no summary chapter to highlight those suggestions the panel believes are the most important, leaving the reader to peruse the 65-page document to fully appreciate the breadth of ideas it contains. For those who would like this opportunity, and it is well worth taking the time to do so, copies are available in the GAO Tech-

*See Briefcase, p.36*

## Senator Stevens Addresses 1983 GAO Awards Ceremony

Ed note: On October 19, 1983, Comptroller General Charles A. Bowsher presented awards honoring 53 individuals for their contributions to GAO's efforts. Mr. Bowsher congratulated the recipients and encouraged all GAO staff members to strive to meet the challenge of continuing the improvement of government operations. A program listing awardees and their citations is available from the Labor Management and Employee Relations Branch. It can be obtained by calling the branch at (202) 275-5374.

Senator Ted Stevens was the guest speaker at the annual GAO awards ceremony. An Alaska Republican and assistant majority leader, Senator Stevens was first appointed to the Senate in 1968. He chairs the Senate Select Committee on Ethics and the Senate Governmental Affairs Subcommittee on Post Office, Civil Service, and General Services. His statement included the following comments on civil service policy.

### Public Perception

"Let's face it. Whether it's employees of GAO surfacing abuse in defense contracts, employees of NASA (the National Aeronautics and Space Administration) propelling us to the forefront of space exploration, employees of NIH (the National Institutes of Health) leading us to world preeminence in medical discoveries, or employees of the U.S. Postal Service maintaining written communication throughout the nation at the world's lowest prices, federal employees deserve the respect of this nation and its representatives as well as a system in which (they) are protected from abuse, compensated well, and rewarded for good performance.

"The public's perception of federal employment needs a radical change . . . When you return home, contact your local newspaper and explain to them your award and why you received it. Call the local Chamber of Commerce to see if you can make a presentation to them about the function of your agency and its importance to local business. The more people know, the less they will criticize; you will not only be serving yourself but, as a practical matter, the nation itself.

### Systems' Problems

"Currently, every facet of federal employment is in need of repair or reform.

"The Senior Executive Service has been plagued by subpar bonus and pay systems. The merit pay system for mid-level managers is a disaster. Labor relations are generally poor where unions are permitted to bargain only on insignificant issues.

"The pay system is in disarray as a result of the recent court decision invalidating the legislative veto. The health program is deteriorating, with high deductibles and high premiums while health costs are still out of control. The retirement program needs revamping, with escalating, unfunded liabilities and now with the extension of social security coverage to new federal hires.

"We need a serious review of where the civil service is headed. The issues should not focus on whether or not an age 57 federal retiree should receive a full cost of living allowance in his retirement check. The issue should be what type of work force should the federal government employ for the future.

### Improvements

"At least on a piecemeal basis, we are attempting to address your problems. As you know, the Office of Personnel Management (OPM) issued regulations earlier this year to reform the within-grade and performance appraisal process and the reduction-in-force procedures. Our subcommittee has held four hearings on these subjects and has designed an alternative in the form of legislation. The Merit Pay Reform Act is a vehicle to address many of the other issues raised by the OPM regulations.

"The Merit Pay Reform Act overhauls the merit pay system to ensure that everyone who achieves a "fully successful" rating will be guaranteed full comparability and receive their within-grade increases in a timely fashion.

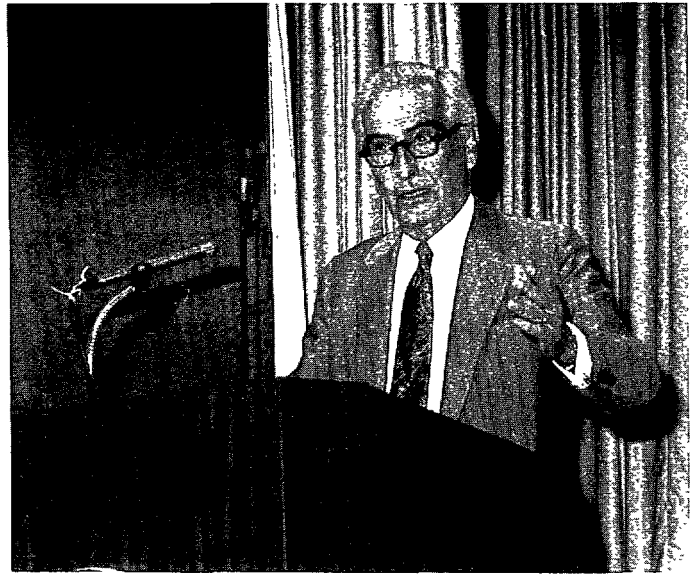
"In addition, my amendments would reform the Senior Executive Service by removing the very complicated reduction-in-force procedures and, instead, simply guaranteeing an SES person who is RIFed fallback rights to GS-15.

"My amendments also would establish demonstration projects to imple-





Visual Communications Branch photographer Richard Rockburn was named GAO's Outstanding Handicapped Federal Employee for 1983.



Former Secretary of the Navy Edward Hidalgo makes his point during the annual Hispanic Heritage Week observance at GAO.

ment the pay-for-performance regulations as issued by OPM on an experimental basis.

"We are still working on legislation that will reform the federal health program to try and control the costs while, at the same time, increasing the government's share of the premiums. Our subcommittee has also begun a very comprehensive study of the federal retirement program. Much of the assistance is coming from (GAO).

"In addition, we have asked the Congressional Budget Office to analyze private investment strategies of federal retirement funds to see whether there is a benefit to the workers and to the country for such investments.

"My desire is to possibly introduce major retirement legislation either at the end of next year or at the beginning of 1985, with the goal of enacting comprehensive legislation establishing new plans sometime in 1985. In the meantime, we are trying to develop short-term solutions that will meet all our concerns for the next 2 years."

Senator Stevens closed his address with an invitation to GAO to join him in developing an overall strategy for reforming and directing the civil service. He encouraged staff to support a bipartisan commission to develop a direction for the civil service, and to work with the Congress in its reforms of the various systems.

### Review's Head Photographer Honored

Writers for the *GAO Review* will recognize him as the person who takes the "author" pictures that accompany

their articles. *Review* readers have seen his work, or his assistant's, many times on our pages. Thus, it is with pride that "On Location" notes that GAO photographer Richard Rockburn was officially recognized as GAO's Outstanding Handicapped Federal Employee for 1983 during the National Employ the Handicapped Week in October 1983.

Totally deaf since infancy, Rockburn has developed an in-house photographic studio, including a darkroom, making it unnecessary for GAO to rely on more costly outside contractors. In addition to taking and printing photos for the *Review*, other GAO publications, and official events, Rockburn also provides on-the-job training for co-op students in the Visual Communications Branch.

### Hispanic Heritage Week Observance Held at GAO

"In a rather long life as an Hispanic . . . I see, at long last, an awakening of the forces of our Hispanic heritage," said former Secretary of the Navy Edward Hidalgo, keynote speaker at GAO's Hispanic Heritage Week observance last September. The event was held before a large crowd in the GAO auditorium. Now an attorney practicing in Washington, D.C., Hidalgo pointed to the increased U.S. concern over its Latin America interests that has surfaced in response to the economic and political unrest in South America. On the home front, he referred to Hispanic-American advances in politics, business, higher education, and

military recruitment as further indicators that "the light of our Hispanic heritage is getting closer, is getting clearer."

These developments represent "an historic opportunity to weave the Hispanic heritage more tightly and visibly into the collective and total American heritage," Hidalgo said. However, he cautioned the audience, "We must be careful, here, not to speak of the Hispanic heritage as if it were a thing apart. I think that would be self-defeating and counterproductive. What it has as its meaning is that the Hispanic heritage can add another element, an important ingredient, to the total American heritage."

Before introducing Hidalgo, Comptroller General Charles Bowsher reported on GAO's own efforts in that area, then outlined his speaker's efforts to increase Hispanic-American recruitment by the Navy. "One year ago," he recalled, "I said I believed that, over the next few years, we could substantially increase the number of Hispanic-Americans and Asian-Americans in the work force and that we could do that even though we were under constraints in our budget and personnel ceilings." Bowsher announced specific hiring goals at that time. At the observance Bowsher reported that the agency has either met or exceeded the specific goals he set for hiring personnel from the two ethnic groups. As of August 31, 1983, 8 percent of the entry-level professionals hired at GAO during fiscal year 1983 were Hispanic and 8 percent were Asian. In GAO's cooperative education program, 15 percent of the appoint-

ments came from the Hispanic group. This compared with an annual hiring rate of about 4 percent Hispanic and 3 percent Asian over the last 8 years.

"Now, I don't want to just concentrate on statistics here," Bowsher said. "What we're trying to do here at GAO is to have an employment group that is representative of our American culture . . . I think we're making great strides in that area."

The Comptroller General praised Hidalgo for "taking the same 'can-do' approach regarding Hispanic military recruitment when he was Secretary of the Navy." He recalled that the then-Navy official and his staff developed an Hispanic recruitment program that produced results similar to those obtained by GAO's efforts.

Joining Bowsher and Hidalgo on the program were Alexander A. Silva, director, Civil Rights Office; Rosa Mercado Johnson, Hispanic Employment Manager, NSIAD; and Jose Estella, GAO National Hispanic Employment Manager. El Trio, a 3-man group of Latin American guitarists, performed several Hispanic musical selections.

## First Annual Meeting for Top Management Held

On November 8-10, 1983, 146 top GAO executives attended GAO's first-ever management meeting for the agency's senior executives, held at the Xerox International Center for Training and Management Development, in Leesburg, Virginia. Its three key objectives were to (1) discuss the Comptroller General's goals and operating philosophy, (2) bring everyone up to date on GAO trends, and (3) discuss future directions and expectations. These objectives were discussed through Mr. Bowsher's keynote address, panel and group discussions, and feedback sessions during which the Comptroller General responded to issues raised by attendees. Panels and groups included Assistant Comptrollers General, division directors, division deputy and associate directors, office heads, overseas branch managers, regional managers and the assistant regional managers for operations and for planning and reporting, Office of General Counsel Senior Executive Service (SES) members, and SES candidates. Some points of key information follow.

## Organizational Change

GAO's divisional structure was changed significantly during the past year. Four defense-related divisions were consolidated into the National

Security and International Affairs Division. The Community and Economic Development Division and the Energy and Minerals Division were merged into the Resources, Community and Economic Development Division. Other activities were consolidated in the General Government Division and the Human Resources Division. GAO now has three technical divisions: the Information Management and Technology Division, the Program Evaluation and Methodology Division, and the Accounting and Financial Management Division. In addition, the Office of Quality Assurance was created to review reports and begin implementing recommendations of the Reports Task Force. This structure includes larger divisions with a better work force and issue area concentration.

## Quality Focus

Implementing quality assurance projects and procedures is of key importance for the future. Divisions will be developing enhanced report review capabilities, and signature authority for reports will be further decentralized. In an effort to build in quality, core groups of functional or technical specialists in the divisions will assist in designing and executing assignments.

## Roles of Key Officials

Mr. Bowsher outlined the roles and expectations of GAO's key officials, noting that division directors and regional managers are responsible for directing their unit's operations and focusing work on the most important issues. He said that deputy directors and assistant regional managers for planning and reporting and for operations mirror the functions of their counterpart Assistant Comptrollers General; that associate directors are GAO's subject matter experts who are thoroughly familiar with the content of a report before it goes to the division director and the Office of Quality Assurance. Finally, he stressed the important role of group directors as the individuals who build field/Washington relationships and direct report preparation.

## Future Directions

Mr. Bowsher promised to focus on exploring ways to build additional rewards into GAO's personnel systems. He also urged top managers to become personally involved in GAO's stepped-up college recruiting efforts. In his closing address, he noted that "the organization of GAO is pretty much set. This is how it will look for a good

number of years." He said that the next 2 years will be rough as GAO works through the initiatives it has started, but that meetings such as this, which will become an annual event, will be an important aspect of institutionalizing change within GAO.

## Writer's Block Seminar

Speaking about writer's block, an occupational hazard which has immobilized writers from Aquinas to Zenger, Ben J. Dean, Ph.D., told an October 1983 seminar at GAO that when people say writing is agonizingly painful, they are talking about writing the first draft.

In his presentation called "How To Write With More Joy and Less Anxiety," Dean, a Maryland psychologist who conducts writing block workshops around the country, said many writers feel inhibited because of self-imposed internal critics.

"Once you throw the critic out the window," he said, "once you learn to write without the critic being around, the writing can move from ground zero to a first draft."

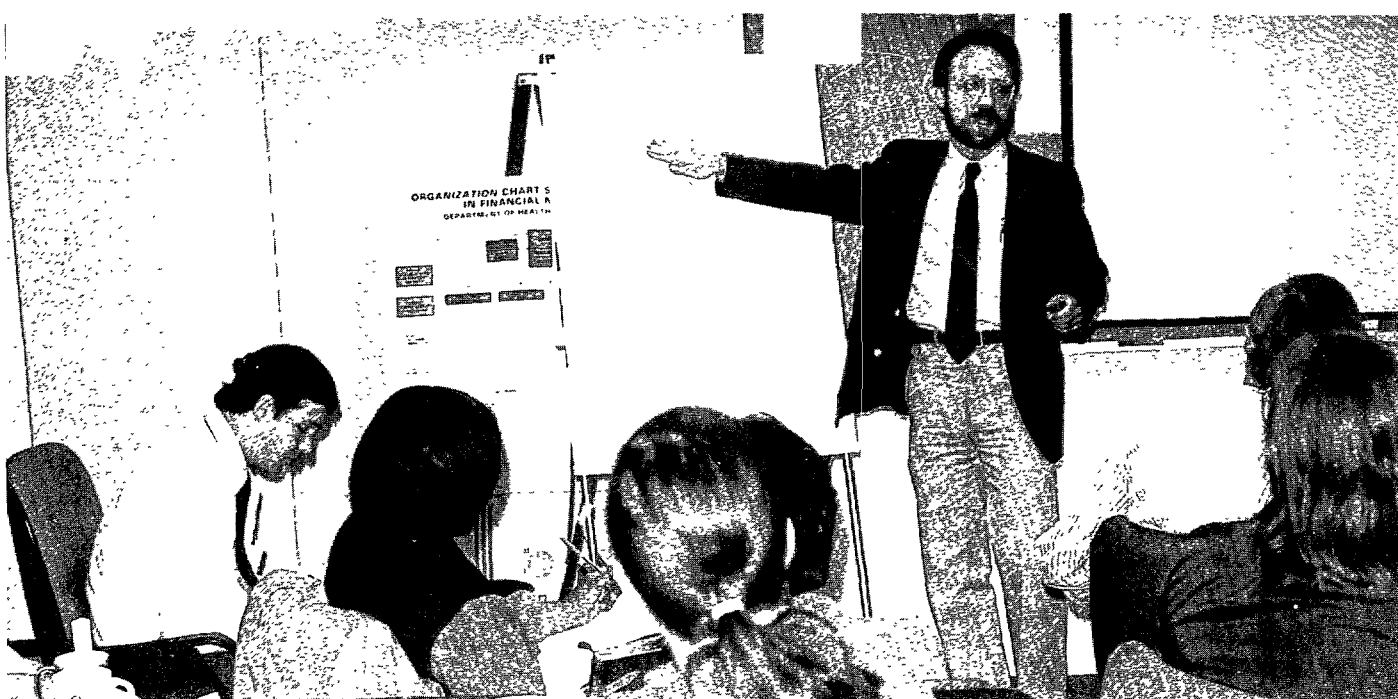
Dean also once suffered a terminal case of writer's block until he found remedies that make writing a first draft as easy as talking to your closest friends.

He said that writing includes two parallel processes: producing words and editing words. He suggested that struggling writers should write extemporaneously for at least 10 to 15 minutes each day, an exercise which will help grow what he calls the "free-writing flower." To practice what he preaches, Dean told his audience, "Take out a sheet of paper and start writing—and don't stop for 10 minutes. Write about anything you want."

With an uptempo tune called "Naked Keys" by Margie Adam providing the musical accompaniment, the standing room only crowd began writing wherever there was space: on tables, chairs, against walls and file cabinets, crouched in the doorway, and in the hallway. As the tune quickened, so did the writing, with facial expressions changing from eagerness to pain. A few participants were massaging their sore writing arms by the time the music died out.

"The purpose of this exercise," Dean explained, "is to learn to write without your critic around. This is not intended to produce any useful content, it's to strengthen your freestyle writing ability."

Following the exercise, Dean instructed his audience to share the experience of freestyle writing with someone to the left or right of them.



Dr. Ben Dean describes how to grow the "freewriting flower" during the Writer's Block seminar held at GAO.

That order instantly filled the room with a cacophony of excited conversations, making it apparent that writing is something people like to talk about, even if it's with a complete stranger.

Dean said other methods that percolate the writing juices include picking a subject that you care about and stockpiling data "like a miser" by formulating a variety of searching questions about the subject. After the information is collected, the piece should be freewritten from start to finish in 30 minutes, using, if nothing else works, the expression, "Well, it seems to me that..."

Because writing is a lonely craft, Dean said the "feedback loop" of soliciting comments from another person helps the writer improve the product. This feedback might come by employing an editor, especially in a place like Washington, DC, where there is an abundance of editors.

Dean distributed a bibliography that he said will help the writer move off dead center, calling John Tribble's *Writing With Style: Conversations on the Art of Writing* the best book on writing he's ever seen. Other recommendations included *Writing With Power* and *Writing Without Teachers*, both by Peter Elbow; John Gardner's *On Becoming A Novelist*; and Joan Minninger's *Free Yourself to Write*.

(Ed. note: Dr. Dean's seminar was sponsored by the Counseling and Career Development Branch. For a current schedule of workshops, call (202) 275-5848.)

## Two GAO Units Renamed

The Office of Internal Review (OIR) and the Institute for Program Evaluation (IPE) have new names which better

describe their roles in GAO work. Comptroller General Charles Bowsher announced the name changes in fall 1983. OIR is now called the Office of Internal Evaluation (OIE), and IPE is now called the Program Evaluation and Methodology Division (PEMD). The units are shown on the November 4, 1983, organization chart which has been redrawn to include these new units as well as several others created during fiscal year 1983.

The Office of Internal Evaluation, headed by Bill Martin, primarily will assist the Office of the Comptroller General in carrying out its management responsibilities by providing independent evaluations of the organizational, administrative, personnel, and assignment management activities. Its evaluation efforts will be in addition to GAO managers' routine responsibilities to assess their own operations, assuring themselves that they are well-controlled and are meeting high expectations.

The Program Evaluation and Methodology Division, headed by Eleanor Chelimsky, will be one of GAO's technical divisions. It will program jobs that complement the issue area work of the program divisions and address objectives specific to advancing program evaluation in GAO and throughout the federal government. It will provide technical skill assistance to GAO's program divisions, as well. ("On Location" acknowledges the GAO *Management News* as an invaluable resource used in preparing this and other *Reviews* from time to time.)

## Forum Examines Impact of Politics on Evaluation

Politics is one of several factors that play significant roles in decisions con-

cerning what evaluation studies are done, how long they take, and where the results go. A five-person panel of experts briefly explored several facets of that role last September in a symposium entitled, "The Politics of Program Evaluation" at the 1983-84 meeting of the Federal Agency Evaluation Director's Forum, held in the U.S. Department of Agriculture's Jefferson Auditorium.

"The aim of this year's forum is to provide examples illustrating the kinds of political problems evaluators have in initiating, planning, and conducting their evaluations and in disseminating the results and ensuring that those results will be used," said Dr. Michael Wargo, director, Program Evaluation Staff, Food and Nutrition Service, U.S. Department of Agriculture and the forum's chairman.

Wargo began the 1983 forum with a discussion of how various authorities (the Congress, for example) have an impact on the conduct of program evaluation. His conclusion: Hierarchy of authority is important to the conduct and usefulness of a program evaluation. He listed these authorities in decreasing order of power: (1) congressional mandate, (2) committee report, (3) congressional resolution, (4) Office of Management and Budget regulation, and (5) agency-initiated study.

According to Wargo, the higher the authority is in this order of hierarchy (1) the easier it is to conduct a program evaluation study and (2) the higher the probability that the study will be completed successfully. On the other hand, authorities farther down in the hierarchy are subject to more levels of review as well as more potential disruption.

See *Location*, p. 36

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# Manager's Corner

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This issue of "Manager's Corner" focuses on performance appraisal systems. This topic is particularly timely because new and revised performance appraisal systems will soon be introduced in the agency.

Members of the Senior Executive Service have summarized several of the articles in the bibliography on performance appraisal. Their comments follow. Copies of the articles are available at the front desk of the GAO Technical Library.

This feature is coordinated by Audrey Goldstein, an employee development specialist in GAO's Office of Organization Development.

**"Performance Appraisal in the Z Organization," *Public Personnel Management Journal*. By Grover Starling. Reviewed by Morton Henig, senior associate director, HRD.**

Starling's article attempts to make the case that performance appraisals are (1) not enthusiastically regarded by most managers, (2) not well integrated into the total organization picture in most organizations, and (3) seem to work best in what he refers to as the Z organization: essentially an American version of the Japanese organization. The article, while somewhat loosely pulled together, is interesting from a GAO perspective, for it raises several questions as to where we are going with our annual assessment process.

The article opens with an interesting reference to a Conference Board survey which concluded that current appraisal systems "are still widely regarded as nuisance at best and a dangerous will at worst." Starling then captures what some of us have probably thought when he says, "It is not hard to imagine the confusion and frustration supervisors feel as they try to assess future employee potential and appropriateness of compensation, to change unsatisfactory behavior, to communicate managerial perception of quality of work, and to provide documented records of disciplinary or promotion decisions—all at the same time."

Starling tends to get a bit fuzzy in demonstrating that the performance appraisal process has generally not been well integrated into the total organizational picture. But that is not really the thrust of his thesis. What he emphasizes is that the process has the best chance of working well in the Z organization. Here he does a credible job and makes some interesting points, especially if you agree that the concepts that distinguish a Japanese organization should be emulated.

Starling postulates that five major

features of the Japanese organization allow it to better fit the performance appraisal process into the total organizational picture than do most American organizations. The five features are

- acceptance of the subjective (incidentally, how or why this feature is important is not made too clear);
- the importance of interdependence (the concept of teamwork being more important than individual independence for achieving organizational goals);
- long periods without a major promotion or formal evaluation (two points here: avoid the costs of documented formal evaluations that have limited utility, and the psychic rewards of being well thought of by a group);
- continuous and smooth performance feedback (through mentor-protege relationships); and
- decoupling the performance appraisal system from compensation (wages are tied mainly to longevity and group output).

Starling then asks, "Can the Japanese organization work here?" He answers that recent trends would suggest no, but that in many private and public organizations, it already is working. He does a good job of relating how court decisions seem to be pushing appraisal systems in the direction of more explicit, job-related assessment criteria even though many experts would argue that such "criteria fail to capture all the behavior that affects organizational performance."

How does all this relate to GAO? I found it interesting that Starling thinks performance appraisal works well when uncoupled from compensation. GAO is at least thinking of going in the opposite direction. I also found interesting the idea that promotions should not be too frequent. We seem to be following that concept in GAO, but because its genesis is not related to the Japanese management philosophy, the concept is not well accepted here. I would suggest, however, that you read the article and draw your own judgments.

**"Performance Appraisal in the Post Reform Era," *Personnel Management*. By Albert C. Hyde. Reviewed by Rosslyn Kleeman, associate director, GGD.**

With the importance of performance appraisal systems in the public sector, stemming from the Civil Service Reform Act, an explosion of research, surveys,

and articles on this topic has occurred. This particular article, not an encouraging one, suggests that the explosion of information is itself a symptom of the performance appraisal problem: one "everybody writes about, but no one seems to be able to do anything about."

Mr. Hyde identifies some common but serious problems with performance appraisal, such as the supervisors' recognition of the need to take care of their people, leading to rating inflation. This, in turn, causes agencies frequently to revamp their systems "to keep ahead of the players," and creates a general dislike of performance appraisal systems and disbelief in their credibility. Hyde identifies many other factors and institutional forces that tend not to make performance appraisal systems work, and then asks why there should be such a breakdown between theory and practice. He offers no solutions, and, in fact, says that because some problems are so fundamental, success in identifying reasons for past failure does not guarantee future success.

However, the article is not necessarily a picture of total gloom for the future of performance appraisal. It presents several essential issues that should help in designing an agency performance appraisal system.

At this time, the majority of federal agencies could probably use more encouragement than Hyde offers in refining their newly installed systems. Nonetheless, managers who are willing to confront hard questions about their performance appraisal difficulties, and perhaps challenge some assumptions, may achieve more effective performance appraisal systems.

**"Scientific, Legal, and Operational Imperatives of Workable Performance Appraisal Systems," *Public Personnel Management*. By Wayne F. Cascio. Reviewed by Herb McLure, associate director, RCED.**

Appraisal systems should be relevant, sensitive, reliable, acceptable, and practical.

Grass should be green.

Anyone who has tried to develop a workable appraisal system for a sizeable group of people has also discovered that it is pretty much impossible to find a "good" one. Aspirations, personal goals, and hopes crash into

organizational requirements and constraints. Management's need to sort out the best people for advancement rubs against the need to encourage those that are not among the best to do as well as they can. Marketplace conditions affect supervisory judgments. Specificity constrains management judgment. Simplicity destroys specificity. Complexity causes rebellion.

Despite the unmanageable complexity of the opposing forces in appraisal, there are some simple guideposts to remember when you go about designing an appraisal system, and the ones Cascio points out are among them.

- A person should be appraised in a way that clearly relates to the individual's work (relevance). For example, secretaries should be measured against standards for a secretary's work.
- The appraisal should distinguish between good work and poor work (sensitivity), and the more purposes the rating serves, the less likely it is to serve them well.
- Different people should generally use the same appraisal system, one that is reliable and consistent.
- The people who use the appraisal system should find it acceptable.
- The system should be practical to use and should not involve excessive data collection, recording, interpretation, or storage.

Cascio uses these simple truths as an outline for discussing a whole host of other things. He points out that if ratings are used to decide who to promote, they lose some of their value as a counseling tool because supervisors calculate differently for the two purposes. He suggests frequent communication as a way to improve rating reliability. (I wonder if there is any management problem better communication wouldn't help.) He also shows that who does the rating makes a difference because supervisors, peers, and subordinates have different points of view. He suggests openness about the standards being used to measure people as a way to make an appraisal system more acceptable, and suggests that raters who were involved in designing the rating system will rate people more carefully and accurately.

Mr. Cascio says in his first paragraph that he intended to talk about fundamental ideas, so it is probably not fair to criticize him for doing it. The trouble with "fundamentals" is that descriptions of them tend toward oversimplification and can lead to the wrong conclusions. For example, he makes some interesting statements about why merit pay systems don't seem to work out as well as they should, and he reminds us that merit

pay systems seem to work best when (1) adequate funds are available, (2) managers are trained to make fair appraisals and reward performance fairly, (3) the merit portion of increases is identified for employees, and (4) employees are open and trusting as participants in the process. He suggests that merit pay systems not be used if these conditions do not exist. That conclusion sounds logical enough, but it doesn't bear up under thoughtful scrutiny.

First, most organizations already have merit pay systems in the general sense that any system that attempts to pay some people more than others based on what they do is a merit pay system. So he is really just referring to a particular kind of merit pay system that he never describes. Second, any system that rewards some people better than others fosters distrust inherently and makes appraisal more difficult. It is not easy to find any organization that claims its employees are open and trusting when it comes to appraisal, and even those organizations which do make the claim change their tunes in a hurry when threatened with a change in their merit pay system. To suggest that a pay system not be changed unless circumstances are ideal is to suggest that pay systems never be changed. A more realistic view is that if an organization believes it can benefit from altering its system of rewards, it should swallow hard, do the best it can to ensure fairness, and accept the inevitable suspicion, distrust, and disappointment that will accompany the change.

Cascio's article seems often to forget its basic theme and structure and wanders off into tangents. That is not to say the tangents are not interesting; just that a reader is not quite sure what ground is really being covered. Cascio was probably responding to an editor's marginal notes and got distracted from the main track.

The absence of support for the statements made in the article is a more serious problem. Often, the reader is left to wonder whether the conclusions and opinions are based on research, generally known truths, or simply the author's speculations. This review, of course, suffers from the same malady.

**"Measuring and Tracking Management Performance for Accountability," *Journal of Organizational Behavior Management*. By Roger Bourdon. Reviewed by Felix Brandon, director, Personnel.**

Management accountability. Most organizations have systems for measuring performance of their rank-and-

file employees and for holding them accountable for meeting established goals. Is this true for managers also? The author believes not: that organizations have generally neglected the subject of management accountability.

The author discusses the barriers to having a workable system which will hold managers accountable and identifies critical requirements that form a foundation for a sound management accountability system.

Three barriers are identified in this article. First, performance evaluation decisions are based on issues not relevant to performance, generally with political overtones or personal considerations. Second, work expectations are not formally established: goals are presented glibly in verbal form or even by innuendo. Generally, this approach is used when top management is not sure of its objectives or direction and wants to leave all options open, making no commitments. The last barrier is inertia. Many managers resist efforts to develop accountability systems because an effective system takes time and attention to detail, with managers fearing they themselves will be held accountable.

The author reminds us that the higher the level of the manager, the more difficult performance measurement and behavioral observation become. But an effective system for measuring and tracking management performance can be successfully developed if certain principal requirements are considered:

- Identify what the expected job outputs are. This must be a joint effort between the performer and supervisors at several levels above the performer. The outputs, while meshing with the overall objectives of the organization, must be realistic, measurable, and within the incumbent's control. Holding individuals responsible for actions beyond their control will obviously destroy the integrity of the entire process.
- Establish performance goals. The key ingredient here is to identify goals in quantitative and explicit terms. Goal setting must not be an arbitrary process. The performer should participate in goal setting, and it should not be limited to an annual event. It should be an ongoing process that reflects the current expectations of the organization.
- Establish a performance measurement and reporting system. Fulfilling this requirement is frequently the hardest job in building an accountability system, and the integrity of the whole system depends, to a great ex-

*See Manager's, p. 37*

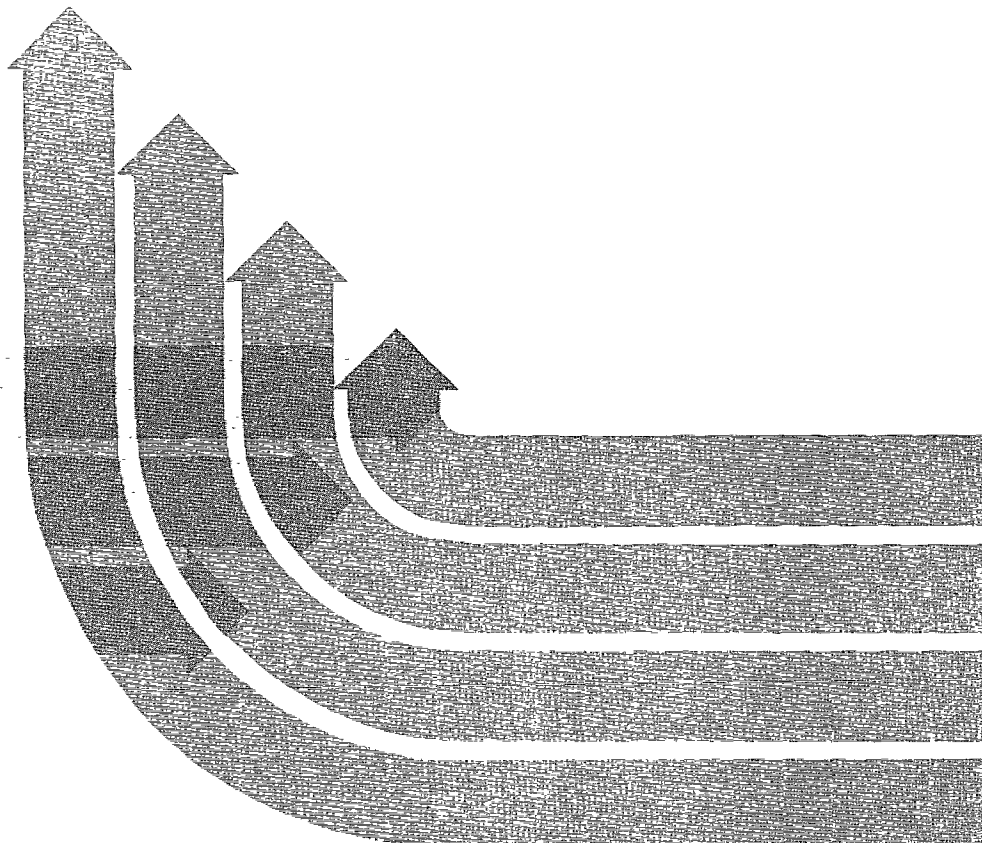
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# Topics in Evaluation

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Carl E. Wisler

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***This issue's topic is case study evaluations. For more discussion of the topic, see PEMD's forthcoming methods paper, "Case Study Evaluations."***

On August 30, 1967, a new program to provide housing for the poor was announced with considerable fanfare. Conceived by President Lyndon Johnson less than a week before, the central feature of the program was converting surplus federal lands to low-income housing developments. A little over 4 years later, a case study evaluation of the new towns in-town program labeled it "unequivocally a failure." Because the case study approach has become increasingly popular in recent years, our aim in this issue is to take a closer look at that methodology.

The new housing program was complex, involving from the outset the General Services Administration, the Department of Defense, the Depart-

ment of Housing and Urban Development, the Department of Justice, the White House, and ultimately other federal agencies and local governments. To make the program work, the federal government had three tools: surplus federal land, several forms of financial aid, and persuasion. New towns in-town depended upon many federal laws, and its implementation necessarily required support from numerous people at the federal and local level. As it proceeded, the program stirred local politics with issues, such as land use and racial integration. It is often argued that in a complex situation such as this, evaluators should look to the case study approach as a way to understand a program.

## **What Is the Case Study Approach?**

As a method of inquiry, the case study approach in evaluation owes

much to research methods used in anthropology and sociology. A classic example comes from Margaret Mead's book *Coming of Age in Samoa*. Mead sought to disprove the idea that adolescence was uniformly a time of stress by arguing that for females in Samoa, youth was a happy time generally free of the disturbances which were observed in other societies. The use of a negative case to dispute a theory or hypothesis is often central to the use of case studies in anthropology and sociology, but is not necessarily crucial to application of the method in evaluation.

Since the late 1960's, the case study approach has been gradually adapted for the purposes of program evaluation. Although there is no consensus yet on exactly how we should define an evaluative case study, it can be loosely thought of as an in-depth, comprehensive inquiry into one or a few instances of a complex program or policy. The approach can be used to address the three broad types of evaluation questions: descriptive, normative, and cause-and-effect. Briefly, these questions translate to the following (1) What happened? (2) How does what happened compare to what was intended? (3) Why did it happen? Case studies are usually thought best suited to descriptive and normative questions with their applicability to cause-and-effect questions being more controversial.

## Evaluation of New Towns In-Town

The new towns in-town program was implemented in seven communities. It began with the relatively simple idea of offering surplus federal land and some economic incentives to induce local governments to build housing for the poor and quickly evolved to a model-communities demonstration program administered by HUD and intended to encompass all economic levels. An evaluation of the program by Martha Derthick used the case study approach to address descriptive, normative, and cause-and-effect questions. The evaluator looked at each community involved in the program, thus giving seven cases; by reviewing government agency files and interviewing various persons involved in the program. The results were reported separately for each of the cases and in an overall way, especially with regard to causal explanations.

The program was described by reconstructing the history of the program in each community. A chronology of events in each case pictured program implementation and summarized

the situation after 4 years of operation. The report illustrated the interplay of various actors by using their names and occasional quotes.

Normative questions were addressed by comparing HUD's objectives for the program with actual accomplishment. Stated broadly, the aim was to produce a large amount of housing for the poor, but with collateral objectives of race and class integration, superior public services, and technological innovation. In rather general ways, the case studies were able to compare these objectives with actual accomplishments.

Finally, the evaluation addressed questions of cause-and-effect. The conclusion was that program effects were very slight; for example, only 120 low-income housing units had been produced by the end of 4 years. The causal analysis then became a search for the reasons why a program should have so little effect. The procedure was to look at the pattern of events across the cases and to identify causal explanations which seemed to fit the facts. The difficulty with this methodology is that it is usually easy to imagine several sets of causes which conform to the data. The problem is not unique to the case study approach, but may occur to such a degree with this method that causal explanations must be regarded as very tentative when compared to conclusions from certain other designs. On the other hand, the case study approach is often much more feasible to implement than the other designs.

## Doing Case Studies

Deciding when the situation calls for a case study approach is not simple and is beyond the scope of this article. (See PEMD's forthcoming paper, "Case Study Evaluations,"<sup>1</sup> for a discussion.) However, there do seem to be many occasions in GAO in which the methodology may play a useful role. Appropriate areas of application include the evaluation of both domestic and military programs as well as more general inquiries about the functioning of government operations.

The actual design of a case study evaluation is determined by the application, but the elements of the design which will require attention can be specified. These include how many cases to study, how to select the cases, what data should be collected, what data collection methods should be used, and what analysis methods should be used. Our purpose here is not to give generic answers to these questions, but to discuss some of the considerations.

The choice of instances to study, both how many and which ones, is usually the biggest problem that faces the evaluator. Occasionally, it is solved by taking all relevant cases, as in the evaluation of the new towns in-town program, but frequently, that is not practical. In anthropological and sociological research, the investigator may overtly seek negative cases to disprove a universal proposition, as Mead sought to do in Samoa. However, in evaluation, that may not be appropriate because propositions are frequently statistical. That is, we may logically expect that certain cases will deviate from the "norm" and therefore focusing attention on them will portray an inaccurate picture of the overall program unless the only point is to show that such cases can exist without being concerned about the frequency of incidence. Often then, the evaluator is stuck with the difficult task of choosing a number of cases which can adequately portray the program and which will stand up to criticism of the findings on the grounds that the cases are atypical or not diverse enough. Aside from the defense provided by the large random samples used in sample survey designs, there is no easy response to such criticism. However, the evaluator can seek to maximize diversity among the cases vis-a-vis the variables of interest posed by the evaluation questions.

The type of data which should be collected in a case study depends upon the kind of evaluation question being addressed. Descriptive questions are usually answered fairly easily by a collection of factual information about program operations and outcomes. Normative questions require additional information about program goals and objectives. Such information is often more elusive, and the data collection effort must sometimes be substantially increased to provide the basis for statements about program intentions. Cause-and-effect questions are much more demanding. The reasoning required to sort out causes for observed events typically depends upon the availability of a rich pattern of data which can be used to rule out some possible explanations for what has happened. This usually means more data from more sources often collected over a period of time.

<sup>1</sup>The paper on "Case Study Evaluations" and other technical evaluation papers are available from Bruce Thompson, PEMD, (202) 275-0200



# Part-Time Work and Job Sharing: Here To Stay

Sandra M. Saseen

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The GAO Career Level Council, Women's Advisory Council, and the Federal Women's Program Managers (FWPMs) have maintained that the development of a permanent part-time employment program is of increasing interest among GAO employees. All three groups have established committees to develop proposals for changing GAO's policy on part-time employment and to address the staffing and workload issues which might result from such a policy.

During the fall of 1983, the FWPMs distributed a questionnaire to employees in headquarters units and regional offices to determine their interest in part-time opportunities. Survey results will be available in the spring of 1984.

## New Trends at Work

Many organizations are discovering that offering alternative work schedules leads to better employee morale, commitment, productivity, and availability of talent. Permanent part-time work or job sharing allows a person to manage both a career and demands at home. While women's organizations have been in the forefront of pushing for permanent part-time work and job sharing, many others also are seeking part-time opportunities.

In the last decade, a variety of demographic, social, and economic trends

that have transformed the world of work—and society as a whole—are reinforcing the new ideas of time management. These trends include influxes of women (especially mothers with school-age children) into paid employment; increases in multiple-worker and dual-career families; high incidences of single-parent families; the desire of older workers to reduce their hours while continuing to work; new employee expectations for greater participation, dignity, and self-fulfillment at work; and heightened preference for leisure and further education.<sup>1</sup>

Personal time is taking on new importance for an ever-growing number of workers. A Louis Harris poll in 1978 reported that between 30 million and 40 million workers would accept up to a 10 percent reduction in pay for a proportional reduction in working hours. The changes in work scheduling have substantially increased employees' choices in their personal and professional lives.<sup>2</sup>

But work scheduling is more than a purely social issue; flexible schedules can further national goals, particularly in energy conservation, productivity growth, and in avoiding lay-offs.

The Work in America Institute, Inc., a nonprofit organization founded to advance productivity and the quality of work life, states that if 20 million people would agree to reduce 10 percent of their work time, the equivalent of 2 million full-time jobs would be created. The Institute further states that, while these work options should not be viewed as alternatives or answers to full employment, they can, when introduced as voluntary measures, become a step toward achieving full employment in this country.<sup>3</sup>

Five forms of new work schedules or job designs have great potential for the 1980's: flexitime, permanent part-time,

job sharing, compressed workweeks, and work sharing. The Bureau of Labor Statistics' 1980 figures on full-time nonfarm wage and salary workers show that 7.6 million people (11.9 percent) were on flexitime; 1.8 million (2.7 percent) worked compressed weeks; and 12.5 million (13.9 percent) were on voluntary part-time. Private sector experts estimate that 15 to 20 percent of all employers offer flexitime, and though no hard data are available, the number of people using job sharing and work sharing is said to total in the thousands rather than millions.<sup>4</sup>

Though there are many plans to reduce work hours, permanent part-time and job sharing are highlighted in this article because they show how companies and agencies can respond directly to a changing work force and to current economic conditions.

## Up to One-Fifth of U.S. Workers Rely on Part-Time Work

More and more Americans are working part-time because of personal needs or because full-time work is not available. Part-timers work in banks, businesses, insurance companies, drugstores, fast-food outlets, supermarkets, hospitals and clinics, government, libraries, and universities, in such traditional jobs as manufacturing, and in new computerized office positions.

In 1932, 18.3 million people, almost a fifth of the country's employed workers, worked part-time. From 1970 to

<sup>1</sup>Jerome M. Rosow and Robert Zager, "Punch Out the Time Clocks," *Harvard Business Review*, March-April 1983, p. 12.

<sup>2</sup>*Ibid.*

<sup>3</sup>*Ibid.*, p. 13.

<sup>4</sup>*Ibid.*



1982, while the number of those employed rose from 79 to 100 million (a 27 percent increase), the number of part-time workers rose from 11 to 18 million (58 percent).<sup>5</sup>

According to the Bureau of Labor Statistics, many more women than men want to work part-time, with 30 percent of the nation's employed women choosing part-time compared to 13 percent for the men.<sup>6</sup> A striking increase, however, shows up in the number of professional women who choose to work part-time: rising to 1,666,000 in 1982 from 974,000 in 1970. Today, among women working part-time by choice, almost one-fifth are in professional and managerial occupations.<sup>7</sup>

The statistics show that more than twice as many people work part-time because of personal preference than part-timers who would rather work full-time. However, from 1970 to 1982, while voluntary part-time workers rose to 12.4 million from 9.3 million (33 percent), involuntary part-time workers increased to 5.8 million from 2.2 million (166 percent). The number of involuntary part-time workers is the highest since the category was first recorded by the Bureau of Labor Statistics in 1955.<sup>8</sup> Personnel experts say some employers who suffered from the recession have shifted trained workers to part-time schedules to keep them on the payroll for when business improves.

### **A Service-Producing Economy Encourages Part-Time Work**

Yet, for a number of industries, part-time workers (defined by the Bureau of Labor Statistics as those who work less than 35 hours a week) are considered desirable, particularly in service jobs. This is due, in part, to the slow, steady, yet profound change in the nature of the economy, from one that produces goods to one that provides services. This process has been continuing for 4 decades and has recently begun to accelerate. It will certainly continue as automation and improved technology allow more products to be made faster, with fewer workers actually involved in the manufacturing process.<sup>9</sup>

Americans have increasingly found work in the so-called service-producing industries, such as transportation; finance, insurance, and real estate; business and personal services; health care and professional services; and public administration.

These trends in work distribution mean that alternative scheduling arrangements are more likely to be

adopted because service work is often less interdependent than manufacturing work, allowing for individual flexibility. The more independently that people can work, the more they can choose from a variety of work schedules.

Historically, industries with the largest concentration of women employees have always been the most likely to offer good prospects for part-time work.<sup>10</sup>

### **A Boost from the Government**

Some of the most progressive programs for hiring and promoting part-time workers have come from the federal government and from a number of state governments.

The Federal Employee Part-Time Career Employment Act of 1978 (Public Law 95-437, Oct. 10, 1978) was enacted to increase career part-time employment opportunities throughout the federal government. The Congress mandated that more part-time jobs be offered, recognizing that part-time employment suits the needs of many productive individuals who cannot meet the requirements of a standard workweek.

The Congress also saw that part-time work allows older people to make a gradual transition into retirement, provides employment opportunities to the handicapped and others who require a reduced workweek, and allows parents to balance family responsibilities with the need for additional income. Part-time work was recognized as an option for those who require or prefer shorter hours (despite the reduced income).

The government, as an employer, may benefit from part-time workers through the increased potential for more productivity and job satisfaction, and lower turnover rates and absenteeism. Part-time work offers management more flexibility in meeting work requirements and fills shortages in various occupations.

To promote the expansion of part-time employment in the federal government, the act requires

- agencies to establish, by regulation, programs to expand career part-time employment opportunities and set annual goals and timetables for establishing part-time positions;
- agencies to report twice each year to the Office of Personnel Management (OPM) on their progress in meeting part-time employment goals;
- OPM to advise and assist agencies in establishing and maintaining their programs;

- OPM to conduct a research and demonstration program on part-time career employment in the federal government; and

- agencies to count part-time employees for personnel ceiling purposes on the basis of the fractional part of the 40-hour week actually worked.

The act allowed departments and agencies a very broad degree of administrative discretion in determining which jobs could be performed part-time. It did not mandate any part-time quotas, but it required agencies to establish part-time employment goals and timetables for achieving the goals. The act did not give part-time employees any special protections in a reduction-in-force (RIF). Decisions on which positions to abolish in a RIF are entirely within the discretion of agency management.

However, OPM's RIF regulations require that separate competitive levels be established for full-time and part-time employees so that employees do not compete with one another for available positions. The procedures for terminating part-time and full-time positions are identical, and part-time employees are given the same rights and protections as full-time employees when competing for part-time work with other part-time employees.<sup>11</sup>

A GAO report issued July 12, 1982, (see footnote 11) examined the status of part-time employment and agencies' implementation of the Federal Employee Part-Time Career Employment Act of 1978. GAO found that most agencies reviewed violated certain requirements of the act and that OPM's involvement in the program has been limited. Furthermore, GAO found OPM's completion of a special research program on part-time employment as required by the act to be in jeopardy because of staffing and budget reductions at the participating agencies.

<sup>5</sup>William Serrin, "Up to a Fifth of U.S. Workers Now Rely on Part-Time Jobs," *New York Times*, 14 Aug. 1983, Sec. A, p. 1.

<sup>6</sup>*Ibid.*, p. A22

<sup>7</sup>"Competition Stiffens for Part-Timers," *National Newsletter*, Association of Part-Time Professionals (Vol. 2, No. 4), p. 1

<sup>8</sup>Serrin, p. 22

<sup>9</sup>JoAnne Alter, *A Part-Time Career for a Full-Time You*, Houghton Mifflin Company (Boston, 1982), p. 38

<sup>10</sup>*Ibid.*

<sup>11</sup>U.S. General Accounting Office, *Part-Time Employment in the Federal Government* (B-208025), July 12, 1982, p. 4

## GAO Part-Time Policy

To increase the number of part-time employees, GAO Order 2340.1 requires GAO's Office of Personnel to pursue an active program to determine functions that can be effectively performed by part-time employees, identify current employees interested in changing from a full-time to a part-time schedule, restructure jobs and alter work schedules (as appropriate), and develop recruiting techniques and sources that will locate and attract potential part-time employees. Specifically, the director of Personnel will request each GAO division and office to conduct a yearly survey (on April 1) of its current functions to determine those jobs which can be effectively performed by part-time employees. Personnel will then attempt to match the functions against a list of employees who have indicated an interest in working fewer hours. If such a match is not practical or possible, Personnel will then attempt to staff the function through outside recruiting efforts.

### Part-Time Job Sharing Defined

Part-time work, in which the employee voluntarily works less than the prevailing standard number of hours per week, has always existed. But the concept of permanent part-time is relatively new and less easily defined.

First, permanent part-time is not necessarily permanent from the employee's viewpoint. Permanent part-time work may be more enduring than casual, seasonal part-time work, but is often considered "temporary" for it extends only to a particular stage of life, such as raising small children or working toward a college degree. The organization, however, may view permanent part-time positions as indeed more permanent in that they are available indefinitely regardless of the tenure of the jobholder.

The concept of permanent part-time as used to refer to altered work schedules connotes careers that have potential for upward mobility, which, in the past, has usually not been associated with part-time work. And while permanent part-time can be established without mobility being implied or likely, its attraction in recent years has been the possibility of conceiving permanent part-time work as a long-term career with normal opportunities for promotion.

Job sharing is a particular type of part-time work in which one full-time job is divided by two people, with each

person working an agreed-upon portion of the job. Several variations are possible: each person works a half day, with or without overlapping hours; each works a half week; the week (or month) is divided unequally by mutual agreement; each is responsible for the whole job even though working part-time; each is responsible for half (or another proportion) of the job according to skills or job needs; etc.

The two parties in job sharing need not know one another prior to starting the job, though a number of such arrangements involve husband and wife or good friends. For more complex jobs, however, the job sharers will have to communicate openly, at least about job-related issues so that the work is equally divided. For less complicated jobs, or for those that divide clearly, either temporarily or geographically, each partner may work independently.

### Organizations and Individuals Using Permanent Part-Time

People often think that permanent part-time employment and job sharing will work only for marginal jobs, not for high-level professional and managerial positions. Because employers do not consider part-timers as career-oriented employees, these workers' career paths are often uneven. But in many instances, professional and managerial employees are working effectively as permanent part-timers. For example, most of the growth in the federal government's employment of part-timers has been at high grade levels, and 11 state governments have created part-time high-level professional positions.<sup>12</sup> Laws have also been adopted in 35 states which encourage public agencies to employ "permanent" part-timers who hold year-round jobs and get certain benefits and promotion opportunities normally limited to full-timers.<sup>13</sup>

A study of the experiences of lawyers, actuaries, planners, or engineers who work on a part-time basis for the state of Massachusetts shows that part-time work can be an attractive option for state governments, especially in a time of shrinking state budgets.<sup>14</sup>

Such jobs are harder to find in private industry because most corporations employ only a handful of part-time professionals. Yet, some firms have large numbers of part-time posts. These companies recognize that career women returning from maternity leave are particularly interested in part-time hours. Often, they postponed motherhood until they were over 30 and established in full-time jobs. To keep these

highly trained women, while also maintaining affirmative action efforts, a number of major banks and insurance, accounting, and law firms recently have relaxed their rules limiting part-time employment. For example, at least four of the "big eight" accounting firms allowed shortened workweeks for accountants in 1982: only one firm allowed part-time in 1977.<sup>15</sup> Other firms offering part-time work include the Aerospace Corporation in El Segundo, California, Equitable Life Assurance Society and Citibank in New York City, Control Data Corporation in Minneapolis, and First National Bank of Boston.

In 1980, Citibank adopted a rule that management employees could work part-time a minimum of 20 hours a week and receive full health benefits, but with reduced vacations and company-paid life insurance. About 25 of the bank's 5,000 New York area officers, including a few vice presidents, now are part-timers. They largely hold staff jobs.<sup>16</sup>

At Citibank and elsewhere, part-timers in high-level posts say they are more efficient than many full-timers. These staffers say they cannot afford to be idle on the job or sometimes even on their days off. On the days off, they often stay in touch by phone, work at home, and occasionally come into the office for key meetings.

Jobs that require continuous full-time coverage and extensive on-the-job training may be handled effectively through job sharing, which ensures staffing the job full-time. Many arrangements for job sharing have been created in public school systems, libraries, and other educational institutions. MIT, Grinnell College, Scripps College, and Oberlin College have all hired husband-and-wife teams for one position. According to *New Ways to Work*, a California-based research organization that recently concluded a 2-year project to increase job sharing in California schools, teachers make up the largest group of job sharers in the country.<sup>17</sup>

<sup>12</sup>Rosow and Zager, p. 16

<sup>13</sup>JoAnn S Lubin, "More Managers Are Working Part-Time. Some Like It, But Others Have No Choice," *Wall Street Journal*, 2 June 1982, p. 50.

<sup>14</sup>Rosow and Zager, p. 20.

<sup>15</sup>Lubin, p. 50

<sup>16</sup>*Ibid.*

<sup>17</sup>Allan R Cohen and Herman Gadon, *Alternative Work Schedules Integrating Individuals and Organizational Needs*, Addison-Wesley Publishing Company, Reading, Ma, 1978, p. 74.

See *Part-Time*, p. 38



## Perspectives on the Federal Budget Deficit

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America is not known as a spend-thrift nation. Its citizens demonstrate cautious behavior when it comes to spending and saving decisions. Nevertheless, in spite of this behavior, each American man, woman, and child will be about \$1,000 further in debt than they were last year. This increased debt is not the result of their individual decisions; rather, it represents the rise in the per capita share of the federal budget deficit, which is currently expected to be \$200 billion. Moreover, in light of current expenditure and tax policies, this deficit is not expected to go away in the foreseeable future. In fact, by 1988, a year in which the economy is forecasted to be at full employment, a deficit approaching \$300 billion is expected. This prospect leads many to wonder if the federal budget is out of control; if in some sense, our political leaders have failed to address what may well be the major domestic problem of the 1980's.

### Why Worry About Deficits?

Why should we be concerned with present and future deficits? The United States has lived with frequently large deficits in the past. After all, the accumulated national debt, the result of past deficits, now stands at over \$1.6 trillion. However, we need to be concerned about our current situation for a number of reasons.

First, our society has benefited from economic growth. This growth has afforded us a rising standard of living that has enabled us to live longer and healthier lives and enjoy more of the material things in life. High rates of economic growth are made possible by high rates of investment in plant, equipment, research and development, etc. These investments occur when the

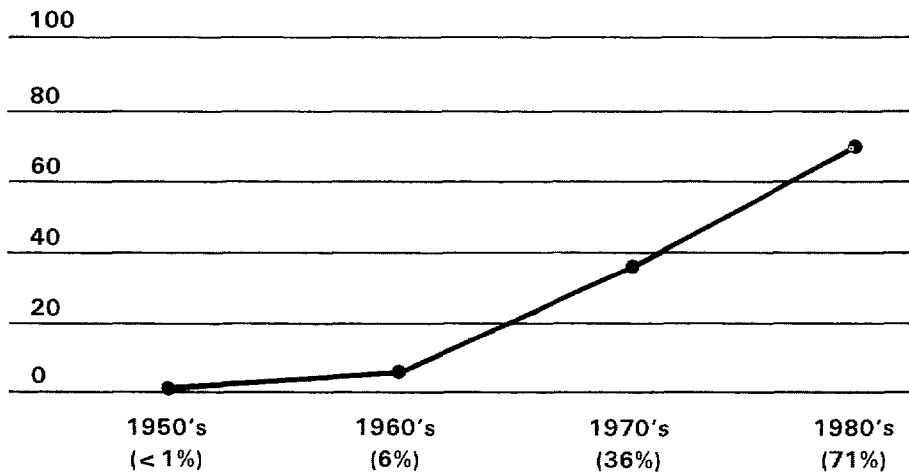
government is a minor borrower in capital markets. Large-scale borrowing by the government, on the other hand, raises interest rates and reduces the flow of capital to private business. In other words, government borrowing absorbs private savings that would be available for private capital formation.

This absorption has been increasing at an alarming rate. During the 1950's, the federal budget absorbed less than 1 percent of personal savings. During the next decade, the cumulative claim on personal savings was only 6 percent. During the 1970's, it climbed to 36 percent, and for the first 3 years of the 1980's, the absorption was a staggering 71 percent. (See figure 1.) Moreover, in light of the forecasts for 1983 to 1988, only in the final year will personal savings exceed the deficit. This rate of absorption is believed by many to be a sure prescription for long-run economic stagnation.

Second, the amount that the government may be required to borrow is very sensitive to assumptions about economic growth, inflation, and various policies. Slight changes in variables can produce substantial variations in the amount the government may have to borrow. These variations, in turn, create a lot of uncertainty in financial markets. Uncertainty then decreases the efficiency with which these markets channel funds from savers to borrowers. In addition, any increases in risk perceived by market participants leads to higher interest rates, and these only serve to further reduce capital formation and economic growth.

We should be concerned over deficits for other reasons, too. For example, as deficits exert upward pressure on interest rates, foreign capital is drawn to our shores, and this will adversely affect our international trade position.

**Figure 1**  
**Federal Absorption of Private Savings**



as a countercyclical and growth stimulus tool. This role for the budget is relatively new and is generally designed to maintain reasonably full employment over the course of the business cycle at reasonably stable prices, through both automatic stabilizers and discretionary changes in tax rates and expenditure levels.

Fiscal devices, such as progressive income taxes, unemployment compensation, farm price supports, and social security, were seen as a way to dampen automatically the effects of forces that would either weaken or strengthen private sector demand over the course of the business cycle. But it was always recognized that these built-in stabilizers could not do the whole job by themselves. Thus, they have been supplemented either by new programs or the expansion of existing programs and tax cuts whenever recession threatened or by the opposite mix of policy changes when inflationary pressures were present. It was through budget expansion or contraction that economists had hoped to make the business cycle a thing of the past.

In the 1960's, this cyclical stabilization role for the budget was superseded by one in which the budget deficit or surplus was oriented toward maintaining a fully employed growing economy. Discussions focused not on balancing the budget over the business cycle, but on budget balance relative to full employment. The actual deficit or surplus came to acquire little relevance to fiscal policy decisions. Major importance was attached to the position of the budget when the economy was operating at full employment.

**The Budget's Components and Their Evaluation: How Did We Get Where We Are?**

Earlier, we noted that the budget could be viewed as an expression of our national priorities. We would like to explore briefly how these priorities have been evolving over time, for, in a sense, they are tied to our present difficulties.

The expenditures of the federal government can be grouped into four broad categories:

- social insurance and entitlements,
- defense,
- interest on the national debt, and
- grants to state and local governments.

Since the end of World War II and especially since the 1960's, the growth of social insurance and entitlements has increased sharply. For example, in

through appreciation of the dollar's foreign exchange value. The appreciation of the dollar will have an unfavorable effect on our industries which produce goods that compete with imports—particularly automobiles and steel—because prices of American goods will compare unfavorably with those of our major competitor nations.

All of these problems associated with current and future budget deficits have rightly become a matter of national concern. The range of possible options to deal with this seemingly endless string of future deficits has possible adverse effects on many different groups, such as the young, the student population, the elderly, the disadvantaged, the unemployed, and the taxpayers. Before we explore these options, we will discuss in general the federal budget, its composition, and changes over time.

**What Is The Budget?**

Our federal budget has many roles to play, and it performs a variety of very important functions that are seldom distinguished precisely. These distinctions are important if we are to clearly understand the role of the budget in our society.

Generally, the budget is how the President conveys to the people and the Congress his set of national priorities. These are contained in a specific set of expenditure and revenue proposals. They form the basis for debate on and decisions relevant to a number of important public policy questions. In particular, through the budget we decide what portion of our national output of goods and services or gross national products (GNP) will be used

for our collection well-being. Within the total, we decide how these goods and services will be allocated among competing priorities, like national defense, income security, the administration of justice, the provision of a transportation and communications network, and the exploration of space.

The budget also serves as a device for redistributing our national income. Some individuals in our society are taxed, and the resulting revenue is used to enhance the living standards of others. These transfers can be from young to old, or they can occur among members of the same generation and income class.

The redistribution role played by the government has become increasingly important during the past 50 years. In 1929, for example, the federal government consumed slightly less than 1 percent of the resources that went to make up our GNP. In 1982, this resource use had grown to about 7 percent of GNP. On the other hand, all other federal expenditures rose from about 1 percent of GNP in 1929 to 17 percent in 1982. Thus, while the federal government's resource use has increased about sevenfold, its other expenditures, designed in part to redistribute income, have shown a seventeenfold increase. This change has been most noticeable since the end of the World War II. For better or worse, we as a nation decided to assume at the national level various responsibilities that were once regarded primarily as the duty of the individual, the family, the church, or lower levels of government.

Besides its functions as an allocator of resources and redistributor of income, the federal budget has been used

1960 entitlements were about 28 percent of federal government expenditures. By 1972, they had grown to 45 percent, and in 1982, more than 50 percent. This change in priorities is due, in part, to a changing philosophy about who should bear responsibility for many of the nation's social problems. More and more, this responsibility has come to rest on the federal government.

In addition, a number of other factors account for this growth. Several years ago, the Program Analysis Division (PAD) (now a part of GAO's Office of Chief Economist) did a study for the Congress on the principal entitlement programs, ranging from Social Security and Medicare to food stamps to civil service and military retirement systems. The increase in expenditures associated with each of these programs can be attributed to (1) the way in which they are indexed to offset the effects of inflation, (2) changes in eligibility criteria, and (3) changes in the number of participants in each program. The study found that, between 1970 and 1977, indexing accounted for between 40 percent and 60 percent of spending growth. Of somewhat less important, but directly related to the controllability of expenditures, is that these entitlement programs are open-ended. While the Congress sets the eligibility standards for the programs, it cannot directly control the rate of participation in them. As a result, total spending can vary dramatically after the programs have been established, even in the absence of inflation and indexing or congressional action.

Defense spending is the second largest outlay component. Over the past two decades, defense spending has varied, depending on the intensity of what was called the cold war, the frequency and length of our "hot" wars and, recently, the perceived threat from the Soviet Union. In 1950, defense-related expenditures accounted for 34 percent of total federal expenditures. After peaking at 64 percent during the Korean conflict, they declined to 48 percent in 1960, 36 percent in 1970, and were 23 percent of total spending in 1982. However, largely in response to the decline that occurred during the 1970's, this administration has pledged to significantly increase defense outlays. In future years, we should expect defense spending to rise to about 30 percent or more of total expenditures.

Fiscal federalism and its accompanying revenuesharing programs became important during the 1960's. Under this approach the federal government redistributed tax revenues among various states and localities. Grants-in-aid to state and local governments suddenly

became an important component of federal expenditures. By 1970, these grants reached 12 percent of total federal expenditures, and by 1980 they had risen to about 15 percent. Because they are a relatively small component of total expenditures and an important source of funds for many localities, especially large cities, the Congress may not have great flexibility in reducing them, especially in the near future.

Interest on the national debt is another category of federal expenditures. The government is like other borrowers in that it must persuade lenders to finance operations not covered by its revenues. As market interest rates have risen to record heights during the 1970's and 1980's, the federal government has seen the costs of financing and refinancing current and past deficits become a significant portion of its expenditures. While in 1960 these expenditures were 7.5 percent of the total, in 1982, interest payments on the national debt amounted to over 11 percent. For now, expenditures for interest are beyond the control of the government. They are the product of past decisions on how to finance deficits, the various policies of the Treasury on debt management, and the trend of market interest rates. In the years to come, the prospective deficits do not bode well for a major reversal of this trend over the longer term.

Just as the composition of federal outlays has changed over the past two decades, so too have federal revenue sources. The vast majority of federal revenues accrue from three sources: personal income taxes, corporate profit taxes, and social insurance taxes. During the early 1950's, personal income taxes and corporate profit taxes provided 70 percent of total federal revenues with each contributing roughly equal shares. Social insurance taxes contributed about 12 percent of the total.

Thirty years later, nearly 50 percent of all federal revenues were derived from the personal income tax, nearly 33 percent from social insurance taxes, and about 12 percent from taxes on corporate profits. The increase in the relative importance of social insurance taxes should not come as a surprise since social insurance programs have grown tremendously. Furthermore, Social Security, the largest of these programs, is a self-financing program. Its revenue must grow by roughly the same amount as its expenditures have grown.

Despite these shifts in the relative importance of various revenue sources, for the past 12 years total federal revenues have been a fairly constant propor-

tion of GNP—ranging from 18.5 percent to 21 percent. This fairly constant proportion is, in part, the source of our current problem. In theory, the power of the Congress to impose and collect taxes is unlimited. In actual practice, however, the Congress seems much more inclined to reduce taxes than to increase them. Only in extraordinary circumstances, such as war, have we seen major increases in taxes. Our experience in peacetime has general been one of either exempting portions of our national income from taxation—the so-called tax expenditures—or decreasing tax rates.

Much has been made of "bracket creep" as a way of financing federal spending. Bracket creep, it is argued, does two things. First, during inflation, the increase in the marginal tax bracket at which income is taxed exceeds the rate of inflation. Thus, individuals pay more of their actual income in taxes. Second, this inflation-created increase in taxes can serve as a substitute for explicit changes in tax rates to finance rising federal outlays. However, when the evidence is examined, one has a hard time finding much to support this claim. For the past 18 years, the period of the great American inflation, personal income tax revenues as a proportion of nonfarm personal income have averaged a remarkably stable 25 percent, with only a small deviations. Thus, while bracket creep may have occurred from time to time, the Congress has shown a willingness to reduce tax rates to offset most of it.

From this summary of the principal components of the expenditure and revenue sides of the federal budget, and the evolution that has taken place in their relative importance during the past two or three decades, four major conclusions can be drawn. First, the federal government has increased its consumption of our national output at a somewhat modest rate. The growth since 1929 can largely be explained by increased defense spending. Second, the budget has increasingly come to play a major role in redistributing income among our citizens. This has occurred in response to a change in the perception of where primary responsibility lies for various social problems related to old age, health, disability, and death. Third, despite the growth in total federal revenues, they have failed to keep pace with the growth in federal expenditures. The result has been a long series of deficits. Fourth, these deficits have not been a major concern until very recently because the budget, as a fiscal stabilization tool, was gauged to be appropriate in light of the level of unemployed resources in the

economy. However, even with a substantial recovery, the deficit is not expected to diminish. In 1988, it is predicted to remain close to \$300 billion even though the economy is then supposed to be near full employment.

Several factors are responsible for this situation. First, we have had and will continue to have an erosion of federal revenue resources. This has been produced by a series of cuts in individual and business tax rates and the indexing of the tax system, which will take effect in 1985. Whatever the merits of these tax rate cuts and the indexing of the tax system to stimulate economic activity, they contribute to the large imbalance between what the government is spending and the revenues collected to support that spending in future years. Second, a concerted effort is being made to reorder our spending priorities. The administration believes that, after a decade of declining defense expenditures, our military posture is vulnerable. Substantial military outlays for new weapons systems and additions to those we already procure have been requested. However, the Congress is extremely reluctant to cut real benefit levels and reduce social insurance and entitlement programs so that resources can be made available for defense. Finally, we hear warnings with increasing frequency that our roads, bridges, dams, and other public facilities are in an advanced stage of decay and must be repaired. In sum, tax rate cuts have reduced the revenue intake of the government, and the relative decline in defense spending of the 1970's is being reversed through a rapid defense buildup, but, as yet, not at the expense of scaling back significantly the growth in social programs.

## What Needs To Be Done?

In the beginning of this article, we cautioned that the range of possible options for dealing with the deficit problem could have adverse effects on many different groups. We now consider some of these options.

Since the deficit represents the difference between revenues and expenditures, any solution has as its primary ingredients raising revenues and reducing the growth in expenditures. Choices regarding expenditures are limited primarily to the two largest categories: those for social programs and for national defense.

### Social Programs

Past PAD work on the growth of spending for social programs identified

indexing and the programs' uncontrollability as the two main reasons for their soaring costs during the past decade. It is the rapid increase in these costs that has given rise to the widespread concern that the budget may be out of control. Those who express this concern are really making a more subtle point: under present economic conditions, it seems ill-advised—perhaps even unfair—to continue attempts at maintaining real benefit levels of these programs. This point requires elaboration because of misconceptions about the implications of continued indexation and about the difference between how some programs affect the deficit (as opposed to their sheer claim on national output).

When the Congress first indexed entitlement programs, it did so believing that the real benefit level at that time was the correct one. The purpose of indexation was to prevent inflation from eroding those benefit levels. However, the performance of our economy when indexation began in the mid-1960's and early 1970's was quite different from what it has been in the past 5 years.

From 1962 to 1972, the U.S. economy experienced an unprecedented period of growth. During this decade, we had only one short, mild recession. In fact, from 1961 to 1969, we had a period of uninterrupted growth—a feat unequalled in U.S. economic history. For the decade as a whole, our real growth rate was, on average, 4 percent per year, while the rate of inflation averaged only 3 percent per year. Given this kind of economic performance, it is little wonder that Members of the Congress might have believed that we could afford to be generous toward disadvantaged of our society.

The last 5 years, however, have not been so good. They have been years in which the growth in our national productivity has declined markedly and in which our economy has stagnated. For the past 4 years, our economy has shown no real growth. Real GNP has been constant at about \$1.5 trillion. In per capita terms, our real income has actually declined. Yet this decline has not been shared to the same extent by those who received entitlements. They have not had to, for example, bear as fully as others the cost of paying a larger fraction of their family budgets to the oil-exporting countries for increased energy costs.

Another consideration is that social insurance and entitlement programs are either totally self-financed, partially self-financed, or financed out of general tax revenues. The Social Security program, by far the largest single

program falling within this category, is self-financed. Because of this, the maintenance of real benefits through increased benefit payments does not *directly* contribute to the deficit problem. When benefit levels are raised, contribution levels are also raised, though the coincidence of timing is not perfect. However, because there is a belief that the government's claim on our national output should be limited if we are to achieve sustained economic growth, increases in taxes for self-financed programs may come at the expense of reductions in tax revenues from other sources. The ultimate result is that, even in the case of the Social Security program, maintenance of real benefits that are self-financed can indirectly contribute to deficits. For partially self-financed entitlement programs and those financed out of general tax revenues, the effect on the deficit of maintaining real benefit levels is more direct. So, regardless of whether these programs are self-financed or not, the real question is, can we now afford maintaining the level of benefits promised in better times?

Our current economic circumstances, unforeseen by the Congress when it indexed these programs, argue for some modification in the indexing formulas. In addition, the open-ended nature of the entitlement programs could be brought under closer control by a mandatory annual or biannual review of eligibility. Of course, if we succeed in getting inflation under control, the indexing provisions will pose a less serious problem, and the suggested changes might pose less of a challenge.

### Defense

Defense spending is the next largest component of budget outlays. There must be numerous opportunities for achieving significant savings in the \$240 billion 1983 defense budget through increased efficiencies and economies. The same would be true for budgets in future years.

Many believe that the very large increase in our defense procurement demands will place severe strains on the nation's defense industrial base. Federal officials must carefully consider current and future industrial capacity when planning buys; they must make realistic cost projections; and they must set procurement quantities and schedules that recognize the capacity limitations of the industrial base if they are to optimally use taxpayers' dollars. A realistic and stable

See *Perspectives*, p. 38



# Reflections on the Record of Recent Government-wide Management Reform Initiatives

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Currently, there is considerable rhetorical support for government management reform. Beyond the theme of reducing fraud, waste, and abuse, President Reagan and administration officials often express their goal of making government operate in a more business-like fashion. To achieve this goal, the administration has launched several initiatives. Past experience in attempting to improve government management reveals uncertain prospects for current improvement efforts. Will they fare better or last longer than similar, past efforts? GAO recently reviewed past efforts in a staff study titled "Selected Government-wide Management Improvement Efforts—1970 to 1980" (GGD-83-69, Aug. 8, 1983). This article is based on material collected during this study.

## Current Reagan Initiatives

In an attempt to reduce government costs and improve management, the Reagan administration has initiated at least four noteworthy efforts. First, the President's Council on Integrity and Efficiency (PCIE), composed primarily of the inspectors general, leads government-wide efforts to reduce fraud, waste, and abuse. Second, the Assistant Secretaries for Management Group has undertaken specific projects aimed at addressing common administrative problems. Third, Reform '88, launched by the Office of Management and Budget (OMB) in the fall of 1982, has evolved into an effort to consolidate diverse management and financial control systems across agency lines. Fourth, the President's Private Sector Survey on Cost Control (PPSSCC) drew upon the talents of the business sector, which suggested efficiencies in government operations.

## NAPA Sets the Staff Study In Motion

Another effort supported by executive branch agencies, the National Academy of Public Administration's (NAPA) Panel on Deregulation of Government Management, provided GAO an opportunity to ponder how the current efforts could achieve greater success than their numerous predecessors. Created with the objectives of reducing regulatory restrictions and other impediments to effective management, the Panel was deeply concerned about the history of failed management reform efforts. Looking to avoid the mistakes of the past, the Panel invited GAO in January 1983 to join with it in exploring alternative mechanisms and processes for providing sustained leadership for government-wide management improvements.

The Panel's timetable was a short one. They wanted a presentation of GAO's findings by early April. To meet this tight timeframe, GAO limited its review to 12 government-wide management reform initiatives undertaken between the creation of the Office of Management and Budget (OMB) in 1970 through the end of the Carter administration in 1981.<sup>1</sup> The methodology relied heavily on existing documentation, in-

<sup>1</sup>The range of management improvement initiatives consist of OMB circulars and instructions designed to establish government-wide frameworks for management improvement (i.e., OMB Circulars A-44, A-113, A-117, and management by objectives), major management improvement committees and projects (i.e., President's Reorganization Project, President's Management Improvement Council), and public laws affecting one or more major management activities (i.e., the Inspectors General legislation, the Paperwork Reduction Act).

cluding GAO reports. After the April presentation to the NAPA Panel, we sought to verify GAO's account of the initiatives and to expand the discussion of options for providing sustained leadership on management improvement. We did this by submitting the paper for review to 13 current or former government executives with experience in the Executive Office of the President.

### **Discouraging Prospects for Successful Management Reforms**

The record of the 12 initiatives reviewed in GAO's staff study offered little encouragement that management reforms can be fully successful over a sustained period. The executive branched efforts we reviewed alternated between direct intervention into agency management and official, but largely ineffectual, exhortation of agency leadership to examine operations more critically. These alternating approaches arise, as one reviewer noted, because "There is not a clear notion of how executive agencies should be managed, in which an appropriate amount of central Presidential control is balanced by enough Congressional oversight to satisfy political needs and enough agency authority to avoid micromanagement and over-regulation. This is a classic question which has never been adequately addressed or resolved."<sup>2</sup>

This lack of consensus on the proper balance between presidential, agency, and congressional interests poses great problems for the management side of OMB. The 10-year record showed a constant, and largely unsuccessful, search for a charter for OMB's management staff. Researcher Hugh Hecla commented in 1975 that "the management side of OMB has been in disarray through most of the organization's short life."<sup>3</sup> GAO's work confirmed the continued validity of that assessment.

### **GAO's Observations**

What observations or lessons can be drawn from the analysis of 12 initiatives in considering how to approach management improvement in the future? First, initiatives must be sustained to have any chance of success. Time is required to deal with the complexity of the management reform issues and to institute change in an entity as large and diverse as the federal government. Time is something most presidential initiatives have not had, given the rapid turnover in executive branch leadership through the 1970's.

While specific management reforms generate little public interest on a national scale once they are instituted, it is also true that the broad state of government management has become a perennial campaign issue. Each new set of leaders seems compelled to bring a new management agenda into office, implicitly rejecting approaches and initiatives already in place.

Second, after more than a decade of experience, management specialists have not developed a coherent or generally accepted doctrine of what constitutes good management in the federal context. Lacking such a standard or model, officials in OMB and other central management agencies have difficulty establishing the legitimacy of either criticism of or advice to agencies on their management, except as part of a contemporary (and therefore temporary) political agenda. The natural tendency of agencies to resist central control is exacerbated by their own widespread conviction that the agencies are as knowledgeable about management as the central agency staffs.

Although the rhetoric associated with management initiatives often focuses on cost reduction, the initiatives taken during the 1970's were also consistently unable to establish effective linkages with the budget process. Such a linkage would have been the force to get the agencies to pay attention to OMB. A 1981 NAPA panel report on strengthening OMB's management role said that "the cleavage between the budget and management sides of OMB has become so great that they seem to be two different worlds." This history calls into question the very viability of the original OMB concept.

Third, a lack of continuity and dedicated resources appears to be an important factor to consider in planning and implementing initiatives. As could be expected, those initiatives with sustained, career-level staff support have fared better than those lacking necessary dedicated resources. Limits on the size of the Executive Office of the President and dominance of the budget process may be two reasons why more resources were not available for management improvement efforts.

The record since 1970 repeatedly reflects an unwillingness or inability to devote sufficient attention to implementation. The problems discussed in the GAO staff study were predominantly manifestations of difficulties in implementing initiatives. All too often, reform efforts were initiated without careful and comprehensive implementation planning. This record of implementation problems only contributes to a cynicism that no government-wide

management improvement initiative can be successful, which adds to the burden of building support for subsequent proposals.

Finally, the lack of a base in statutory authorization appears to hinder management initiatives, even though OMB usually opposes this approach unless it is unavoidable. Although not a universal remedy by any means, the legislative process ensures there will be considerable debate and compromise over any reform effort. That debate extends the base of interest and commitment to reform measures and may lead to a general consensus among affected parties about what needs to be done. Perhaps the most significant finding of all from this examination of the past decade is that the only broad initiatives still on the management agenda are those to which the Congress has committed itself through legislation.

### **Proposed Alternatives Warrant Consideration**

We found the record of management reform initiatives did not suggest any specific structure or process that would be most appropriate for better sustaining future management reforms. However, for purposes of facilitating further discussions on the issue, we compiled a list of options which have been suggested in various forums. We also solicited the comments of 13 notable present and past government executives. Their responses reflected a sharp divergence of views.

The sharpest debate centered on two options: (1) strengthening the OMB management function through reorganizing or enhancing resources, and (2) establishing a separate central organization to address management issues.

Two observers urged that an Office of Management be established in the Executive Office of the President, combining the government organization and management functions of OMB, the General Services Administration (GSA), and the Office of Personnel Management (OPM). They summarized OMB's history as one of (1) relative inattention by OMB leadership to management issues relative to most Bureau of the Budget (BOB) directors, (2) preoccupation with budget and economic issues with little or no attention given to the complex problems of govern-

<sup>2</sup>"Selected Government-wide Management Improvement Efforts—1970 to 1980" (GGD-83-69, Aug 8, 1983) p 45

<sup>3</sup>Hugh M. Hecla, "OMB and the Presidency—The Problem of Neutral Competence." *Public Interest*, 38 (Winter 1975), p 80



ment management, (3) progressive fragmentation of responsibility for management improvement, and (4) a decline in OMB management staff quality and continuity.

In contrast, several respondents specifically objected to establishing a separate agency for management. One reviewer argued that such action "... would send a clear signal that someone else is handling management and therefore it does not have to be undertaken by the line officials in the various agencies." The second respondent thought that continued effort should be given to linking management and budget because budget examiners need the management context to address budget issues. And the third argued that such a separate office "... would often be weak and ineffective because it would be more removed from budget sanctions."

Reviewers also commented on some of the other options. Three respondents supported the idea of a presidential management agenda. One said such a congressional requirement would lead to earlier administration attention to management issues than has been the case. His view is that management issues get attention only after 2 or 3 years into an administration because other issues take priority. He also thought that the Congress, in mandating an annual management improvement agenda, should provide for presidential flexibility to set direction and priorities.

Two reviewers specifically commented on the option that career personnel be tapped to serve in undersecretary and/or assistant secretary for management positions. In agreeing with the concept, one observer felt that providing more expertise and continuity in top positions would be essential for better management of government. One reviewer offered the opposing view that career personnel are not a panacea and that they can be impediments to administration initiatives.

The last option receiving comment was the idea of a commission on more effective government. Two respondents supported the establishment of such a commission to rally public and congressional support behind an agenda of important reforms.

## The Latest Alternatives

The President's Private Sector Survey on Cost Control (Grace Commission) and the NAPA Panel on Deregulation of Government Management offered the latest recommendations for revitalizing the Executive Office of the President's capacity to lead government

wide management reform. In a report released in June 1983,<sup>4</sup> the PPSSCC task force on federal management systems called for the establishment of a centralized Office of Federal Management (OFM) in the Executive Office of the President, adding expanded policy-making authority for financial management, personnel management, and management information systems to the budget, planning, and evaluation responsibilities that OMB now has. Key features of the proposal include contractual appointments of the OFM associate directors in charge of management improvement, budget and planning, financial management, administration, and human resources, with a direct reporting relationship of GSA and OPM to the latter two associate directors, respectively. Numerous procedural recommendations supplement this structural centerpiece.

The NAPA Panel, in its November 1983 report,<sup>5</sup> also opts for creation of an Office of Federal Management, essentially to carry on the role of the OMB management staff. Separated from the always predominant budget staff, and revitalized by a presidential mandate as well as the addition of resources both in terms of quantity and quality, the NAPA Panel hopes the proposed office would succeed where OMB has failed. Unlike the Grace Commission's task force recommendation, the management responsibilities would be split off from OMB's budget activities.

The Panel's message is that the new management office could succeed by rejecting the past practices of OMB and the other central management agencies which it finds have mandated centralized management systems and reform initiatives, thus stifling initiative among agency managers. The NAPA Panel contends that the proposed office should provide the leadership and assistance necessary to support the many management improvement efforts decentralized throughout the agencies. The Panel would also have the Executive Office of the President consult regularly with the House Government Operations Committee and the Senate Governmental Affairs Committee on what essentially would be a presidential management improvement agenda. The Panel envisions that this agenda would be set largely by the ongoing efforts in the departments and agencies.

## No Blueprint for Success

The latest proposals for creation of a new Office of Federal Management

have yet to be tested by full debate. Indeed, it is unclear what interest and debate they will engender. What is clear to us is that the record of the 12 initiatives and the lack of consensus among the 13 respondents on options for sustaining management reforms supports the wisdom of President Truman's Advisory Committee on management, which found "... no single, sure-fire, and practicable panacea to guarantee the improvement of management in the Federal Government."<sup>6</sup> Certainly the OMB experience during the 1970's did not provide a role model for success. It did support the continued relevance of Marver H. Bernstein's 1970 judgment that

*The history of management improvement in the federal government is a story of inflated rhetoric, shifting emphasis from one fashionable managerial skill to another, and a relatively low level of professional achievement.<sup>7</sup>*

## Reflections on the Assignment

Publication of the staff study marked the end of GGD's experiment to address government-wide general management issues transcending functional lines. Staff resources will now be dedicated to broad departmental management reviews, including reviews of agency implementation of the Federal Managers' Financial Integrity Act. This is a very reasonable approach, recognizing two realities: (1) the agencies have prime responsibility for management improvement, not the Executive Office of the President, and (2) the OMB management staff lacks the charter and stature to exert a major role in government-wide management reform. This approach is supported by the subsequent finding of the NAPA Panel that agency management initiatives are being stifled by central agency preoccupation with centralized management systems.

<sup>4</sup>The Task Force Report on Federal Management Systems," The President's Private Sector Survey on Cost Control, June 13, 1983.

<sup>5</sup>"Revitalizing Federal Management: Managers and their Overburdened Systems," A Panel Report of the National Academy of Public Administration, November 1983.

<sup>6</sup>Report to the President, President's Advisory Committee, December 1952, p 18.

<sup>7</sup>Marver H. Bernstein, "The Presidency and Management Improvement," *Law and Contemporary Problems*, XXXV (1970), pp. 515-516.

See *Initiatives*, p. 39

This article was prepared in the Seattle Regional Office by Elizabeth M. Williams and Alvin S. Finegold, with the assistance of Walter H. Henson and Donald E. Cortright. Much of the material has been published previously in GAO documents (see bibliography at the end of the article). The authors are particularly indebted to Roger M. Sperry and his coauthors (Timothy D. Desmond, Kathi F. McGraw, and Barbara Schmitt), whose invaluable administrative history provided the basic information for this article.

Even though the General Accounting Office's Field Operations Division (FOD) was abolished in 1982, this did not mean the demise of GAO's field operations or of its regional offices. Rather, it gave the new Comptroller General, Charles A. Bowsher, a fresh opportunity to deal with persistent issues that were continuing to arise in the agency.

Mr. Bowsher reorganized the Office of the Comptroller General by creating an Assistant Comptroller General for Planning and Reporting and an Assistant Comptroller General for Operations. He then directed that planning and reporting positions, as well as operating positions, be created in both the operating divisions and regional offices so as to "mirror" the workings of the Office of the Comptroller General. Finally, he directed that the regional managers and the division directors report directly to the Office of the Comptroller General.

Predictably, field staff had mixed emotions about these changes. Few could remember a time when there was no Field Operations Division, no division director, and no staff of the Office of Director in Washington, D.C., to help resolve problems of people positioned up to 3,000 miles away. It took but a short time to appreciate that the same assistance and "protective cloak" were still there, now shared equally by the regions and headquarters. Nonetheless, a fond recollection and affection remain among field staff for the division of which they were a part for much, and for some, all, of their careers. It is our affection for the Field Operations Division that we would like to share with others in the *GAO Review*.

## **Field Offices Play Distinctive Role**

The regional offices are one of GAO's most valuable resources for carrying out its mission. They provide a flexibility to go out and get a job done regardless of geographic location or subject matter. They are also one of GAO's most distinctive features; no other congressional support agency has a regional structure. The regional offices are a formidable component of the

# **Remembering GAO's Field Operations Division**

organization. Totalling 15 in number, they have 24 suboffices and employ about 2,200 staff, nearly half the entire GAO work force of some 5,000 people.

The regional offices' role in relation to headquarters has changed considerably over the years. From their beginnings as scattered onsite locations for auditing war contractors, they rapidly grew in responsibility and autonomy. Then, around the mid-1960's, government operations increasingly became planned and programmed in Washington. In response to the change in government and the Comptroller General's desire to perform broad-based multi-agency reviews, certain GAO activities began to be centered more in headquarters, and regional offices shifted gradually from initiating projects on their own to responding to requests from headquarters. More recently, with the increasingly heavier involvement of field personnel in the planning, programming, supervising, and reporting phases of job management, in addition to their traditional role in job execution, the regional offices have moved toward a fuller partnership with headquarters.

Regardless of its role, however, the field operation's capability to adapt to changing organizational circumstances and to offer the support needed as GAO expands and changes the focus of its activities remains crucial to the regions' well-being and GAO's continued success.

## **Evolution of the Field Operations Division**

GAO has conducted field activities since its earliest days. The Office of Investigations, established in 1922 under Comptroller General J. Raymond McCarl, was the first GAO group to establish a base of operations in the

field. Then, in the 1930's, the Audit Division's Soil Conservation Section scattered its auditors around the country to audit New Deal agricultural benefit payments. This decentralized arrangement proved highly efficient in that materials for answering questions were close at hand, relieving headquarters of the burden of reviewing and storing millions of vouchers.

The trend toward decentralization accelerated sharply during World War II. In 1942, Comptroller General Lindsay Warren set up a War Contracts Project Audit Section to conduct onsite audits at contractor plants. Reporting to the Audit Division, this unit consisted of 5 (later 6) geographic zones, with audit locations in about 340 cities. Once again, the field structure expedited resolving questionable payments and handling large volumes of documents. In 1947, GAO terminated the War Contracts Project Audit Section and transferred its responsibilities to a new Field Audit Section of the Audit Division. But the work being done still consisted primarily of account settlement work, voucher examinations, and civilian payroll audits.

In 1952, Comptroller General Warren revised the regional boundaries and changed the work's focus. Specifically, he abolished the zones, replaced them with 23 regional audit offices, and began "comprehensive audits" of agency operations to determine their efficiency, effectiveness, and economy. Consistent with similar changes in headquarters, the field offices were no longer restricted to reviewing individual transactions or agency financial systems. Instead, the field offices were expected to examine all aspects of agency management from the highest levels on down. Naturally, this change in work imposed new skill requirements on the regional offices, and they

spent the next several years developing a staff competent in the new audit approach.

In 1956, GAO established the Field Operations Division (FOD) and named John E. Thornton as director. The new division and its 19 regional offices (later reduced to 15) were charged with performing work assigned by the recently created Civil and Defense Accounting and Auditing Divisions. From the beginning, FOD served as a service-oriented organization, structured to provide the staff capability necessary to do the work requested by the headquarters divisions. Each regional office had its own management structure, and the regional manager was responsible for the overall quality of the staff's technical performances as well as for the "people management" functions. Regional audit managers were responsible for overall supervision and control of several concurrent assignments. They were expected to acquire a sound working knowledge of the activities under review to enable them to serve as supervisors and technical advisors. Ranking under the audit managers were the site seniors, who performed onsite supervision and control of individual assignments. In the late 1960's, due to the expansion of regional staffs and responsibilities, FOD added assistant regional manager positions to its regional management structure. The role of the assistant regional manager was generally to assist regional managers in carrying out their duties.

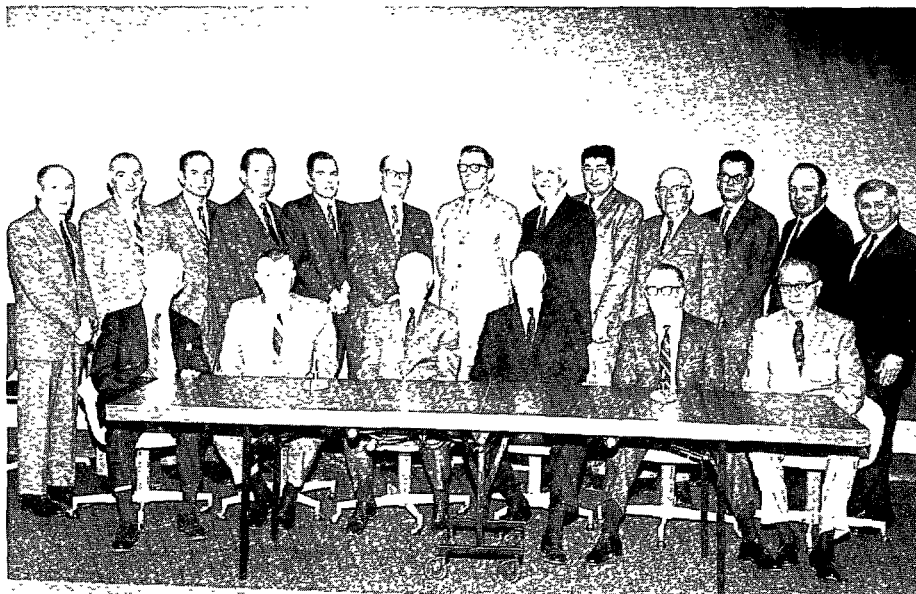
In its capacity as a service organization, the Field Operations Division was in the forefront of every major initiative undertaken in GAO. Further, as time passed, field personnel began to take leadership roles in the planning and execution of GAO's work.

## Changing Work Environment of Field Staff

Flexibility has always been a byword of field office staffs, and they have been called upon over the years to lead the way in many different work environments.

In the 1950's and 1960's, the regional offices functioned as somewhat autonomous units, relatively insulated from each other and from headquarters. Even in the 1960's, the regional offices were still doing some account settlement work and civilian payroll audits, but they were becoming more and more proficient in comprehensive auditing.

In 1955, the Kansas City Regional Office made the first review of negotiated



Regional managers in attendance at the first joint directorate/regional managers' meeting, June 1971. From l to r, first row: Robert Drakert (New York), Richard Madison (Atlanta), John Thornton (Director, FOD), Elmer Staats (Comptroller General), Forrest Browne (Deputy Director, FOD), Myer Wolfson (Chicago). Second row: H. L. Krieger (Los Angeles), K. L. Weary (Kansas City), Joseph Eder (Boston), Walton Sheley (Dallas), David Sorando (Cincinnati), William Conrardy (Seattle), Stewart McElyea (Denver), Charles Moore (Detroit), Alfonso Strazzullo (New York), James Rogers (Philadelphia), Walter Henson (Norfolk), Donald Scantlebury (Washington), Alfred Clavelli (San Francisco).

fixed-price defense contracts at a contractor's plant. Thereafter, based on the large dollar recovery obtained from that review and the perceived opportunity to identify additional monetary savings at other locations, the regional offices assigned more staff to contractor plants and major military installations to audit defense contracts. The expertise they developed, coupled with their strategic location, considerably enhanced FOD's stature and influence. The emphasis on this type of work diminished with the Holifield hearings<sup>1</sup> in 1964 and, as the nation swung its emphasis to social programs, so did GAO.

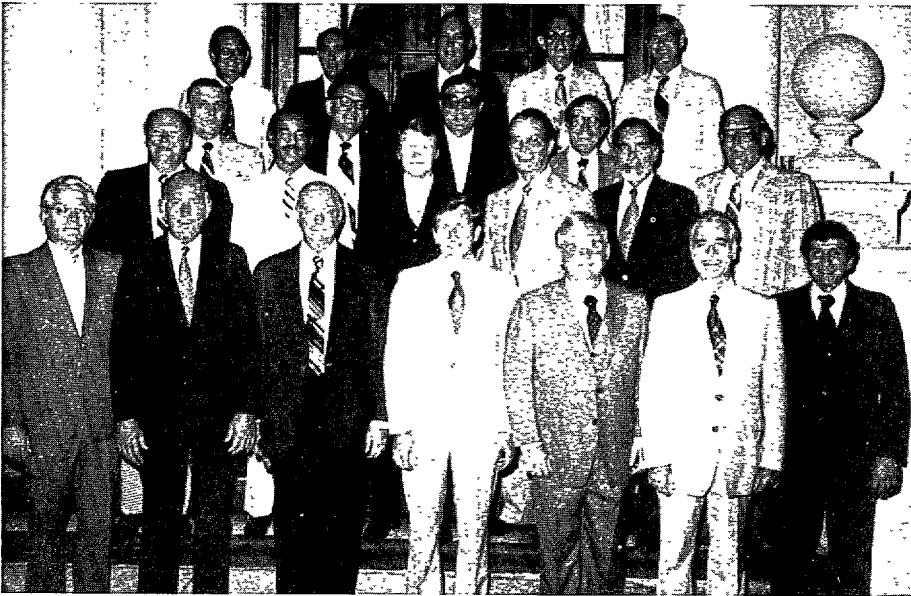
In the late 1960's, GAO's poverty program auditing was noteworthy for the level of effort expended, the staff's ability to perform a demanding new type of work within a tight timeframe, and the close coordination between the field regions and headquarters. Every regional office became involved, to some degree, in this auditing effort; in some offices, nearly every staff member participated.

During the 1970's, GAO's audit emphasis continued to shift from economy, efficiency, and compliance reviews to reviews that evaluated a program's effectiveness and results. With this change in focus came a swing away from single-agency or single-function reviews and toward broad-based, multiagency, and very often, multi-GAO-region examinations.

While these broader, more comprehensive multiregion assignments served a highly useful purpose—giving the Congress and the executive branch an independent opinion on whether programs or activities were achieving the fundamental national purposes for which they were created—they were not without problems in their execution. Foremost among these problems, aside from their design complexity, were coordinating the staffing, start-up, and conduct of work, as well as coordinating the supervision, communication, and draft report "readiness" among the various participating regions.

To cope with these job management problems in the early 1970's, the Seattle region initiated the "fly-through" approach to conducting national reviews. Under this approach, rather than involving several regions in detailed audit work, the regional team that performed the initial survey work on the assignment in its own home area trav-

<sup>1</sup>The congressional Holifield hearings, held in mid-1965, pitted GAO against some defense industry contractors, of whom GAO had been highly critical in its reports. While there are some who allege that this scathing criticism, which resulted in a critical House committee report, caused GAO to become too cautious in its work, there were, on balance, positive results. One result was that GAO moved away from studies of specific contracts into broader assessments of defense organizational components or procedures. These broader based reviews soon became GAO's trademark.



Regional managers meeting, September 1980. From l to r, first row: John Heller (Assistant Comptroller General-Policy), William D. Martin (Deputy Director-FOD), Elmer Staats (Comptroller General), Francis X. Fee (Director, FOD), Marvin Colbs (Atlanta), Irwin D'Addario (Dallas), Ralph Carlone (Philadelphia). Second row: William Conrardy (San Francisco), C. L. Forbes (New York), James Martin (Dallas), James Hall (Los Angeles), David Sorando (Boston), John Carroll (Cincinnati). Third row: Clerio Pin (Assistant Comptroller General-Administration), Walter Henson (Seattle), Alfonso Strazzullo (Norfolk), David Littleton (Washington). Fourth row: Harry Havens (Assistant Comptroller General-Program Evaluation), Joseph Kegel (Chicago), Robert Hanlon (Denver), Walter Herrmann (Detroit), and David Hanna (Kansas City).

eled to other locations in the country to do, as rapidly as possible, the minimum necessary amount of detailed work to document and validate the issues being examined. While this approach (which some regions are still using) was highly successful in eliminating the need for multiple regional teams, thereby reducing job management and coordination problems, it added considerably to the travel costs of the involved region. More importantly, the fly-through approach often made inordinate travel demands on that region's team members, making travel an even greater source of regional staff dissatisfaction and attrition.

Despite these management, coordination, and other related problems, broad-based, multifaceted assignments not only survived the 1970's, but under Comptroller General Charles Bowsher have assumed increased importance and represent an even greater share of the work efforts of GAO headquarters and regional offices in the early 1980's. For example:

- In 1982 and part of 1983, 41 staff members at GAO headquarters and in 3 GAO regions performed a comprehensive, top-to-bottom review of the management and administration of the Department of Housing and Urban Development, intended to be a forerunner of similar management reviews in many other major federal agencies.

- In 1983, some 180 staff members in 6 GAO headquarters offices and in 11 GAO regions working in 13 states performed an omnibus review of states' administration of federal block grant aid. This review consolidated 19 ongoing and planned GAO reviews of block grant activities into a single study.

- GAO's review of the executive branch's first-year implementation of the Federal Managers' Financial Integrity Act began in the summer of 1983 at 20 major departments and agencies. The staff is eventually expected to number about 215, working at 6 GAO headquarters divisions and at 15 regional offices.

Also, during the 1960's and throughout the 1970's, concurrent with (1) the swing toward civilian and social-oriented work, (2) the establishment of the Defense Contract Audit Agency, and (3) the aforementioned 1964 Holographic hearings, came a significant reduction in GAO's regional defense-related audits. Except in those offices where defense efforts were a major part of the region's workload, regions generally no longer had staffs permanently located at, or consistently assigned to, military installations or defense contractor plants. In the early 1980's, however, the Reagan administration brought a renewed national emphasis on defense buildups and increased defense spending. This em-

phasis caused GAO's attention to shift to military matters and led Comptroller General Bowsher to take a new look at GAO's organizational capability to cope with increasing levels of defense expenditures. In turn, this led to a task force study, and ultimately, to the creation in 1983 of the National Security and International Affairs Division. The new division, which merges GAO's reviews of national defense and international affairs matters, is expected to present a new and vital range of responsibilities and associations to the field through the 1980's.

### Organizational Efforts To Give Field Staff Greater Job Responsibilities

Beginning in the late 1950's, it became the practice to designate one region on multiregion assignments to act as "lead" region and supervise the other participating regional offices. Thus, over the years, FOD carved out its own niche in varied phases of job management—programming, supervising, and executing the audit, as well as reporting—usually by stepping in where a need existed. In November 1967, Comptroller General Elmer B. Staats formally endorsed the lead region concept and established guidelines for its use. Mr. Staats said the major benefits of the lead region concept were to (1) reduce the workload of supervisory staff at headquarters, (2) more effectively use regional office staff, (3) enhance staff development by placing greater responsibility on regional staff, and (4) expedite report preparation and clearance.

Problems with the lead region concept were acknowledged formally in 1971, when a GAO Committee for Improvement of Report Processing and Review Procedures pointed out that the lead region concept was not working as planned. The committee said that regional managers were not being given full responsibility for carrying out lead region assignments, and Washington directors were unwilling to accept their products.

As a result of the committee's report, GAO established a Task Force on Washington-Field Relationships. The task force recommended that GAO (1) no longer use the term "lead region" and (2) require a written understanding identifying the job management responsibilities for each assignment. In 1972, the job management agreement became part of the required components for assignments requiring participation by more than one organiza-

tional group. This form documented the division of responsibilities between a headquarters operating group and a field office and between field offices. Although the term "lead region" was no longer officially sanctioned, the concept survived. Of the multiregional assignments ongoing as of June 30, 1975, regions were responsible for supervising other regions on more than half the assignments. Today, the concept, including the term "lead region," remains firmly in place.

In the 1970's, FOD began to strengthen itself as an organization and to forge the regional offices into a more united entity. This movement, begun by John Thornton and his successor, Stewart McElyea, continued under Francis X. Fee to the end of Comptroller General Staats' term in 1981. For the first time, FOD considered establishing a rotational policy for regional managers. On another front, FOD implemented an FOD-wide Automated Management Data System (AMDS). AMDS, which approximated a "real-time" system, served as a tool to improve individual and collective understanding of FOD performance and to improve GAO's accountability for its resources. Initially, AMDS was oriented toward job data, but gradually, personnel and administrative records were incorporated as well. The advantages of timeliness and integration attracted the rest of GAO to AMDS and, by 1978, AMDS had evolved into a GAO-wide information system. Applying the system GAO-wide, however, highlighted system limitations, making it necessary to install a more sophisticated system in 1979. Another FOD innovation was periodic area meetings, at which regional managers and assistant regional managers from several regions met for several days to discuss issues of common interest. This was a forerunner of the November 1983 general management meeting which all GAO executives attended.

### The Advent of Teams

In 1977, a Task Force on Improving GAO Effectiveness identified several barriers to improved operations involving the regional offices and headquarters units. These barriers included (1) unnecessary multiple levels of authority and review and (2) draft reports circulating between levels of management. The Comptroller General's response to the task force's findings was to mandate that GAO adopt a project team approach as its normal way of doing business. The major change under "teams" was an understanding that regional management would generally no longer be responsible for technical direction



FOD directors reunite in September 1980. From l to r: Francis X. Fee (1979-1982), Stewart D. McElyea (1976-1979), Comptroller General Elmer Staats, and John E. Thornton (1956-1976).

and supervision or other technical aspects of the work, and that regional staff could report directly to a supervisor in a headquarters programming division. In addition, division directors committed themselves to having 10 percent of their team directors from FOD, and FOD established an objective of having all assistant regional managers function continuously as team directors on at least one job.

The team concept severely reduced regional management's involvement in the "doing" of audit assignments. Their primary responsibility was now to be "resource managers," a term defined as encompassing all aspects of acquiring staff, training, assigning staff to jobs, assuring proper use and development of staff, and recognizing and rewarding staff for their accomplishments. To ensure that regional management continued to maintain knowledge about staff capabilities and career expectations, FOD created "focal points," or managers responsible for the long-term development of lower and mid-level staff. Assistant regional managers typically functioned as the focal points.

Under the team concept, regional management's multifaceted role evolved—with some pain—to the point where it was reasonably well defined and understood within FOD. This did not mean it was popular with everyone. For example, division directors attempted to use regional team directors but failed to reach the 10-percent goal. Regional managers felt that some people in headquarters viewed them as not having sufficient ex-

perience to be team directors or to productively monitor team progress. Among the staff most disenchanted with the conversion to teams were the GS-14s. Previously, they had been audit managers with responsibility for several jobs; now they were assigned only one job. Conversely, field GS-13s received increased responsibilities and reported directly to Washington programming division personnel with little or no job interaction by regional management. But often the performance appraisals of field staff working for headquarters personnel were not received, were incomplete, or were so late as to make them unusable by the region. The result was a general feeling among staff members that they were isolated from regional management, management, in turn, felt that it had lost its technical involvement with the jobs and its firsthand knowledge of staff capabilities. Thus, in the eyes of many in GAO, the field had gone from too many layers of supervision to too few.

### Moving Beyond the Team Approach

By early 1980, FOD and the regions had been grappling for over 2 years with the problems of teams, performance appraisals, the roles of GS-13s and -14s, and the roles of regional management. Responding to strong comments about the team concept, Comptroller General Staats established a division directors' study group to provide him with recommendations for action. The group recommended that GAO abandon the team concept as *the* way of doing most of its work and that

<b>FOD Directorate</b>		
<b>Directors</b>		
John E. Thornton (1956-76)	Stewart D. McElyea (1976-79)	Francis X. Fee (1979-82)
<b>Deputy Directors</b>		
G. Ray Bandy (1958-64)	Walter H. Henson (1976-79)	William D. Martin, Jr. (1979-81)
Hyman L. Krieger (1962-66)		William W. Thurman (1981-82)
Forrest R. Browne (1966-71)		
Stewart D. McElyea (1971-76)		
<b>Assistant Directors</b>		
Clyde E. Merrill (1965-74)	Joe B. Stevens (1976-77)	James A. Carlan (1982)
Howard Dehnbostel (1974-76)	Clarence L. Forbes (1977)	
	John P. Competello (1977-78)	
	Dominic G. Delguidice (1977-82)	
	David A. Littleton (1978-80)	

each division develop its own operating plan. In addition, the study group offered specific recommendations to ensure that regional offices became a more integral part of GAO's program planning process.

Subsequently, FOD's operating plan continued the trend toward maximizing an evaluator's participation in an assignment. Key provisions in the operating plan require that FOD

- cooperate and communicate with other divisions to develop a partnership for accomplishing GAO's work;
- assure that work performed by regional staff is of high technical quality and is provided in a timely manner;
- decide the degree of regional technical direction and supervision for each job a region undertakes;
- custom-design and staff each job so that only the staff essential to successfully complete the project will be involved in the planning, implementation, and communication phases of the review;
- execute a written understanding between regional and division management for each assignment, thus identifying the job management responsibilities; and
- evaluate staff performance and provide timely feedback to the staff.

With the modification of "teams," regional management's direct involvement in ongoing jobs increased considerably. There was some return to concurrent management of multiple assignments by the field's GS-14s. This was not universal, however, and it occurred principally where the GS-14s also concurrently managed a major issue area or line of effort.

Another major development begun during the 1970's—formally involving the field in program planning—may ultimately prove to have the biggest future impact and influence on the role of the field and on field-Washington relations. This involved assigning to the regions the planning responsibilities for selected issue areas. The concept called for developing issue area teams comprising members from the operating divisions and the regions. Up to 50 percent of a region's available staff years and several key field people were committed to selected areas. This formalized in the field what had happened only sporadically until the late 1970's: developing subject-matter expertise through job-to-job continuity of key people who could also contribute an operational perspective to the Office's program planning. The continued development of these issue area teams was assured when, after his initial assessment of GAO, Comptroller General Bowsher stressed the importance of further developing the issue area teams concept.

### **Field Operations Offers New Start**

No history of the Field Operations Division would be complete without concluding that the division served as a training ground for top officials of GAO's headquarters organizations (and many non-GAO organizations as well). The lifeblood and dynamism of any organization, including ours, are in its people, at all levels, who donate their talent, personality, and life. We feel that everyone in GAO should be proud of the Field Operations Division.

Its demise marks the end, we hope, of the little remaining separation of field operations from the rest of GAO.

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### **Regional Managers (to October 1, 1982)**

#### **Atlanta**

Richard J. Madison  
Marvin Colbs

#### **Boston**

Omer E. Paquin  
Charles F. Carr  
Joseph Eder  
Fred D. Layton  
David P. Sorando

#### **Chicago**

Frank J. Pelland  
D. R. Moysey  
J. S. Sheridan  
Howard Perrill  
H. L. Krieger  
Myer R. Wolfson  
Gilbert F. Stromvall  
Joseph W. Kegel

#### **Cincinnati**

Kenneth L. Weary  
David P. Sorando  
Robert W. Hanlon  
John P. Carroll

*See Field, p. 39*



# Epidemics and the Government

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## Guy Wilson

Guy Wilson is on the staff of Audit Reference Services in GAO's Office of Library Services. He has previously taught at George Washington University and also worked for the Army and the Government Printing Office. He has written two annotated bibliographies published by GAO, *Internal Auditing in the Government* and *Social Program Evaluation: a Guide to the Monographic Literature*, and an article on comparable worth in the fall 1981 *Review*.

Since the flu epidemic of 1918, which killed over 500,000 Americans, the federal government has approached national epidemics with a sense of duty tempered by experiences in which the government has been at least as criticized as praised for its contributions. A look at some of the epidemics in this century reveals much about the position of the federal government in the health care sector and its framework for decisionmaking and action in health areas. It also suggests areas of concern with which government administrators must continue to grapple in the future.

### Labeling an Epidemic: A Product of Consensus

When a health crisis occurs and takes on epidemic proportions, one of the first concerns is labeling it correctly as an epidemic, thus enabling the community to take appropriate action. How is any health crisis labeled an epidemic? In the absence of an official national health system, there is no mechanism for an "official" designation of an epidemic. Any consistent decisions on an epidemic must involve a consensus among the many fragments of what is called the medical community (which actually includes scientific and political components). An epidemic has been traditionally defined as an outbreak of disease affecting 1 percent of the population. However, new and

more elastic criteria have made this an increasingly subjective decision influenced, more and more, by lobbying efforts and media coverage. Government officials have a corporate bad memory of overreacting to the swine flu "epidemic" that resulted in, among other things, over 90 million unused doses of vaccine. But the more participants who are involved in the decisionmaking process, the less control there is, both in making a unified decision and in formulating consistent responses to that decision. While the government may not be the overwhelming power in developing a consensus that would seem obvious, there is a definite additional weight given to any health announcement that includes public government participation and approval. What are the possible additional results of government involvement in consensus on an epidemic? What has the government obligated itself to do?<sup>1</sup>

### Mobilizing Crisis Funds

Many of these obligations are equally urgent and too interwoven to view in some neat priority, but the most scrutinized and publicized aspect of the government's mobilization of resources is the mobilization of funds. The federal government, through the National Institutes of Health (NIH) and other agencies, supports a large share of the medical research in this country; it also supports research centers of its own as well as hospitals and other facilities and services that directly provide health care.

How can any organization plan funding for the unforeseeable? The swine flu program was appropriated funds specifically for the immunization program. The current administration's procedure for health crisis funding has been to reallocate funds from other activities. The recently signed Public

Law 98-49 established a fund to fight public health emergencies. But even if such a fund were adequate, the amount of money is not the only concern.

Questions regarding funding include concerns about the allocation or purpose of funds and the promptness of response in funding, as well as sheer amount (although, to paraphrase Lenin, quantity has a quality of its own). In the current AIDS (acquired immune deficiency syndrome) crisis, for example, NIH has variously been criticized for being unconscionably slow in responding to the situation (which has killed more people than toxic shock syndrome and Legionnaires' disease combined and is much more virulent than either) and for providing far too little money. At the same time, the agency has been criticized by other groups for being too responsive in its funding. The government, in general, also has drawn criticism for supposed laxity in taking preventive measures, primarily because of a small but effective lobbying effort on behalf of a possibly small population at risk.

In any health crisis with an identifiable population at risk, there is almost invariably criticism of the time it takes the government to fund research (and, implicitly, "get results"). But how quickly, with any meaningful results, can money be distributed to researchers? Medical research and its verification processes are time-consuming, even without the administrative mechanisms inherent in funding

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<sup>1</sup>A related question that has seldom been discussed is one of additional powers with which the national government might vest itself in a national health emergency. Our country has not yet had a health crisis so pervasive that the federal government has been in clear conflict with states' and local government's rights or involved in overt censorship of the media, but these issues could certainly arise.

them. While part of the time involved is in the research that is being funded to achieve results, a large part is also spent in other activities: communicating to the research community that funds are available, selecting recipients, distributing funds, overseeing these activities, and evaluating, in government terms, the results.

### **The Crisis Aftermath: Caring for the Victims**

Funding of research is only one of the financial involvements of the government in designated epidemics. It has a responsibility for the care of the victims, as well. Its civilian and military employees may be among those victimized, with resulting sick leave, early retirement, and other benefits (a recent AIDS victim is seeking a medical discharge, full medical benefits, and disability pay from the Air Force). It may also have to help state governments bear extraordinary fiscal burdens. When regular insurance plans do not provide coverage for the results of certain types of epidemics, governments may, in effect, be providers of catastrophic insurance. Government may also be involved in preventive measures, including quarantine and immunization programs.

The various branches of government may also be financially and legally involved in the issue of liability. Hotelkeepers and caterers have been held responsible for Legionnaires' disease, while tampon producers have been made liable for outbreaks of toxic shock syndrome. There is also some inevitable risk in new and relatively untried treatment, a risk that may be compounded when there is a public and official demand for quick remedies. Public health officials may be held accountable for both causes and "cures" during epidemics. The national government has, for example, assumed liability on behalf of vaccine producers after the ill-fated swine flu affair, with a resulting \$3.5 billion in damage claims.

### **Communicating the Crisis Involves Many Roles**

What is the role of the government as the "great communicator" in health crises? It has taken the responsibility of broadcasting information to alert health professionals about research and funding and the general public about risk and prevention. During the current AIDS situation, it has attempted to keep the nation informed, prevent unnecessary concern, and show that it

is "on top of" the situation. The need for and difficulties inherent in fulfilling these roles simultaneously have been shown by the conflicting statements and interviews of health officials, by the literally overwhelming response to a national hotline and various publications, and by the well-publicized appearances of HHS Secretary Margaret Heckler with AIDS patients. With the popular press ready to present official data in unexpected ways, there is a role for the government in maintaining a delicate balance between an informed public and an hysterical public ready to stigmatize the possible epidemic carriers, risk population, or victims.

### **Privacy Rights vs. Information Needs**

An issue closely related to the role of the government in communicating necessary information is that of privacy. Where does the need for information end and the rights of privacy begin? Many populations at risk are reluctant to be identified with an epidemic for very just reasons. Haitian immigrants, for example, have found even more doors closed to them because of their designation as one AIDS-related group. Confidentiality of medical records is, in any event, an almost anachronistic concept when the records of a patient undergoing elective surgery may be seen by as many as 100 health professionals. During an epidemic, when records are examined and filed at a national center, privacy becomes even more vulnerable. Corporations facing bad press and liability suits in toxic shock cases have demanded individual data from the Centers for Disease Control. The issue of privacy becomes even more prominent when sexual activity or drug use is involved.

### **Crisis Information: Is It Accurate?**

When the issues of communication and privacy join, another question of liability arises: what is the responsibility of the government for the accuracy of the data it disseminates? If populations know their responses to official questions may be publicized and used against them, at least some of the responses will probably be false. How can one verify such data? Language, cultural, and legal problems have also resulted in misleading data from Haitian immigrants in connection with AIDS and from American Indians and Mexican-Americans with regard to bubonic plague. If data from these types of sources cannot be verified,

should it be communicated to an information-hungry media? Even aside from this type of flawed data, medical research in progress is discussed as if it had reached firm conclusions, and the conclusions of medical studies are simplified to the point of distortion (with the public, for example, seeing toxic shock and septic shock as one and the same). Much of what has appeared in newspapers regarding AIDS ("Grandmother Dies of AIDS," "22 More Children Contract Immune Deficiency") has proven incorrect, but not before the public has absorbed its inaccurate messages. When the communication responsibilities of the government result in distorted and misleading information that, in turn, leads to Haitians becoming the objects of additional discrimination and groups like "Dallas Doctors Against AIDS" wanting to recriminalize all homosexuality, it is not surprising that some risk populations view government involvement as a case of the cure being worse than the disease.

The evaluation of the success of a government program or activity is important in designing and managing later, related programs. Although the highly politicized and public environment of health crises frequently cause more emphasis to be placed on putting out the current fire (or at least appearing to do so) than on performing such evaluation, government officials and others in the health community are applying past lessons to today's problems and will presumably be using today's lessons tomorrow.<sup>2</sup> Susan Sontag wrote a book in 1977 entitled *Illness as Metaphor*; perhaps government's increased expertise and sophistication in responding to epidemics will indeed serve as a metaphor for government's experience in general.

The following citations are to books and articles that discuss government involvement in epidemics and lessons learned from past involvements.

Altman, Lawrence K. "It Takes More Than Money to Conquer Diseases Like AIDS." *New York Times*, 2 Aug. 1983, p. C3.

Appel, Nina S. "Liability in Mass Immunization Programs." *Brigham Young*

<sup>2</sup>GAO examined the government's first attempt at national immunization in *The Swine Flu Program: An Unprecedented Venture in Preventive Medicine* (HRD-77-115, B-164031(5), June 27, 1977). The report discussed experiences that could be useful in planning similar programs, including legal liability, consent procedures, vaccine procurement, and formal program review and quality control

See *Epidemics*, p. 40





## Training at GAO: A Progress Report

### H. Rosalind Cowie

H. Rosalind Cowie, Ph D , joined GAO's Office of Organization and Human Development in 1979 as manager of the Training Branch. She was formerly an educational administrator at Georgetown University and Newton College. Her Ph D is from Columbia University, and she has taught at the university level for several years. She serves on the Steering Committee of the Interagency Group on Training and Development and is active in the American Society for Training and Development and the National Society for Performance and Instruction.

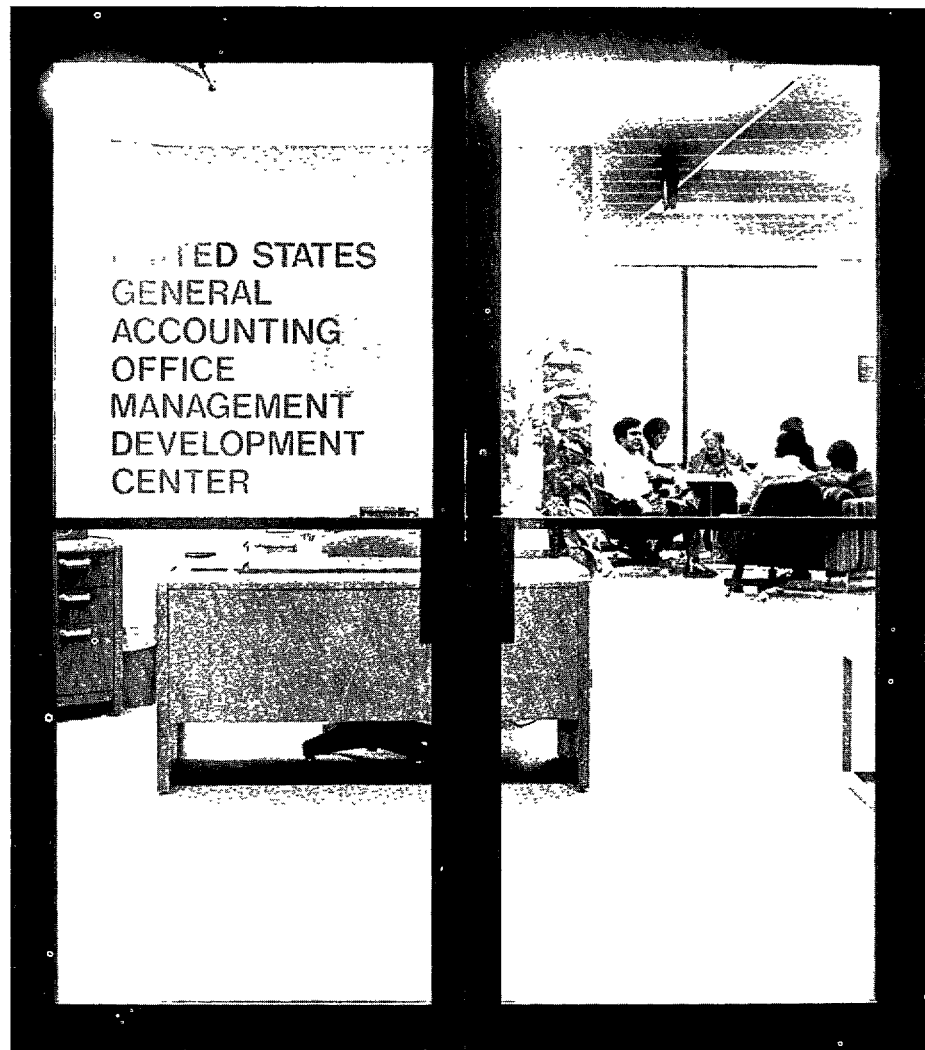
Two and a half years ago, the Fall 1981 issue of the *GAO Review* included an article entitled "Training at GAO: A Systematic Approach." Since that time, many changes have occurred within the agency which have affected the training program and its objectives in serving GAO's needs.

### Consolidation for Human Resource Development

GAO's Office of Organization and Human Development (OOHD) brings together many functions which are oriented toward human resource development: the Counseling and Career Development Branch, the Organization Analysis and Planning Branch, the Management Development and Assistance Branch, and the Training Branch.

By consolidating its resources into one organization, OOHD and its components are in the best position to assist managers and supervisors throughout the agency in meeting their human resource development needs. Now, managers are encouraged to explore all methods of meeting performance problems or developing new skills, rather than automatically calling for a training course, the conventional response.

Another area of change in the training program is in how GAO fulfills its



mission and in the strategies and techniques employed to do the work. This is not a new change; rather, it is one where the magnitude of change has increased, and the rate of change has accelerated.

GAO's initiatives in monitoring the implementation of the Federal Man-

agers' Financial Integrity Act, in undertaking general management studies, in intensifying its efforts in the defense area, and in paying closer attention to information management throughout the government all require special training and human resource development activities. In addition, the in-

creased use of computers as audit tools, the introduction of electronic work stations, and the use of control and risk evaluation techniques all call for new skills training.

## The Effects of Change

What has been the impact of these changes on OOHd and on training in particular? Two areas warrant discussion: training development and training delivery.

### Training Development

The Training Branch has broadened its approach to training development. As in the past, courses are based on systematic needs assessments and are designed by teams consisting of both subject matter experts and education or employee development specialists. Now, however, instead of focusing the team on one particular training course, the branch's Curriculum Development Unit establishes curriculum review groups to provide guidance and advice for an entire group of related courses. The purpose of this broader approach is to ensure continuity between and among the courses in the curriculum and to provide for progressively more challenging training material and case studies as the evaluator gains skill from training and experience on the job.

The first review group to begin operations was the Full Performance Audit Group, responsible for overseeing the core audit curriculum for GS-7s through GS-12s. The group has studied the tasks from the behaviorally anchored rating scales (BARS) job dimensions performed at each grade level and the degree of attainment of the tasks required at each grade level. The three major levels are awareness, application, and mastery. The initial level, awareness, is achieved through pre-course reading or orientation. Mastery, the third level, is achieved when experience gained in the classroom is transferred and applied to the job. This is the real value of formal training.

In between these two levels is application, the ability to apply a skill within the classroom. For example, participants in Comprehensive Entry-Level Training should be able to carry out successfully a GAO interview under controlled classroom conditions at the end of the course. Back on the job, they should, with experience and supervisory coaching, be able to carry out a GAO interview under the less controllable, real-life conditions.

Additional training-related review groups just beginning activities are those for the project manager (GS-13/14)

curriculum and for the writing curriculum. These groups will follow similar approaches to curriculum development.

With the realignment of audit responsibilities within four major divisions, the Training Branch has adjusted its training development activities to respond to the unique needs of each division. Most dramatic has been the recognition of the need for intensive training in the computer area for the Information Management and Technology Division (IMTEC). While relying on IMTEC for subject matter expertise, OOHd has assisted the division in preparing a "request for proposal" and evaluating responses to it to award a contract for an intensive "start-up" training program. The first offering of this 4-week program began in November 1983.

Another division with unique training needs is the National Security and International Affairs Division (NSIAD). We have been able to respond to its training needs by proposing to establish a satellite learning center at NSIAD's work location. The learning center approach has been under development for about 2 years, and it enables us to use self-paced and computer-assisted instructional methods effectively when intensive training is warranted.

In the Accounting and Financial Management Division (AFMD), we have responded to a unique training need that came about as a result of GAO's responsibility for overseeing implementation of the Federal Managers' Financial Integrity Act. OOHd has been involved in the design, development, and delivery of training in this area for AFMD's core group and also for representatives from divisions and regions. To provide training when it is needed for the jobs, the skill training has been integrated with job conferences. This training is particularly important since GAO's effort involves reviews of 20 agencies and their plans for implementing the Financial Integrity Act.

### Training Delivery

In the area of training delivery, the Training Branch's Program Management Unit has made good progress in streamlining operations. With a high level of assistance from the Organization Analysis and Planning Branch, we have been able to computerize our registration system. The computerized results of our annual survey of training slot requests tell us how many offerings of each course are necessary to meet total demand, and, given our resources, how many slots can be made available to each GAO organization. We are also able to produce computer-

generated participant lists 2 weeks before a course is held, precourse letters to participants and their supervisors, and analyses of cancellations/no shows for each training course.

Further refinements to our computer system, known as the Management Information System for Training (MIST), are expected in the next year. Eventually this system will be replaced by GAO's developing Consolidated Administrative Management System (CAMIS), which will have direct electronic communication among GAO organizations and the Training Branch and will substantially decrease paperwork.

Training delivery has also entailed a large investment of resources in a quality assurance/quality control program. Acting on Comptroller General Bowsher's commitment to a high level of professionally designed and delivered training, the Training Branch has been working toward an increase of both quantity and quality in its courses. Over the last year, we have produced standards for developing instructor and participant manuals; a system for selecting, training, monitoring, and evaluating instructors; a model for analyzing training costs; and plans for developing information on return-on-investment for training.

One segment of quality assurance and control is identifying, selecting, and training a cadre of instructors assigned to OOHd for a 12-month period. This cadre of evaluators will reduce substantially the delivery costs of GAO training programs and will also improve quality. This is possible because instructors can be scheduled to teach frequently, which increases their effectiveness and decreases the amount of time they must devote to preparation.

Another consequence of our increased volume of training (see figure 1) has been the need to identify additional training facilities. GAO has recently leased the Academy building, located on Fifth Street next to GAO, to supplement the classrooms in GAO headquarters, the Pension Building, the Management Development Center at 450 Fifth Street, NW, and a site on North Capitol Street. The long-term solution to the facilities problem is the Training and Career Development Center, scheduled to open in March 1984 on the seventh floor of GAO headquarters. The center will be a modern training and development center with state-of-the-art audiovisual and computer facilities.

See Training, p. 40



# Frontiers of Automated Analyses: From Frustration to Comfort

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## Arleen Alleman

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Ms. Alleman is an evaluator with the Denver Regional Office, where she began her career as a co-op employee in 1980. She joined the staff full-time in 1981 upon receiving her bachelor's degree from the University of Colorado. Ms. Alleman is currently a member of Denver's Electronic Work Station Training Cadre and serves on a committee which formulates interim standards and guidelines for preparing, reviewing, and referencing electronic work station-generated workpapers.

In recent years, the lives of many Americans have been invaded by the electronic revolution and its accompanying hardware, whether it be the personal computers now so popular in the consumer market or the electronic work stations currently so pervasive within GAO. To be sure, professional evaluators have not escaped this advancing front of automated methodology, with its promises as well as its pitfalls. The Denver Regional Office's recent experience with electronic auditing methods represents our own confrontation with this new technology. We believe that this experience, as described below, may be helpful to anyone making the transition from manual to electronic auditing techniques.

### **The Machine Becomes a Staff Member**

On a recent review of U.S. Forest Service timber sales, Denver Regional Office (DRO) staff used the Philips Micom electronic work station (EWS) to perform extensive computations and scheduling. This was our first attempt to fully use the Micom's analytic functions. Using these functions, we were able to manipulate and analyze extensive revenue and cost data for 810 timber sales. The sale analyses included applying lengthy or complex formulas to compute five categories of

unit costs for each national forest, as well as total expenses and revenues for each timber sale reviewed. During this 4-month effort, we performed thousands of computations with the Micom and learned, in the process, important lessons. We also became aware of a need for guidance on preparing, reviewing, and referencing electronically generated workpapers.

Staff from the Portland suboffice (of the Seattle Regional Office) planned this review with the Micom's capabilities in mind. They wanted to determine the Forest Service's costs of selling timber and the extent of losses from timber sales over a 2-year period. Because large amounts of data can be quickly and easily manipulated electronically with the Micom, the scope of the review included all (rather than a sample of) timber sales contracted in four Forest Service regions during 1981 and 1982.

Initially, Seattle's Technical Assistance Group retrieved timber sale data and revenues for the 2 years from Forest Service computer tapes. They then designed and input schedules onto floppy disks to be used in analyzing revenues and additional cost data collected during the review. The Portland staff then completed their data collection and their revenue and cost analyses for the Forest Service's Northwest Region. In Denver, we collected and analyzed data from the Rocky Mountain, Intermountain, and Northern Regions, using the formats designed and electronically transmitted by the Portland staff.

At the outset, the Denver staff were unfamiliar with the Micom's analytic features. With training manual in hand, we began to teach ourselves the basics needed to accomplish our assignment. Because no formal training course on the Micom's analytic functions existed

at that time in the Denver office, much of our initial training was through trial and error. While GAO's EWS training manual provided useful self-help instructions and exercises, we still needed clarification from time to time. Personal instruction from members of Denver's EWS Training Cadre, who were familiar with the equipment, expedited our learning process. Having an expert explain the equipment's characteristics and mysteries greatly reduced the frustration born of getting hung up on a function that "wouldn't work."

Near the end of our assignment, Denver's EWS Training Cadre finished developing and began teaching an EWS II course based on GAO's *EWS Manual*. The 6-hour, hands-on course, designed to help staff reach proficiency in preparing automated workpapers, covers the analytic features most often used by evaluators in constructing and manipulating schedules and other substantiating documentation. Staff who have taken this course find it especially beneficial, particularly if it's taken before beginning an assignment requiring Micom use. Not only does the training help familiarize staff with some of the technical details of performing analytic functions, but also it provides insight into the many applications possible for present and future assignments.

### **DRO Setting Parameters for Micom-Generated Workpapers**

Our experiences during this review, together with concerns raised by some staff about referencing Micom-generated data, prompted DRO management to form a committee to draft interim standards and guidelines for preparers, reviewers, and referencers of Micom-

generated products. Management and the committee members recognized that problems encountered by Denver staff in using the EWS usually result from inefficient use of the Micom or from errors caused by the staff's unfamiliarity with the machine's analytic functions. However, all GAO staff who use these functions will experience a learning curve and are likely to have some of the same difficulties we did. Denver's effort to establish interim guidelines is intended to ease GAO staff's transition from preparing conventional workpaper schedules and manual computations to developing workpapers on the EWS. This effort is continuing.

### **Making Sure the Data Meets Specified Standards**

The existing standards we follow in manually preparing and indexing workpapers are still applicable and should be sufficient when generating workpapers electronically. Chapter 18 of GAO's *Project Manual* contains standards for workpaper preparation that emphasize the importance of accuracy and of creating a trail of evidence and substantiating documentation. While we may constantly strive to improve our workpaper preparation techniques, we should already be quite familiar with these standards. Even with reference to automated workpapers, the manual indicates that the same standards apply. So, the challenge in preparing automated workpapers is not in having to learn new standards. Rather, it is in learning how best to implement the existing standards in a new environment.

All data contained in Micom-generated workpapers are, of course, input by fallible human beings. For this reason, computations based on this input should be as reliable and accurate as always and should include only what the user intended. We found, however, that data we input and computed did not always result in the level of accuracy we expected. Further, because single schedules became extremely comprehensive and complex (containing thousands of computations), the need for detailed references and indexing was critical so that other users could follow the "trail" of electronic computations.

We have compiled the following list of some lessons we learned from our experience. We hope it will enlighten others who are beginning to use the Micom's analytic functions extensively in their work.

### **Preparing and Formatting Workpapers**

- When working with important data, the auditor should copy all input and computations onto a back-up disk. This prevents losing the information in cases of disk or equipment failure or unintentional data deletion or repetition.
- When more than one disk is needed for data scheduling and retention, the auditor should be sure that each disk is only about 80 percent full. The amount of space left on a disk depends on the number of pages input, and on page and column length and width. Without extra space, if data are later recomputed, moved, or added, the disk may fill quickly, making it impossible to update the latest manipulations.
- Time should be taken to set up all schedule formats, including column headings and vertical or horizontal alignment tabs, prior to data input. Failure to do so may lead to errors if data are later sorted into additional schedules or if the memory function is needed to perform computations on multiple pages. In such cases, an identical format on every page of a given schedule is essential to preclude errors caused by misaligned columns or unintentional deletions.

### **Assuring Data Accuracy**

- For columnar data entry, horizontal or vertical tabs are essential to assure column integrity. At least two spaces between columns are necessary to allow for the special tab symbol. Otherwise, column totals may overlap, causing serious errors.
- Before sorting multiple pages of columnar data, the auditor should proofread the entries, as their comparison to source documents will be difficult after the data lines have been rearranged. Likewise, when performing sorts, the auditor should usually choose the "sort" and "mergesort" options to avoid eliminating the original format.
- Users should acquire a basic familiarity with the Micom before using it on complex jobs. Lack of familiarity can result in instantaneous loss or movement of data which can easily go undetected, especially when schedules "scroll across" the screen and cannot be viewed in their entirety. For example, one might lean on the space bar and unknowingly change "1,000" to "10," or might accidentally delete a horizontal tab, causing data to shift between columns.
- The novice may find it wise, at first, to thoroughly proof every item input, because errors can occur so quickly

and easily. At least, one should proofread a random selection of entries against source documents and do additional sampling if input errors are detected. Remember, since computations will be accomplished by the system instead of by a discriminating evaluator, even a misplaced decimal point can result in a gross error.

- One can maintain some control over inadvertent loss or repetition of data by keeping track of the total number of data line items that were input. When manipulating or moving data between columns, the auditor can recompute those line item totals that remain unchanged to assure that no lines of data have been changed, repeated, or deleted.
- To facilitate workpaper review and referencing, the auditor may wish to choose the "blocks" print option, which numbers each line sequentially in the left margin.

### **Documenting Workpapers**

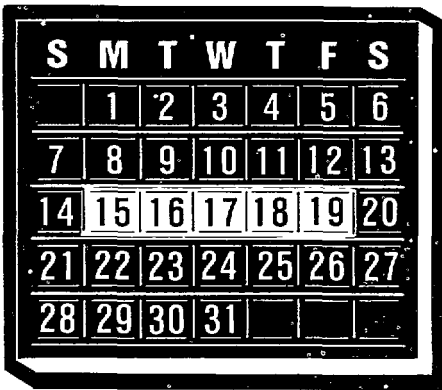
- The preparer must source and explain formula derivations sufficiently so that they will be understandable to others who must review and reference the preparer's work. Because of the ease and speed by which data can be computed by the Micom, one schedule can contain greater amounts of information and more complex data presentation than would normally be contained in conventional schedules. All material to be referenced should cite the Micom file name and page number, as well as any related information, such as the use of customized profiles or the existence and location of formula vocabularies.
- The preparer must use creative and detailed methods to convince the reviewer or referencer of a schedule's integrity. Because computations are performed within the system, every step may not show on the printed page. The preparer must present enough information so that the reviewer or referencer can recompute the data with or without electronic assistance. Because the Micom's vocabulary function can easily be used to track computations, the preparer may wish to print and source the "vocabulary page," which lists formulas used in computations, as a guide for the reviewer or referencer.

### **On the Way to Comfort**

Automated evaluation and documentation methods are apparently

See *Frontiers*, p. 41

# A Week's Worth



## Bill Ammann

Bill Ammann, an operations research analyst, joined GAO in 1973. He received B.S. and M.S. degrees in mathematical statistics from St. Louis University. During assignments in the Human Resources Division, he developed a model for using and interpreting computerized data for measuring and forecasting the well-being of older persons. Prior to joining GAO, he was instrumental in using computerized data in ways that led to the solutions of operational problems in cryptanalysis, aerospace engineering, Army aircraft maintenance and logistics, and intelligence analysis and synthesis.

This article is presented as one person's vision of what life may be like for the GAO evaluator in the 1990's. Though interesting and entirely plausible because the technical tools are all within the current state of the art, the description is speculative and is not based on any current GAO policies or plans relating to the introduction and use of information technology.

## Monday

John Q, evaluator, prepared to start working for GAO at 0800 hours (based on a 2400-hour clock) on a Monday in December 1999. He sat comfortably at a microcomputer in his residence, turned it on, and logged onto a GAO network by entering an access code,

an employee number, and one of his fingerprints entered through a peripheral imprint reader. The computer asked John for the job code he wished to work on and the type of task he wished to perform.

After he entered the job code and his authorization for it was validated, he was automatically informed that four other GAO employees were also working on that code. John had the option of determining who those employees were and of communicating with any one of them by entering that employee's name. A name entry would also tell John if an employee was on leave, working at location Y, working on job code Z, and the identification number of the microcomputer nearest the employee.

The range of tasks that John could have elected to perform included all the Behaviorally Anchored Rating Scales tasks associated with his grade and job series. For nearly every task, there was a microcomputer software program that John could access for the involved performance.

John chose to review and make suggestions for improving a draft report. Having chosen that option and knowing the job code, the computer retrieved the file containing the current draft and went into a scrolling and editing/commenting mode with a help menu explaining to John how he could easily exercise desired control.

After working for several hours, John decided to take a jogging break and used the menu-provided instruction for taking a break; he was logged off, and the automatically recorded time was 1015 hours. John's work was automatically saved with an automatically generated file name.

John returned to work at 1115 hours after jogging, chatting with a neighbor, showering, and dressing comfortably. He noticed the microcomputer's beep signal to indicate a message was waiting. After logging on, John received a message that Sally T wished to share some ideas with him about a specified job code. John chose to telephone Sally through the terminal so that their discussion time would be automatically charged to the specified job code. They discussed what might be done next on the job, given the analytical results displayed on their respective CRTs as a result of a program request by Sally. They decided that there might be

something wrong with the data samples from Agency A's records.

Sally and John arranged a teleconference with Agency A's official responsible for providing the source records for GAO's sample. The official concluded that the sample was taken from the wrong set of records and promised access to the appropriate set by 1300 hours. Sally agreed to arrange for the sampling at that time and, because the agency official had objected to the conversation being recorded on tape, John took notes and agreed to write up the teleconferencing call. John did this using his microcomputer. It prompted him when needed and established the report as an appropriately documented workpaper for the job.

John stopped for lunch at 1215 hours. He was recorded as having worked 2 hours and 15 minutes on one job code and 1 hour on a second code.

John returned to work at 1300 hours and decided to take some training. He logged in and requested the course, "Managerial Practices in GAO." He was validated as a student, and the programmed instruction course began running through John's CRT. The course included illustrations of proper and improper practices, and it periodically tested John's learning. Because of the length of the course, John was advised to take a 15 minute break every 90 minutes. At 1700 hours, John received a successfully completed entry in his personnel records. The training code was charged with 4 hours.

Because John only wished to work an 8-hour day and he knew of no other job that needed his immediate attention, he called up the GAO news program. The program informed him that there was a new issue of *Management News* available, and some changes to GAO report practices were waiting for review. John requested to review these matters, did so, and signed off for the day at 1745 hours.

## Tuesday

Because John became ill on Monday night and was just beginning to feel better on Tuesday morning, he decided to place himself on sick leave. He logged on and entered sick leave status. This status was accepted. It could have been reported on his behalf using John's employee number.

## Wednesday

John logged in at his residence for work at 0800 hours and decided to do a literature search for relevant information during the planning phase of an authorized job. John entered the GAO library network and was assisted by a menu for browsing using key words. He selected a particular book and requested it to be forwarded to a public library near his home. That book would be available for pickup the next day.

John logged onto the interagency network and searched the Library of Congress holdings using prompted procedural options. He received a count on how many items matched his search criteria. With this count, he moved sequentially to identification and abstracts of the most relevant information. After selecting material, John had the option of ordering publications that could be checked out or placed for his review at the library.

John's work was interrupted by a request to reverify his identity by placing his index finger on the imprint reader. After the verification, the program resumed. Had it failed, someone in personnel would have telephoned John at his microcomputer. Reverification is an internal control and occurs randomly for all employees.

At 1000 hours, John inquired whether the Senate hearings on "The Dangers of Group Psychological Therapy Sessions Shown on Home Television" was still scheduled to begin at 1000 hours. These hearings were relevant to his current review of a federal program supporting such therapy. As the hearings were about to begin, John called up the television viewing and video cassette recording capability and specified the relevant channel. The computer automatically assigned a workpaper identification number to the video cassette. While watching the hearings, John noted the cassette readings when he heard information that he expected to refer to in the future. These readings and appropriate notations were attached to the cassette when it was later removed. The hearings ended at 1330 hours.

John logged off for lunch and logged in again at 1400 hours. He confirmed that the video-conferencing job review, in which he was to be a participant, was still scheduled for 1500 hours. To prepare for the review, he entered the relevant job code and inquired about the overall job status and the status of his own work. He received the following information:

- A resource status report showed that all information-gathering tasks had been completed on time.

- A story video-conferencing session had been held as scheduled.
- Staff days expended were 100 days higher than anticipated due to unplanned but necessary interviews.
- Two new staff members were assigned to the job 2 months ago to complete the additional interviews.
- The job was presently in the report drafting phase.

The status report for John Q's own work revealed that he had completed his assigned interviews on time, sent a draft summary of his workpapers for inclusion in the draft report, and was awaiting a copy of that draft for review and comment. John retrieved his draft summary and read it as it scrolled up the CRT. He logged off with the message that he was going to drive to the nearest audit site that had a video-conferencing studio. When he arrived, he brought the video-conferencing system up for the conference.

At 1500 hours, the video conference came on line. Mike G, the report drafter, explained that workpaper contents did not fully support all the positions agreed on during the story conference. All conference participants agreed that Mike's alterations were appropriate. With no new problems to report and with encouragement to keep up the good work, Mike G ended the video conference at 1530 hours.

John decided to continue his work on the audit site's microcomputer. After calling up the GAO video text program, John entered the key words associated with his current jobs and requested scrolling of all relevant news items reported in the past week. He asked the computer to prepare a "John Q" file of those articles he might want to reference in the future. Each article saved was referenced with its source and relevant job codes. John logged off and went home at 1630 hours.

## Thursday

The weather outside was frightful. Snow had begun falling Wednesday night, and by 0800 hours Thursday, only 4-wheel drive vehicles could go anywhere. In the 1980's, GAO employees would have received administrative leave for this type of weather.

John logged onto the GAO network at 0800 hours and inquired what organizations had scheduled a video conference for today. He learned that the American Management Association (AMA) was having an all-day video conference on "Ways for Accomplishing Participative Management," and he typed in his preference to attend. John's career counselor was automatically contacted, and after receiving her

approval, the travel funds coordinator was notified. The conference could be viewed by electronically depositing \$200 into the specified AMA account, and with approval for this amount, John authorized the fund transfer. By 0815 hours, John had received the access code for the regional satellite receivers transmitting the conference.

At 0830, John entered the access code for the conference and began listening to a variety of speakers from government and business. The speakers discussed the importance of getting daily suggestions from employees on how to improve organizational performance; the opportunity for all employees to vote on which, if any, of yesterday's suggestions should be tried; the opportunity to know the performance history of suborganizational units; and how management uses all this information.

## Friday

When John logged on at 0800 hours, he was notified that the Comptroller General was holding a one-way video conference at 0830 hours to explain some organizational changes being made next week. John was also given messages that arrived for him after he logged off yesterday. He returned Sally T's call immediately. They completed their conversation by 0830 and both switched to video conferencing to see and hear the Comptroller General. After the presentation, John decided to accomplish some periodic supervisory tasks.

John used the Locate Person program to determine the work status of each employee he was responsible for supervising. He notified each one in an "on duty" status that he would be telephoning this day. He telephoned a subordinate after calling up that employee's job status reports. They discussed the employee's present difficulties, assistance desired, feelings about jobs and office matters, and interests and preferences for the next assignment and job.

The results of each discussion were entered in an "Office Employee Profile" file with copies sent to both the employee's personal file and John's subordinate personnel file. These files could be written into only after they were accessed by one identification number known only to the supervisor and another number known only by the affected employee. This practice was a protection against information tampering. The files could be accessed for reading only by employees specified

*See Week's Worth, p. 41*

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# Legislative Developments

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Judith Hatter

## Veterans Administration Major Construction Projects

Public Law 98-45, July 12, 1983, 97 Stat. 219, Department of Housing and Urban Development—Independent Agencies Appropriation Act, 1984, provides with respect to appropriations for the Veterans Administration that funds appropriated for fiscal year 1984 for "Construction, Major Projects," shall be obligated for each approved project (1) by awarding of a working drawings contract by September 30, 1984, and (2) by the awarding of a construction contract by September 30, 1985. The administration is to report to the Comptroller General and to the Committees on Appropriations any major construction project whose obligations are not incurred within the time limits established. The Comptroller General is to review the report in accordance with the procedures established by section 1015 of the Impoundment Control Act of 1974.

## Performance Appraisal Review

The Supplemental Appropriations Act of 1983 (Public Law 98-63, July 30, 1983, 97 Stat. 301) provides that none of the funds appropriated under the act are to be obligated or expended to implement, administer, or enforce proposed Office of Personnel Management Regulations published in the *Federal Register* of March 30, 1983, regarding Performance Management System and Management Rights, Consultation and Scope of Bargaining Policy in Labor Management Relations, unless and until the Comptroller General completes a review, pursuant to 5 U.S.C. 4304(b)(2).



## B-1B Bomber Aircraft Cost Analysis

A detailed financial analysis and report to the Congress by the Secretary of Defense on the projected cost of procuring 100 B-1B bomber aircraft is required by the Department of Defense Authorization Act of 1984. The Secretary is also to revise the estimate of total projected cost for the procurement.

The Comptroller General is to review the Secretary's report. GAO is to be provided such additional data required to complete the review.

## D.C. Retirement Reform

Public Law 98-104, September 30, 1983, 97 Stat. 727, amends the District of Columbia Retirement Reform Act to change the formula in section 145 pertaining to the awarding of disability retirements to police and firefighters.

The amendment requires the Comptroller General to review and report to the Congress on the accuracy of the actuarial determinations and decide whether the federal contributions to

the D.C. Police Officers and Firefighters Retirement Fund should be reduced and by what amount.

The Comptroller General is also to determine and report on the extent to which disability retirements determined by the Federal Emergency Management Agency to have been caused by events of extraordinary or catastrophic nature caused a reduction in the amount appropriated to the fund.

## Survivor Annuities

On September 21, 1983, Senator Lloyd Bentsen of Texas introduced S. 1866, to provide for the payment of survivor annuities in certain cases involving missing retired federal employees or Members of the Congress entitled to receive annuities. In introducing the legislation, Senator Bentsen referred to a determination by GAO that currently there is neither statutory nor regulatory authority for a government agency to make an official finding of death in the case of missing federal retirees. GAO recommended that statutory authority be provided to OPM.

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See *Developments*, p. 41



Diane E. Grant

Since *The Staff Bulletin* stopped appearing in March 1960 and *The GAO Review* was not published until the winter of 1966, the following items were taken from the 1964 *Annual Report*:

- During the year 1964, the General Accounting Office had a total of 4,350 employees. Comprising this amount were accountants, auditors, and investigators, of which 393 were certified public accountants and 1,701 were noncertified accountants. In the legal area, of 294 employees, 103 were members of the bar. You will also find during that year that there were 4 GS-18s, 6 GS-17s, 22 GS-16s, 70 GS-15s, 233 GS-14s, and 315 GS-13s.

As of September 30, 1983, there were a total of 5,055 GAO employees; 4,154 professional and 901 support.

- Our December 28, 1973, report on AMTRAK revealed trains had fallen far short of AMTRAK's objective of arriving at their destinations on time 90 percent of their trips. Overall, one of every four trains was late in 1972, and one of every three trains was late in the first half of 1973. This poor performance lowered public confidence in the reliability of AMTRAK trains and discouraged riders, decreased revenues, and increased costs. Most AMTRAK train delays were caused by track conditions and maintenance work. As a result, on April 3, 1974, AMTRAK worked out a new arrangement with the Penn Central Railroad that included a provision for incentives and penalties AMTRAK would pay to the railroad.

Ten years ago you will find:

## Reflections



- The first issue of the *International Journal of Government Auditing* was printed in January 1974. The new magazine was sponsored by the Board of Governors of the International Organization of Supreme Audit Institutions (INTOSAI), of which the General Accounting Office is a member. The *Journal* provides a useful medium for exchange of ideas and international communication in the field of auditing government operations. At that time, there was nothing comparable to fill the need. One article appearing in this first edition was written by Mr. James P. Wesberry on "Reform of the Peruvian Comptroller General's Office." Mr. Wesberry was with the Institute of Public Administration of New York at the time and is presently employed by the General Accounting Office as a senior advisor on international audit institutions.

Last year marked the 10th anniversary of the *Journal*, which is presently edited by Ms. Elaine L. Orr, GAO Office

of Foreign Visitors and International Audit Organization Liaison.

- New assistant directors included Robert L. Hart, GGD; William R. Coyle, John J. Cronin, Jr., and David Lowe, Financial and General Management Studies Division; Kenneth A. Nelson and Frank J. Oberson, Logistics and Communications Division; William M. Edmondson and Joseph E. Kelley, International Division; and Lowell Mininger, Procurement and Systems Acquisition Division.

- A new senior attorney for that period was John F. Mitchell.

- New professional staff members starting with GAO for this period also included Jeffrey C. Steinhoff, AFMD, from the Department of the Army; Ramsey N. Metcalf, from the Selective Service System; Irene P. Chu, RCED, from the University of Maryland; James C. Ratzemberger, OQA, from Indiana University; and Charlie W. Daniel, GGD, from Virginia Commonwealth University.



Briefcase, con't. from p. 2

nical Library. Supply permitting, single copies are available from NAPA, 1120 G Street, NW, Suite 540, Washington, DC 20005.

## Accounting Update

### AICPA Approves Interpretations of SAS No. 30

The American Institute of Certified Public Accountants' auditing standards division has approved four auditing interpretations of SAS No. 30, "Reporting on Internal Accounting Control."

One interpretation, entitled "Form of Report in Internal Accounting Control Based Solely on a Study and Evaluation Made as Part of an Audit," notes that an auditor may modify the wording of the reports illustrated in SAS No. 30, provided the modifications meet the requirements of the SAS. Also, other comments on specific aspects of internal control may not be submitted by less formal means, but must conform to the SAS if assurance of the controls is also expressed based on a study and evaluation made as part of an audit.

Second, the "Reporting on Internal Accounting Control Based Solely on an Audit When a Minimum Study and Evaluation Is Made" interpretation notes that when the minimum study and evaluation required by SAS No. 1 is made, the auditor may modify the illustrative report in SAS No. 30 to more fully describe the limited nature of the study and evaluation.

The other two interpretations, "Report Required by U.S. General Accounting Office Based on a Financial and Compliance Audit When a Study and Evaluation Does Not Extend Beyond the Preliminary Review Phase" and "Restricted Purpose Report Re-

quired by Law to be Made Available to the Public," illustrate reports appropriate in certain circumstances to meet the requirements set forth by GAO.

### GAO Issues Pamphlet on Accounting for Leave and Fringe Benefits

GAO has issued the fifth publication in a series of pamphlets on federal government accounting. *Accounting for Leave and Fringe Benefits in Revolving Funds* illustrates one of several acceptable methods of accounting for leave and fringe benefits of employees of a revolving fund activity. The method and accounting entries in the pamphlet are not mandatory, but the principles they illustrate should be followed. The pamphlet is applicable to both public enterprise and intragovernmental revolving funds, as well as many trust revolving funds. The cost concepts and accounting techniques explained in the pamphlet can also be applied to appropriation finance and other activities requiring cost information.

For further information, contact Joe Donlon on (202) 275-5072.

### AFMD Releases Staff Draft on Federal Government Accounting Principles and Standards

The Accounting and Financial Management Division has completed the initial phase of its project to revise the *Accounting Principles and Standards for Federal Agencies*, title 2 of the *General Accounting Office Policy and Procedures Manual for Guidance of Federal Agencies*. Its product, a staff draft of the revised standards, has been released and distributed to GAO officials, federal department and agency heads and financial officers, inspec-

tors general, and others in the accounting and financial communities for comment. The revisions were made to

- update the accounting principles and standards of the federal government to more closely reflect the current generally accepted accounting principles being followed in the private sector,
- expand the standards to provide more coverage and to reflect the many recent advances in accounting theory and practice, and
- improve access to the standards by arranging them alphabetically and by subject.

By law, the Comptroller General is required to prescribe accounting principles, standards, and related requirements to be observed by each executive agency. The current title 2 was last reprinted in 1978.

The staff draft does not include standards for internal controls or accounting systems requirements, both of which are covered in the current title 2. The *Standards for Internal Controls in the Federal Government* was issued on June 1, 1983, in a separate publication and will be incorporated in the finalized accounting principles and standards. Revisions to the accounting systems requirements will be the subject of a future project, the status of which also will be incorporated in the final version of the revised title 2.

The current title 2 will continue to be the standards that departments and agencies must follow when designing their accounting systems and reporting under the Financial Integrity Act. When the staff draft is finalized, it will supersede the current title 2 and become the basis for that year's reporting.

Contact Barbara Pauley on (202) 275-6222 to obtain more information on the proposed revisions to the accounting standards.

Location, con't. from p. 6

Dr. Thomas J. Cook, principal scientist at the Research Triangle Institute, lectured the forum audience on how the fight for control (of programs, funding, etc.) impacts the politics of evaluation. He defined politics as a process by which competing interests decide "who gets what, when, and where." Cook said, "The political quest for control enters evaluation at a number of points. To expect otherwise is unrealistic and naive. Particularly during a tight budget crunch, the situation is ripe for politics (to have some influence). Indeed, one might argue that if competition (for control)

produces better evaluations, then politics is not necessarily bad."

Cook's contention that politics is not necessarily bad was echoed by Dr. Jan Anderson, director, State and Local Grants Division, U.S. Department of Education. Discussing the politics of using evaluation findings, Anderson noted that within the groups comprising the political system "there's bound to be some tugging and pulling." Recognizing the "normal tension," she said, can help agencies develop the best strategies for getting evaluation results used.

The Federal Agency Evaluation Director's Forum was established 8 years ago by Wallace M. Cohen, group

director in GAO's Program Evaluation and Methodology Division, in response to then-Comptroller General Elmer Staats' urging, and to the evaluation requirements embodied in title VII of the *Congressional Budget and Impoundment Act of 1974*. Over the years, the forum has dealt with a range of subjects, from evaluating civil service reform to developing methods for evaluating research programs. Cohen, the executive secretary of the forum, views its bimonthly symposiums and panel discussions as opportunities "to get evaluators talking to each other—which they weren't doing at the time," to share their skills, and to otherwise

See *Location*, p. 37

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Location, con't. from p. 36

enhance federal program evaluation. Cohen believes that the forum creates residual goodwill for GAO among prominent federal agency evaluation

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Manager's, con't. from p. 8

tent, upon the quality and reliability of the measures used. Measuring management performance must almost always be limited to work outcomes as opposed to behavioral data. A caution, though: numbers can be massaged to do almost anything one wishes, and one should know exactly what data is being reported and how it was computed.

- Ensure frequent performance feedback and deliver contingent consequences in a timely manner. Provide regular and timely feedback. Delays in reinforcing and recognizing excellence and/or taking action for inferior performance lead to the accidental punishment of good performance as well as the reinforcement of poor performance.
- Use frequent performance appraisals which are based on hard performance data, and base career actions on performance data so that salary increases, promotions, and other types of compensatory reinforcers are tied to performance.

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officials and evaluation researchers. The informal nature of these gatherings allows for free flow of information. In 1982, the members of the forum decided to organize a meeting around a more formalized agenda. The result was a panel discussion exploring the impact

of block grants on program evaluation, and the lack of adequate feedback mechanisms depicting the effectiveness and impact of block grant programs. Further information concerning the forum can be obtained by calling Wallace M. Cohen at (202) 275-3593.

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Topics, con't. from p. 10

The question of what data collection methods to use in a case study design is largely driven by the premise that we are trying to understand complex events in a complex setting. This usually implies site visits, visual observation, and face-to-face interviewing. More distant data collection methods, such as mail-out questionnaires, are apt to be less suited to our information needs, although no techniques should be automatically ruled out.

Analysis methods for case studies are eclectic, depending on such factors as the kind of evaluation question being answered, the kind of data collected, and the number of cases in-

involved. At one extreme, if the questions are descriptive, if the data mostly qualitative, and if the data are restricted to one or a few cases, the challenge may be to produce a logical organization of the information. At the other end of the spectrum, with cause-and-effect questions, and a mix of qualitative and quantitative data and multiple cases, a variety of analyses may be brought to bear. Quantitative data might be statistically analyzed and aggregated across cases; the richer, qualitative data might be used to confirm or disconfirm the quantitative data. Or the strategy might be reversed. Each situation will be to some extent unique, and the evaluator is at liberty to adapt and blend analysis methods to maximize the inferences

which can be drawn from the data.

A final point about doing case studies is the matter of reporting them. The tendency in case studies is to collect a large amount of data to fully describe a complex situation, to include much qualitative data, and to avoid aggregating results across cases. This leads to reporting difficulties for evaluators responding to policy questions because of the large quantity of information which is available. Unlike research reports which use the case study approach, a premium is placed on conciseness in evaluation reports aimed at policymakers. In the typical case study evaluation, it may be very difficult to boil the information down

See Topics, p. 38

Topics, con't. from p. 37

without losing the persuasiveness which in part arises from an intricately woven web of details.

## For More Information

Denzin, N. K. *The Research Act*. McGraw-Hill, 1978.

Though not confined to the case study approach, this book discusses the issues faced by an evaluator in trying to draw causal inferences by the sociologist's method of analytic induc-

tion (negative case analysis).

Derthick, M. *New Towns In-Towns: Why a Federal Program Failed*. The Urban Institute, 1972.

A classic evaluation using the case study approach.

Hoaglin, D. C., Light, R. J., McPeck, B., Mosteller, R., and Stoto, J. A. *Data for Decisions: Information Strategies for Policy Makers*. Abt., 1982.

The chapter on case studies contains several useful checklists.

Program Evaluation and Methodology Division. *Case Study Evaluation*. GAO, forthcoming.

A broad treatment of the use of the case study approach in program evaluation.

Yin, R. K. "The Case Study Crisis: Some Answers." *Administrative Science Quarterly*, 1981, 26, 58-65.

An effort to show how case study practice can be improved by a more systematic approach.

Part-Time, con't. from p. 13

In general, those organizations that have used part-time work as a deliberate employment tool are more favorable about part-time work than those organizations that have never tried it. Gretl Meier, an expert in job sharing and part-time employment, says two conditions must be satisfied for part-time employment to work: (1) a manager must support part-time employment and (2) both part-timers and job sharers must carefully plan and consistently follow through on their parts of the job.<sup>18</sup>

## Advantages of Permanent Part-Time and Job Sharing to the Organization

The main benefits of all permanent part-time employment, including job sharing (but excluding all temporary employment), are

- better balance for workers between work life and home life or other interests, due simply to more time spent outside the workplace;
- provision of a means for meeting affirmative action goals;
- a greater ability to recruit more mature and reliable employees whose specialized skills may be unavailable for full-time positions; and
- lower personnel costs because overtime for full-time employees can be reduced.

Considerable evidence is available showing that permanent part-time employees and those in job sharing are at least as productive as full-time employ-

ees and often even more so. In an industrial survey by the American Society for Personnel Administrators, 122 companies reported that part-time employees had higher productivity than full-timers. Stanley D. Nollen, an expert on alternative work patterns, also cites a number of studies demonstrating that part-time workers produce proportionally more than full-time workers. Employees on part-time often work faster than the standard because they do not become fatigued in the shorter period. When part-timers are assigned tedious work, they will often take it in stride better than full-timers.<sup>19</sup>

## Disadvantages to the Organization

Several problems may be encountered by companies and workers using part-time schedules. The main problems are that fringe benefit costs will be higher per labor hour if part-timers get the same fringe benefits as full-timers because not all benefits can be prorated to the time actually worked; some sharing arrangement may need to be worked out. In addition, labor unions are often opposed to increasing part-time employment, mainly because it might increase job competition. Finally, career paths are hard to follow because part-timers are stereotyped as not being career employees, and because part-timers do, in fact, get less experience.

The following are somewhat less critical problems that sometimes occur with part-time employment:

- Supervision can be more difficult because part-time employees are not always available, and coverage and communication may take extra atten-

tion. However, this problem does not occur with job sharing.

- Training is more expensive per labor hour if it is provided by the company because part-timers do not work as many hours as full-timers.

## Part-Time Becomes More Popular

To sum up, the single most important obstacle to new work schedules, according to the Work in America Institute, is still "the autocratic belief, deeply imbedded by custom and practice in the supervisor's job, that rigid work schedules are essential to efficiency."<sup>20</sup> The Institute notes that the new schedules do put a premium on trust and responsibility, communication, adaptability to workers' needs, and equity.

With all its proven advantages, permanent part-time employment and job sharing are certain to come into wider use in the workplace. Personnel experts believe that the trends will spread further, spurred in the short run by the recession, and, in the longer run, by the changing character of the U.S. working population. These trends have begun to influence workplace policy and practice and have encouraged a growing support for part-time alternatives.

For more information about part-time opportunities, contact the Association of Part-Time Professionals, 7655 Old Springhouse Road, McLean, VA 22102, (703) 734-7975.

<sup>18</sup>Rosow and Zager, p. 20

<sup>19</sup>Cohen and Gadon, p. 77.

<sup>20</sup>Rosow and Zager, p. 30.

Perspectives, con't. from p. 17

acquisition program would yield enormous benefits to our defense posture

and help our budget situation.

At the same time, the Department of Defense should recognize that the cost of maintaining the operating the quan-

tity of complex equipment it is procuring, and proposing to procure, will

See *Perspectives*, p. 39

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*Perspectives, con't. from p. 38*

place a strain on future defense budgets. We will soon be faced with the difficult choice of either adequately supporting what we have recently purchased or continuing the high level of investment in new equipment. In the past, we tried to do both and, consequently, did neither well. We must require eliminating some weapons purchases today.

The choice of eliminating weapons programs is a difficult one. The savings would be primarily in future years, not in the current fiscal year. But, particularly in the defense procurement area, we must consider the future costs of today's decisions.

Finally, breakthroughs on the international and diplomatic fronts may reduce the need for the large commitment we have made to increased defense forces and spending. Such breakthroughs could include agreements limiting strategic and conventional forces, a reduction in tensions at several hot spots. This argues for a more cautious approach that would also result in budget savings.

### **Tax Revenues**

Finally, we need to reexamine the revenue side of the budget. To enhance the growth of revenue, we should consider increasing tax rates and expanding the tax base.

Insofar as rates are concerned, some increase in individual income tax

and corporate profit taxes may be both desirable and inevitable. We might also reexamine the merits of a tax based more on consumption than income. Some experimentation along this line may be a promising way to increase savings and private capital formation, which in turn would stimulate economic growth. We might also investigate the desirability of imposing a wider range of user fees where the consumption of publicly provided goods and services by specific groups can be clearly identified.

We must also stop the erosion of the tax base. There has been an increasing tendency for individuals and businesses to obtain subsidies through the federal tax system by having a portion of their income exempted from taxation. Generally, these exemptions are justified on social or economic grounds. However, there is increasing evidence that these exemptions often fail to accomplish their stated objective; we merely forego a source of tax revenues to seek behavior that would occur without the subsidy. Such exemptions may also lead to serious misallocations of our scarce economic resources. For example, businesses are granted tax credits for various types of investments with the idea being to accelerate capital formation. Yet the evidence suggests that these credits have little effect. Depreciation allowances are different for different types of business investments—machines versus structures. These different depreciation allowances actually affect the rate of taxation and

the effective rate of return from various investments. This leads businesses to misallocate investment expenditures, directing more funds to those investments whose after-tax rate of return is higher. For individual taxpayers, the deduction for interest, especially on home mortgages, encourages more houses to be built than would occur in its absence. Also, home construction occurs at the expense of business investment, the catalyst for economic growth. These are just a few of many examples, each based, to be sure, on worthy motives or objectives, but which serve to erode the federal tax base. A thorough examination of whether they actually perform as initially thought or whether unanticipated adverse side effects have resulted, could lead to a substantial restoration of the available tax base.

★ ★ ★

In summary, slowing expenditure increases and raising taxes are the primary options to close the budget deficits that now stretch far into the future. The short-run effect of virtually any means used to close the deficit is bound to adversely affect certain groups. The function of the political process is to see that this burden is equitably borne by all groups in society. If we are successful in closing the deficit gap, the longer run holds the promise of a rising rate of productivity, higher real economic growth, and real per capita income.

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*Initiatives, from p. 20*

Having recognized the validity of GAO's current concentration on agency management issues, our experience reviewing 12 government-wide reform efforts leads us to believe that there may be justification in the future to resume our efforts to address government-wide management issues. This

capability would draw upon existing GAO work from functional and programmatic issue areas as well as from agency management reviews to prepare commentaries on the broader implications of management improvement efforts. Our staff study, which generalized from the varied individual reform efforts, was received with great interest by the past and present government executives with whom we

dealt. A common statement was that we were embarked on a different and welcome effort for GAO. Certainly the continuity that GAO offers, as well as its detachment from the political process, stands in sharp contrast to the executive branch experience and places GAO in an advantageous position to comment on the major government-wide management reforms of the future.

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*Field, con't. from p. 25*

sion Boston Regional Office History, March 30, 1952 through September 30, 1982."

#### **Dallas**

H. P. Batchelder  
Smith Blair, Jr.  
W. H. Sheley  
Forrest R. Browne  
Irwin M. D'Addario  
James D. Martin

#### **Denver**

H. L. Bushong  
A. R. Horton  
Stewart D. McElyea  
Irwin M. D'Addario  
William D. Martin, Jr.  
Robert W. Hanlon

#### **Detroit**

Kurt W. Kraus  
Charles H. Moore  
Walter C. Herrmann, Jr.

#### **Kansas City**

James H. Hammond  
Forrest R. Browne  
K. L. Weary  
David A. Hanna

#### **Los Angeles**

H. L. Ryder  
H. L. Krieger  
Jerry Stolarow  
James T. Hall, Jr.

*See Field, p. 40*

Field, con't. from p. 39

#### New York

Hassell B. Bell  
Robert Drakert  
H. L. Krieger  
Robert Drakert\*  
Alfonso J. Strazzullo  
Francis X. Fee  
Clarence L. Forbes

#### Norfolk

Jacob P. Glick  
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J. Stanley Sheridan  
R. Scott Tyree  
James H. Rogers, Jr.  
Allen R. Voss  
Ralph V. Carlone

#### San Francisco

John E. Thornton  
Alfred M. Clavelli  
William N. Conrardy  
Thomas P. McCormick

#### Seattle

G. Ray Bandy  
William N. Conrardy  
Philip A. Bernstein  
John P. Carroll  
Walter H. Henson

#### Washington

D. L. Scantlebury  
H. L. Krieger  
David P. Sorando  
David A. Littleton

\*second appointment as regional manager

Epidemics, con't. from p. 27

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U.S. General Accounting Office. The Swine Flu Program: An Unprecedented Venture in Preventive Medicine (HRD-77-115, 27 June 1977).  
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Wecht, C. H. "The 'Missing' Investigation of Legionnaires' Disease." *Legal Medicine Annual*. Philadelphia: Saunders, 1978, pp. 177-91.  
Wecht, C. H. "Swine Flu Immunization Program—Scientific Venture or Political Folly." *American Journal of Law and Medicine*, 3, No. 4 (1978), pp. 425-445.  
Williams, Mary. "Toxic Shock Syndrome." *Progressive*, 44 (Dec. 1980), pp. 30ff.

Training, con't. from p. 29

### Training as a Conscious Alternative

OOHD's work is more diverse than the areas discussed in this article. One fact has become very clear given this diversity and the recent developments: training is not always the answer.

GAO's training/education specialists are more and more aware of the need for thorough analyses of training requests. Often, job restructuring, supervisory control, recruitment efforts, or some other aspect of human resource development will provide a more satisfactory solution than training.

OOHD's training/education specialists are more and more aware of alternative approaches and are able to pro-

vide the agency with a repertoire of solutions to the organization's performance needs. In fact, the integration of training, management development, organization development, and organization analysis is even more critical as we meet the human resources needs of the 1980's. OOHD is sharing its skills in providing a total human resource development package to meet the needs of GAO regions, divisions, and offices.

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*Frontiers, con't. from p. 31*

here to stay and will become increasingly more prevalent in our environment. Because the frontier of any new experience or required learning task carries with it inevitable apprehension and resistance, learning these new

methods may feel uncomfortable at first. Under the excellent guidance of Denver's EWS Manager, Denver's EWS Training Cadre has made substantial progress in overcoming initial technical and attitudinal barriers to effective EWS use. Through training, encouragement, and problem identification, we

believe the cadre has stimulated thought and encouraged the audit staff to abandon conventional and possibly outdated paper, pencil, and calculator methodologies. Our goal is for all staff to achieve the ultimate comfort of proficiency, speed, and accuracy inherent in automated evaluation techniques.

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*Week's Worth, con't from p. 33*

as having an official need to know. Matters that could not be changed by a supervisor or a subordinate, such as general office policies, were entered into a "Managerial Concerns File." The discussions with each employee took John through the end of his 8-hour day.

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### **Epilogue**

After 1800 hours on Friday, because it was the end of a pay period, the GAO Financial and Records Management System began a time-sequenced set of operations. These operations prepared the GAO payroll, electronically transferred funds to appropriate bank accounts, and verified those transfers.

Leave records and resource status reports categorized by job, organization, and other specified groupings were updated and filed for authorized review. Situations warranting the attention of specified officials were described in messages to those officials. At the beginning of the next week, business will begin as usual: automatically.

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*Developments, con't. from p.34*

### **Federal Employees' Health Insurance Amendments**

Referring to a GAO investigation and recommendations for remedial action, Senator Ted Stevens of Alaska introduced S. 2027, "Federal Employees' Health Insurance Amendments of 1983." The bill amends title 5 of the United States Code by adding a new section 8914, Cost Containment Program. This section includes a requirement that once every 2 years, GAO review the activities carried out by the

utilization and quality control peer group organizations.

### **Uniform Single Financial Audit Act of 1983**

On November 2, 1983, S. 1510, Uniform Single Financial Audit Act of 1983, passed the Senate after agreement to an amendment in the nature of a substitute. Reprinted during the debate on the measure was an October 19, 1983, letter from the Comptroller General of the United States to the Chairman of the Senate Subcommittee on Intergovernmental Relations which

said, in part:

"I view the initiative to establish uniform single audit requirements for recipients of federal assistance to be one of the most important financial management issues facing us today.

"I believe that Senate bill S. 1510, Uniform Single Audit Act of 1983, is a sound bill and covers most of the major concerns and issues currently involving the audit of federal assistance and will result in more efficient and effective audits of recipients of federal assistance and better use of scarce audit resources.\*\*\*"

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<sup>1</sup>*Cong. Rec.*, Vol. 129 (Nov 2, 1983), p. S15251.

# GAO Staff Changes



**John R. Cherbini**

On October 16, 1983, Mr. John R. Cherbini joined GAO as a management consultant with the Accounting and Financial Management Division.

Mr. Cherbini was associated with Arthur Andersen & Co. for most of his professional career serving as Staff and Senior Consultant, and most recently, Experienced Manager in the Management Information Consulting Division. From 1976 to 1978, he left the firm and served as a Planning Coordinator for the Louisiana Information Processing Authority. He rejoined Arthur Andersen & Co. in February 1978.

After serving 4 years in the U.S. Navy, Mr. Cherbini received a B.B.A. (magna cum laude) from Northeast Louisiana University in 1972. He has also completed one-half of the requirements for Juris Doctor at the Louisiana State University Law School. He was elected to Phi Kappa Phi and Beta Gamma Sigma honor fraternities and was elected the Outstanding Graduating Senior, College of Business Administration, at Northeast Louisiana University in 1972.



**Richard A. Davis**

Mr. Richard A. Davis has been named associate director of the National Security and International Affairs Division's Command, Control, Communications, and Intelligence group. He was promoted from GAO's executive candidate pool.

Mr. Davis joined GAO's Philadelphia Regional Office in 1964. In 1966, he moved to the European Branch of the former International Division. After completing his European tour, Mr. Davis returned to Washington, D.C., with the former Defense and Logistics and Communications Divisions. Mr. Davis joined the Office of Program Planning in 1981, and in the following year, he was selected for the Executive Candidate Development Program. Since August, he has been serving as acting associate director in NSIAD.

Mr. Davis obtained a B.S. degree in accounting from LaSalle College and an M.S. in business administration from George Washington University. In 1976, he attended the Industrial College of the Armed Forces, and in 1981, he participated in the Senior Executives Program at the J.F.K. School of Government, Harvard University. He is a member of the Association of Government Accountants and has received the GAO Meritorious Service Award in 1973 and 1981.



**Martin M. Ferber**

Martin M. Ferber has been designated associate director for Army Studies in the National Security and International Affairs Division, effective September 25, 1983.

Mr. Ferber joined GAO in 1968, and his diversified career has included positions in the former Civil; Community and Economic Development; and Procurement, Logistics, and Readiness Divisions; the International Division; the European Branch; and the Office of Program Planning. In June 1982, he was selected to participate in GAO's Executive Candidate Development Program and was designated an acting associate director in August 1983.

Mr. Ferber received a B.S. degree in accounting from the University of Maryland in 1968 and a M.S.A. degree in governmental administration from the George Washington University in 1979. He is also a 1982 graduate of the Industrial College of the Armed Forces' 10-month resident program.

Mr. Ferber received the GAO Review Best Article Award in 1978, the GAO Meritorious Service Award in 1979, and a Certificate of Merit in 1981. He is a member of the American Society for Public Administration and was included in *Who's Who In The East* (1983).



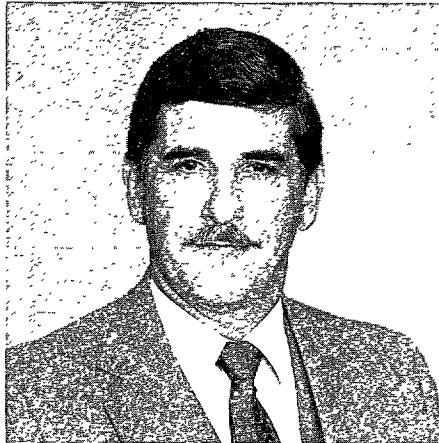
### **John H. Luke**

Mr. John H. Luke has been appointed associate director for Housing and Community Development in the Resources, Community and Economic Development Division.

Mr. Luke joined GAO in 1976 as a supervisory management analyst. He became a group director in October 1979 in the Program Analysis Division. He was responsible for directing the development and implementation of a series of programmatic and budgetary information data bases to assist the Congress in fulfilling its budget, legislative, and oversight responsibilities. Additionally, he has been actively involved in a number of GAO-wide personnel and developmental training initiatives.

Mr. Luke has an extensive background in management consulting. For several years, he served with Macro Systems, Inc., where he participated in and directed several nationwide client assignments for the Department of Health and Human Services, Department of Labor, and the Small Business Administration. He was the founder and president of Management Resources Associates, a firm engaged in providing general management services (program evaluation, information systems development, and accounting/inventory control systems) to both public and private sector clients.

Mr. Luke holds degrees from Tuskegee Institute (B.S., biology/chemistry) and the University of Massachusetts (M.B.A., accounting/quantitative methods). Additionally, he has taken CPA preparatory courses at the University of Maryland.



### **Paul F. Math**

Mr. Paul F. Math was appointed to the position of associate director of the Research, Development, Acquisition, and General Procurement group in the National Security and International Affairs Division.

Mr. Math began his career with GAO in 1961, but his career was interrupted to serve as an officer of the U.S. Navy from 1962 to 1965. He returned to GAO after his military career and has been assigned to the Chicago Regional Office; the European Branch; the Defense Division; the Logistics and Communications Division; and the Procurement, Logistics and Readiness Division until selected for the Executive Candidate Development Program. He began working with the NSIAD Transition Team in June 1983 and, since August, has been serving as acting associate director in NSIAD.

Mr. Math received a B.A. in accounting from St. Ambrose College in 1961 and an M.S.A. in management of national resources from George Washington University in 1980. He is a CPA (Washington, D.C.), a member of the American Institute of CPAs, and Association of Government Accountants. Mr. Math received the GAO Meritorious Service Award in 1977.



### **Joan M. McCabe**

Joan M. McCabe has been designated associate director in the National Security and International Affairs Division responsible for assisting the senior associate director with GAO's reviews in the Department of the Air Force and the National Aeronautics and Space Administration.

Ms. McCabe joined GAO's New York Regional Office in 1968. Since that time, she has worked in the European Branch, the International Division in headquarters, the Office of Program Planning, and as the assistant regional manager of the Boston Regional Office. In 1981, she was selected for the Executive Candidate Development Program and undertook rotational assignments in the General Government Division, the Office of Congressional Relations, and the Office of Policy. She has been with NSIAD since June 1983 and, since August, has been acting associate director.

Ms. McCabe graduated from Catholic University with an A.B. degree in 1966 and Harvard University with an M.P.A. in 1983. While at Harvard, she was named a Littauer Fellow at the John F. Kennedy School of Government. Ms. McCabe is a member of the American Society of Public Administration.



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## SES Reassignments

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<b>Name</b>	<b>From</b>	<b>To</b>	<b>New Title and Area of Responsibility</b>
Lauve, Ronald	GGD	WRO	Regional Manager
McCormick, William J.	ACG-HR	PSDP	Manager, Personnel Systems Development Project

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## SES Promotions

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<b>Name</b>	<b>Title</b>	<b>Promoted From</b>	<b>Promoted To</b>
Conahan, Frank C.	Director, National Security and International Affairs Division	ES-5	ES-6
Fogel, Richard L.	Director, Human Resources Division	ES-5	ES-6
McGough, Peter J.	Director, Office of Program Planning	ES-3	ES-4
Reed, Warren G.	Director, Information Management and Technology Division	ES-4	ES-5

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## Additional Staff Changes

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### Supervisory Accountant

Accounting and Financial Management Division  
Stockel, Ernst F.

### Supervisory GAO Evaluator

#### Human Resources Division

Rabkin, Norman J.

#### Information Management and Technology Division

Gill, David G.

Heard, Frank S.

Li, Allen

Merritt, Steven

Shaw, Dennis R.

Snyder, Barry R.

#### National Security and International Affairs Division

Patton, Donald L.

#### Boston Regional Office

Croke, Kenneth J.

### Attorney Adviser (General)

#### Office of General Counsel

Carter, John

Eaton, Marilynn

## New Staff Members

The following new staff joined GAO during the approximate period August-October, 1983.

<b>Division</b>	<b>Name</b>	<b>From</b>
<b>Accounting and Financial Management Division</b>	Coan, Howard C.	National Center for Health Statistics
	Olson, Terri	Towson State University
	Wang, Yvonne M.	National Oceanic and Atmospheric Administration
<b>General Government Division</b>	Christovich, Leslie J.	University of Illinois
	Hartnett, Michael P.	University of Texas
	Renninger, Mary L.	Virginia Polytechnic Institute and State University
	Staley, Lynda L.	Department of the Army
<b>General Services and Controller</b>	Wilkins, Mary G.	Seymour Johnson AFB
<b>Human Resources Division</b>	Dorsey, Donna	U.S. Nuclear Regulatory Commission
	Hill, Antoinette	George Mason University
	Ketter, Ronald	University of Texas
	Merz, Donald	University of Maryland
<b>Office of General Counsel</b>	Ahearn, Marie P.	National Corp. Housing
	Warmuth, David S.	Seattle Post Intelligence Agency
<b>Office of Quality Assurance</b>	Nadel, Mark	Battelle Memorial Institute
<b>Personnel</b>	Allison, Don D.	USDA
<b>Program Evaluation and Methodology Division</b>	Baltzell, Cathy D.	ABT Associates, Inc.
	Boyce, Carolyn	Foundation for Human Services Studies
	Frankel, Joanne	Diversified Research Services
	Gilbert, Marcia	Carolina Population
	Straw, Roger B.	Piedmont Health Systems Agency
<b>Resources, Community and Economic Development Division</b>	Ambrosio, Suzanne	Department of the Interior
	Cooper, Ronald S.	Energy Action Project
	Katz, Rosamond	New England Congressional Institute
<b>Atlanta</b>	Brock, Rhonda	Social Security Administration
	Cattell, Leigh	University of South Florida
	Cucarola, Gerald	Army Missile Command
	Jones, Penny	Army Audit Agency
	O'Berry, Patricia	University of South Florida
<b>Boston</b>	Rodriguez, Frances	University of Colorado
	Perry, Donna	Massachusetts General Hospital
	Smith, Richard	University of West Florida
<b>Chicago</b>	Kulick, Richard	University of Pittsburgh
	Nobel, Steven C.	University of Akron
	Oldaker, Sarah	University of Illinois
	Pochon, Susan	N.W. Counseling Service

<b>Cincinnati</b>	Johnson, Susan T.	Unemployed
<b>Dallas</b>	Bulos, Elizabeth	City of El Paso Mayor's Office
	Hampell, Sheryl L.	Department of Labor
	Hill, Lorelei H.	University of Texas
	Jenkins, Ricky D.	City of Hubbard, Texas
	Kowitz, Marie	University of Oklahoma
	Lo Wen, Hsien	University of Texas
	Turner, David R.	University of Texas
<b>Denver</b>	Sanelli, Diane C.	Food and Drug Administration
<b>Detroit</b>	DeChellis, Gloria	Holy Cross Hospital
	Kithas, Becky	Unemployed
<b>Kansas City</b>	Fritz, Sharon	Geer Real Estate
	Jones, George L.	Air Force Audit Agency
<b>Los Angeles</b>	Kalgren, Julie	Department of the Navy
	Placencia, Eduard	Hanna & Morton
	Truong, Jean F.	DOD
<b>New York</b>	Hunter, Amy S.	Department of Education
	Lai, Lisa Y.	Ladas & Perry
	Leach, Barbara	Drug Enforcement Administration
	Lee, Kit C.	Ken Cheng Realty & Construction
	Ng, Mei Chun	Chung HWS Broadcasting Co.
	Shapiro, Jeffrey	World News Digest
	Singh, Gokaran	NYC Controller's Office
	Sun, Mimi	Hunter College Registrar's Office
<b>Norfolk</b>	Jeter, Patricia	DOD
<b>Philadelphia</b>	Alessi, Carolyn	Unemployed
	Butler, Denise	Interstate Commerce Commission
	D'Ambrosio, Christine	DISC
	Fanok, Kim	Drexel University
	Harmon, Gregory	Cheyney State College
	Pearon, Vonda	Private industry
	Toledo, Maria	Private industry
<b>San Francisco</b>	Caldwell, Stephen	U.S. Trust Territory of the Pacific
	Davis, Michelle	Western Electric
	House, Charles	Department of Energy
	Lee, Mimi	University of California Medical Center
	Lee, Lawrence	Empire Travel
	Long, Michelle	Pacific Gas & Electric
	McFarland, Joni	Senator Sasser's Office
	Reimuller, Maria	San Francisco State University
	Warren, Christine	University of California
<b>Seattle</b>	Williams, Laura	All-Brite Cleaning Company
<b>Washington</b>	Aloma, Arturo	Inter-American University
	Beville, Claudia	USAID Mission
	Cussler, Dirk	Arizona State University
	Dunbar, Dorian	Heftzel Broadcasting Corp.
	Freggens, Barbara	Marygrove College
	Hamilton, Joel	University of Texas
	Hufnagle, Jackson	Loudoun County Schools

Lewis, Ann	Unemployed
McClure, David L.	North Texas State University
Mihm, J. Christopher	University of Maryland
Reff, Alisa	Alcohol & Drug Problems Association
Rodriguez, Yvonne	University of Colorado
Schippers, Ann	Carrier Corporation
Suddes, Melinda	Ohio State University
Tyner, Harry	GTE Product Corporation

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## Retirements

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<b>Division/Office</b>	<b>Name</b>	<b>Title</b>
<b>General Government Division</b>	Meacham, Vennor	GAO Evaluator
<b>General Services and Controller</b>	Martin, Joyce Stoney, Joseph Warren, Hazel	Editorial Assistant Motor Vehicle Operator Printing Clerk
<b>Human Resources Division</b>	Ferguson, Robert J.	Senior Evaluator
<b>International Division</b>	Eder, Joseph	Member, NATO International Board of Auditors
<b>Mission Analysis and Systems Acquisition Division</b>	West, William	GAO Evaluator
<b>Dallas</b>	DeLassus, Paul	Supervisory GAO Evaluator
<b>Kansas City</b>	McLamin, Kenneth	GAO Evaluator
<b>New York</b>	Bulger, Gary	GAO Evaluator

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## Attritions

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The following staff members left the agency during the approximate period August to October 1983.

<b>Division/Office</b>	<b>Name</b>
<b>Accounting and Financial Management Division</b>	Brown, Thomas F. Gallagher, Beverly Logsdon, Larry Malacavage, Joseph Patter, Kim Skelly, Jerry C.
<b>Federal Personnel and Compensation Division</b>	Cooks, A. Marcia
<b>Office of the General Counsel</b>	Hordell, Michael
<b>General Government Division</b>	Abell, Lori A. Bretzfield, Anita Castaldo, Anthony Datcher, Cheryl D. Simik, Frank

**General Services and Controller**

Baker, William E.  
Gregory, Jackie  
Klein, Eileen J.  
Moore, Sharon  
Rooney, Constance  
Saunders, Paula  
Smallwood, C. Walker  
Wilson, Glenda F.

**Human Resources Division**

Boykin, Gregory T.  
Chandler, Tracy  
Hart, Debbie  
Johnson, Edith  
Murray, Barbara J. W.  
Pettitt, Margaret  
Sapienza, Harry  
Vila, Maria

**Information Management and Technology Division**

Davis, Yvette D.  
Marek, Eileen

**Institute for Program Evaluation**

Kershaw, Cynthia

**International Division**

Coleman, Valerie

**Mission Analysis and Systems Acquisition Division**

Brannin, Patricia

**National Security and International Affairs Division**

Goral, John R.  
Haerer, Richard

**Personnel**

Adams, Lisa Y.  
Davidson, Sharon  
Kavlick, Tamara Jo  
Southers, Richard

**Program Analysis Division**

Bickford, Debra

**Procurement, Logistics and Readiness Division**

Baldwin, John T.  
Dinsmore, Paul  
Eminhizer, Darrel  
McPherson, Denise

**Resources, Community and Economic Development Division**

Connolly, Jane E.  
Singletary, Keith  
Walsh, John T.

**Regional Offices**

**Atlanta**

Catledge, Christopher  
Competello, John  
Dunbar, Gary  
Farmer, Mary Sue  
Jay, Vincent  
Speer, Ingrid

**Boston**

Albano, Paul M.  
Grenier, Ronald

**Chicago**

Kulick, Richard

**Dallas**

Bland, Larry  
 Boykin, Jerald  
 Campbell, Sandra  
 Jiggetts, Gwendolyn

**Denver**

Onstad, Clare

**Kansas City**

Sellon, Dulcy M.

**Los Angeles**

Breen, Jeffrey E.  
 Isabelle, Cheryl  
 Papin, Darrell  
 Sczech, Carolyn

**New York**

Davis, Jacqueline  
 Huang, Phillip  
 Scherer, Neil J.  
 Tan, Aida T.

**Philadelphia**

Ball, Eva  
 Caufield, Faith  
 DelConte, Karen  
 Samuels, JoAnn  
 Seidenburg, Michael

**San Francisco**

Cruz, Benny  
 Darcy, Phil  
 Gibbes, Ellen  
 Pietrowiak, Dianna  
 Reiter, Gregory  
 Tyson, Regina H.

**Seattle**

Erwin, Robert D.  
 Frankenstein, Gretchen  
 Heiser, Floyd B.  
 Truitt, Alfred R.  
 Williams, Elizabeth

**Washington**

Callahan, Brenda  
 Cary, Timothy M.  
 Gregory, Herbert  
 Laydon, William  
 Moore, Shirley  
 Root, Arleen J.  
 Smith, Karol  
 Stanley, Kathleen  
 Stephens, William  
 Wilcox, Dana C.

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# Professional Activities

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## Office of the Comptroller General

Comptroller General **Charles A. Bowsher** addressed the following groups:

National Contract Management Association, Washington, Sept. 21.

Annual Luncheon Meeting, National Security Industrial Association, Washington, Oct. 13.

**Harry S. Havens**, Assistant Comptroller General, spoke at the 76th Annual Conference on Taxation, sponsored by the National Tax Association—Tax Institute of America. His topic was "Budget Reform and the Federal Financial Management System." Seattle, Oct. 5.

## Office of the General Counsel

**Harry R. Van Cleve**, acting general counsel, was the guest speaker at a George Washington University course on Contracting with the Government, Oct. 4.

**Rollee H. Efos**, associate general counsel, spoke before GSA's regional attorneys annual conference on "Appropriations and Fiscal Matters," Philadelphia, Sept. 7.

**Seymour Efos**, associate general counsel:

Spoke before GSA's regional attorneys annual conference on "Update of Procurement Decisions," Philadelphia, Sept. 7.

Spoke before the law firm of Saltman and Stephens on "Bid Protests," Washington, Sept. 27.

**Ronald Wartow**, deputy assistant general counsel:

Addressed the Food and Drug Administration Symposium on competitively negotiated contracts, Gettysburg, Oct. 20.

Spoke before the U.S. Army Materiel Development and Readiness Command Annual Legal Conference on GAO bid protests, Williamsburg, VA, Oct. 24.

**Jerold D. Cohen**, senior attorney, spoke before the Association of Soil and Foundation Engineers on "GAO and Architect Engineers Contracts," Lake Buena Vista, FL, Oct. 4.

**J. Dean Mosher**, senior attorney, participated in a panel discussion on federal sector litigation at the sixth annual conference on Equal Employment Opportunity, sponsored by the Bureau of National Affairs and the Federal Bar Association, Washington, Sept. 16.

## Office of Foreign Visitors

**Elaine L. Orr**, director:

Was appointed Executive Director of the National Capital Area Chapter of the American Society for Public Administration, August.

Was reappointed to the International Programs Advisory Committee of the USDA Graduate School, August.

Represented GAO at the triennial meeting of the International Institute of Administrative Sciences Congress, in West Berlin, September 19-23.

## Accounting and Financial Management Division

**Wilbur D. Campbell**, acting director:

Spoke on "Efforts to Curb Fraud, Waste and Inefficiency in Government Operations" before the American Society of Military Controllers, Boston, Sept. 22.

Addressed the Air Force Comptroller AC 90 Seminar, Maxwell Air Force Base, Montgomery, AL, on "Promoting Sound Financial Management in the Federal Government: The Role of Financial Managers and What Lies Ahead Through the 1990's," Oct. 4.

Addressed the Association of Government Accountants workshop on Hot Topics in Financial Management, on "What the Agencies Always Wanted to Know About GAO," Washington, Oct. 25.

**Ronald J. Points**, associate director:

Spoke before the Colorado Society of CPAs on the "Governmental Accounting Standards Board and the Single Audit," Denver, Nov. 15.

Spoke at the Pacific Emerging Issues Conference on "Generally Accepted Government Audit Standards—A New Look," "Procuring CPA Services," and the "Governmental Accounting Standards Board—At Least," Honolulu, Sept. 21 and 22.

Spoke before the American Society of Military Comptrollers on internal control standards, Honolulu, Sept. 22.

Spoke before the 13th Annual Virginia Accounting and Auditing Conference on "Update on the Governmental Accounting Standards Board," Blacksburg, Oct. 17.

Spoke before the Institute of Internal Auditors Colloquium on "Internal Auditing in Government" and on "Government Accounting Standards Board—What To Expect," Washington, Oct. 18.

Spoke before the Mountain and Plain Intergovernmental Audit Forum on the single audit and GAO's internal control standards, in Helena, MT, Oct. 27.

**John F. Simonette**, associate director, spoke before the Fourth Annual Colloquium of the Institute of Internal Auditors on "Audit Reporting for Executive and Legislative Use," Washington, Oct. 19.

**Virginia B. Robinson**, associate director, spoke before the Cleveland Chapter, Association of Government Accountants, on "Improving Accounting Systems," Oct. 3.

**George L. Egan**, associate director:

Spoke before the Association of Government Accountants on "Vulnerability Techniques for Assessing Internal Controls" and "Latest Developments on Fraud and Abuse," Honolulu, Sept. 18-20.

Spoke before the Association of Water Transportation Accounting Officers on "Latest Developments

on Fraud and Abuse," Atlantic City, Oct. 1.

**John Cronin**, senior group director, spoke before the National Assistance Management Association on application, payment, and cash management techniques in a seminar entitled "Re-thinking OMB Circular A-102," Washington, Oct. 18.

**Joseph J. Donlon**, senior group director:

Spoke before the JFMIP/Federal Executive Board Workshop on "Current Financial Management Reform Efforts," San Francisco, Sept. 20.

Spoke on "Government Accounting Systems" at the Department of Agriculture Graduate School's Annual Seminar on Financial Management, Washington, Oct. 16.

**Charles McAndrew**, systems accountant, was appointed Chairman of the Small Business Education Committee of the Association of Government Accountants, Washington Chapter.

**Ernst F. Stockel**, group director; **Roy Taylor**, group director; **William V. Farrell**, supervisory accountant; **Geoff Frank**, senior evaluator; and **Terry L. Carnahan**, senior accountant; spoke before the Administrative Conference of the United States on "Federal Managers' Financial Integrity Act and OMB Circular A-123," Washington, July 12.

### **Joint Financial Management Improvement Project**

**Susumu Uyeda**, executive director:

Gave a presentation on "New Financial Management Initiatives" to the Little Rock Chapter of the Association of Government Accountants, Little Rock, Aug. 8.

Gave a presentation on "Internal Controls—Today and Tomorrow" at the Western Intergovernmental Audit Forum Meeting, Honolulu, Sept. 19.

Gave a presentation on "New Financial Management Initiatives" and participated in a workshop on single audit at the Association of Government Accountants' Emerging Issues Conference, Honolulu, Sept. 21-22.

Spoke on "Government Financial Management and Careers in Government" for accounting and business

majors at the University of Hawaii, Sept. 23.

Gave a presentation on "New Developments in Federal Financial Management" to the New York Chapter of the Association of Government Accountants, New York, Sept. 29.

Gave keynote address on "How To Make An Impact on Financial Management" at a symposium jointly sponsored by the Seattle Chapter of the Association of Government Accountants and the Institute of Internal Auditors, Seattle, Oct. 17.

Gave presentations on "New Issues in Financial Management" at Association of Government Accountants Chapter meetings in Hartford on Oct. 18; Long Island, Oct. 19; and Brunswick, ME, Oct. 20.

### **General Government Division**

**Johnny Finch**, associate director:

Spoke on "Federal/State Exchange of Tax Information" before the Federal and State Tax Compliance Workshops sponsored by the Hartford Tax Institution in New Haven, Sept. 20. He was accompanied by **Ralph Block**, SFRO.

Addressed the Seminar on Private Foundations, sponsored by the Institute for Research on the Economics of Taxation in Washington, Oct. 6. **Daniel Harris**, **Thomas Richards**, **Leon Green**, and **Mai Woo** also participated in the seminar.

Spoke on "Federal/State Information Exchange Activities" before the National Association of Tax Administration, New York City, June 30. He was accompanied by **John Gunner** and **Ralph Block**, SFRO.

### **Information Management and Technology Division**

**Walter Anderson**, director, Government-wide IRM Issues Group:

Spoke at the Federal Computer Conference meeting on "ADP and IRM Planning Processes," Washington, Sept. 14.

Spoke before the Crisis Management Panel of the Georgetown University Center for Strategic and International Studies on "National Vulnerabilities

in ADP and Telecommunications," Washington, Nov. 1.

**Dennis Shaw**, Strategic Planning Group director, spoke at the 19th meeting of the Computer Performance Evaluation Users Group on "The Use of Benchmarking in the Federal ADP Procurement Process," San Francisco, Oct. 25-28. The meeting was jointly sponsored by the Institute of Computer Sciences and Technology, the National Bureau of Standards, and the Department of Commerce, and was held at the Navy's Regional Data Automation Center.

**John Lainhart**, Human Services Group director:

Spoke at the National Intergovernmental Auditor Forum on "Where We've Been and Emerging Issues in Computer Auditing," Washington, May 3.

Participated in a panel discussion before the Mid-America Intergovernmental Audit Forum on "Computer Matching—A Technique to Detect and Prevent Fraud and Abuse in Benefit Programs," Kansas City, May 6.

Spoke at the Southeastern Intergovernmental Audit Forum on "Establishing and Maintaining an EDP Audit Staff," Louisville, May 12.

Spoke at the National Capital Area chapter, EDP Auditors Association, Inc., on "Risk Analysis and Systems Review," Washington, May 24.

Was elected International Executive Vice-President of the EDP Auditors Association, Inc., and the EDP Auditors Foundation, Inc., for 1983-84.

### **Kansas City**

**Danny Schreck**, technical assistance specialist, spoke at a seminar, "Microphobia Treatment," sponsored by the Federal Executive Board. His speech was on electronic work station acquisition, implementation, and utilization, Kansas City, Oct. 26.

### **Los Angeles**

**Victor Ell**, assistant regional manager:

Was appointed Chairman of the Citizens Blue Ribbon Committee on Government Efficiency. He heads a group of nine executives who will report to the Mayor of the City of



Pasadena on ways to cut the cost of city operations.

Lectured before a group of CPAs on Operational Auditing at the 21st semiannual seminar on Common Body of Knowledge for Accountants held at California State University, Los Angeles, Oct. 1.

Participated in a Beta Alpha Psi "Meet the Firms Night" at California State University, Los Angeles, Oct. 6.

**Gretchen Bornhop**, evaluator, gave a presentation on career opportunities in GAO to members of the Beta Alpha Psi Chapter at California State University, Fullerton, Oct. 6.

**Fred Gallegos**, Management Science Group manager:

Spoke before the following professional societies on the subject of "Auditing Using Microtechnology":

The New York/New Jersey Intergovernmental Audit Forum, New York, Oct. 7.

The EDP Auditors Association, Orange County Chapter, Costa Mesa, CA, Oct. 11.

Spoke before the Society For Information Management, Southern California Chapter, in Costa Mesa, Oct. 20.

Taught an undergraduate course on "EDP Audit and Controls" at California State Polytechnic University, Pomona, during the fall quarter.

## San Francisco

**Tim McCormick**, regional manager:

Participated in a Federal Executive Board Seminar entitled "The Battered Bureaucrat Fights Back—Improving the Federal Manager's Image," Tahoe City, CA, May 23-26.

Presented a speech on "Getting Management Acceptance of Auditors" at the Pacific Emerging Issues Conference sponsored by the Association of Government Accountants and the Western Intergovernmental Audit Forum, Honolulu, Sept. 21-22.

**Jim Mansheim**, assistant regional manager, spoke on the subject of "The Auditor, the Investigator, and the Attorney—Working Together?" at the Pacific Emerging Issues Conference, Honolulu, Sept. 21-22.

**Jack Birkholz**, senior evaluator:

Moderated a panel discussion on "How Can Auditor Training and Professional Development Be Improved in the Pacific Basin?" for the Western Intergovernmental Audit Forum's biennial meeting, Honolulu, Sept. 19-20.

Spoke on the subject of "Procuring CPA Services" at the Pacific Emerging Issues Conference, Honolulu, Sept. 21-22.

**Jack Eichner**, senior evaluator:

Was a panelist at the Sonoma State University Accounting Forum's "Meet the Firms Night," Rohnert Park, CA, Oct. 7.

Was appointed to the Association of Government Accountants National Committee on Personnel, Pay, and Employee Qualifications for fiscal year 1984, October.

**Steve Ruesel**, Technical Assistance Group manager, and **Gary Vroomman**, computer systems analyst, gave a presentation on the use of microcomputers in auditing for the San Francisco Federal Executive Board and the Joint Financial Management Improvement Program, San Francisco, Sept. 20.

**Tom Monahan**, senior evaluator, spoke on careers within GAO before the Chi Pi Alpha accounting fraternity at Golden Gate University, San Francisco, Oct. 19.

**Al Voris**, evaluator, participated in a panel discussion on food waste which was broadcast on KQED-FM radio, San Francisco, Sept. 6.

**Robert MacLafferty**, evaluator, discussed "Improving Labor Relations—GAO's Role," at the Navy's West Coast Labor and Employee Relations Conference, San Diego, Sept. 29.

## Seattle

**Brian Estes**, evaluator, moderated a panel discussion on "State and Local Debt Financing in the Wake of WPPSS" at the Northwest Regional Conference of the American Society for Public Administration, Seattle, Oct. 22.

**Kim F. Kenney**, evaluator, discussed government accounting principles before an accounting class, Central Washington University, Ellensburg, July 29.

**Stephen J. Jue**, technical assistance group manager:

Was elected to his fifth consecutive term of the board of directors of the EDP Auditors Association, Puget Sound Chapter, Seattle, Aug. 15. Jue, who is a past president and founder of the chapter, will also serve as director of publications.

Spoke on "GAO's Roles, Responsibilities, Functions, and Operations" to the Accounting Club and the graduate school student body and faculty at Idaho State University, Pocatello, Oct. 19.

Discussed "Using Micro-Computer Technology in the Audit Environment" at the Pacific Northwest Intergovernmental Audit Forum, Seattle, Oct. 27.

**Charles D. Mosher**, senior evaluator, presided over the first annual American Water Resources Association Section/Director Workshop at the Associations' 19th annual conference, San Antonio, Oct. 9-15. At the conference, was appointed to a 2-year term as the association's national secretary.

**Dorlene R. Blaha**, evaluator, spoke on interviewing techniques and their practical application before a Human Services Planning class, Seattle University, Nov. 9.

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## **Annual Awards for Articles Published in The GAO Review**

Cash awards are presented each year for the best articles written by GAO staff members and published originally in *The GAO Review*. The awards are presented during the GAO Awards Program held annually in October in Washington.

One award of \$500 is available to contributing staff 35 years of age or younger at the date of publication, and another is available to staff over 35 years of age at that date. Staff through grade GS-15 at the time they submit the article are eligible for these awards.

The awards are based on recommendations of a panel of judges designated by the Editor. The judges will evaluate articles from the standpoint of their overall excellence, with particular concern for

- originality of concept and ideas,
- degree of interest to readers,
- quality of written expression,
- evidence of individual effort expended, and
- relevance to "GAO's mission."

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This publication is prepared primarily for use by the staff of the General Accounting Office (GAO) and outside readers interested in GAO's work. Except where otherwise indicated, the articles and other submissions generally express the views of the authors and not an official position of the General Accounting Office.

*The GAO Review's* mission is threefold. First, it highlights GAO's work from the perspectives of subject area and methodology. (The *Review* usually publishes articles on subjects generated from GAO audit work which are inherently interesting or controversial. It also may select articles related to innovative audit techniques.) Second and equally important, the *Review* provides GAO staff with a creative outlet for professional enhancement. Third, it acts as historian for significant audit trends, GAO events, and staff activities.

Potential authors and interested readers should refer to GAO Order 1551.1 for details on *Review* policies, procedures, and formats.

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