



Faulkner cleans House

The U.S. House of Representatives undergoes a restructuring

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NEW YORK (CNNfn) - The U.S. House of Representatives has cleaned house following scandals involving its bank and post office. It hired a team of efficiency experts from private consulting firms with experience in corporate turnarounds to streamline operations in the Capitol and the adjourning office buildings.



These new administrators, led by Scot Faulkner, have reorganized the structure, straightened out the books and subcontracted with private firms to handle services that were previously subsidized with taxpayers money.

Appearing on CNNfn's "Who's In Charge?" Faulkner, whose official title is Chief Administrative Office of the House of Representatives, said the impetus for change was the combination of the scandals and the fact that 35 percent of the members of Congress have business backgrounds, and "they were really looking for something that resembled the private sector."



Scot Faulkner

Faulkner said the biggest challenge he faced was the old word-of-mouth culture that existed in the House, which shunned documentation such as written procedures, purchase orders and contracts. [\(335KB WAV\)](#) or [\(335KB AIF\)](#) He sought to institute reforms by first reorganizing the House as a whole, rather than correcting each part separately. He used a large convention center/hotel as a frame of reference for the centralized facilities, including a support system to accommodate the large number of people arriving in the House each day, as well as the 500 small business units consisting of leadership, members and committees.

On the subject of services, Faulkner commented that although the members' long hours and public visibility may necessitate having on-premise services, such as haircuts and shoe shines, "they are in many ways a professional necessity but not necessarily a taxpayer necessity, so having a private sector business come in and do these services for-profit ... was a much better way to go." [\(332KB WAV\)](#) or [\(332KB AIF\)](#)



Faulkner did admit that he and his staff encountered some resistance to the personnel changes from some long-standing members of both parties. He adds, "thankfully many of the private vendors that we brought in retained many of the long term employees, so we were able to keep a consistency and familiarity while we were changing the whole structure." [\(513KB\)](#)

WAV or (513KB AIF)

These changes resulted in an initial savings of \$69 million for the core functions of the House and a \$38 million savings for fiscal year 1997. He added that now that the new structure is in place, he has been able to bring in new computers which have automated purchase orders, procurements and all of the House databases, freeing-up a lot of resources. Furthermore, Faulkner said "...we are continuing to refine, like any business, looking at our customers, what they want into the future and how we can organize more efficiently."

The Senate, according to Faulkner, has been monitoring the changes going on in the House, and has received a significant amount of information regarding contract terms and names of private sector parties involved in these changes. As for local and state government, Faulkner said that many are way ahead of the federal government, having turned to partnerships with the private sector in the 1980s in order to save money.

Faulkner claimed he was chosen for job based on the combination of his experience in the private sector and his public service on the Hill in the 1970s and in the Reagan administration. (431KB WAV) or (431KB AIF)

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