

FEDERAL COMMUNICATIONS COMMISSION

STRATEGIC PLAN: 1997 - 2002

September 1997

FEDERAL COMMUNICATIONS COMMISSION'S STRATEGIC PLAN FOR FY 1997 - FY 2002

The Federal Communications Commission's Strategic Plan serves as the agency's primary long-range planning document, setting forth the overall mission of the agency and its general and specific goals and objectives for a six year timeframe. The Plan consists of a Mission Statement, general activity goals, a discussion of the means, strategies and resources required to achieve our goals, a discussion of the external factors that could affect the achievement of our goals and a discussion of the consultations which took place with our customers and stakeholders in the development of our Plan.

MISSION STATEMENT

The Federal Communications Commission exists to encourage competition in communications and to promote and support access for every American citizen to existing and advanced telecommunications services. This mission is executed through the four primary Commission activities: Authorization of Service, Policy and Rulemaking, Enforcement, and Public Information Services.

AUTHORIZATION OF SERVICE

The authorization of service activity covers the licensing of radio stations and devices, telecommunications equipment and radio operators, as well as the authorization of common carrier and other services and facilities. It includes policy direction, program development, legal services and executive direction, as well as support services associated with authorization activities.

Activity Goal: To promote efficient and innovative licensing and authorization of services by meeting established customer Speed of Disposal (SOD) goals and by utilizing auctions whenever feasible to quickly and efficiently license or authorize telecommunications services.

Means/Strategies/Resources: The FCC has sought to improve its authorization of service activities through reengineering and integrating its licensing databases and through the implementation of electronic filing. The benefits to be derived from such projects are manifold and include a more economical use of FCC personnel resources, improvement in processing times, the ability of our customers to file via the Internet or through other electronic filing mechanisms, and the ability to provide our customers with immediate status reports on their applications. For many years, the cost and complexity of such projects did not allow for their consideration. However, improvements in software combined with the technological capabilities of the Internet, have allowed us in the past few years, to make substantial progress in planning, and in some cases, implementing these capabilities for a limited number of licensing systems. In the next few years we plan to restructure, integrate and implement electronic filing initiatives for the Mass Media Bureau, Wireless Telecommunications Bureau, International Bureau and the Office of Engineering and Technology authorization of service systems. We will carefully monitor the progress of these initiatives in our Quarterly Workload Report Evaluations which will be expanded to include reporting on all GPRA-related initiatives.

AUTHORIZATION OF SERVICE ACTIVITY OBJECTIVE 1
We will meet our established customer Speed of Disposal processing goals.
<u>Performance Indicator:</u> Performance will be measured through analysis of data contained in quarterly reports prepared by our operating Bureaus. These reports contain bureau- and customer-established performance goals for all application processing services based on Speed of Disposal (SoD). Data to be analyzed includes receipts, disposals, backlogs, pending SoD, and Age of Pending measurements. Performance will also be measured by the number of authorization systems re-engineered, the number of electronic filing systems implemented, and the impact of both on our licensees.

AUTHORIZATION OF SERVICE ACTIVITY OBJECTIVE 2

We will utilize spectrum auctions whenever feasible for efficient licensing and innovative use of the electromagnetic spectrum allowing the most advantageous use of the scarce spectrum and expedited new consumer services.

Performance Indicator: Performance will be measured by whether the schedule was met.

POLICY AND RULEMAKING

This activity covers formal inquiries, rulemaking proceedings to establish or amend the Commission's rules and regulations, action on petitions for rulemaking and requests for rule interpretations or waivers; economic studies and analyses; spectrum planning, modeling, propagation-interference analyses and allocation; and the development of equipment standards. It includes policy direction, program development, legal services and executive direction, as well as support services associated with policy and rulemaking activities. The Commission's rulemaking procedures will continue to have a substantial effect on the economic efficiency and competitiveness of the telecommunications industry. These policies and rules will also influence how efficiently the radio spectrum resource is used.

Activity Goal: To encourage, through our policy and rulemaking activities, the development of competitive, innovative and excellent communications systems, with a minimum of regulation. This will be accomplished by restructuring and streamlining the FCC, by eliminating overlapping and/or burdensome rules and regulations and by increasing the telecommunications choices available to consumers through pro-competitive, deregulatory rulemakings.

Means/Strategies/Resources: Most of the performance goals included under this activity are related to the FCC's traditional rulemaking procedures which are governed by the statutory requirements of the Administrative Procedures Act. In addition, several of the performance goals contained in this Plan are outyear requirements of the Telecommunications Act of 1996 (Telecom Act) implementation or agency-generated procedures to effectively continue implementation of this Act. Because these initiatives are prescribed by legal requirements, they are more output in nature -- whether a rulemaking was completed or rules reviewed -- although the long-term impact of these goals will ultimately be measurable outcomes. Any attempt to assess impacts or outcomes of these activities at this time would be premature, since many of our deregulatory initiatives are currently in litigation. Although we continue to monitor competition in the telecommunications industry, it will be several years following the end of litigation and implementation of final agency rules before any determination can be made of the effect of our actions on the telecommunications industry. In addition, as both OMB and GAO have commented in their published guidelines, determining the effect of a regulatory agency's actions on a marketplace where there are many factors contributing to its overall economic state can be challenging.

<p style="text-align: center;">POLICY AND RULEMAKING ACTIVITY OBJECTIVE 1</p>
<p>We will restructure and streamline the FCC, eliminating outdated or redundant organizations and overlapping regulation.</p>
<p><u>Performance Indicator:</u> Performance will be measured by the number of initiatives completed. We will also survey our customers relative to the impact of our restructuring and streamlining initiatives.</p>

POLICY AND RULEMAKING ACTIVITY OBJECTIVE 2

We will encourage competition in the telecommunications industry through pro-competitive, deregulatory rulemakings, reducing consumer costs and increasing the telecommunications choices available to consumers.

Performance Indicator: Performance will be measured by an annual compilation of the number of actions taken by the Commission to promote competition and an analysis of the effect of these activities on consumers.

POLICY AND RULEMAKING ACTIVITY OBJECTIVE 3

We will reduce reporting requirements and eliminate unnecessary rules and burdensome regulations.

Performance Indicator: Performance will be measured by monitoring the impact of our rules reduction effort relative to the Paperwork Reduction and Regulatory Flexibility Acts. Performance will also be measured by our analysis of deregulatory actions taken by the agency and required to be reported to Congress by the Telecommunications Act of 1996.

ENFORCEMENT

The enforcement activity covers the enforcement of the Commission's rules and regulations, including investigations, inspections, compliance monitoring and sanctions of all types. It also includes the receipt and disposition of formal and informal complaints regarding common carrier rates and services, the review and acceptance/rejection of carrier tariffs, and the review, prescription and audit of carrier accounting practices. It includes policy direction, program development, legal services, and executive direction, as well as support services associated with compliance activities. The importance of enforcement of the agency rules has increased in an era of deregulation and increased competition. Common carrier oversight is required to ensure that "slamming" and other abuses do not occur. Further, carriers and their customers now seek to adjudicate disputes formerly covered by regulatory proceedings, thus increasing the Commission's complaint workload. In addition, more intensive use of the radio spectrum and the marketing of new electronic equipment has greatly increased potential interference problems.

Activity Goal: To promote the public interest by enforcing rules and regulations that ensure that all Americans are afforded efficient use of communications technologies. This will be accomplished by utilizing the latest technical and process engineering techniques to improve interference and consumer complaint resolution, by partnering with the private sector and with other governmental units to resolve shared telecommunications issues, and by utilizing industry and customer feedback to determine effective levels of enforcement and appropriate enforcement policies and procedures.

Means/Strategies/Resources: Historically, the FCC has managed enforcement issues on a case-by-case basis. The majority of consumer complaints were individually recorded and resolved. Interference complaints were managed by our field installations with on-site monitoring and enforcement. This approach worked well in a world where the number and types of telecommunications equipment was finite -- telephones, radios, televisions and a sprinkling of mobile radio services. However, with the proliferation in the types and numbers of telecommunications equipment, it has become increasingly apparent that the FCC could not effectively keep pace with enforcement requirements using traditional approaches. The costs of maintaining field installations with state-of-the-art monitoring equipment became prohibitively expensive and we could not respond effectively to the escalating number of complaints and inquiries. With the increase in "slamming" and other consumer telephone issues, the number of unresolved backlogged complaints mounted. To address these enforcement issues, the FCC has developed, in the past few years, a multi-faceted strategy to deal with enforcement issues. We have developed a multi-phased implementation plan for converting our manual complaint processing system to a state-of-the-art automated, paperless system. With Phase 1 of the project completed, we have already documented a significant reduction in the time required to resolve consumer complaints. We have established a National Call Center in Gettysburg, Pennsylvania, providing consumers with a toll-free number to call to find out information on all

FCC-related issues. We have identified "hot" consumer issues and published consumer bulletins on these topics (both in hard copy and on the Internet), and we have met and shared outreach programs with state and local officials on many of these issues. We continue to use self-certification procedures for many new telecommunications products to prevent the marketing of equipment which could potentially generate electronic interference. Finally, we have reduced some of the costly on-site resolution of electronic interference problems with a centralized monitoring system in Columbia, Maryland. Our performance goals continue to reflect this fundamental change in focus in our enforcement activities.

ENFORCEMENT ACTIVITY OBJECTIVE 1
We will streamline our complaints processes and procedures to ensure timely and satisfactory resolution of consumer complaints.
<u>Performance Indicator:</u> Performance will be measured through an analysis of the Quarterly Workload Reports which document the Speed of Disposal of informal consumer complaints.

ENFORCEMENT ACTIVITY OBJECTIVE 2

We will work as a partner with the private sector and with federal, state and local governments in the investigation and resolution of shared telecommunications problems focusing particularly on issues affecting the safety of life and property. This will ensure that problem resolution is achieved quickly, at the least possible cost and with state and local interests considered.

Performance Indicator: Performance will be measured by an annual performance report detailing what issues were considered in partnership with state and local governments and what the resulting effect was on consumers.

ENFORCEMENT ACTIVITY OBJECTIVE 3

We will identify industry and consumer issues through customer feedback on the impact of our rules, the levels of enforcement, the effects of nonenforcement and the need for revisions to our enforcement policies and procedures.

Performance Indicator: Performance measurement will be by the number of initiatives completed and through an annual performance report which will document the number of meetings held and the results of these meetings.

ENFORCEMENT ACTIVITY OBJECTIVE 4

We will utilize the latest technology to minimize interference resolution time and increase overall customer satisfaction by resolving complaints in a timely fashion.

Performance Indicator: Performance will be measured through technical improvements implemented and an analysis of customer surveys and complaints to determine if complaints are being addressed in a timely fashion.

PUBLIC INFORMATION SERVICES

The Public Information Services activity covers the publication and dissemination of Commission decisions, actions, and related activities; public reference and library services; the duplication and dissemination of Commission records and databases; the receipt and disposition of public inquiries; consumer, small business and public assistance; and public affairs and media relations. It includes policy direction, program development, legal services, and executive direction, as well as support services associated with public information activities.

Activity Goal: To provide information services to our customers in the most useful formats available and in the most timely, accurate and courteous manner possible. This will be accomplished by providing "one stop" information shopping to consumers through the consolidation of our public reference rooms, by designing our information systems for Internet applications to ensure rapid and accurate information dissemination and by actively encouraging public participation in all FCC proceedings.

Means/Strategies/Resources: Our performance goals for the Public Information Services activity will be achieved through consolidation, expansion and enhancement of our current public information services and will be built upon our notable achievements in this area over the past several years. Many of the performance goals for this activity are continuations or "add-ons" to projects already planned and, in some case, implemented. On-site, "one stop shopping" for FCC documents will be achieved through the long planned

consolidation of our major reference rooms when we relocate to our new, consolidated facility. "One stop shopping" for information about the FCC and our activities will be provided to our stakeholders outside of Washington when we attain nationwide coverage at the National Call Center in Gettysburg, Pennsylvania. In FY 1999, we will complete the final phase of this ambitious project which provides information on every aspect of the FCC through a toll-free number which can be accessed by anyone within the United States. During its first year of operation, although it provided service to approximately sixty percent of the country, the NCC responded to more than 265,000 telephone inquiries. Its Interactive Voice Response System, which provides status updates and other information, responded to 57,000 inquiries in its first three months of operation. In addition to the consolidation of our headquarters reference rooms and expansion of the National Call Center's capabilities, we will continue to expand the capabilities of our very popular World Wide Web site to include such services as the electronic filing of license applications and automated status reports on license applications. We also will continue to expand our FAX-on-Demand services and will routinely include educational and other public interest groups as part of our consumer outreach program. Finally, we will streamline our internal document management system to ensure that the information we provide the public, in whatever format, is complete and timely.

PUBLIC INFORMATION ACTIVITY OBJECTIVE 1
We will provide "one stop" information shopping through consolidation of our public reference rooms and other information services.
<u>Performance Indicator:</u> Performance will be measured by the number of initiatives completed.

PUBLIC INFORMATION ACTIVITY OBJECTIVE 2

We will design our information systems for Internet applications as well as other media to ensure rapid and efficient dissemination of information to our customers.

Performance Indicator: Performance will be measured through an annual performance report which will document all our information outreach initiatives, including specific projects, public meetings and conferences, and an examination of the overall impact on consumers.

PUBLIC INFORMATION ACTIVITY OBJECTIVE 3

We will encourage public participation in all FCC proceedings to ensure all parties' views are heard and that there is speedy resolution of issues.

Performance Indicator: Performance will be measured through an annual performance report which will document public participation in FCC proceedings.

Key External Factors Affecting Achievement of Performance Goals

The passage of the Telecommunications Act of 1996 has had a major impact on the agency's GPRA planning activities. Our efforts to implement the provisions of this Act according to its mandated deadlines has and will continue to affect every aspect of the FCC -- our resource allocation and our very organizational structure.

The unclear picture of what the FCC or the telecommunications industry will look like in the future makes formulating useful Performance Goals and Indicators, which will remain relevant for the next several years, extremely difficult. Considering these concerns, we have crafted goals, objectives and performance indicators which incorporate both the major regulatory functions mandated by the Telecommunications Act of 1996 and the fundamental functions of the agency based on our four major activities: authorization of service, policy and rulemaking, compliance and public information. Our three somewhat antithetical goals -- to meet the statutory deadlines for implementation of the Telecommunications Act, to redirect our resources to manage our changing priorities, and to continue to respond effectively to the needs of a dynamic telecommunications market -- may deter or slow our progress in meeting our performance goals.

Additionally, several other factors will likely affect our ability to achieve all of our stated objectives. Foremost among these, of course, is our budgetary situation. Without adequate resources to perform our work, we could not make real progress in meeting the formidable goals we have established for the Commission. Particularly important is the budgetary and logistically challenging impact of the Commission's forthcoming relocation to a consolidated facility in FY 1998. The effect of this large-scale move, which will take at least six months to complete, will surely impact our ability to meet the goals and objectives we've set for ourselves, at least in the short term. In the long term, we expect that the consolidation will lead to improved efficiency and effectiveness of our operations. The relative state of the economy can affect the rate of technological innovation and related manufacturing of technologically advanced telecommunications equipment and, thus, the state of competition in this country. The growing international impact of telecommunications policy decisions made by foreign administrations and the increasingly competitive global marketplace for telecommunications products can significantly affect not only the U.S. economy but also the direction and focus of Commission decisionmaking and policymaking. Under provisions of the Telecom Act, the FCC now shares responsibility with state and local jurisdictions for implementing new regulations on key telecommunications issues such as interconnection. This shared responsibility requires increased coordination and consultation which may delay our implementation of these major initiatives. All of these factors can affect the achievement of our performance goals and objectives.

Finally, there is one key internal factor that has led us to modify our strategic planning. Currently, the FCC is an agency in transition

with four new Commissioners, including a new Chairman, expected to be confirmed in early October 1997. While it is unlikely that the activity goals contained in our Strategic Plan will change, the means and methods the agency will use to attain these goals over the next several years may change as the new Chairman and Commissioners bring their own ideas on how to accomplish our overall mission. For our Strategic Plan to be a success, we must afford our new top executives an opportunity to review, comment and, perhaps, redraft this Plan. For this reason, we have not incorporated detailed, multi-phased milestones under our general activity objectives in this edition of the Plan. We will include these milestones, along with specific performance goals for Fiscal Year 1999, when we submit our Budget to Congress in February 1998.

Cross Cutting Functions

The Commission routinely interacts with various Federal agencies. For example, we: coordinate radio antenna and tower proposals with the Federal Aviation Administration in order to prevent interference and to ensure safety of life and property; measure spurious radio signal emissions in cooperation with the EPA to monitor public risks associated with electromagnetic radiation; coordinate with the U. S. Customs Service concerning imported electronic devices; coordinate our fines and forfeitures and compliance programs with the U.S. Justice Department; work closely with the Coast Guard on inspections of ship radios; and coordinate spectrum policy issues with the National Technical Information Administration. All of these functions of the Commission are strictly defined relative to the functions assigned these other agencies and there are no functional regulatory conflicts between the FCC and other agencies. We received no comments relative to this issue in response to the publication of our draft Strategic Plan.

Consultations

In developing our Strategic Plan, we met with Office of Management and Budget officials to obtain their views on our draft Plan. We reviewed draft plans from other federal agencies. We also incorporated our draft Strategic Plan into our FY 1998 Budget To Congress in February 1997 and sought input from our Congressional Oversight and Budgetary Committees. We published our draft Strategic Plan as a Public Notice on July 17, 1997, requesting that interested parties file comments. We also prominently displayed the Plan on our Internet Web Site, soliciting comments via e-mail. We had over 600 visits to the World Wide Web site featuring our draft Plan. We received a total of 12 written comments, including six transmitted via Internet e-mail. For the most part, the comments we received were favorable. Two commenters thought our Strategic Plan was too generic and should contain more specific performance goals. Their comments will be addressed in our FY 1999 Annual Performance Goals which will contain the level of specificity the commenters sought. Three commenters were concerned that our Enforcement Activity did not include the traditional enforcement goals of interference-free public safety communications and a commitment to protect the safety of life and property. In response to these

concerns, we added appropriate language to our Enforcement Activity Objective #2 to focus on this issue.

Program Evaluations

Although many of our goals and objectives were developed without the need for formal program evaluations, we utilized the results of several formal and informal evaluations in developing our Strategic Plan. One source that was used was the agency's Quarterly Workload Report Evaluations. These are reports by each of our Bureaus that provide detailed Speed of Disposal processing statistics and other Authorization of Service information that is then independently analyzed to identify significant workload trends and to provide other management information to agency officials. Several of the performance objectives were developed in response to reviews performed as a result of Telcom Act requirements and several more (for example, our proposals to privatize certain functions and to expand the utilization of our National Call Center) were the result of internal management reviews.

We plan to continue to evaluate our quarterly workload reports and will seek to expand the reports to cover most of the annual objectives that the Commission will be reporting on in FY 2000. We also plan to request Inspector General (IG) reviews of our GPRA goal-setting processes and procedures and will conduct as yet unspecified management reviews/program evaluations of specific functions covered by our annual objectives each fiscal year during the timeframe covered by the Strategic Plan.