

INCREASING GOVERNMENT'S CAPACITY TO DELIVER RESULTS

With the help of the President's Management Agenda (PMA), Federal agencies have significantly improved their ability to be more effective.

Performing Better: The Office of Management and Budget and the agencies have systematically reviewed the performance of virtually all Federal programs using the Program Assessment Rating Tool. Reviews with this diagnostic tool help ensure that all programs have clear, specific definitions of success, performance measures to track that success, concrete improvement plans, and use performance as a key basis for management and budget allocation decisions:

- 82 percent of programs have established or clarified their long-term and annual performance goals that focus on the outcome important to Americans;
- 80 percent of programs are achieving their performance goals, at least minimally;
- 69 percent of programs are improving efficiency annually.

Improving Human Capital Management: Agencies and employees are working together to develop clearer goals for each employee, identify the critical skills needed to achieve agency missions, and ensure the workforce has the skills required to meet these goals.

- Agencies have reduced gaps in skills from 5 percent to 1 percent since 2001;
- Approximately 64 percent of employees are now hired within 45 days;
- Agencies are implementing better performance management practices that will help them better manage, develop, and reward employees.

Using Information Technology More Effectively: The PMA has helped agencies establish the disciplines to use their IT more effectively.

- Agencies met 86 percent of their E-Government implementation milestones in FY 06, accelerating the benefits derived from implementing and utilizing common IT solutions;
- 46 percent of agencies are professionally managing their IT systems, up from 28 percent in 2005, and, on average are accounting for and achieving at least 90 percent of their cost, schedule, and performance goals.

Improving Financial and Real Property Management: To ensure managers have current and accurate financial information for decision making, agencies have strengthened their financial management practices. For example:

- In 2006, for the second straight year, every agency had the financial disciplines in place to complete its Performance and Accountability Report within 45 days of the end of the fiscal year, which is faster than the private sector and more than three months faster than it used to take;
- 19 out of 24 major agencies earned clean audit opinions and reduced the number of "material weaknesses" reported from 62 in 2001 to 41 in 2006;
- Agencies have, for the first time, installed systems to manage their real property investments and costs. They have also disposed of the first \$4.2 billion of \$15 billion in unneeded property that has been identified.

Using Competition to Get the Best Service at the Lowest Cost to Taxpayers: Federal managers use public-private competitions to make common-sense decisions on how to better serve taxpayers.

- Competitions completed during the last four years are expected to save taxpayers more than \$1 billion per year;
- Agencies will be able to reduce their costs by more than \$6 billion per year by using public-private competitions to ensure all their commercial activities are performed most efficiently.

Eliminating Improper Payments: Agencies are improving the accuracy of Federal payments.

- Agencies have reduced their improper payments by nearly \$9 billion or 20 percent - bringing the amount of improper payments in the 30 programs originally reported in FY 2004 from the baseline of approximately \$45.1 billion to \$36.3 billion in FY 2006;
- By 2008 all high-risk programs will report error measurements.

Focusing on Greater Effectiveness:

- The Administration is using the President's Management Agenda scorecard to clearly and publicly define what management improvements are desired, hold agencies accountable for achieving them, and publicly assess whether agencies are improving to meet these goals.
- Similarly, www.ExpectMore.gov helps ensure agencies use their new management abilities to improve their effectiveness. The assessments of virtually all Federal programs are made public to increase accountability to Congress and the taxpayers for achieving the performance that has been promised.
- Finally the Administration is using a redesigned www.Results.gov to convince Congress, Federal employees, and interested parties that greater government effectiveness is the norm, and the mission of the President's Management Agenda.