

MANAGING FOR RESULTS

Agencies Need to Fully Identify and Report Major Management Challenges and Actions to Resolve them in their Agency Performance Plans

Why GAO Did This Study

GPRAMA requires agencies to identify and report on how they will resolve major management challenges—programs or management functions with greater vulnerability to waste, fraud, abuse, and mismanagement where a failure to perform well could seriously affect the ability of an agency or the government to achieve its mission or goals. Agencies are to describe challenges and provide performance information for resolving those challenges in agency performance plans.

GPRAMA includes a provision for GAO to periodically review its implementation. The objectives of this report were to (1) assess to what extent agency performance plans and reports address major management challenges that include, for example, GAO High-Risk issues and challenges identified by the agency Inspector General; and (2) identify illustrative examples that selected agencies reported taking to address their major management challenges. GAO examined agency performance plans and reports using GPRAMA and interviewed OMB and agency staff.

What GAO Recommends

GAO recommends that OMB clarify its guidance and is making specific recommendations to the agencies that did not comply with GPRAMA. OMB concurred, but of the 22 agencies to which GAO made specific recommendations 18 agreed, 2 neither agreed nor disagreed, and 2 did not agree. GAO continues to believe that these recommendations should be implemented, as discussed in the report.

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What GAO Found

The GPRA Modernization Act of 2010 (GPRAMA) requires agencies to describe their major management challenges and identify associated performance information in their agency performance plans (APP). GAO found, however, that 14 of 24 agencies reviewed did not describe their major management challenges in their APPs as required. This is, in part, because the Office of Management and Budget's (OMB) guidance is not clear that major management challenges should be identified in the APP. GPRAMA also requires agencies to develop and report performance information—specifically performance goals, measures, milestones, planned actions, and an agency official responsible—needed to resolve the issue. However, GAO found that 22 of the 24 agencies reviewed did not report complete performance information for each of their major management challenges. Again, this may be in part because OMB's guidance is unclear. As a result, it was not always transparent what these agencies considered to be their major management challenges or how they planned to resolve these challenges. GAO also found that the number of major management challenges reported by these agencies ranged from none (Nuclear Regulatory Commission) to 17 (Department of Defense) with most having 5 or more. GAO found there were generally seven management functions that were most frequently cited as major management challenges across these 24 agencies: 1) acquisition and procurement, 2) contract management and contractor oversight, 3) cybersecurity, 4) financial management, 5) human capital management, 6) addressing improper payments, and 7) real property management.

GAO selected illustrative examples from the Environmental Protection Agency (EPA), Department of Homeland Security (DHS), and the National Aeronautics and Space Administration (NASA) to demonstrate actions agency officials took to help address an area that they determined to be a management challenge and was also one of GAO's high-risk areas. For example, DHS began implementing an action plan with milestones and performance measures to strengthen its management functions which is also a high risk issue area; and NASA implemented key components of an action plan including instituting new tools aimed at providing increased insight into project performance over its acquisition management high risk area. While more work remains for these three agencies, the actions taken to date show progress and align with GPRAMA requirements that challenges should also include performance information.