

# The President's Managerial Leadership Responsibilities

By Dwight Ink

## Background

The managerial leadership role of the President stems from the Constitution, and not from our political processes. It states "The executive Power shall be vested in a President of the United States" who is to "take care that the laws be faithfully executed." Despite this plain language, it is often assumed that the many roles that our President is expected to perform leaves little time for carrying out his constitutional management responsibilities. The current campaign debate never mentions the subject, and there is no organized constituency that pulls the lever for "good government."

Yet the success of Presidential programs and policy initiatives depends heavily on good management. Enormous political damage can result from mismanagement, which may lead to failed Presidential promises, scandal, and loss of public trust. The public is cheated by a government that administers laws wastefully or unfairly.

This case study describes a range of opportunities for a busy President to provide leadership in making government work. It is the result of a series of interviews with 20 former Presidential appointees, most with high-level White House or Office of Management and Budget (OMB) experience. Those interviewed include former Chiefs of Staff and other White House assistants having a close association with Presidents from Eisenhower to Clinton. The interviews were conducted by a working group of the Center for the Study of the Presidency established to identify how Presidential leadership can best contribute to an effective national government.

With the fast pace, the intrusive media, the clamor of special interest groups, and Congressional and foreign affairs demands on a President's time, the White House is an extraordinarily difficult environment within which he can think much about management. What can be done to help a President provide the necessary managerial leadership while avoiding unrealistic demands on his busy schedule? Suggestions from the interviews begin with utilizing the President's personal activities.

## President's Personal Activities

► **Communication.** The interviews underscored the view that only the President carries the weight to instruct his staff on the role that management must play in his Administration if his programs are to be successful. Edward DeSeve and others commented on how much

Presidential leadership can be exercised in the course of his daily activities. How clearly he makes assignments and issues instructions, the type of questions he asks, and even the inflection of his voice, make a big difference.

► **Program Linkage.** The President needs to make sure his staff members recognize that good management is the vehicle for policy implementation and program success, and must be integrated into policy development and program reviews. Several of the interviewees spoke of the lack of this linkage as greatly handicapping Bill Clinton's health care reform proposals

► **Commitment.** The President's commitment to a major initiative must be seen as genuine. Lyndon B. Johnson was often characterized by agencies as launching new management efforts so frequently that the changes were viewed as public relations gimmicks by many people and not taken seriously.

► **Transition.** The interviews underscored the importance of using the Presidential transition period to require that "manageability" be built into the very first steps to translate campaign rhetoric into practical programs. Because a transition environment is not conducive to this, someone in the transition team needs to be assigned to watch for these opportunities.

President Ronald Reagan used the transition to put in place much of the staff and White House organization he would need, and in the process he began to develop teamwork among his prospective top political appointees. Because of workable operational plans developed during the transition, Richard M. Nixon was able to begin with a series of bold management reforms the first few weeks after inauguration.

Alice Rivlin thought that a central lesson to be conveyed during transition orientation sessions of incoming appointees is that the career service is the new appointee's most valuable asset and should not be regarded as an obstacle or an enemy, a stereotype that is too often embedded in campaign thinking.<sup>1</sup> Constance Newman noted the value that came from the very positive meeting President George H.W. Bush had with the top career people during his first week after inauguration.<sup>2</sup>

► **Sustained Leadership.** Failure to stray the course has doomed some important Presidential efforts to improve government, as was demonstrated by Nixon's waning support for his departmental reorganization as political issues in the 1972 election took center stage.

## **Presidential Appointments**

Alice Rivlin and Fred Fielding were among those who gave special emphasis to the appointment power of the President as a powerful tool for strengthening the operation of government, a tool not always well utilized.

► **White House Staff.** Personal loyalty and compatibility with the President's philosophy are essential, but these traits have to be

accompanied by competence and intelligence. Repeatedly, the Working Group was told that serving as campaign advance men and women is not a good qualification for governing, with the exception of public affairs work. Early transition assignments can provide a useful testing ground for some of those under serious consideration for appointment, both with respect to their performance and how they function as a team.

► **Department Heads.** A President should make clear his expectation that a department or agency head understands his or her responsibility for managing the department effectively and avoiding scandal. There was strong agreement that either the Secretary or Deputy Secretary of each department must have previous experience in running large organizations, regardless of how much is delegated to lower levels. No Presidential or OMB role can substitute for departmental management leadership. Although the role of departmental leadership in major policy development is perceived as declining somewhat, the appointees who were interviewed all stressed the continued extent to which a President must rely on the departments for effective program management and policy implementation.

► **Lower-Level Appointments.** Most of those interviewed had limited familiarity with lower-level political appointees, but there was concern about the adequacy of their oversight. Fred Fielding believes a President needs to instruct departmental leadership to monitor the actions of low-level political appointees more carefully.<sup>3</sup> This was mentioned as especially worrisome in the case of departments and agencies whose leadership lack a strong base of their own and are vulnerable to end runs by their political subordinates.

Charles Bowsher was one of several who thought that there are far too many low-level political appointees. Others did not see a problem with the numbers, but were concerned about whether low-level appointees are in a position to represent the thinking of the President with whom they have so little contact. On particular issues, some appointees were viewed as being more responsive to the interests of their political patron, which might be a special interest group, than to the Secretary or the President.

## Vice President

► **Policy Leadership.** A President can assign a management policy leadership role to a Vice President, just as Clinton has done. He can have considerable value as one with political credibility, as a vigorous advocate, as a public explainer, and as a motivator. But all agreed that the decision for the role of the Vice President must be left for each President. Management policy leadership should not be regarded as a continuing responsibility of the Vice President.

► **Government Manager.** In contrast to the positive reaction to a possible role of policy leadership, the office of Vice President is not viewed by any of the interviewees as a good location for the institutional leadership needed to implement management policies among the

departments and agencies. Several reasons were advanced for why the Vice President should not be involved in institutional leadership:

- ▶ There is no assurance that the apparatus will survive the next election,
- ▶ Attention may falter as the next election approaches,
- ▶ Vice Presidential institutional leadership confuses and weakens the statutory management role of OMB,
- ▶ There will probably be a late start while the Vice President becomes oriented and decides what to do,
- ▶ There is a danger of the management agenda being skewed or blunted by political considerations that might be given undue weight.

### **White House Organization**

All agreed that a President must have great flexibility in organizing the White House, but how he exercises that flexibility matters.

President Dwight D. Eisenhower installed a structured approach that fit his military background and worked well for him. After rejecting the Eisenhower approach, however, John F. Kennedy experienced major setbacks from his unstructured arrangement in which he tried at first to be his own Chief of Staff. These setbacks were particularly visible in the national security arena as illustrated by the Bay of Pigs. Nixon strengthened the role of his White House staff and met disaster as he isolated himself behind this inner circle. The early Jimmy Carter and Gerald Ford “spokes in a wheel” approaches did not work. Reagan’s passive approach to White House management was overly dependent on the quality and maturity of his staff, thereby contributing to the Iran-Contra crisis when the early high-level of quality declined.

Several interviewees commented that how a President-elect does, or does not, exercise managerial leadership during the transition often sets a pattern for his Presidency. Negative consequences of a late start in organizing his new team will haunt a President for some time. Additional comments:

▶ **Structure.** The people interviewed by the Working Group had diverse ideas about the details of how a White House should be organized, pointing out that it depends heavily on a President’s personal style of operation and changing times. However, several said that there has to be a degree of structure that is more formal than some Presidents prefer. It is difficult for an incoming President to understand the negative impact on government operations that grows out of a poorly organized White House—it quickly breeds confusion and uncertainty within the Executive Branch.

▶ **Serving the President.** A President has to set up a staff that will help guard against one-sided advocacy, too hasty prescriptions, and other mistakes. The staff must also get him the information he needs

when he needs it. Lee White and David Chu stated that Presidential assistants must be willing to serve as lightning rods for criticism when necessary and accept blame for events or policies not of their making. They need to help compensate for Presidential weaknesses rather than, as in the case of Nixon's staff, exploiting them to advance their own power.

► **Protecting the President.** A President has to be protected from the deluge of people that threatens to engulf him, while at the same time avoiding both the Nixon type of isolation and the too loose arrangements of the early Kennedy and Clinton years. Jack Watson and others stressed the need for the quality of staff that will minimize missteps that embarrass a President and divert attention from his goals.

► **Chief of Staff.** There was wide agreement that someone has to be in a position to regulate access to the President, control the paper flow, and ensure that recommended policies and actions are staffed out. Most felt this could best be done through a Chief of Staff, a position they believe has become a necessity rather than an option. Although agreeing with the need, Elmer Staats thought this position has taken on too great a public role. It was recognized that over-concentration of power in a Chief of Staff remains a potential danger, but those interviewed believed that the need for the position is too strong to hesitate because of this risk.

► **Managing the White House.** Whatever organizational arrangement a President adopts, he has to manage it.<sup>4</sup> He, not the staff, sets the tone and the rules. The President is accountable for how the whole place works. But again, a President needs staff help to avoid getting drawn into time consuming details.

## White House Staff

The roles of the White House staff have changed and become even more important as agencies have proliferated and the Executive Branch program structure has become more fragmented, thus forcing more issues to the White House. Selecting key staff, especially the Chief of Staff, early in the transition period is critical. Otherwise, confusion will grow rapidly and position jockeying by some will have a higher priority than helping the President translate his campaign promises into a workable agenda that he can present upon assuming office.

► **Basic Role of Staff.** Frank Carlucci, in particular, cautioned that a President should instruct the Chief of Staff and other White House aides that they should function as coordinators, facilitators, and "quality control" people, not as operators. Ed Meese also warned that White House staff become too powerful when assuming an operational role. There are not effective checks and balances on such activities, and public accountability is undermined, as we learned from the Iran-Contra episode. Further, White House staff do not have the special expertise needed for operations that is found in the departments. Ed

Meese and others said that a President has to delegate heavily to key staff, but needs some means of early warning when misuse of these delegations begins to develop.

► **Coordinating Role.** Much of the more important policy development is said to have shifted from the departments to the White House. This change was lamented by some as shifting motivation too heavily from long-term public benefit to short-term political interest. Several interviewees also said that managerial workability of policies and new programs is ignored as a result of the more dominant White House role. However, most expected this trend to continue.<sup>5</sup> As a result, White House staff need to possess the increasingly high qualifications that are required to coordinate very complex policy development in a pressure environment.

► **Size of Staff.** The larger the staff of policy advisors, the greater the risk of confusion. Channels of communication get clogged and responsibilities become unclear with a large staff. Relations between the White House and the departments suffer. Yet there was recognition that Presidential needs for staff vary substantially, and no one supported a formal ceiling.

► **Broad Perceptions.** Most agreed with Charles Schultze in saying that staff should be knowledgeable in the broad fields in which they will be working, but should not be technical experts in narrow areas. Neither should they be ideologues wedded to certain positions or advocates for special interest groups. This is at times a difficult balance.

► **Arrogant Staff.** Several spoke of the arrogance that characterizes some Presidential assistants. Such behavior alienates Cabinet members and infuriates Members of Congress, including those from the President's own party. A President-elect should establish a positive tone for his Administration during the transition period. General Goodpaster stated that White House staff and department heads must have, or quickly develop, an understanding of what government is and the values that are important in public service.

► **Representing the President.** Too many lower-level White House staff cultivate the perception that they are speaking for the President when they often have almost no direct contact with him and lack a deep understanding of what the President is striving to accomplish. They should not invent interpretations of Presidential intent. David Chu also stressed that it is essential that White House staff at all levels dedicate themselves to the President's agenda, rather than their own agenda as, for example, occurred with OMB Director David Stockman and National Security Advisor Admiral John Poindexter under Reagan. The influence that goes with working in the White House must be exercised with care—a point the President needs to make very clear to each staff member.

► **Knowing the President.** Having worked with the President prior to their appointments increases the access, trust, and attention of

top White House staff. They are also more likely to provide the frankness the President needs. At the same time, the Presidential staff should include some diversity of backgrounds and perspectives.

► **Honest Broker.** The role of “honest broker,” rather than policy advocate, was stressed in some interviews, although several thought that the fragmentation of agencies is such that the President now has little choice but to turn to his staff for policy recommendations that are not dominated by special interest groups. Several believed that experienced and sensitive assistants could, and should, do both.

► **Personnel Office.** This office tends to be undervalued, and probably understaffed in view of the large number of political appointees now in the government. For lower-level political appointees, the current system leaves this office with little opportunity to look beyond the investigative and disclosure procedures and consider qualifications in any depth.<sup>6</sup> Further, this office needs to function in high gear from the outset of the transition, meaning that considerable planning has to be done before the election. This is critical to Presidential leadership.

► **Congressional Relations.** The President needs to make clear how he expects the Congressional Relations Office and other White House staff to relate to each other and to Congress. There are occasions in which staff other than those working for the Assistant for Congressional Relations will need to communicate with Members of Congress, but William Timmons and Robert Griffin stressed that these contacts should be within a framework developed with the Assistant for Congressional Relations, not independently as Bob Haldeman in the Nixon Administration and some others have done. Elmer Staats urged a restoration of the close communication with the Congressional committees that the Bureau of the Budget (BOB) (the precursor to OMB) management and legislative reference staffs had up through the first Nixon term. This worked because they acted in collaboration with the President’s Congressional Relations Office, thereby mutually reinforcing each other.

► **Management Experience.** It was suggested that a President include among his key White House staff someone who has management experience involving large and complex organizations. This should not be a management position, however, as that role would result in conflicts and confusion with the OMB management role. Rather, in the course of his or her principal policy work, this assistant would be also in a position to involve the OMB management staff and make sure that the management dimension of policies is involved at the earliest stage of their development.<sup>7</sup>

## The Cabinet

No one interviewed regarded the Cabinet as an effective management or decision making body today. Yet it can be useful for a few purposes.

- ▶ The Cabinet can provide a forum for the President to launch government-wide management initiatives.
- ▶ It can provide a forum for motivation, information exchange, and addressing crosscutting management issues.
- ▶ John Koskinen and Edward DeSeve, while heading management in OMB, found the Cabinet Secretary to be very helpful in transmitting important messages to the departments as part of his conference calls to departmental Chiefs of Staff.

Cabinet Councils, each consisting of the relevant department Secretaries, for most purposes have greater utility than convening the whole Cabinet. Beginning with the Urban Affairs and Rural Affairs Councils under Nixon, they have since been reconfigured in several ways to serve different Presidents.

- ▶ Ed Meese and Jack Watson discussed in some depth how Cabinet Councils were useful for policy development in the Carter and Reagan Administrations. They take advantage of the White House coordinating role, but maintain a significant policy role for department heads.
- ▶ To the extent that the President chairs the Councils, he is able to provide strategic guidance as well as keep himself informed.
- ▶ Through departmental participation, Councils help guard against a President becoming isolated by the White House staff.
- ▶ No Council should be permitted to evolve into an executive committee for the Cabinet.
- ▶ Councils need to meet regularly in some form. Most agreed that decision making sessions should be chaired by the President, and that attendance should be limited to principals. Much of the work of a Council, however, has to be conducted in a less formal format. Under Reagan, there were many Council meetings chaired pro tem by one of the Cabinet members, but no major decisions were made except when chaired by the President. In most Presidencies, there are numerous Council meetings at the Deputy or Assistant Secretary level, chaired by White House staff, dealing with such things as developing options, setting agendas, and coordinating implementation actions. Jack Watson and Ed Meese found Council task forces and working groups to be useful in helping Councils address specific problems.
- ▶ Councils need to be supported by good White House staff who are facilitative and effective in moving the work forward without dominating or trying to control their outcomes.<sup>8</sup>
- ▶ Cabinet Councils should be at the discretion of a President, not in statutes that limit Presidential flexibility.

## Presidential Commissions

Beginning with William Howard Taft's Commission on Efficiency and Economy, a number of Presidents have appointed special commissions to review government structure and operations. Some have been perceived as effective, others have not. Characteristics mentioned in the interviews and by several in the Working Group as important for successful commissions (by whatever title) included:

- ▶ A mandate to confront a significant social/economic/governance problem that the normal Legislative and Executive processes have not been able to handle.
- ▶ Visible support and genuine commitment from the President, and the development of support from a fair number of the affected groups and some of the media.
- ▶ Composing commissions with objective, highly respected people who do not have close ties to any of the affected groups. For example appointing postal union or postal industry leaders, or competitors, would be fatal to a commission looking at postal functions.
- ▶ Avoiding commissions made up of key figures currently in Congress and the Executive Branch. It is difficult for these officials to step back from their current high profile roles and look objectively at basic organization and management issues. They are also too busy.
- ▶ Highly qualified professional staff. The notion of a group of wise individuals brainstorming their way to a practical solution is illusory. In past years, most have also benefited from considerable Bureau of the Budget staff input, although Nixon's Ash Council relied primarily on its own staff
- ▶ Willingness to follow up their recommendations and convince decision makers to act.

## Office Of Management And Budget

There was strong agreement that there should be an organization that constitutes a stable, continuing management arm of the President and provides government-wide leadership on management issues. Most believed OMB provides that arm, mentioning the following assets:

▶ **Government-wide.** OMB is truly government-wide in its scope and it is in a position to provide the broad Presidential perspective on government operations.

▶ **Program Management.** In addition to the more limited administrative management that is the principal focus of the General Services Administration, the Office of Personnel Management, and the Treasury Department, OMB is concerned with program management, which has a direct relationship to Presidential goals and priorities.

► **Professional Resource.** OMB has the capacity to function as a high-quality professional resource serving the President and the Executive Branch. It should not be another instrument in the Executive Office focusing on partisan political objectives. At the same time, OMB has demonstrated the ability to be politically sensitive.

► **Independent Advice.** Several of those interviewed thought OMB has developed a reputation for being quite objective in the field of management. They viewed it as a valuable source of independent judgment and advice to the President, countering some of the overzealousness or skewing that comes from the agencies or special advocates that are sometimes found on the White House staff.

► **Institutional Support.** OMB has provided the institutional capacity to support a number of the most important Presidential initiatives and reforms of the past, although some interviewees had the impression that this capacity has declined over the years.

► **Budget Linkage.** Several stressed the leverage for management leadership they believe results from the OMB role in budget and program evaluation for the President.

John Koskinen and Ed DeSeve described how important their use of the budget leverage was for their management initiatives. Further, most high profile issues involve both budget and management decisions that need some level of coordination. In fact, several of those interviewed could not conceive of ways of providing effective leverage other than through the budget, a point that triggered some disagreement. Otherwise, they see management as on the outside, looking in.

► **Coordinating Groups.** By chairing such groups as the President's Management Council, the OMB Deputy for Management is in a position to coordinate work on government-wide management issues.

► **Early Warning.** When properly staffed, OMB can provide the President with an effective early warning capacity regarding program problems. There was disagreement as to whether OMB should be concerned with field operations.<sup>9</sup>

Despite these positive attributes, there were words of caution from several who were familiar with OMB:

► **Poor Utilization.** Most Presidents and their political leadership are not fully aware of the OMB management resource or use it wisely. Important opportunities are often missed and management initiatives tend to be started much too late.

► **Political Filtering.** Several expressed concern that the political layering of OMB may be leading to a gradual diminution of its positive image as an objective, independent source of advice for the President.

► **Political Battles.** In order for OMB management leadership to be trusted and succeed, it has to function as a dispassionate honest broker in addressing management issues. The current close linkage with

the budget, however, at times clouds management relationships with the agencies because of the adversarial nature of the budget process and the bitter political battles that are involved. This linkage also reduces the insulation OMB management staff otherwise have from these divisive political issues as they deal with Members of Congress.<sup>10</sup>

► **Budget Overwhelms Management.** To the extent that the budget dominates OMB, some thought that it is difficult for management considerations to compete.<sup>11</sup> Another concern was that the dominance of the annual budget process limits its independent judgment on important management problems that require drawing upon far more than budgeting skills. Jack Watson and Charles Bowsher also pointed out that there are a number of critical aspects of management that are not associated with the annual budget. In fact, decisions that are based solely on their impact on the budget are often viewed as harmful to management initiatives, particularly those requiring long-term investment of resources and analysis of the impact of federal actions on communities and families. Some of the highly visible IRS and air traffic control system problems were mentioned as examples.

Even among those who are familiar with OMB and oppose a separate Office of Management, most nonetheless believe there is need for some rebuilding of a capacity to address crosscutting management and organization issues that have Presidential significance. Koskinen, Bowsher, and Staats also pointed out the need for OMB staff to spend more time in the field, regardless of whether they are concerned with budget or management matters.

**Program Management.** There were suggestions for strengthening OMB program management attention, ranging from policy development to implementation and evaluation. The Government Performance and Results Act (GPRA) was mentioned by John Koskinen and Edward DeSeve as a useful instrument to help OMB and the President assure good program performance.

### **Working Group Observations**

A surprising range of opportunities for Presidential managerial leadership emerged from these interviews of Presidential appointees, all but two of whom had occupied important positions in the White House or OMB. Most of these appointees had contributed significantly to positive management actions by the Presidents for whom they worked. But many key White House staff have a very limited view of management as a concern of theirs. Most think of management only in terms of managing policy development, giving little thought to the Presidential leadership needed for implementing those policies. Others think of management primarily in terms of administrative processes such as accounting and procurement, which are seen as OMB roles. Particularly significant, the interviews revealed a void of anyone at the beginning of a Presidency in a position to recognize the full range of opportunities for Presidential leadership in managing the government.

This leads the Working Group to urge that a person in the transition team of the President-elect be assigned the task of arranging orientations to acquaint the President's proposed top appointees with these opportunities and to develop plans whereby the new President can take advantage of them. These plans should direct close attention to how Presidential leadership can be exercised effectively while minimizing the amount of personal time required of the President.

The Working Group finds compelling evidence that the operation of our national government requires much stronger Presidential management leadership. It has to be woven into the daily functioning of a Presidency, and there are many opportunities to do so. To take advantage of these opportunities, however, a pressure-ridden President must have much more help in providing this leadership than he usually gets.

Integrating the workability dimension into policy, program development, and implementation should take place at the outset of a new Administration. It must begin during the transition and become ingrained as a normal practice.

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- 1 Transition funds for management orientation of key political appointees is authorized by H.R. 4931, which was passed by Congress in September, 2000.
  - 2 The Working Group stresses the importance of orientations or workshops that help new political appointees develop approaches for effective leadership of the career service. Failure to provide such leadership has frustrated and handicapped many well-intentioned new appointees in their efforts to hit the ground running.
  - 3 The Working Group believes that there are a series of problems with respect to the growth of lower-level political appointees that affect agency operations adversely and should be reviewed?
  - 4 This point is developed by James P. Pfiffner, "Can the President Manage The Government?" in *The Managerial Presidency*, James P. Pfiffner, ed., 2nd ed., (College Station, TX: Texas A & M University Press, 1999).
  - 5 The Working Group believes this shift in policy roles of moving broad issues from departments to the White House raises problems that have not been well analyzed concerning accountability and questions of access of the Congress and the public to White House staff. These issues were raised in the press and Congress by Nixon's reorganization proposals.
  - 6 In the opinion of the Working Group, under the last several Presidencies there has been a mismatch between the capacity of the Personnel Office and the large number of political applicants and appointees the office has to process.
  - 7 Carter looked to his Secretary to the Cabinet, Jack Watson, to perform much of this role, particularly that of coordinating the implementation of policies and actions resulting from meetings involving Cabinet members.
  - 8 There are some indications of a trend toward formal meetings of Council members that are chaired by White House staff rather than the President or a member of the Cabinet. Although such a development may have practical value, the Working Group is not aware that the long-term implications have been given careful thought.
  - 9 The Working Group sees no need to restore the OMB field capacity of the 1970s, but believes it needs some capacity to monitor field operations problems such as interagency coordination, difficulties in headquarters-field communications, and systemic intergovernmental problems.
  - 10 The Working Group notes that prior to establishing OMB, the management staff in both Republican and Democratic Administrations worked almost exclusively with Congress on a bipartisan basis while representing the President.
  - 11 Most of those who were interviewed assumed that the co-location of management and budget provided management with leverage that outweighed the drawbacks, although several of them disagreed with the recent combining of the examiners and management personnel. Two, however, believed management will never be effective in the budget-dominated OMB. Several had not given the issue any thought. The Working Group supports the transfer of the management leadership role from OMB to a separate Office of Management within the Executive Office of the President, a reorganization recommended by two panels of the National Academy of Public Administration and Mr. Horn, Chairman of the House Subcommittee on Government Management, Information, and Technology.

