GAO: Report on Social Security Administration

Long Term Strategy Needed to Address Key Management Challenges
GAO-13-459. May 29, 2013

U.S. Government Accountability Office

What GAO Found

The Social Security Administration (SSA) will experience management challenges in four key areas over the next decade.
Human capital. SSA has not updated its succession plan since 2006 although the agency faces an ongoing retirement wave and hiring freeze which will make it difficult to respond to growing workload demands.
Disability program issues. SSA faces ongoing challenges incorporating a more modern concept of disability into its programs, while balancing competing needs to reduce backlogs of initial and appealed claims and ensure program integrity.

Information technology (IT). SSA has made strides in modernizing its IT systems to address growing workload demands, but faces challenges with these modernization efforts and correcting internal weaknesses in information security.

Physical infrastructure. SSA is moving toward centralized facilities management, but the agency lacks a proactive approach to evaluating its office structure that will identify potential efficiencies, such as consolidating offices.

SSA has ongoing planning efforts, but they do not address the long-term nature of these management challenges. For example, SSA is finalizing a service delivery plan, but it only includes detailed plans for the next 5 years and focuses on existing initiatives rather than articulating specific long-term strategies for the agency's service delivery model. Its current strategic plan also largely describes the continuation, expansion, or enhancement of ongoing activities, rather than proposing broad changes to address emerging issues. Since 2008, SSA has not had an entity or individual dedicated to strategic planning. Various groups have called on SSA to articulate a longer-term strategy, which it last did in 2000, motivated by many conditions which remain true today--such as increasing workloads, advances in technology, and employee retirements--and which will need to be addressed in the future. Strategic planning literature and experts cite key long-term planning practices such as planning for different scenarios and aligning interim plans with the long-term strategy as necessary for success.

Why GAO Did This Study

SSA is responsible for providing benefits and services that affect the lives of nearly every American. In calendar year 2012, SSA paid over 62 million people more than $826 billion in Social Security retirement and disability benefits and Supplemental Security Income payments. However, SSA faces increased workloads and large numbers of potential employee retirements in the long term. It is expected that a new Commissioner will soon be leading the agency. GAO was asked to describe issues confronting SSA. This report examines (1) key management challenges SSA faces in meeting its mission-related objectives, and (2) the extent to which SSA's planning efforts address these challenges. To do this, GAO reviewed relevant planning documents and reports from SSA and others as well as SSA management information and data on workload and staffing projections, and applicable federal laws and regulations; and interviewed SSA headquarters and regional officials, representatives of employee groups, and other experts.

Recommendations for Executive Action

Recommendation: The incoming Commissioner of Social Security should elevate the agency's strategic planning efforts by considering having an entity or individual dedicated to ensuring that these activities are coordinated agency-wide.

Agency Affected: Social Security Administration

Status: Review Pending

Comments: When we confirm what actions the agency has taken in response to this recommendation, we will provide updated information.
Recommendation: The incoming Commissioner of Social Security should prepare for wide-ranging management challenges by developing a long-term strategy for service delivery.

Agency Affected: Social Security Administration

Status: Review Pending

Comments: When we confirm what actions the agency has taken in response to this recommendation, we will provide updated information.
Recommendation: The incoming Commissioner of Social Security should mitigate the potential loss of institutional knowledge and expertise and help ensure leadership continuity by directing the Deputy Commissioner of Human Resources to update the agency's succession plan.

Agency Affected: Social Security Administration

Status: Review Pending

Comments: When we confirm what actions the agency has taken in response to this recommendation, we will provide updated information.

Recommendation: The incoming Commissioner of Social Security should determine if realigning the agency's headquarters, regional, or field office structure could yield increases in the agency's effectiveness and efficiency by launching an exploratory effort to assess the utility and feasibility of such a realignment or consolidation. These efforts could include holding discussions with other federal agencies, such as the Census Bureau and the Internal Revenue Service, to learn about their experiences undergoing similar transformations and studying the likely costs and benefits of consolidation, as well as other potential impacts.

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