

Radio Interview Excerpts



Donald J. LaVoy and Barbara L. Burkhalter
Real Estate Assessment Center (REAC)
Department of Housing and Urban Development

ORGANIZATIONAL CHANGE

On the need for change

Barbara Burkhalter: In the past, the employee would receive a hard copy or paper version of a set of financial statements. They would manually create some ratios typical to a banking industry, and then they would maybe do something about that, all at their desk with paper. People in headquarters wouldn't know anything about the results of that work or if the employees did it, how they did it, or what format it was accomplished in. Within an electronic system, the opposite is true. The computer does the math and the employees can focus on solving the problem. Intervention to solve the problems — that's the big change in the work product.

On the future of government management

Donald J. LaVoy: REAC is the model of what the future HUD needs to look like as well as the other government agencies. That same physical inspection that we won the [*Government Executive* magazine] award for is the same one that the Department of Agriculture is getting ready to partner with us for and start with all their properties. We are also in consultation with the U.S. Marshals Service to start doing all of their properties using this electronic medium, as well as the IRS's tax credit program. What this says is that the program is a success and that all of government is starting to understand the importance of E-commerce in doing all of their transactions.

On new challenges

Barbara Burkhalter: One of the problems we have is that our constituents are only moderately able to use the Internet. We even have to help them acquire an Internet service provider to use our data. The technology is very new, so we experience problems with its stability in terms of application and software development.

I think the special challenge with anything electronic is technical support. We have backlogs of ideas. What is holding us

back is the technical support, the infrastructure, and the attitude toward making technology efficient, fast, and user friendly. We are held back, at the moment, from all the things we want to do by the technical support that we need to keep it moving.

On philosophical foundation

Donald J. LaVoy: I think that philosophically, we both believe in good government — which is a high-sounding statement, but you have to have an understanding or philosophical underpinning. We believe that this project is important. There are 6 million people who depend upon the housing provided by HUD, and the look of satisfaction on the faces of almost everybody who sees the things we've been able to accomplish is one of the real drivers. There is a definite outcome and people's lives are affected, and we are making change.

TECHNOLOGY

On the advantages of new business models

Donald J. LaVoy: As in many parts of government, people know how to do their job, but the problem is that we basically have done it using paper. Paper by virtue of volume, handling, and logistics makes information retrieval cumbersome and time consuming. Knowing that this was a problem and realizing the business we had to perform as assessors, we decided to build our entire REAC using the e-commerce model where everything is done on the Internet using the electronic medium. This model has enabled us to convert reams of data into data warehouse format and perform incredible amounts of analysis, as well as accurate, reflective, portfolio management.

Look at our ability to share with a reporting entity the results of their financial physical analysis, giving them the remedy electronically, then in a real-time fashion being able to monitor that. It increases efficiency, allows for better communication, and it creates a government that is truly responsive to what individual taxpayers, regulated people and entities are expecting from government.