
COOPERATIVE ADMINISTRATIVE SUPPORT UNIT PROGRAM

TECHNICAL REPORT III

LOCAL OFFICIAL PERCEPTIONS OF NATIONAL POLICIES AND IMPLEMENTATION



OFFICE OF INSPECTOR GENERAL
OFFICE OF ANALYSIS AND INSPECTIONS

JUNE 1989

**COOPERATIVE ADMINISTRATIVE
SUPPORT UNIT PROGRAM**

TECHNICAL REPORT III

**LOCAL OFFICIAL PERCEPTIONS OF NATIONAL POLICIES
AND IMPLEMENTATION**

**RICHARD P. KUSSEROW
INSPECTOR GENERAL**

EXECUTIVE SUMMARY

PURPOSE

The purpose of this study was to conduct a qualitative user evaluation of the Cooperative Administrative Support Unit (CASU) Program.

Overall inspection aims were to: 1) conduct a user assessment of CASU services in operational CASUs; 2) provide the national CASU board with an overview of the CASU Program from a user or customer perspective; and 3) identify the generic strengths and weaknesses that affect the program's workability and success. This report was prepared at the request of the national CASU board and staff.

BACKGROUND

The CASU Program is a Government-wide program, sponsored by the President's Council on Management Improvement (PCMI), which operates under authority of Section 601 of the Economy Act of 1932. At the national level, the PCMI established a CASU Program National Board of Directors which sets policy, provides guidance, approves lead agencies and charters CASUs. In addition, a national interagency staff was organized to serve as a focal point for day-to-day operation of the national CASU Program. The local CASU support structure includes policy direction from a tenant board of directors, and managerial direction from a lead agency. The day-to-day operations of the local CASU are supervised by a local CASU director.

The CASU Program was established under the concept that local Federal agencies could cooperatively combine their resources to share common administrative services at reduced costs and with better service quality. Under the CASU concept, building tenants jointly share in establishing and managing an administrative support unit that provides, on a reimbursable basis, administrative services commonly needed by its members.

FINDINGS

LOCAL OFFICIALS GENERALLY BELIEVE CASU POLICIES, GUIDELINES AND PROGRAM ASSUMPTIONS ARE SOUND AND WORKABLE

A slight majority (55 percent) of officials think steady program growth will occur under voluntary participation rules (45 percent disagree).

All officials favor maintaining the current strong emphasis on local tenant board control.

A majority of officials agree with basic CASU chartering policies; however, there is some question on whether the national board and staff enforce these provisions.

Most officials (84 percent) think the national board should not promote a consistent model in chartering CASUs but allow flexibility to explore alternatives.

LOCAL OFFICIALS VIEW THE NATIONAL CASU MANAGEMENT STRUCTURE AS GENERALLY EFFECTIVE, BUT THEY DESIRE SOME CHANGES

Officials rate the national board as effective. They suggest the board: 1) strengthen the staff's capacity to assist CASUs after chartering, both before and during operational start-up; and 2) redouble their efforts to educate the agencies about the CASU Program at the national level.

Overall, most officials assess the leadership provided by the national CASU staff as effective.

Officials suggest national CASU staff leadership can improve by developing a more stable and specialized staff that would focus more effort on operational assistance and less on chartering more CASUs.

Officials prefer the program management structure to remain flexible, rather than to become more institutionalized, as the program evolves.

Officials believe the national board and staff play a vital role in program expansion and in how well CASUs will survive or thrive.

The adequacy of national CASU reporting mechanisms should be reassessed.

LOCAL OFFICIALS LIST SEVERAL KEYS TO SUCCESSFUL CASU IMPLEMENTATION. AMONG THE MOST CRITICAL FACTORS ARE:

Selecting very carefully the personnel to fill top leadership positions.

Developing open and frequent communications with national staff and potential users.

Securing the commitment and support of national parent agencies of the lead agency and potential users.

Conducting thorough, realistic feasibility studies before start up.

OVERALL, LOCAL OFFICIALS SEE THE CASU PROGRAM AS SUCCESSFUL, DESPITE ITS NUMEROUS IMPLEMENTATION ISSUES

Officials are somewhat uncertain about the current implementation pace and goals of the CASU Program.

Officials say the program is successful and has significant cost savings potential.

Officials think moderate to major cost savings will be realized by local CASUs and the total program over the next 2 years.

However, few officials (17 percent) view savings in excess of \$100 million by the end of Fiscal Year 1992 as realistic.

RECOMMENDATIONS

Assistance in Achieving Operational Status

The national CASU board should:

1. Encourage the National staff to provide more assistance to CASUs in achieving operational status and in solving implementation problems.
2. Increase its marketing and educational efforts at the national level during this crucial transition period.

Technical Assistance Guides

The national CASU staff should begin developing generic technical assistance guides to aid CASUs in achieving operational status. They should also develop "How To" guidelines on implementing the most common CASU core services.

National CASU Reporting Mechanisms

The national CASU board and staff should re-examine and revise as necessary the Program Activity Report content and schedule. They should also correct any implementation bugs in CASULINK and promote its effective usage by CASU officials.

Selection Criteria and Guidelines

The national CASU staff should develop criteria and guidelines to assist local tenant boards and lead agencies in selecting personnel or organizations to fill key CASU positions and roles.

COMMENTS ON THE DRAFT REPORT

We shared the draft of this report, and the supporting technical reports, with the CASU Program National Board of Directors and the CASU national staff. They generally agree with the report findings and concur, with only minor qualifications, with all our recommendations. The full text of their comments is included in the appendix of the Executive Report.

TABLE OF CONTENTS

EXECUTIVE SUMMARY

INTRODUCTION	1
PURPOSE	1
BACKGROUND	1
METHODOLOGY	2
FINDINGS	3
CASU POLICIES, GUIDELINES AND PROGRAM ASSUMPTIONS ARE SOUND AND WORKABLE	3
All local officials favor maintaining strong local tenant board control	3
Most local officials agree with the basic policies governing CASU char- tering policies	4
LOCAL OFFICIALS VIEW THE NATIONAL CASU MANAGEMENT STRUCTURE AS GENERALLY EFFECTIVE, BUT THEY DESIRE SOME CHANGES	5
Officials rate the national CASU board as effective	5
Most assess CASU staff leadership as effective	6
Officials prefer a flexible CASU management structure	7
CASU reporting mechanisms should be reassessed	8
CASUs FACE MANY PROBLEMS AND PITFALLS DURING DEVELOPMENT	9
LOCAL OFFICIALS LIST SEVERAL KEYS TO SUCCESSFUL CASU IMPLEMENTATION	10
Selecting carefully the personnel for leadership positions	10
Developing open and frequent communications	10
Securing parent agency commitment and support	11
Conducting thorough feasibility studies	11
OVERALL, LOCAL OFFICIALS SEE THE CASU PROGRAM AS SUCCESSFUL DESPITE ITS NUMEROUS IMPLEMENTATION ISSUES	11
There is uncertainty about the pace of implementation and CASU program goals	11
Overall, officials say the program is successful	13
RECOMMENDATIONS	15
COMMENTS ON THE DRAFT REPORT	16
APPENDIX	17
A. SELECTION CRITERIA FOR KEY POSITIONS	
B. LEAD AGENCY IMPACTS	

INTRODUCTION

PURPOSE

The purpose of this study was to conduct a qualitative user evaluation of the Cooperative Administrative Support Unit (CASU) Program.

Overall inspection aims were to: 1) conduct a user assessment of CASU services in operational CASUs; 2) provide the national CASU board with an overview of the CASU Program from a user or customer perspective; and 3) identify the generic strengths and weaknesses that affect the program's workability and success. This report was prepared at the request of the national CASU board and staff.

BACKGROUND

The CASU Program is a Government-wide program, sponsored by the President's Council on Management Improvement (PCMI), which operates under authority of Section 601 of the Economy Act of 1932. Under the CASU concept, agencies in multi-tenant, federally occupied buildings jointly share in establishing and managing an administrative support unit that provides, on a reimbursable basis, administrative services commonly needed by its members.

In October 1985, as part of a shared services initiative, the heads of the General Services Administration (GSA), the Office of Management and Budget (OMB), and the Office of Personnel Management (OPM), issued a joint memorandum to the heads of all Federal agencies introducing and encouraging support for the CASU Program.

To ensure strong policy support at the national level, the PCMI established a CASU Program National Board of Directors. The national board determines policy and program guidance, approves lead agencies and charters CASUs. A national interagency staff has also been organized to serve as a focal point for day-to-day operation of the national CASU Program. The staff advises the CASU board on policy and program issues and provides technical assistance in organizing and operating CASUs.

The national board has established a prototype structure for local CASUs which includes policy control and direction from a tenant board comprised of CASU service users or potential users. A lead agency, selected by the tenant board of directors, provides administrative management support to the CASU in such areas as financial management, staffing, personnel services, etc. The day-to-day direction and management of the CASU staff is provided by a CASU director.

Through marketing and intervention by the national CASU staff, the CASU Program recruits Federal agencies located in a single building or cluster of buildings to become members of a local CASU and to participate in its development, organization, and management. Recruited

CASU sites undertake a feasibility study to determine if a CASU could successfully operate at their site, what administrative services their CASU should provide, and how a CASU could most effectively supply these services.

Once the decision to establish a CASU has been made, its prospective members establish its operating plans through a series of interagency memorandums of understanding. The national CASU board reviews these plans and, if appropriate, grants a CASU charter to the local site.

Current CASUs provide such services as mail, moving and labor, physical fitness, shipping and receiving, photocopying, personal property management, conference and training room scheduling, child care, imprest fund and employee assistance programs. These services may be provided directly by the CASU staff, through shared services arrangements from the lead agency or other CASU participating agency or secured through private contracts. By consolidating services, the CASUs expect to provide less expensive, more accessible, and better quality services. The CASUs also expect to standardize and share administrative systems, accelerate use of automation, and to improve management information systems.

Currently, operational CASUs exist at the following locations: Anchorage, Alaska; Atlanta, Georgia; Chicago, Illinois; Cincinnati, Ohio; Cleveland, Ohio; Denver, Colorado; Fort Worth, Texas; Jackson, Mississippi; Indianapolis, Indiana; Kansas City (12th Street), Missouri; Los Angeles, California; New York City (Javits Building), New York; and, Seattle, Washington. Additionally, five CASUs have been chartered at these locations: Boston, Massachusetts; Fresno, California; Kansas City (South), Missouri; New York City (Varick Street), New York; and, Pittsburgh, Pennsylvania.

METHODOLOGY

This inspection is based on a mail survey, onsite structured interviews, and review of selected background and informational materials provided by the national CASU staff. Our findings are based on the responses of 34 CASU management and governing officials at 13 of the 14 currently chartered CASUs which were operational or projected to be operational by the end of the second quarter of Fiscal Year (FY) 1989.

FINDINGS

This is one of three technical reports prepared in conjunction with our Executive Report on the CASU Program. The Executive Report, "An Assessment by Users Local Officials," summarizes the chief findings of our study. The technical reports provide details on our study findings as they relate to three separate aspects of the CASU Program. This technical report is "Local Official Perceptions of National Policies and Implementation." The other two are "User Assessment of Services" and "User and Governing Official Perceptions of Local Management."

I. LOCAL OFFICIALS GENERALLY BELIEVE CASU POLICIES, GUIDELINES AND PROGRAM ASSUMPTIONS ARE SOUND AND WORKABLE.

A. LOCAL OFFICIALS VIEWS SPLIT ON WHETHER CONTINUED RELIANCE ON VOLUNTARY INITIATION AND PARTICIPATION IN CASUs WILL PRODUCE THE STEADY CASU PROGRAM GROWTH DESIRED.

1. A slight majority (55 percent) think steady program growth will result under voluntary participation rules. (45 percent disagree.)
2. Most (12 of 13) of those indicating that continued reliance on voluntary initiation and participation in CASUs *will not* produce steady CASU Program growth said more central direction from the national board and staff is needed, because:
 - Many agencies cannot make a decision to participate in the CASU without regional or headquarter's approval.
 - The CASUs need more guidance for achieving operational status, i.e., not just in the chartering process, and in the selection of the local CASU leadership.

There is some question in the minds of the inspection team as to whether the rate of growth desired by the national CASU board and staff will be realized under voluntary participation rules.

However, a strategy of mandating CASU participation from the top down could lead to local resistance and ill will. It appears the board will need to maintain a judicious balance between the principle of local autonomy and the goal of program expansion.

B. ALL LOCAL OFFICIALS FAVOR MAINTAINING THE CURRENT STRONG EMPHASIS ON LOCAL TENANT BOARD CONTROL AND FLEXIBILITY.

C. LOCAL OFFICIALS FEEL STRONGLY THAT LOCAL CASU PARTICIPANTS SHOULD CONTINUE TO HAVE THE FREEDOM TO SELECT THEIR OWN LEAD AGENCIES.

1. Eighty-eight percent of officials say that local CASU participants *should* continue to select their lead agencies.
2. The few officials indicating that local CASU participants *should not* continue to select their lead agencies, say that a narrower range of “best suited” agencies should lead the CASUs because:
 - Some agencies do not have the resources required to be a lead agency.
 - Some tenant boards may not know which agency is best qualified to be the lead agency.
 - Some agencies may not be interested in being the lead agency, or have the necessary knowledge to take the lead.

D. A MAJORITY OF LOCAL OFFICIALS AGREE WITH THE BASIC POLICIES GOVERNING CASU CHARTERING, ALTHOUGH THERE WERE SIGNIFICANT MINORITY OPINIONS.

	Yes	No	DK
1. Requiring a minimum service package of three core services plus other services	50%	31%	19%
2. Prohibiting the lead agency from also chairing the tenant board	56%	28%	16%
3. Requiring that interagency memorandums of agreement be in place to govern provision and payment for CASU services	78%	13%	9%
4. Requiring CASU regular performance evaluations and fiscal audits, including maintenance of discrete and auditable records on CASU operations	91%	—	9%

E. *THERE IS SOME QUESTION AMONG LOCAL OFFICIALS ABOUT WHETHER THE NATIONAL BOARD AND STAFF ENFORCE THESE CHARTERING PROVISIONS:*

	Yes	No	DK
1. Minimum service package	28%	22%	50%
2. Lead agency not to chair tenant board	34%	31%	34%
3. Memorandums of agreement approved before chartering	28%	41%	31%
4. Requiring performance evaluations and fiscal audits	34%	19%	47%

F. *A MAJORITY OF LOCAL OFFICIALS (84 PERCENT) SAY THE NATIONAL BOARD SHOULD NOT PROMOTE A CONSISTENT CASU MODEL IN CHARTERING PROJECTS, BUT ALLOW FLEXIBILITY TO EXPLORE ALTERNATIVES.*

1. A particularly sensitive issue is the extent staff should push local CASUs to offer services most likely to generate savings (photocopy, mail) versus more popular or convenient services (fitness and child care centers, employee counseling) that users might prefer.
2. In the rush to charter more CASUs, it is important to allow potential CASUs the time necessary for conducting thorough, objective and careful feasibility studies of candidate services and for negotiating the basic provisions, if not the formalized agreements, that will govern provider and customer relations.

II. LOCAL OFFICIALS VIEW THE NATIONAL CASU MANAGEMENT STRUCTURE AS GENERALLY EFFECTIVE, BUT THEY DESIRE SOME CHANGES.

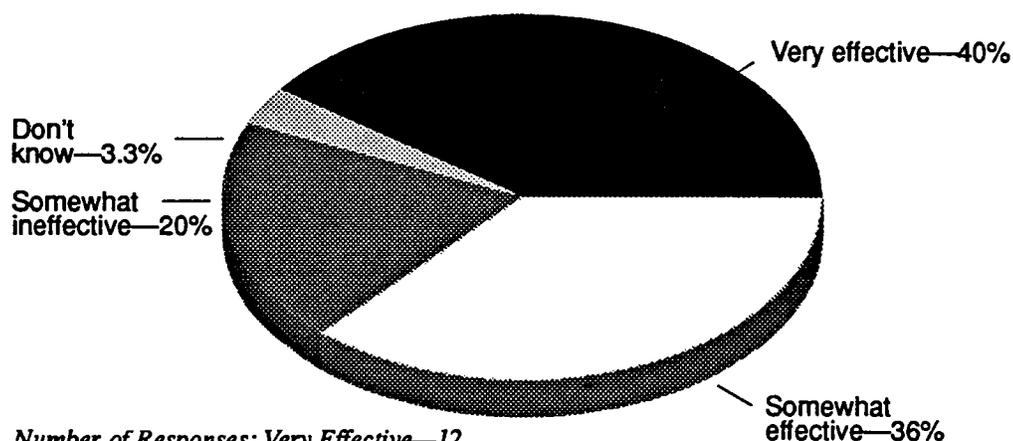
A. LOCAL OFFICIALS RATE THE NATIONAL CASU BOARD AS EFFECTIVE IN 1) SETTING SOUND POLICY, 2) OBTAINING CENTRAL MANAGEMENT AGENCY SUPPORT (OMB, GSA, OPM), 3) ASSURING LEAD AGENCY COMMITMENT AND CAPACITY TO MANAGE THE CASU PROJECTS, AND 4) PROMOTING AND MARKETING THE CASU PROGRAM.

Some officials suggest the national board can improve by:

1. Providing an interagency staff large enough and properly equipped to help CASUs *after* they are chartered, both *before* and *during* the time they begin operations.
2. Taking steps to assure that all field opinions, comments, plans, etc., whether pro or con, are sent to them (i.e., board may not be getting all field information from the national staff).
3. Working more directly with agencies at the national level to increase their knowledge of the CASU concept so they will provide more supportive guidance to their field offices.

B. OVERALL, MOST LOCAL OFFICIALS ASSESS THE LEADERSHIP PROVIDED BY THE NATIONAL CASU STAFF AS EFFECTIVE.

CASU STAFF LEADERSHIP EFFECTIVENESS



*Number of Responses: Very Effective—12
Somewhat effective—11, Somewhat ineffective—6,
Don't know—1.*

Several officials suggested ways in which national CASU staff leadership can improve:

1. Specialize the staff on ways to keep the CASUs running once operational (i.e., once the CASU is operational, staff often has little further contact).
2. Add more permanent staff; for instance, hampered by having too many people on detail. (Note: This may have been a bigger problem in the past. Currently there are seven permanent CASU staff members.)

3. Stabilize the staff with longer term commitments so they can gain knowledge of overall sites and operations. Increasing their expertise in the various CASU operations would improve the staff's ability to bring up new sites.
4. Provide more support and nurturing to existing CASUs and give less emphasis to adding more and more new CASUs. Offer more practical help on operational issues, not just verbal encouragement.

C. *SOME NATIONAL CASU STAFF SERVICES ARE SEEN AS MORE HELPFUL THAN OTHERS.*

1. Marketing information and aids are viewed as somewhat (53 percent) to very (23 percent) helpful.
2. Site intervention tools and visits are viewed as very (41 percent) to somewhat (17 percent) helpful. (However, 24 percent stated these were somewhat unhelpful.)
3. Only 46 percent rated other staff technical assistance helpful.

D. *A SLIGHT MAJORITY OF LOCAL OFFICIALS HAVE NOT EXPERIENCED PROBLEMS WITH THE NATIONAL CASU STAFF.*

1. Fifty-seven percent say they have experienced no problems.
2. However, 43 percent report encountering some difficulties:
 - a. Once the CASU is operational, there is insufficient national staff to respond to questions from the field.
 - b. Lack of sufficient national staff or their extensive travel results in delayed responses to CASU requests for assistance.
 - c. National staff have not always fully understood problems at the local level. (Note: This may have been a bigger problem in the past. Some respondents stated that current staff is more receptive to requests for assistance.)

E. *LOCAL OFFICIALS PREFER THE CASU MANAGEMENT STRUCTURE TO REMAIN FLEXIBLE, RATHER THAN BECOMING MORE INSTITUTIONALIZED, AS THE PROGRAM EVOLVES.*

1. Most officials (81 percent) prefer a flexible management structure because all CASU sites differ, as do the service needs of each CASU.

2. Nineteen percent desire a more institutionalized management structure. Their reasons include the need for: 1) a more permanent staff familiar with all aspects of the program rather than temporary staff who are available for short periods of time, and 2) better responsiveness to the specific needs and problems of operational CASUs.

F. *LOCAL MANAGEMENT AND GOVERNING OFFICIALS BELIEVE THE NATIONAL BOARD AND STAFF PLAY A VITAL ROLE IN HOW WELL LOCAL CASUs WILL SURVIVE OR THRIVE.*

1. Most officials say the national CASU staff is very (81 percent) to somewhat (10 percent) important for program expansion and adding new CASUs.
2. A majority (65 percent) say the national CASU board and staff *are* necessary for the survival of operational CASUs. (32 percent felt CASUs would survive without them.)

G. *THE ADEQUACY OF NATIONAL CASU REPORTING MECHANISMS SHOULD BE RE-ASSESSED.*

The extent of information needed by the National staff on local CASU operations has been an issue in the past, with some CASUs opposed to reporting more than minimal information.

The two basic information reporting systems now in place are the Program Activity Report approved by the board in June of 1988 and CASULINK, an electronic telecommunications system, also implemented in 1988.

Several indicators from local CASU officials suggest the need to consider reporting improvement options:

We heard varying responses concerning what is to be reported, how and when, which perhaps indicate some confusion among local officials.

There is some evidence that reporting could be less ad hoc with fewer urgent updates and more periodic and systematic reporting dates.

Many officials (63 percent) say they do not know if current reporting mechanisms are sufficient to satisfy the program's needs.

There are some indications of problems with usage of CASULINK, i.e., few officials mentioned it or indicated using it and others noted this evolving new system has had problems, such as delayed response time and/or system down time.

III. LOCAL OFFICIALS SAY CASUs FACE MANY PROBLEMS AND PITFALLS DURING THEIR DEVELOPMENTAL PHASE.

A. *A MAJORITY (97 PERCENT) OF LOCAL OFFICIALS SAY THE FOLLOWING MAIN PROBLEMS CONFRONT CASUs DURING IMPLEMENTATION:*

1. Lack of good communications with agencies.
(Agencies sometimes see the CASU as a threat.) (9)
2. Lack of “clear signals” from their parent agencies as to whether they should participate in the program. (7)
3. Not doing your homework before attempting to set up the CASU, and trying to do too much too fast. (7)
4. Reluctance of agency heads to give up resources or space. (4)
5. Not enough knowledgeable people to conduct feasibility studies. (1)

B. *BEST PRACTICES SUGGESTED BY LOCAL OFFICIALS TO AVOID OR OVERCOME CASU DEVELOPMENTAL OBSTACLES INCLUDE:*

1. Establish a good and strong marketing effort; review marketing packages from other CASUs. (1)
2. Achieve good communications, including identifying a primary contact at each user for day-to-day operations. (12)
3. Work with top agency officials, i.e., people that can make decisions for the agency regarding CASU. (2)
4. Establish clear policies, pricing structure and cost mechanisms before operations begin. (2)
5. Begin with a fairly modest number of services that are needed by most of the user agencies. (1)

C. *LOCAL OFFICIALS OFFER SEVERAL EXPLANATIONS OF WHY AGENCIES MAY CHOOSE NOT TO PARTICIPATE IN THE CASU:*

1. Don't really understand the CASU Program. (4)
2. Lack support from their parent agency. (5)

3. Reluctant to give up control of services, space and personnel, i.e., “turf protection.” (9)
4. Feel agency participation would not be cost effective. (5)
5. Don’t see a need for offered services. (3)

	<u>Very Important</u>	<u>Somewhat Important</u>
CASU Director	100%	—
Site Facilitator	94%	6%
Lead Agency	90%	10%
Tenant Board Chairman	84%	16%
Tenant Board Member	69%	28%

IV. LOCAL OFFICIALS LIST SEVERAL KEYS TO SUCCESSFUL CASU IMPLEMENTATION.

The CASU directors, lead agency heads and tenant board chairmen agree that the following are very important factors in establishing a successful CASU.

A. CASU GOVERNING OFFICIALS SHOULD RECOGNIZE THE CRITICAL ROLES PLAYED BY TOP LEADERSHIP POSITIONS AND VERY CAREFULLY SELECT CANDIDATES TO FILL THEM.

1. Officials say the choices of site facilitators, tenant board chairman and members, the lead agency and CASU director are all very important.
2. Officials list several criteria to guide the personnel selections for these key positions. (See appendix A.)
3. Governing officials should take account of the positive and negative impacts that the CASU lead agency is apt to experience. (See appendix B.)

B. DEVELOP OPEN AND FREQUENT COMMUNICATIONS, WHICH ARE CRITICAL DURING START-UP.

1. Officials say open and frequent communications between the potential CASU and the national CASU staff are either very important (81 percent) or somewhat important (19 percent).

2. *All officials say that open and frequent communications between the CASU and its potential users are very important.*
- C. *SECURE A CLEAR DEMONSTRATION OF THE COMMITMENT AND SUPPORT OF THE NATIONAL PARENT AGENCIES OF THE LEAD AGENCY AND POTENTIAL USERS, WHICH 97 PERCENT OF THE OFFICIALS SAY IS VERY IMPORTANT.***
- D. *CONDUCT THOROUGH FEASIBILITY STUDIES AND REPORTS THAT:***
1. Realistically assess the services to be provided and the cost savings potential;
 2. Clearly describe the CASU concept;
 3. Communicate the roles of all involved parties; and
 4. Result in good marketing tools.
- E. *OBTAIN THE STRONG BACKING AND SUPPORT OF THE NATIONAL CASU BOARD AND STAFF.***
- F. *HIRE AND TRAIN COMPETENT LOCAL CASU STAFF WHO HAVE A CUSTOMER SERVICE ORIENTATION.***
- V. *OVERALL, LOCAL OFFICIALS SEE THE CASU PROGRAM AS SUCCESSFUL, DESPITE ITS NUMEROUS IMPLEMENTATION ISSUES.***
- A. *LOCAL OFFICIALS ARE SOMEWHAT UNCERTAIN ABOUT THE CURRENT IMPLEMENTATION PACE AND GOALS OF THE CASU PROGRAM.***
1. Many officials (40 percent) do not know if the current pace at which CASUs are being chartered and becoming operational is about right, too slow, or too fast. The views of others are divergent:
 - 34 percent say the pace is about right;
 - 13 percent say the pace is too slow;
 - 13 percent say the pace is too fast.
 2. A majority of officials do not consider the national staff FY 1989 goal of increasing the number of chartered CASUs from 14 to 36 as realistic and feasible:
 - 25 percent say the goal is realistic and feasible;
 - 50 percent say the goal is *not* realistic and feasible;
 - 25 percent don't know.

3. Officials split on whether the CASU staff FY 1989 goal of increasing the number of operational CASUs from 8 to 26 is realistic and feasible:
 - 37.5 percent say the goal is realistic and feasible;
 - 37.5 percent say the goal is *not* realistic and feasible;
 - 25 percent don't know.
4. A majority of officials don't know (60 percent) if it is realistic to expect the CASU Program to yield cost savings in excess of \$100 million by the end of FY 1992. (Only 17 percent say yes; while 23 percent say no.)

B. LOCAL CASU OFFICIALS MADE SEVERAL SUGGESTIONS TO IMPROVE CASU IMPLEMENTATION.

Most suggestions focus on increasing the capability and expertise of the national CASU staff, setting realistic dates for CASU chartering and operational start-up, focusing more effort on helping CASUs become operational and more national level education on the benefits of CASUs.

1. Increase national CASU staff knowledge of CASU intricacies and operations. By doing so they would be able to get CASUs chartered more effectively; develop overall procedures; and insure CASUs become operational before removing national staff support. (1 Dir)
2. Keep interagency staff from using a "shotgun" approach, i.e., "go to 1000 sites just to reach their numbers." Staff "stuck" so much on theory that when they get to "practical application" they can't do it, i.e., can't talk about dollars and full time equivalents (FTE's). As a result, some officials asked if more national staff intervention might have helped at sites where CASUs are no longer functioning.)
3. Spend as much time as needed on getting CASUs operational, with services that the particular CASU needs, rather than to just get more CASUs chartered. Focus on few locations at a time. (2 Dir; 2 LA)
4. Place more emphasis on helping sites become operational. Increase national staff to establish teams to help CASUs, i.e., teams with financial and personnel expertise *and* other technical people to establish procedures to help CASUs get started. To assess commitment and interest in the program, the team could meet with the potential lead agency and users before chartering. (2 Dir; 1 LA; 1 TB)
5. Contact operational CASUs to see how they can help. Assess what has/has not worked at the operational sites. (2 LA; 2 TB)

6. Assist and plan for each CASU on an individual basis, i.e., it should not be chartered until it has a realistic date for becoming operational. (1 Dir; 1 LA; 1 TB)
7. Provide more education at agencies' headquarters to gain their support for the CASU Program. Demonstrate that CASUs can save money and increase the availability of services. Too many individuals see the CASU Program as a "passing fancy" that will disappear with the new administration. (1 Dir; 1 LA; 2 TB)

C. *MANAGING AND GOVERNING OFFICIALS SAY SEVERAL IMPORTANT MANAGEMENT OR POLICY ISSUES CURRENTLY FACE THE CASU NATIONAL BOARD AND STAFF:*

1. Getting CASUs operational, and making sure that, once operational, they continue to function effectively.
2. Persuading the new administration to support the program.
3. Enlisting non-PCMI agency support for the CASU concept.
4. Determining whether CASU participation will count towards the agency's OMB Circular A-76 requirements.
5. Deciding whether the space used by the CASU operation will be classified and billed as joint use space or not.

Note: These last two issues have both recently been resolved affirmatively according to the CASU 1988 Annual Report.

D. *OVERALL, LOCAL OFFICIALS SAY THE CASU PROGRAM IS SUCCESSFUL AND HAS SIGNIFICANT COST SAVING POTENTIAL.*

1. Regarding CASU Program priorities:

A majority (61 percent) say the CASU Program should give *equal* priority to both cost savings and improved services.

Thirty-six percent say that improving delivery of administrative services should be the top priority.

Only one official states that savings should be the program's top priority.

2. Officials characterize as moderate to major the potential cost savings that will be realized by the individual CASUs and the overall CASU Program over the next 2 years.

	SAVINGS		
	<u>Major</u>	<u>Moderate</u>	<u>Minor</u>
Local CASU	41%	45%	14%
Total CASU Program	48%	52%	—

3. Officials believe the CASU Program is successfully achieving its two basic aims, although they perceive greater success in improving service delivery and quality than in achieving cost savings.

	<u>Very Successful</u>	<u>Somewhat Successful</u>
Improving the Delivery and Quality of Services	64%	32%
Achieving Significant Cost Savings	25%	64%

RECOMMENDATIONS

CASU Chartering Requirements

The national CASU board and staff should not enforce CASU chartering requirements so stringently as to curtail their flexibility to explore alternatives.

Assistance in Achieving Operational Status

The national CASU board should:

1. Reserve more staff time for assistance to CASUs in achieving operational status after chartering and in solving operational problems that inevitably arise during their early phases of development.
2. Redouble their national level CASU marketing and educational efforts with new administration and agency officials during this crucial transition period.

Implementation Assistance

The national CASU staff should provide more CASU assistance for achieving successful operational status and overcoming implementation problems. To this end, the staff should develop:

1. Generic technical assistance guides to aid developing CASUs in achieving operational status in such areas as:
 - Organizing, staffing and training CASU personnel,
 - Forecasting workloads and developing budgets,
 - Alternative techniques for pricing CASU services; and
2. “How To” guidelines for implementing the most common CASU core services, such as mail, photocopy and personal property. These guidelines could include key functional requirements and specifications, “Dos and Don’ts,” and commonly encountered obstacles, with suggestions for overcoming them.

National CASU Reporting Mechanisms

The national CASU board and staff should:

1. Re-examine and revise, as necessary, the Program Activity Report content and schedule to assure that it adequately serves the needs of the national board and staff by providing an accurate picture of CASU services, users, operational status and problems and savings achievements.
2. Correct implementation bugs in CASULINK and promote its effective utilization by local CASU officials.

Selection Criteria and Guidelines

The national staff should develop selection criteria and guidelines to assist local tenant boards and lead agencies covering:

- Desired skills, attributes and experience of CASU directors and site facilitators.
- Criteria that a lead agency should satisfy.
- Guidelines for picking the chairman and members of the local tenant board.

National CASU Goals

The national CASU board and staff should re-examine the feasibility of current CASU goals for 1) new CASUs to be chartered, 2) CASUs to become operational, and 3) long term potential savings to be achieved. Respondent feedback and experience to date suggest these goals may be overly optimistic.

COMMENTS ON THE DRAFT REPORT

We shared the draft of our Executive Report on the CASU Program, and the three supporting technical reports, with the CASU National Board of Directors and the CASU national staff. They addressed their comments to the recommendations in the Executive Report since these are compiled from our three supporting technical reports. They generally agree with report findings and concur, with only minor qualifications, in all our recommendations. The full text of their comments is included in the appendix of the Executive Report.

APPENDIX

COOPERATIVE ADMINISTRATIVE SUPPORT UNIT PROGRAM

TECHNICAL REPORT III

**LOCAL OFFICIAL PERCEPTIONS OF NATIONAL POLICIES AND
IMPLEMENTATION**

APPENDIX A

SELECTION CRITERIA FOR KEY POSITIONS

1. **CASU Director:**

- a. Good interpersonal communicator. (11)
- b. Good administrator with strong financial and administrative background, **and** experience in service delivery and budget preparation. (6)
- c. Hard worker dedicated and committed to the CASU objective. (2)

2. **Site Facilitator:**

- a. Strong in communications skills. (8)
- b. Good analytical ability. (9)
- c. Some knowledge and experience in functional areas that CASU will address, e.g., in setting up administrative units, budgeting, organizational planning and staffing. (5)
- d. Good team leader skills. (4)
- e. Belief in the program and commitment to making it work. (4)

3. **Lead Agency:**

- a. Large enough to take on the CASU-related work, e.g., big enough and well equipped to provide the support needed (financial and accounting systems, personnel management, administrative and technical knowledge), **and** have the full support of its national headquarters and national CASU board. (14)

4. **Tenant Board Chairman:**

- a. Someone interested in seeing the program work, **and** willing and able to devote sufficient time to board's activities. (13)
- b. Someone who can effectively chair the board and provide the leadership needed to get the CASU established, i.e., have good communications and interpersonal skills and good management background. (8)

5. *Tenant Board Members:*

- a. The tenant board should include a broad spectrum of different size agencies. (1)
- b. Broad representation of tenant agencies that support the program, but voting rights should be restricted to CASU users. (6)
- c. Members should be able to represent their agencies effectively and be able to make decisions for the agencies, i.e., usually need to be agency heads/administrators. (7)

NOTE: *Numbers in parentheses are the number of officials providing the responses.*

APPENDIX B

LEAD AGENCY IMPACTS

LEAD AGENCY IMPACTS

1. *Positive Impacts:*

- a. Satisfaction in developing a successful CASU that can provide more effective and efficient services *and* save money for it, as well as for users. (7)
- b. Opportunity to bring about positive changes within the building, i.e., recognition as a contributor to good economy, effectiveness and good management. (8)
- c. Have the most control over program services *and* direct control over staff hiring for CASU, i.e., staffing positions with own people (thus, knowing how they work results in a smoother transition). (2)
- d. In some instances no real loss of space, staff or money. (4)

2. *Negative Impacts:*

- a. Don't get money and staffing to do the extra work. Higher percentage of resources initially expended on project as compared to other agencies. Absorption of miscellaneous start-up costs, e.g., travel, equipment, and supplies not charged back to users. At times left "holding bag" for many initial start-up costs. (12)
- b. Underestimating what the CASU Program is. Initial start-up is sometimes done without sufficient planning, i.e., no specific guidelines are established for program implementation. (2)
- c. Have a project that don't have total control over. Could end up with some services it doesn't like, but is stuck with. Problems in making all services work for all users. (3)
- d. Time required for management and direction of the CASU by senior agency officials. (4)

NOTE: *Numbers in parentheses are the number of officials providing the responses.*