

## Transform the Way HUD Does Business

### Overview

The current economic and housing crisis, the structural affordability challenges facing low-income homeowner and renters, and the new multi-dimensional challenges facing our urban, suburban, and rural communities all require an agency in which the fundamentals matter and the basics function. For too long, HUD's employees and external partners have viewed the Department as lacking in its ability to provide the support needed to deliver on its mission.

When the Department revised its Strategic Plan in FY 2010, it developed Strategic Goal 5 to specifically address the need to [Transform the Way HUD Does Business](#).<sup>E1</sup>

In the [2010 Best Places to Work in the Federal Government report](#),<sup>E2</sup> produced by the Partnership for Public Service and American University's Institute for the Study of Public Policy Implementation, HUD tied for last among large agencies.

Another area of concern was its decision making process. Many of the decision-making processes at HUD are highly centralized, slow, and narrowly focused on specific programs, without regard for the broader community context. This lack of coordination has diminished customer service and led to significantly slow response times on requests. HUD must become a more place-based partner, with a focus on policymaking aimed toward the interconnected economic and social needs of urban, suburban, and rural communities.

To address these two issues the Department established the two measures shown below:

- *Increase the percentage of employees who "agree" or "strongly agree" they are given a real opportunity to improve their skills in their organization; and*
- *Increase the number of decisions delegated to field offices.*

The first measure aligns with [Strategic Subgoal 5A](#):<sup>E4</sup> *Build capacity—create a flexible and high-performing learning organization with a motivated, skilled workforce*, and Strategic Subgoal 5D: *Culture change—create a healthy, open, flexible work environment that reflects the values of HUD's mission*. To improve employees' knowledge, skills, and ability, the Department is developing greater institutional knowledge, increasing workforce flexibility and cross-training, and creating a mobility program with lateral reassignments, details, and rotations. To improve the culture of the Department, HUD is building an environment that promotes and enables creativity, innovation, and collaboration.



[HUDStat](#).<sup>E3</sup> To track performance, HUD is using HUDStat meetings, frequent goal-focused, data-driven discussions, to identify, examine, and prevent or reduce problems, find patterns and causal relationships, speed progress, improve quality, and cut costs. In a HUDStat meeting on Strategic Goal 5, HUD examined issues related to hiring, procurement, and the HUD Partner Satisfaction Survey.

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### Section I

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The second measure aligns with [Strategic Subgoal 5B](#).<sup>E5</sup> *Focus on results-create an empowered organization that is customer centered, place-based, collaborative, and responsive to employee and stakeholder feedback.* To fulfill this measure, HUD is improving response time and consistency to efficiently meet our customers' needs, delegating more authority within headquarters and to the field, and escalating to headquarters only decisions that require centralized control. In May 2009, 52 decision points were identified as possible candidates for delegation. After review with program leadership, a Strategic Goal 5 team decided to delegate 23 of these decision points. Of these delegations, 11 relate to busting bureaucracy to help HUD achieve its mission, and 12 delegations relate to providing additional administrative flexibility to empower decision-making at the appropriate level. [See the related Signature Initiatives in HUD's FY 2010 - 2015 Strategic Plan.]

### **Accomplishments**

*Increase the percentage of employees who "agree" or "strongly agree" they are given a real opportunity to improve their skills in their organization.*

In FY 2011, HUD's goal was to achieve a 52 percent positive response in this measure on the 2011 Employee Viewpoint Survey (EVS). HUD reached its goal by achieving a 3.1 percent increase on this question from 49.3 percent in the 2010 EVS to 52.4 percent in the 2011 EVS.

*Increase the number of decisions delegated to field offices by 14 in FY 2011.*

In the Office of Housing, delegations were implemented to provide authority to field staff to approve various Flexible Subsidy Notes and Multifamily Closing Agreements, which streamlined processes and freed up funds for operations and maintenance in multifamily housing. HUD also delegated the approval of several compliance agreements to resolve performance issues locally. In addition, the Department completed a number of administrative delegations to the field offices to simplify recruiting, hiring, and training. Lastly, HUD fully achieved this measure by implementing all 23 delegations, nine in FY 2010, and the remaining 14 in FY 2011.

As demonstrated in this discussion, challenges exist, but plans have and will continue to be developed to transform the Department. The transformation is a long-term and multi-year process and HUD is committed to an investment in transformation that will be implemented persistently over time.

Though the agency has made steady progress on a number of Transformation priorities over the past year, HUD is taking a more comprehensive approach to Strategic Goal 5 in FY 2012. Accordingly, the HUD senior team worked to build on the Strategic Goal 5 measures outlined in the Strategic Plan to define a more concrete set of measures, based on the following criteria:

- Alignment to leadership priorities (i.e., internal and external customer pain points)
- Alignment to actual interventions underway, with a particular focus on aligning to key Transformation projects
- Availability of data, and the ability to set quantitative targets and track on a frequent basis

FY 2012 Strategic Goal 5 measures will focus on training, employee performance management, hiring, the acquisitions process, information technology, PHA reporting burden, cross-program collaboration, and NOFA timeliness.