

Academy Study Summary

An Organizational Assessment of the National Institutes of Health Central Services

Overview

Background

The National Institutes of Health (NIH), an operating division of the U.S. Department of Health and Human Services (HHS), is the largest biomedical research agency in the world tasked with the mission of “seeking fundamental knowledge about the nature and behavior of living systems and the application of that knowledge to enhance health, lengthen life, and reduce illness and disability.” The NIH is made up of 27 Institutes and Centers, each with a unique research agenda and focus. Due to the complex factors necessary to manage its numerous mission activities, the NIH has developed a Central Services model that consolidates business operations. The Central Services and Business Operations Division within the Office of Management is responsible for carrying out NIH-wide stewardship and fiduciary responsibilities associated with the budget and financial operations of the Central Service Offices and Centers.

Project Description

The NIH contracted for the National Academy of Public Administration (the Academy) to assess its Central Services mission as a shared service provider and its organizational capacity to meet its mission requirements efficiently and effectively. The Academy developed a comprehensive listing of Central Services offerings, analyzed and evaluated Central Services governance and finance structures, supporting technology systems and processes, internal organization and infrastructure, and stakeholder engagement, and provided actionable recommendations to address technical problems and gaps in the Central Services model to advance efficiencies and effectiveness. The Academy appointed a five-member Panel of Fellows to oversee and guide this study. Information on the Panel of Fellows and Study Team is provided on the next page.

Service Catalog Summary

The Academy developed a catalog framework that sets forth the structure by which Central Services should organize and describe its service offerings. The framework provides information associated with those attributed to each service offering and spans service lines that include, but are not limited to, information technology, human resources, and grants management. This catalog framework serves as a template for Central Services to use and adapt as it develops and implements its service catalog.

Recommendations Summary

The final report made 18 primary recommendations and 6 sub-recommendations, a total of 24 actions proposed for implementation. Recommendations were categorized by implementation both in terms of timetable and of impact. With respect to timetable, there are 9 short-term (acted upon during the first year following the delivery of the report), 14 medium-term (acted upon during the following year), and 1 long-term (acted upon in three years or later) recommendation. With respect to impact, there are 1 low, 11 medium, and 12 high impact actions.

About The National Academy of Public Administration

Chartered by Congress to provide non-partisan expert advice, the Academy is an independent, non-profit, and non-partisan organization established in 1967 to assist government leaders in building more effective, efficient, accountable, and transparent organizations. Learn more at www.napawash.org

Findings and Recommendations in Brief

The NIH Central Services enterprise provides more than 1,000 distinct mission-support services to 24 operating units of this complex, dispersed agency. While NIH's culture of continuous improvement yielded several important agency-led operational changes implemented over recent years, the report is the first formal external review of Central Services operations in two decades.

Findings and recommendations point to several opportunities to enhance operational efficiencies, mainly focused on matters such as governance, strategic planning, customer engagement, leveraging new technologies, management of information technology, and financial management. The recommendations are guided by best-practice research into how both federal agencies and other organizations approach the delivery of shared or central services. While no entity can be deemed an absolute analog to how the NIH is configured, there are nevertheless universal points that merit attention. Successful shared or central service providers have the following several common operating principles guiding their functioning:

- Transparency by providing sufficient explanatory data on price-setting with respect to the budget process.
- Communication between provider and consumer is needed to devise appropriate products and services that meet needs.
- Accountability through tracking performance metrics, communication with customers on service timeliness and quality, and active collaboration to discern how to enhance service delivery.
- Management clarity to ensure there are clearly defined authority and governance bodies so that issues can be raised and resolved in a manner that contributes to a unity of operation across the agency and advances plans for updating and improving services offered.

The report offers 18 different recommendations, along with 6 sub-recommendations. a total of 24 actions proposed for implementation. The Panel's recommendations largely focus on improving:

- Service Catalog
- Customer Experience and Engagement
- Governance
- Applying a Shared Services Model
- Budget Formulation
- Strategic Planning, Program Evaluation, and Performance Metrics
- Information Technology

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