

*Congressional Response Report*

The Social Security Administration's  
Vision 2025 Plan



March 16, 2016

The Honorable Sam Johnson  
Chairman, Subcommittee on  
Social Security  
Committee on Ways and Means  
House of Representatives  
Washington, DC 20515

Dear Chairman Johnson:

In response to your August 14, 2015 letter, my Office of Audit reviewed the Social Security Administration's (SSA) *Vision 2025*. Specifically, we answered the questions in your letter.

1. Does *Vision 2025* include specific, measurable goals?
2. Does *Vision 2025* clearly define the environment in which the SSA believes it will operate in 2025 and how it will affect the Agency's ability to provide services?
3. Does *Vision 2025* outline the strategy needed to implement the proposed vision?
4. The SSA contracted with the National Academy of Public Administration (NAPA) to develop a vision for the future of the SSA. How does *Vision 2025* incorporate NAPA's work?
5. The SSA entered into a fixed-price contract with Deloitte Consulting for \$622,000. Did the SSA gain sufficient value from these services, and were they redundant from the services contracted through NAPA? What services has Deloitte delivered to date and what further services will they deliver under the contract?

The report provides responses to your questions. To ensure SSA is aware of the information provided to your office, we are forwarding a copy of this report to the Agency.

Page 2 – The Honorable Sam Johnson

If you have any questions concerning this matter, please call me or have your staff contact Kristin Klima, Congressional and Intragovernmental Liaison at (202) 358-6319.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick P. O'Carroll, Jr."

Patrick P. O'Carroll, Jr.  
Inspector General

Enclosure

cc:

Carolyn W. Colvin

# The Social Security Administration's Vision 2025 Plan

## A-02-16-50125



March 2016

Office of Audit Report Summary

Objective	Findings
<p><b>Background</b></p> <p>We received the following questions from the Subcommittee on Social Security.</p> <ol style="list-style-type: none"><li>1. Does <i>Vision 2025</i> include specific, measurable goals?</li><li>2. Does <i>Vision 2025</i> clearly define the environment in which the SSA believes it will operate in 2025 and how it will affect the Agency's ability to provide services?</li><li>3. Does <i>Vision 2025</i> outline the strategy needed to implement the proposed vision?</li><li>4. The SSA contracted with the National Academy of Public Administration (NAPA) to develop a vision for the future of the SSA. How does <i>Vision 2025</i> incorporate NAPA's work?</li><li>5. The SSA entered into a fixed-price contract with Deloitte Consulting for \$622,000. Did the SSA gain sufficient value from these services, and were they redundant from the services contracted through NAPA? What services has Deloitte delivered to date and what further services will they deliver under the contract?</li></ol>	<p><i>Vision 2025</i> does not include specific, measurable goals or outline the strategy needed to implement SSA's proposed vision. It presents three priorities: superior customer experience, exceptional employees, and innovative organization. Per SSA, these priorities will guide the development of clear goals, detailed plans, and performance measures, which will be outlined in the Agency's strategic plans and annual performance reports. With this approach, SSA is using short-term strategic planning documents to support a broadly stated "aspirational vision." We believe SSA's long-term strategic vision should include specific, measurable goals that clearly outline the service delivery model SSA envisions in 2025 and beyond. This would allow SSA to use its shorter-term planning documents to outline the steps needed to achieve a larger and clearly defined objective.</p> <p>Also, while <i>Vision 2025</i> describes its future environmental drivers, it does not explain how the environmental factors will affect its ability to provide services in the future. Additionally, <i>Vision 2025</i> addresses many of the issues outlined in NAPA's long-range strategic plan for SSA, but NAPA's plan is more specific than <i>Vision 2025</i>. Most importantly, NAPA concluded that SSA needs to develop a more cost-effective service delivery system that is primarily virtual. <i>Vision 2025</i> does not choose one service delivery method over another and promises a service delivery system that will meet each customer's desire.</p> <p>Lastly, SSA has spent nearly \$1 million on a contract with Deloitte Consulting to assist the Agency in completing <i>Vision 2025</i> and developing a timeline for its implementation. The roadmap Deloitte Consulting developed includes a more specific description of a future SSA, but its reports do not adequately discuss how SSA's budget uncertainty and other environmental factors could affect the envisioned roadmap. The value of Deloitte's work will be measured by whether SSA uses its guidance as it makes the changes needed to meet its mission and successfully serve its customers in the future.</p>

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## **ABBREVIATIONS**

ASP	Agency Strategic Plan
CPR	Critical Path Roadmap
OIG	Office of the Inspector General
NAPA	The National Academy of Public Administration
SSA	Social Security Administration

## **OBJECTIVE**

Our objective was to answer specific questions from the Subcommittee on Social Security regarding the Social Security Administration's (SSA) *Vision 2025*.

## **BACKGROUND**

SSA released its *Vision 2025* in April 2015. It presents the Agency's vision of itself in year 2025. It focuses on three key priorities: (1) superior customer service; (2) exceptional employees; and (3) innovative organization.

On August 14, 2015, we received a request from the House Committee on Ways and Means, Subcommittee on Social Security, to answer the following questions.

1. Does *Vision 2025* include specific, measurable goals?
2. Does *Vision 2025* clearly define the environment in which the SSA believes it will operate in 2025 and how it will affect the Agency's ability to provide services?
3. Does *Vision 2025* outline the strategy needed to implement the proposed vision?
4. The SSA contracted with the National Academy of Public Administration (NAPA) to develop a vision for the future of the SSA. How does *Vision 2025* incorporate NAPA's work?
5. The SSA entered into a fixed-price contract with Deloitte Consulting for \$622,000. Did the SSA gain sufficient value from these services, and were they redundant from the services contracted through NAPA? What services has Deloitte delivered to date and what further services will they deliver under the contract?

See Appendix A for the congressional request and Appendix B for our scope and methodology.

## **RESULTS OF REVIEW**

Below are the Subcommittee's questions as well as our responses to those questions.

### **1. Does *Vision 2025* include specific, measurable goals?**

*Vision 2025* does not include a clear list of specific, measurable goals. It includes three main priorities, which it broadly discusses – superior customer experience, exceptional employees, and innovative organization. While *Vision 2025* does not include a list of specific goals, some of the statements it contains are goal-orientated as well as specific and measurable, as shown below.

- Through secure, direct access to electronic medical records, we make a substantial number of our disability determinations in only 1 day. For determinations that may take longer to evaluate, our customers have immediate, real-time access to all their case information as well as a detailed case status.
- SSA's customers use their personal *my Social Security* account to track their earnings and benefits and verify accuracy in real-time.
- When our customers retire, all they have to do is inform us of their retirement date and when they want their benefits to begin. We use their earnings information to begin providing accurate, immediate benefits.
- We are able to significantly improve decisionmaking and information accuracy, and we have eliminated the hearing backlog for our disability customers.

SSA would need to further explain these statements to allow readers of *Vision 2025* to understand fully the planned services. For example, *Vision 2025* states that SSA will, “. . . make a substantial number . . .” of disability determinations in only 1 day. SSA needs to define what constitutes “a substantial number” of disability determinations. Similarly, SSA needs to define how many retirement claims it plans to process by a customers’ desired date to begin receiving benefits.

Much more of the text in *Vision 2025* is broadly stated and does not provide a specific understanding of how SSA plans to provide its services in 2025. Some examples of the broad statements are listed below.

- While continuing to provide face-to-face service, we will also use technology and innovations to bring our services directly to those who need us most and remove many of the barriers to access that exist today.
- Information is appropriately linked and seamlessly presented through their secure method of choice.
- Our customers access our services through their preferred method: in person at one of our field or hearing offices, by telephone, over real-time video or chat, or through self-service options in *my Social Security*. Through self-service support tools, our customers can choose how and when they would like to conduct transactions and receive immediate access, support, and service.
- We will develop a comprehensive approach of understanding and stay ahead of our customers’ preferences and needs.

While these statements provide a broad picture of SSA’s future service delivery model, they do not provide readers enough detail to understand how much of each type of service SSA will provide. As SSA already provides many of the services described, such as face-to-face, video and self-services, it is hard to determine what service adjustments and/or advancements SSA envisions will be needed and implemented by 2025.

In response to our conclusion, SSA stated that the three priorities in *Vision 2025* translate to strategic goals and are measureable. It further stated that it already had measures in place, including its customer satisfaction surveys and the Federal Employee Viewpoint Survey, for the superior customer experience and exceptional employee priorities.

Additionally, SSA stated that it further translated the three priorities into measureable goals by creating the *Critical Eight* management priorities, which are listed in Table 1.

**Table 1: SSA's *Critical Eight* Management Priorities**

<b><i>Vision 2025</i> Priorities</b>	<b><i>Critical Eight</i> Management Priorities</b>
<b>Superior Customer Experience</b>	Enhance Online Customer Service
	Reduce the Wait for a Hearing Decision
	Educate the Public About Social Security Programs
<b>Exceptional Employees</b>	Improve Succession Planning
	Promote Employee Development and Engagement
<b>Innovative Organization</b>	Transform the Information Technology Investment Process
	Establish a Program Management Office
	Accelerate the Use of Data-Driven Decisionmaking

Per SSA, it has a robust planning process that meets applicable Office of Management and Budget guidelines and adheres to industry best practices. SSA stated it used the Balanced Scorecard strategic planning and management framework to realize *Vision 2025*. The development and publication of *Vision 2025* represented the first step, the Assessment phase, of the nine-step framework. SSA stated that specific goals are developed as part of step two, the Strategy phase, and step three, the Objectives phase. Performance measures and targets are developed in step five of the framework, the Measures and Targets phase.<sup>1</sup>

SSA further stated that it customized the Balance Scorecard system to ensure the framework met the Agency's unique operating environment. Per the Agency, its strategic planning and performance framework blend Office of Management and Budget guidelines and the Balance Scorecard system. SSA stated its work with Deloitte Consulting, which included developing a vision roadmap to inform the next Agency strategic plan, addresses steps two through four of the framework. The Agency also reported that the Office of Management and Budget's reporting mechanism, the Agency Performance Report, executes steps five through seven of the framework.

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<sup>1</sup> The nine-step framework includes Assessment, Strategy, Objectives, Strategy Map, Measures and Targets, Strategic Initiatives, System Rollout, Performance Analysis, Alignment, and Evaluation.

Lastly, SSA stated that *Vision 2025* is part of a larger strategic planning and management process that is a first step toward driving all its downstream planning activities.

## 2. Does *Vision 2025* clearly define the environment in which the SSA believes it will operate in 2025 and how it will affect the Agency's ability to provide services?

SSA's *Vision 2025* includes descriptions of the environment in which it believes it will operate in 2025, but it does not explain how the environmental factors will affect its ability to provide services. In a section entitled, *Drivers for Vision 2025*, SSA lists a number of environmental factors likely to affect its operations. These factors are listed below.

- **Demand for Services** – The population aged 65 and older will grow by more than 18 million from 2015 to 2025 and then by an additional 8 million by 2030. This shift will dramatically increase the demand for our services. Additionally, demand for government-to-government and business-to-government services will continue to expand.
- **Potential Threats and Opportunities** – Rapid advances in technology will introduce new opportunities to serve our customers, while requiring us to remain vigilant about potential security and fraud vulnerabilities. An increase in the amount of personally identifiable information transmitted online has resulted in a heightened cyber-risk environment for identify theft.
- **Evolving Technology Trends** – Fifty-six percent of Americans aged 65 or older uses the Internet and email regularly, compared to an overwhelming 83 percent of upcoming retirees (ages 50 to 64). More than 80 percent of individuals younger than 44 is already using handheld and mobile devices to access the Internet. By 2018, Americans will generate 241 percent more Internet traffic than in 2015.
- **Loss of Institutional Knowledge** – By 2020, 29 percent of our permanent Social Security employees will be eligible to retire, and their retirement could result in various mission-critical skills gaps in the Agency.
- **Changing Employee Expectations** – Millennials and younger generations desire a creative and innovative work environment, but, in a 2014 survey of Federal employees, only one in three millennials felt those values were rewarded in their organization.
- **Complex Business Processes** – We must simplify Social Security policies and procedures that are creating obstacles for customers and employees and stand in the way of truly transforming our organization.
- **Outdated Technology** – SSA's technology infrastructure and legacy systems are decades old and need to be replaced or repaired.
- **Budget Uncertainty** – Federal budgets will continue to be constrained, which will challenge us to be innovative, efficient, and effective advocates for the resources needed to deliver the Social Security services that Americans have earned and paid for.

SSA does not describe how its environment will affect its ability to provide services. For example, SSA states that budget uncertainty will challenge the Agency but not what that challenge will be. SSA did not outline the different service models it could provide if its budget decreased, remained flat, or increased over the next 10 years. Similarly, SSA stated its technology infrastructure and legacy systems need to be replaced and repaired, but it did not say how its outdated technology would affect its ability to provide planned electronic services.

In response, SSA stated that the *Drivers for Vision 2025* define what the Agency sees as the factors that will shape its operating environment in the future. It further stated that prudence dictated that it prepare for a range of possible outcomes without knowing with any certainty to what extent a particular factor, such as budget uncertainty or legacy information technology systems, will influence the Agency's operating environment.

### **3. Does *Vision 2025* outline the strategy needed to implement the proposed vision?**

*Vision 2025* does not outline the strategy needed to implement SSA's proposed vision. SSA's Chief Strategic Officer states in *Vision 2025* that she will lead the effort to create a strategic roadmap to make the vision reality. A section of her statement from *Vision 2025* states, "How does this vision become reality? As Social Security's Chief Strategic Officer, I am responsible for ensuring that it does. One of the first steps toward that reality is to create a strategic roadmap extending through the next ten years. We will use our existing annual performance planning process, and our four-year agency strategic planning cycle, as the foundation for the roadmap."

An appendix in *Vision 2025* includes a chart illustrating how ongoing initiatives in the Agency Strategic Plan (ASP) for Fiscal Years 2014 through 2018 align with *Vision 2025*. Per SSA, the principles and priorities articulated in *Vision 2025* will also guide the development of new goals, strategies, objectives, and performance measures in the ASP for Fiscal Years 2018 through 2022.

While *Vision 2025* does not include clear strategies, it does include sentences that are strategy-orientated. However, those sentences are broadly stated and do not provide a clear understanding of the specific steps SSA will need to take to implement its vision. Some examples follow.

- We use technology and analytics as well as interactive engagement to understand our customers' and employees' needs when making process, policy, and service delivery decisions.
- We understand and design the entire customer experience by relying on data and analytics tools to improve our processes, policies, and service delivery. By capturing and evaluating historical data, we use predictive analytics to identify and model the future needs of our customers.
- We partner with Federal, State, local, tribal, and international government partners, as well as the private sector, to receive and share data in a secure and seamless manner. Our data-sharing activities supply accurate, relevant, and real-time data to prevent improper payments and ensure integrated customer service for social insurance programs and external partners.

- Through strategic outreach, transparent communication, superior service channel offerings and support tools, and flexible delivery capabilities, we will facilitate high-quality, personalized, and comprehensive interactions.

In response, SSA stated it began developing a strategy to implement the *Vision 2025* priorities immediately after *Vision 2025*'s was published. SSA worked with Deloitte Consulting to begin developing an execution strategy and a roadmap of initiatives to cover the 10-year period addressed by *Vision 2025*. It further stated that a vision by definition is aspirational and far-reaching and does not include a strategic plan. Per SSA, measures, strategies, and goals are found in underlying documents, such as its *Critical Eight* management priorities.

#### **4. The SSA contracted with the NAPA to develop a vision for the future of the SSA. How does *Vision 2025* incorporate NAPA's work?**

NAPA released its report, *Anticipating the Future: Developing a Vision and Strategic Plan for the Social Security Administration for 2025-2030*, in July 2014. The report included 29 recommendations for a long-range strategic plan for SSA organized into 10 focus areas. See Table 2.

**Table 2: NAPA's Focus Areas and Recommendations**

NAPA's Focus Areas and Recommendations
Focus Area 1: Develop a more cost-effective service delivery system that is primarily virtual but includes personal service delivery options as necessary and appropriate. <ol style="list-style-type: none"> <li>1. Extend and improve virtual service delivery.</li> <li>2. Rationalize in-person service delivery in the field.</li> <li>3. Develop a plan to accelerate the movement of customers to virtual service delivery channels.</li> </ol>
Focus Area 2: Strengthen capacities needed to guide process improvement and automation. <ol style="list-style-type: none"> <li>4. Undertake a comprehensive policy review.</li> <li>5. Develop a business intelligence strategy.</li> </ol>
Focus Area 3: Improve access to data to enable enhanced online service delivery, electronic data exchange, and data analytics. <ol style="list-style-type: none"> <li>6. Identify a portfolio of investments to improve data access guided by the Agency's business intelligence strategy.</li> </ol>
Focus Area 4: Strengthen investment management process. <ol style="list-style-type: none"> <li>7. Institutionalize the enterprise portfolio management process.</li> <li>8. Strengthen the capacity of business customers to develop projects.</li> <li>9. Ensure information technology program management teams include strong representatives from business customer components.</li> <li>10. Strategically use contractors to support program management teams and to build program management capacity over time.</li> <li>11. Incorporate enterprise-level requirements in software development life-cycle framework.</li> </ol>

NAPA's Focus Areas and Recommendations	
Focus Area 5: Attract and retain high-quality employees for 2025.	12. Continue to attract talent that believes in SSA's mission and public service. 13. Build sustainable talent pipelines to support SSA service delivery. 14. Create learning and development opportunities to support employee retention. 15. Use flexible work arrangements as a strategic recruitment and retention tool.
Focus Area 6: Develop an agile workforce to support the Agency's integrated service delivery model.	16. Develop a more flexible position and grade structure that better reflects SSA's work today and in the future. 17. Embrace a "Career Lattice" concept to offer employees multiple career development paths. 18. Recruit and develop employees with strong problem-solving and analytical skills. 19. Use analytics to anticipate changing workforce needs.
Focus Area 7: Expand a Results-Oriented Performance Measurement System.	20. Build on Agency best practices to identify and measure outcomes. 21. Use performance data to support management decisions.
Focus Area 8: Reduce cost and increase flexibility via shared support services.	22. Identify the need and opportunity for streamlining and consolidating support functions. 23. Build a common understanding of shared support services. 24. Develop standard process steps to establish formal shared support service agreements. 25. Focus on accountability of shared support services initiatives. 26. Identify and embrace key flexibilities needed to enable the strategic expansion of shared support services model.
Focus Area 9: Capitalize on existing facilities planning resources.	27. Continue to conduct needs assessment and expand planning activities.
Focus Area 10: Strategically engage all stakeholder groups in facilities planning.	28. Coordinate with service delivery plan development. 29. Coordinate and expand outreach strategy.

*Vision 2025* has three focus areas – superior customer service, exceptional employees, and innovative organization – and it does not contain a list of specific recommendations. Still, it incorporates many of the ideas in NAPA's report. In some descriptions, NAPA's report and *Vision 2025* are similar. See Table 3 for examples of similar statements.

**Table 3: Examples of Similar Descriptions in NAPA's Report and Vision 2025**

NAPA Report	Vision 2025
...and automatic verification of customer information based on electronic data exchanges with partner agencies.	We incorporate leading cyber-security practices and real-time identity verification into all technology and systems.
The agency should continue its efforts of attracting high-quality, entry-level employees by developing robust internship programs and partnerships with colleges/universities.	We access additional talented people through collaborations with universities, internship programs, inter-agency partnerships, and Agency-wide developmental and rotational programs.

In other instances, NAPA's descriptions are more specific, and related descriptions in *Vision 2025* are broadly stated. See Table 4 for examples.

**Table 4: Examples of NAPA’s Specific Descriptions Addressed Broadly in *Vision 2025***

NAPA Report	Vision 2025
SSA should take steps to integrate online service offerings with virtual direct assistance options that go beyond the general inquiries now handled by the teleservice centers. These might include enhanced assistance over the telephone and click-to-communicate (for example, click-to-talk, instant messaging, and screen sharing) options that allow SSA personnel to work with customers to resolve issues as needed to complete applications and other transactions.	Our customers access our services through their preferred method: in person at one of our field or hearing offices, by telephone, over real-time video or chat, or through self-service options within <i>my Social Security</i> .
Make online services user friendly so that it is the customer’s first choice for conducting most transactions.	For those customers who choose self-service options, we design our technology to support the ultimate goal of providing a seamless, superior customer experience across all methods of contact.

Lastly, some of the actions envisioned in NAPA’s recommendations are not included in *Vision 2025*. Please see Table 5 for examples.

**Table 5: Examples of NAPA Descriptions Not Addressed in *Vision 2025***

NAPA Report	Vision 2025
SSA should develop a continuous and routine engagement strategy with Congress and other key stakeholders to anticipate and mitigate challenges or opposition to office closures.	<i>Vision 2025</i> does not discuss this issue.
SSA should continue to review its position descriptions to identify the positions that should be combined or eliminated to improve the agency’s operational efficiency. Under a more integrated service model, each frontline position will represent a much wider set of duties and responsibilities.	<i>Vision 2025</i> does not discuss this issue.

Most importantly, NAPA concludes that SSA needs to develop a more cost-effective service delivery system that is primarily virtual. While we found *Vision 2025* discusses providing service through different methods, including virtual services, it does not choose one service delivery method over another. It promises a service delivery system that will meet each customer’s desire, including in-person, telephone, video or chat, and self-service options. While *Vision 2025* lists each possible service delivery method, it does not discuss the level each method will play in SSA’s overall service delivery model and how its environment, including budget uncertainty and outdated technology, will affect SSA’s ability to provide each type of service.

In response, SSA stated that it is committed to providing customer choice and its actions and strategies to date provide ever-expanding capability for customers to use virtual services. Per SSA, as customers’ preference toward virtual service delivery grows, the Agency remains committed to continuing investments and alternatives to offer customers services where prudent. It also noted that the first *Critical Eight* management priority is to enhance online services.

**5. The SSA entered into a fixed-price contract with Deloitte Consulting for \$622,000. Did the SSA gain sufficient value from these services, and were they redundant from the services contracted through NAPA? What services has Deloitte delivered to date and what further services will they deliver under the contract?**

SSA entered into a \$621,888 contract with Deloitte Consulting.<sup>2</sup> Through a modification, SSA extended the contract for an additional 6 months, which cost SSA an additional \$323,444. In total, SSA spent \$945,332 on this contract. The contract performance end date was January 18, 2016.

It is too early to determine whether SSA has gained sufficient value from Deloitte Consulting's services. While Deloitte Consulting provided the required services, their value will be measured by whether SSA uses the guidance the contractor provided to develop into the Agency it needs to be in 2025 and beyond to meet its mission and successfully serve its customers.

SSA's contract with Deloitte Consulting contained four main tasks, which are listed below.

- Task 1 – Provide expert consultation that leverages industry best practices to assist in the development of *Vision 2025*.
- Task 2 – Identify critical path timeline of milestones necessary to achieve the goals of *Vision 2025*.
- Task 3 – Create outlines for future ASPs (Fiscal Years 2018–2022 and 2022–2026).
- Task 4 – Develop a Change Management Strategy to inform SSA leadership now and in the future implementation of *Vision 2025*.

Deloitte Consulting provided SSA the following documents and analyses.

- The Critical Path Roadmap (CPR) – The CPR explains how SSA should pursue and achieve the aspirations identified in its *Vision 2025* narrative.
- Operational Impact Report – The CPR initiatives are aligned to current SSA initiatives to show how SSA is already making progress toward its vision.
- ASP Outlines – The CPR is developed in waves that align to SSA's ASP time periods. The initiatives identified in each wave are leveraged to create the ASP outlines.

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<sup>2</sup> Task Order SS00-15-30132 includes the Statement of Work, which outlines the services SSA requested from the contractor. The contract between SSA and Deloitte Consulting is Contract No. GS-10F-0083L.

- Level of Effort Assessment – The CPR initiatives in waves two and three are evaluated across set criteria to provide SSA with a preliminary, qualitative level of effort measure.
- Change Management Strategy – The changes required to attain *Vision 2025* are assessed, and strategies are provided to make the changes “stick.”

Per Deloitte Consulting, the CPR outlines the capabilities, initiatives, and strategies that are necessary for SSA to meet its customer, employee, and organizational priorities and serves as the main document that feeds into the others provided. The CPR’s main themes and goals are listed in Table 6.

**Table 6: Deloitte Consulting’s CPR Themes and Goals**

SSA Customer Themes		
<b>Consolidated Customer Experience Management</b> – SSA overhauls its organization’s ability to direct all customer experience improvement efforts and develops a deep understanding of all customers.  <b>Goal:</b> SSA has an operational Chief Customer Office that is the authority on all customer experience initiatives.	<b>Omni-Channel Customer Experience</b> – SSA improves the quality of its existing service channels, develops new service channels, and integrates all channels to provide a seamless experience across channels and services.  <b>Goal:</b> Customers can switch between channels at any point in a transaction, seamlessly.	<b>Tailored Customer Experience</b> – SSA deeply understands each of its customers and tailors services and service delivery based on specific needs and preferences.  <b>Goal:</b> Every single SSA customer receives personally tailored, value-added service.
SSA Employee Themes		
<b>Employee Engagement</b> – SSA develops a deep understanding of its employees, measuring their engagement and rolling out cultural change initiatives.  <b>Goal:</b> SSA maintains a position as one of the top three agencies on the Office of Personnel and Management’s Employee Engagement Index.	<b>Employee Development</b> – SSA provides employees with compelling learning and development opportunities and creates a culture of knowledge sharing.  <b>Goal:</b> SSA employees with at least 2 years of service fully meet the expectations of their role.	<b>Employee Empowerment</b> – SSA empowers employees to make a tangible impact on their work environment and SSA’s mission, and gives the flexibility to meet role expectations.  <b>Goal:</b> All SSA employees have the confidence and authority to complete their job in a flexible manner.

SSA Organization Themes		
<p><b>Continuous Improvement</b> – SSA eliminates inefficiencies from all existing programs and processes, building a culture of continuous improvement, and implementing automatic controls that identify inefficiencies.</p> <p><b>Goal:</b> All employees in all parts of the organization continually evaluate how they operate and seek ways to improve.</p>	<p><b>Program Integrity</b> – SSA implements the systems and processes necessary to improve payment accuracy and defend against potential cyber-threats.</p> <p><b>Goal:</b> Respond to, and resolve, all cyber-security events within 48 hours and reduce all fraudulent payments by 50 percent.</p>	<p><b>Data Driven</b> – SSA incorporates data-driven decision making into organizational processes, invests in analytics technology, and trains employees in the use of data.</p> <p><b>Goal:</b> Develop an enterprise datamart and incorporate predictive analytics into all decisions that can be informed by data.</p>

The major themes are further outlined in Deloitte Consulting's CPR report. Each theme is divided into three waves, and each wave lists steps SSA should take to obtain each theme's goal. (See Appendix C for a detailed graphic of the CPR.) Each wave aligns with SSA's ASP timeframes. Wave 1 lists steps SSA should take in Fiscal Years 2016 through 2018, which are the remaining years in SSA's current ASP cycle. Wave 2 lists the steps SSA should take in Fiscal Years 2018 through 2022, and Wave 3 lists the steps for Fiscal Years 2022 through 2025.

Deloitte Consulting's services did not duplicate those NAPA provided. NAPA provided a future vision for SSA in its report, *Anticipating the Future: Developing a Vision and Strategic Plan for the Social Security Administration for 2025-2030*. In the CPR and other supporting documents, Deloitte Consulting provided a roadmap for SSA to follow as it attempts to transform.

Deloitte Consulting provided SSA the CPR, Operational Impact Report, ASP Outlines, Level of Effort Assessment, and Change Management Strategy. Also, per SSA, the contractor assisted the Agency with the packaging and publishing of *Vision 2025*.

As noted earlier, SSA modified the contract with Deloitte Consulting to extend it to January 18, 2016, which cost the Agency \$323,444. Per SSA, Deloitte Consulting completed the following tasks during the option period.

- Helped develop and execute regional working sessions to discuss with SSA's bargaining and non-bargaining unit employees how to realize *Vision 2025*.
- Wrote a final summary report of the regional working sessions.
- Coordinated and facilitated interviews with seven Agency components to prepare a consolidated list of current initiatives to help provide a clearer picture of how current initiatives support achieving *Vision 2025* and identify gaps that need to be addressed to reach the vision.
- Helped SSA begin implementing the Change Management Strategy, which contains specific methods to address cultural gaps and establish the organizational capacity to sustain long-term transformation.

In response, SSA noted that it gained sufficient value in the activities and products delivered by Deloitte Consulting to the Agency. For example, the contractor developed the CPR, in-depth insight and feedback from over 29,000 employees, a full inventory of current initiatives mapped to the *Vision 2025* priorities, and a culture diagnostic report that provided SSA a view of the perceived cultural values and changes needed to support *Vision 2025*. It further stated that there was active engagement with Agency executives throughout the contractor's period of performance. For example, Deloitte Consulting met with SSA executives in January 2016 to review its executive report. Also, per SSA, it is using its Executive Vision Council to translate Deloitte Consulting's deliverables into Agency action plans to inform both short- and long-range planning.

## CONCLUSIONS

*Vision 2025* does not include specific, measurable goals or outline the strategy needed to implement SSA's proposed vision. It presents three priorities - superior customer experience, exceptional employees, and innovative organization. Per SSA, these priorities will guide the development of clear goals, detailed plans, and performance measures, which it will outline in its Agency strategic plans and annual performance reports. We believe SSA's long-term strategic vision should include specific, measurable goals that clearly outline the service delivery model SSA envisions in year 2025 and beyond, which would allow SSA to use its shorter-term planning documents to outline the steps needed to achieve a larger and clearly defined objective. While SSA reported to us it began to develop a strategy to implement *Vision 2025* immediately after its publication, its inclusion in *Vision 2025* would have provided stakeholders and the public a better understanding of the steps SSA envisions it will need to implement over the next 10 years.

Also, while *Vision 2025* describes its future environmental drivers, it does not explain how they will affect SSA's ability to provide services in the future. Additionally, *Vision 2025* addresses many of the issues outlined in NAPA's long-range strategic plan for SSA, but NAPA's plan is more specific than *Vision 2025*. Most importantly, NAPA concludes that SSA needs to develop a more cost-effective service delivery system that is primarily virtual. *Vision 2025* does not choose one primary service delivery method and promises a service delivery system that will meet each customer's desire.

Finally, SSA has spent nearly \$1 million on a contract with Deloitte Consulting to assist the Agency in completing *Vision 2025* and develop a timeline for its implementation. The roadmap developed by the contractor includes a more specific description of a future SSA, but the contractor's reports do not discuss how SSA's budget uncertainty and other environmental factors could affect the envisioned roadmap. The value of the contractor's work will be measured by whether SSA uses the guidance the contractor provided as it makes the changes needed to meet its mission and successfully serve its customers in the future.



Steven L. Schaeffer, JD, CPA, CGFM, CGMA  
Assistant Inspector General for Audit

# *APPENDICES*

## Appendix A – CONGRESSIONAL REQUEST

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SAM JOHNSON, TEXAS  
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KATHRYN OLSON, SUBCOMMITTEE MINORITY STAFF

**Congress of the United States**  
**House of Representatives**  
**COMMITTEE ON WAYS AND MEANS**

WASHINGTON, DC 20515

SUBCOMMITTEE ON SOCIAL SECURITY

August 14, 2015

The Honorable Patrick P. O’Carroll, Jr.  
Inspector General  
Social Security Administration  
6401 Security Boulevard  
Altmeyer Building, Suite 300  
Baltimore, MD 21235

Dear Mr. O’Carroll:

I have long been concerned with the Social Security Administration’s (SSA) lack of long-term planning. While I was encouraged by SSA’s recent release of its *Vision 2025* plan, I am concerned that it may not provide a clear strategic vision for the SSA. To assist me in assessing whether the SSA has developed an adequate plan to ensure it effectively provides essential services now and in the future, I am requesting that your office review and evaluate the SSA’s *Vision 2025* plan. I would like your evaluation to answer the following questions:

- Does *Vision 2025* include specific, measurable goals?
- Does *Vision 2025* clearly define the environment in which the SSA believes it will operate in 2025 and how it will affect the Agency’s ability to provide services?
- Does *Vision 2025* outline the strategy needed to implement the proposed vision?
- The SSA contracted with the National Academy of Public Administration (NAPA) to develop a vision for the future of the SSA. How does *Vision 2025* incorporate NAPA’s work?
- The SSA entered into a fixed-price contract with Deloitte Consulting for \$622,000. Did the SSA gain sufficient value from these services, and were they redundant from the services contracted through NAPA? What services has Deloitte delivered to date and what further services will they deliver under the contract?

Committee on Ways and Means  
Subcommittee on Social Security  
August 14, 2015  
Page 2

Your assistance is very much appreciated. Should you have further questions, please contact Ted McCann, Staff Director at the Social Security Subcommittee, at 202-225-9263.

Sincerely,

  
SAM JOHNSON  
Chairman

## **Appendix B – SCOPE AND METHODOLOGY**

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To accomplish our objective, we:

- Reviewed the Social Security Administration's (SSA) *Vision 2025*.
- Reviewed the National Academy of Public Administration's (NAPA) report, *Anticipating the Future: Developing a Vision and Strategic Plan for the Social Security Administration for 2025-2030*. We compared the NAPA strategic vision outlined in its report to SSA's *Vision 2025*.
- Reviewed SSA's contract with Deloitte Consulting (contract number GS-10F-0083L), which called for Deloitte Consulting to provide expert consultation that leverages industry best practices to assist in the development of *Vision 2025* and to identify critical path timeline of milestones necessary to achieve the goals of *Vision 2025*, among other tasks. We reviewed the reports and analyses Deloitte Consulting provided to SSA in response to the contract as of January 2016.
- Reviewed other strategic documents provided by SSA.

We conducted our review from August 2015 through January 2016 in New York, New York. The principal entity reviewed was the Office of the Chief Strategic Officer. We conducted our review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

## Appendix C – THE CRITICAL PATH ROADMAP



## **Appendix D – AGENCY COMMENTS**

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### Social Security

#### **MEMORANDUM**

Date: March 7, 2016 Refer To: S1J-3

To: Patrick P. O'Carroll, Jr.  
Inspector General

From: Frank Cristaudo /s/  
Executive Counselor to the Commissioner

Subject: Office of the Inspector General Draft Congressional Response Report, "The Social Security Administration's Vision 2025 Plan" (A-02-16-50125) - INFORMATION

Thank you for the opportunity to review the draft report. Please see our attached comments.

Please let me know if we can be of further assistance. You may direct staff inquiries to Gary S. Hatcher at (410) 965-0680.

Attachment

**COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL DRAFT  
CONGRESSIONAL RESPONSE REPORT, “THE SOCIAL SECURITY  
ADMINISTRATION’S VISION 2025 PLAN” (A-02-16-50125)**

**General Comments**

We appreciate OIG incorporating our input within the report. We would like to provide additional context regarding our Vision 2025.

A vision, by definition, is aspirational and far-reaching and does not include a strategic plan. In formulating Vision 2025, we followed industry best practices. One such practice is conducting an assessment of an organization’s core mission, envisioned end state, and values before embarking on the establishment of the strategies and objectives that will help the organization achieve the desired end state. This approach is at the core of the Balanced Scorecard strategic planning framework, first developed in 1992 by two professors at the Harvard Business School and since refined by countless large corporations and government agencies. We are following the balanced scorecard approach to facilitate the development and execution of our Vision strategies.

We have aligned our near-term initiatives to advance the priorities in Vision 2025. Following the publication of Vision 2025, Acting Commissioner Colvin and an agency senior leadership team worked immediately to identify the first collection of strategies, labeled the “Critical Eight,” to support the three Vision priorities. Each of the Critical Eight projects communicates clear, measurable goals that can be used to track progress. As Acting Commissioner Colvin did last March, she met again with the agency senior executives for an intensive planning session in March 2016, to identify the next critical initiatives, which will align with the Vision 2025 priorities. Additionally, four of our fiscal years (FY) 2016-2017 Agency Priority Goals (APG) directly support our Vision priorities. Each APG offers specific measures, milestones, and targets. Because of these efforts, over the last year we have made significant progress toward realizing our Vision 2025.

We worked with Deloitte Consulting to develop an execution strategy and a roadmap of initiatives to cover the 10-year period addressed by Vision 2025. Deloitte presented a valuable roadmap that contains specific objectives, strategies, outcomes, initiatives, and recommendations. We are using this roadmap to develop action plans to inform both agency short-term and long-range planning.

The success of our Vision 2025 hinges on employees and customers recognizing their concerns and ideas in our strategic plans. With the support of Deloitte, we engaged with our stakeholders in a systematic and comprehensive way. Since we launched Vision 2025, we have conducted 13 working sessions in 6 regions with over 350 employees. We also worked with Deloitte to collect feedback representing over 29,000 employees.

We are now moving to the next phase of the process using the Vision as our guide, drafting our FY 2018-2022 Agency Strategic Plan (ASP). In past ASP cycles, including the current FY 2014-2018 cycle, the final document was not part of a larger strategic planning framework, nor did it focus on addressing longer-term challenges beyond that ASP cycle. With a robust strategic planning framework based on the Balanced Scorecard in place, the FY 2018-2022 and FY 2022-2026 ASPs will be linked explicitly to the Vision 2025 priorities and offer clear strategies for progress toward achieving those priorities.

We look forward to providing further updates on our progress toward our Vision 2025, including the establishment of specific, measurable goals.

## **Appendix E – ACKNOWLEDGMENTS**

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Tim Nee, Director, New York Audit Division

Christine Hauss, Audit Manager

William Lenng, Program Analyst

Joselyn Pichardo, Program Analyst

Kimberly Beauchamp, Writer-Editor

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