

TESTIMONY OF FRANK C. CARLUCCI
National Commission on the Public Service
Before the House Government Reform Committee
March 6, 2003

Mr. Chairman, Members of the Government Reform Committee,

Thank you for this opportunity to appear before you on this important subject. There is little I can add to Chairman Volker's statement, which I fully endorse. I have served in seven different agencies, all of them dysfunctional to one degree or another. This dysfunctionality has been in some large measure responsible for the erosion of quality in government.

Let me add a historical note on the organizational issue. Over 30 years ago I was the lead witness on the Nixon reorganization proposals, which grew out of the Ash Commission. The theme of those proposals was to move the domestic agencies of government from a constituency orientation to a mission orientation. All domestic agencies would be grouped into four departments; a Department of Community Development, a Department of Human Resources, a Department of Economic Affairs, and a Department of Natural Resources.

Ambitious, yes. But after extensive hearings, the Government Operations Committee, then chaired by Congressman Chet Holifield, agreed the concept made sense and voted out the Department of Community Development. Then Watergate broke.

Despite the setback, we learned several lessons – one is that only a total approach makes sense. Doing it bit by bit stirs up just as many hornets as total overhaul. Moreover, an overarching concept is essential to mustering the necessary political support. A second lesson is that Presidential support is needed. We got as far as we did because the Committee knew we were reflecting the President's wishes.

A third lesson is that skeptics can be converted. Most members are bored if not disdainful of reorganization issues, but serious study by the responsible committee can change minds. Congressmen Holifield and Horton deserve great credit for their leadership.

I would add a fourth lesson based on my personal experience. Good people can make a poor organization work for a while but it is inefficient and sooner or later they will be inclined to toss in the towel. A good organizational structure enables employees to accomplish their mission and receive the psychic rewards that brought most of us into government. A tough issue, yes but business reorganizes constantly to keep pace with societal and economic changes. Can government afford to do less?