

EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

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## Results-Oriented: Report Shows Impact of New Management Habits and Disciplines Resulting from President's Management Agenda

WASHINGTON, D.C. – A report to federal employees released today by the Office of Management and Budget (OMB) asserts that the Federal Government is results-oriented, with the help of new disciplines and habits federal departments and agencies are adopting through the President's Management Agenda (PMA).

"The Federal Government is results-oriented," said Clay Johnson III, Deputy Director of the Office of Management and Budget and chair of the President's Management Council. "We deliver results in many key areas, and also expect that costs will be managed, the government will spend the people's money wisely, and that managers will be held accountable for achieving results."

Launched in August 2001 as a strategy for improving the management and performance of the Federal Government, the PMA focuses on the areas where deficiencies were most apparent and where the Government could begin to deliver concrete, measurable results. The five Government-wide initiatives are:

- <u>Strategic management of human capital</u> having processes in place to ensure the right person is in the right job, at the right time, and is not only performing, but performing well;
- <u>Competitive sourcing</u> an estimated \$1.1 billion in savings is expected during the next 3-5 years just through the competitive sourcing studies conducted in 2003.
- <u>Improved financial performance</u> accurately accounting for the taxpayers' money and giving managers timely and accurate program cost information to inform management decisions and control costs;
- <u>Expanded electronic government</u> ensuring that the Federal Government's \$60 billion annual investment in information technology (IT) significantly improves the government's ability to serve citizens, and that IT systems are secure, and delivered on time and on budget; and
- <u>Budget and performance integration</u> for the first time the Federal Government is systematically assessing its programs to identify opportunities to improve effectiveness and working to tie funds to results.

In addition to citing progress in these key areas, the report also notes the enormous potential in continuing the work of the PMA. Eliminating the more than \$35 billion in improper payments each year could produce substantial savings to the taxpayer. The projected savings associated with competitive sourcing, fully implemented, are over \$5 billion per year. In a \$2.4 trillion federal budget, each percentage point of overall increased effectiveness and efficiency has a value of \$24 billion per year.

"Federal employees are integrally involved in this effort because they also want their programs focused on the right outcomes and they want to maximize the results that their programs aim to achieve," said Johnson. "Federal employees are results-oriented, and they are making sure their agencies are resultoriented too."