

GAO

Testimony

Before the Subcommittee on Government
Efficiency and Financial Management,
Committee on Government Reform,
House of Representatives

For Release on Delivery
Expected at 2:00 p.m. EST
Wednesday, March 31, 2004

RESULTS-ORIENTED GOVERNMENT

GPRA Has Established a Solid Foundation for Achieving Greater Results

Statement of Patricia A. Dalton, Director
Strategic Issues





Highlights of [GAO-04-594T](#), testimony before the Subcommittee on Government Efficiency and Financial Management, Committee on Government Reform, House of Representatives

RESULTS-ORIENTED GOVERNMENT

GPRA Has Established a Solid Foundation for Achieving Greater Results

Why GAO Did This Study

The Government Performance and Results Act (GPRA) has been in effect for 10 years. In that context, the subcommittee asked GAO to discuss our recent report, *Results-Oriented Government: GPRA Has Established a Solid Foundation for Achieving Greater Results*. Our testimony addresses the effectiveness of GPRA in creating a focus on results in the federal government.

What GAO Recommends

In our recent report, we recommended that the Office of Management and Budget (OMB) improve its guidance and oversight of GPRA implementation, as well as develop a governmentwide performance plan. We also suggested that Congress consider amending GPRA to require that (1) agencies update their strategic plans at least once every 4 years, consult with congressional stakeholders at least once every new Congress, and make interim updates to strategic and performance plans as appropriate, and (2) the President develop a governmentwide strategic plan.

OMB generally agreed with our recommendations, but stated that the President's Budget can serve as both a governmentwide strategic and annual plan. However, we believe the budget provides neither a long-term nor an integrated perspective on the federal government's performance.

www.gao.gov/cgi-bin/getrpt?GAO-04-594T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Patricia A. Dalton at (202) 512-6806 or daltonp@gao.gov.

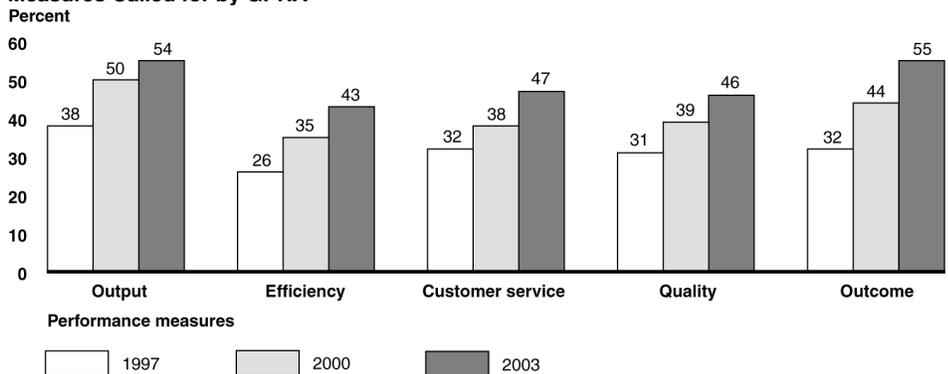
What GAO Found

GPRA's requirements have established a solid foundation of results-oriented performance planning, measurement, and reporting in the federal government. Federal managers surveyed by GAO reported having significantly more of the types of performance measures called for by GPRA (see fig. below). GPRA has also begun to facilitate the linking of resources to results, although much remains to be done in this area to increase the use of performance information to make decisions about resources. In our report, we also found agency strategic and annual performance plans and reports have improved over initial efforts.

Although a foundation has been established, numerous significant challenges to GPRA implementation still exist. Inconsistent top leadership commitment to achieving results within agencies and OMB can hinder the development of results-oriented cultures in agencies. Furthermore, in certain areas, federal managers continue to have difficulty setting outcome-oriented goals, collecting useful data on results, and linking institutional, program, unit, and individual performance measurement and reward systems. Finally, there is an inadequate focus on addressing issues that cut across federal agencies.

OMB, as the focal point for management in the federal government, is responsible for overall leadership and direction in addressing these challenges. OMB has clearly placed greater emphasis on management issues during the past several years. However, OMB has showed less commitment to GPRA implementation in its guidance to agencies and is not using the governmentwide performance plan requirement of GPRA to develop an integrated approach to crosscutting issues. In our view, governmentwide strategic planning could better facilitate the integration of federal activities to achieve national goals.

Percentage of Federal Managers Who Reported Having Specific Types of Performance Measures Called for by GPRA



Source: GAO.

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss our report, *Results-Oriented Government: GPRA Has Established a Solid Foundation for Achieving Greater Results*.¹ The Government Performance and Results Act (GPRA) was enacted in 1993 to bring about a greater focus on results in the federal government. Prior to the enactment of GPRA, our work on performance measurement in the federal government showed that federal agencies generally lacked the infrastructure needed to manage and report on results of federal programs in a way that was transparent to Congress and the American people. Today, based on a decade of work in this area, we can safely say we have seen a transformation in the capacity of the federal government to manage for results. This capacity includes an infrastructure of outcome-oriented strategic plans, performance measures, and accountability reporting that have significantly improved over time and provide a solid foundation for improving the performance of federal programs. However, a number of challenges to GPRA implementation remain.

In light of the serious fiscal, security, and other emerging challenges the nation faces, having such a capacity has never been more important. Without effective short- and long-term planning, which takes into account the changing environment and needs of the American public, recognizes the challenges they face, and establishes goals to be achieved, federal agencies risk delivering programs and services that may or may not meet society's most critical needs. At a cost to taxpayers of over \$2 trillion annually, the federal government should be able to demonstrate to the American public that it can anticipate emerging issues, develop sound strategies and plans to address them, and be accountable for the results that have been achieved.

My statement today will focus on the effectiveness of GPRA in creating a focus on results in the federal government. Specifically, I will discuss (1) the effect of GPRA over the last 10 years in creating a governmentwide focus on results and the government's ability to deliver results to the American public, including an assessment of the changes in the overall quality of agencies' strategic plans, annual performance plans, and annual

¹U.S. General Accounting Office, *Results-Oriented Government: GPRA Has Established a Solid Foundation for Achieving Greater Results*, [GAO-04-38](#) (Washington, D.C., Mar. 10, 2004).

performance reports, (2) the challenges agencies face in measuring performance and using performance information in management decisions, and (3) how the federal government can continue its shift toward a more results-oriented focus.

To meet our reporting objectives, we reviewed our extensive prior work on GPRA best practices and implementation and collected governmentwide data to assess the government's overall focus on results. We conducted a random, stratified, governmentwide survey of federal managers comparable to surveys we conducted in 1997 and 2000. We also held eight in-depth focus groups—seven composed of federal managers from 23 federal agencies and one with GPRA experts. We also interviewed top appointed officials from the current and previous administrations. Finally, we judgmentally selected a sample of six agencies that we reviewed for changes in the quality of their strategic plans, performance plans, and performance reports since their initial efforts. The agencies we selected included the Departments of Education (Education), Energy (DOE), Housing and Urban Development (HUD), and Transportation (DOT) and the Small Business (SBA) and Social Security Administrations (SSA). We performed our work in Washington, D.C., from January through November 2003 in accordance with generally accepted government auditing standards.

GPRA Established a Management Framework

GPRA is the centerpiece of a statutory framework that Congress put in place during the 1990s to help resolve the long-standing management problems that have undermined the federal government's efficiency and effectiveness and to provide greater accountability for results. GPRA was intended to address several broad purposes, including strengthening the confidence of the American people in their government; improving federal program effectiveness, accountability, and service delivery; and enhancing congressional decision making by providing more objective information on program performance.

As a key part of the framework, GPRA requires executive agencies to complete strategic plans in which they define their missions, establish results-oriented goals, and identify the strategies that will be needed to achieve those goals. GPRA also requires executive agencies to prepare annual performance plans that articulate goals for the upcoming fiscal year that are aligned with their long-term strategic goals. Finally, GPRA requires agencies to measure performance toward the achievement of the goals in the annual performance plan and report annually on their progress in program performance reports.

The Office of Management and Budget (OMB) plays an important role in the management of federal government performance and, specifically, GPRA implementation. Part of OMB's overall mission is to ensure that agency plans and reports are consistent with the President's budget and administration policies. OMB is responsible for receiving and reviewing agencies' strategic plans, annual performance plans, and annual performance reports. To improve the quality and consistency of these documents, OMB issues annual guidance to agencies for their preparation, including guidelines on format, required elements, and submission deadlines. Further, GPRA requires OMB to prepare a governmentwide performance plan, based on agencies' annual performance plan submissions.

GPRA Laid the Foundation for a More Results-Oriented Federal Government

Ten years after enactment, GPRA's requirements have laid a solid foundation of results-oriented agency planning, measurement, and reporting. Focus group participants and high-level political appointees, as well as OMB officials we interviewed, cited positive effects of GPRA that they generally attributed to GPRA's statutory requirements for planning and reporting. Performance planning and measurement have slowly yet increasingly become a part of agencies' cultures. The results of our survey of federal managers indicate that since GPRA went into effect governmentwide in 1997, federal managers reported having significantly more of the types of performance measures called for by GPRA—particularly outcome-oriented performance measures. Survey data also suggested that more federal managers, especially at the Senior Executive Service (SES) level, believed that OMB was paying attention to their agencies' efforts under GPRA.

One of the premises of GPRA is that both congressional and executive branch oversight of federal agency performance were seriously hampered by a lack of adequate results-oriented goals and performance information. Our 1992 review of the collection and use of performance data by federal agencies revealed that, although many agencies collected performance information at the program level, few agencies had results-oriented performance information to manage or make strategic policy decisions for the agency as a whole.² GPRA addressed agencies' shortcomings by

²United States General Accounting Office, *Program Performance Measures: Federal Agency Collection and Use of Performance Data*, GAO/GGD-92-65 (Washington, D.C.: May 4, 1992).

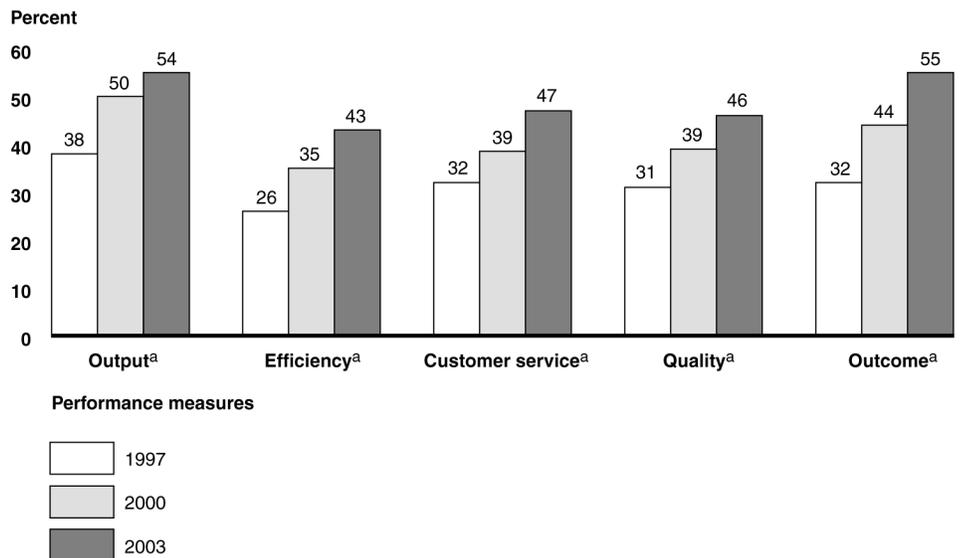
creating a comprehensive and consistent statutory foundation of required agencywide strategic plans, annual performance plans, and annual performance reports. Participants in all eight of our focus groups cited the creation of this statutory foundation as one of the key accomplishments of GPRA. Furthermore, prior to GPRA few agencies reported their performance information externally. In contrast, OMB officials we interviewed as part of our current review suggested that OMB has been a key consumer of agency performance information produced under GPRA and that it has provided a foundation for their efforts to oversee agency performance. Focus group participants also suggested that a major accomplishment of GPRA is the improved the transparency of government results to the American public.

A key purpose of GPRA was “to improve the confidence of the American people in the capability of the Federal Government, by systematically holding Federal agencies accountable for achieving program results.” When asked about the direct effects of GPRA on the public, an estimated 23 percent of the federal managers surveyed agreed to a moderate or greater extent that GPRA improved their agency’s ability to deliver results to the American public. High-level political appointees we interviewed cited a number of examples of how the structure of GPRA created a greater focus on results in their agencies. Participants in our focus groups had mixed perceptions of GPRA’s effect on their agencies’ ability to deliver results to the American public. Participants indicated GPRA has had a positive effect by shifting the focus of federal management from program activities and processes to achieving the intended results of those programs. Other focus group participants had difficulty attributing the results their agencies achieved directly to GPRA’s requirements.

Focus group and survey results suggest that performance planning and measurement have slowly, but increasingly, become a part of agencies’ cultures. Compared to the results of our 1997 governmentwide survey of federal managers, in our 2003 governmentwide survey more managers reported having performance measures for their programs. When we asked managers who said they had performance measures which of the five types of measures they used to a “great” or “very great” extent, they

reported statistically significant increases in all five types of measures between 1997 and 2003³ (see fig. 1).

Figure 1: Percentage of Federal Managers Who Reported Having Specific Types of Performance Measures To a Great or Very Great Extent



Source: GAO.

^aThere was a statistically significant difference between the 1997 and 2003 surveys.

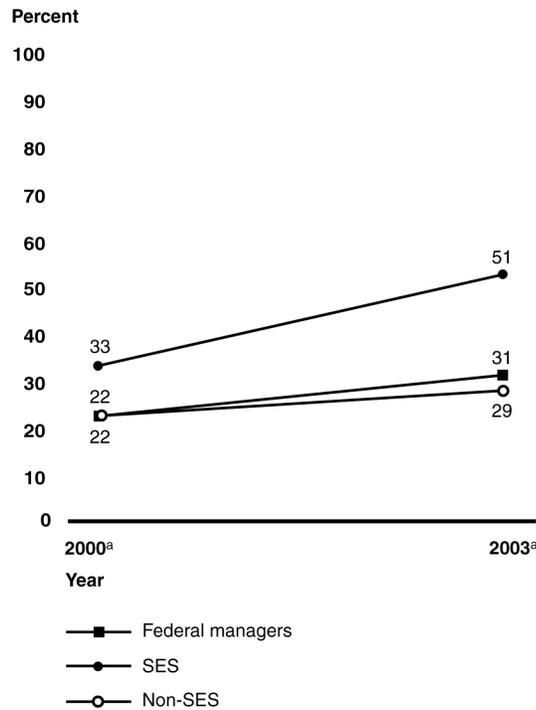
Similarly, focus group participants commented on certain cultural changes that had taken place within their agencies since the passage of GPRA in which the “vocabulary” of performance planning and measurement—that is, a greater focus on performance measurement, orientation toward outcomes over inputs and outputs, and an increased focus on program evaluation—had become more pervasive. This perception is partly borne out by our survey results. Consistent with our survey results indicating

³Types of measures were defined in the questionnaire as follows: Performance measures that tell us how many things we produce or services we provide (output measures); performance measures that tell us if we are operating efficiently (efficiency measures); performance measures that tell us whether or not we are satisfying our customers (customer service measures); performance measures that tell us about the quality of the products or services we provide (quality measures); and performance measures that would demonstrate to someone outside of our agency whether or not we are achieving our intended results (outcome measures).

increases in results-oriented performance measures and increasing GPRA knowledge, we also observed a significant decline in the percentage of federal managers who agreed that certain factors hindered measuring performance or using the performance information. For example, of those who expressed an opinion, the percentage of managers who noted that determining meaningful measures was a hindrance to a “great” or “very great” extent was down significantly from 47 percent in 1997 to 36 percent in 2003. Likewise, the percentage that agreed to a “great” or “very great” extent that different parties’ use of different definitions to measure performance was a hindrance also declined significantly from 49 percent in 1997 to 36 percent in 2003.

Our survey data suggested that more federal managers, especially at the SES level, believed that OMB was paying attention to their agencies’ efforts under GPRA (see fig. 2), but with no corresponding increase in their concern that OMB would micromanage the programs in their agencies. In our survey, we asked respondents to assess the extent to which OMB pays attention to their agencies’ efforts under GPRA. In 2003, the percentage of respondents who responded “great” or “very great” to this question (31 percent) was significantly higher than in 2000 (22 percent). Of those, SES respondents showed an even more dramatic increase, from 33 to 51 percent. We also asked respondents to describe the extent to which their concern that OMB would micromanage programs in their agencies was a hindrance to measuring performance or using performance information. The percentage among those expressing an opinion that it was a hindrance to a “great” or “very great” extent was low—around 24 percent in 2003—with no significant difference between 2000 and 2003.

Figure 2: Percentage of Federal Managers and SES Managers Who Reported That OMB Paid Attention to Their Agency's Efforts Under GPRA to a Great or Very Great Extent



Source: GAO.

^aThere was a statistically significant difference between 2000 and 2003 surveys.

The foundation of results-oriented planning and reporting that has been established is also reflected in the quality of the plans and reports of six federal agencies we reviewed for our report. Beginning with federal agencies' initial efforts to develop effective strategic plans in 1997 and annual performance plans and reports for fiscal year 1999, Congress, GAO, and others have commented on the quality of those efforts and provided constructive feedback on how agency plans and reports could be improved. On the basis of our current review of the strategic plans, annual performance plans, and annual performance and accountability reports of six selected agencies—Education, DOE, HUD, DOT, SBA, and SSA—we found that these documents reflect much of the feedback that was provided.

The quality of the six agencies' strategic plans we reviewed reflected improvements over these agencies' initial strategic plans. In our current review, the six strategic plans we looked at reflected many new and continuing strengths as well as improvements over the 1997 initial draft plans, but we continued to find certain persistent weaknesses. Of the six elements required by GPRA, the plans generally discussed all but one—program evaluation—an area in which we have found agencies often lack capacity. Although the strategic plans listed the program evaluations agencies intended to complete over the planning period, they generally did not address how the agencies planned to use their evaluations to establish new or revise existing strategic goals, as envisioned by GPRA. Finally, although not required by GPRA, the strategic plans would have benefited from more complete discussions of how agencies planned to coordinate and collaborate with other entities to address common challenges and achieve common or complementary goals and objectives.

The six selected agencies' fiscal year 2004 annual performance plans addressed some weaknesses of earlier plans, but there is still significant room for improvement. Most of the 2004 plans that we reviewed showed meaningful improvements over the fiscal year 1999 plans by showing a clearer picture of intended performance, providing strategies and resources that were more specifically related to achieving agency goals, and providing a greater level of confidence that performance data would be credible. But these plans also contained a number of serious weaknesses, such as inadequate discussion of coordination and collaboration and inconsistent or limited discussions of procedures used to verify and validate performance data, which limited their quality and undermined their usefulness.

Our review of the six agencies' fiscal year 2002 performance and accountability reports showed a number of strengths and improvements over their fiscal year 1999 performance reports, as well as areas that needed improvement. These fiscal year 2002 reports generally allowed for an assessment of progress made in achieving agency goals. In addition, the majority of agencies discussed the progress achieved in addressing performance and accountability challenges identified by agency inspectors general and GAO. However, many of the weaknesses we identified in the agencies' fiscal year 2002 reports were related to the significant number of performance goals not achieved or for which performance data were unavailable. In addition, the majority of the reports we reviewed did not include other GPRA requirements, such as a summary of the findings from program evaluations. Finally, only one of the six agencies clearly linked its costs to the achievement of performance goals or objectives.

Challenges to GPRA Implementation Exist

While a great deal of progress has been made in making federal agencies more results oriented, we found numerous challenges remain. These challenges included (1) top leadership does not consistently show commitment to achieving results, (2) managers reported mixed results in the use of performance information, (3) managers continue to confront a range of human capital management challenges, (4) managers face persistent challenges in setting outcome-oriented goals, measuring performance, and collecting useful data, (5) crosscutting issues are not adequately addressed, and (6) managers' views that Congress' use of performance information is limited.

Top Leadership Commitment

As we noted in previous GAO reports, top leadership commitment and sustained attention to achieving results, both within the agencies and at OMB, are essential to GPRA implementation. While one might expect an increase in agency leadership commitment since GPRA was implemented, our governmentwide surveys of federal managers have not shown significant increases. Furthermore, although OMB has recently demonstrated leadership in its review of performance information from a budgetary perspective using the Program Assessment Rating Tool (PART) tool,⁴ it is unclear whether the results of those reviews, such as changes in program performance measures, will complement and be integrated with the long-term, strategic focus of GPRA. OMB provided significantly less guidance on GPRA implementation for the fiscal year 2005 budget, compared to the very detailed guidance provided in prior years. Without consistent guidance from OMB on meeting GPRA requirements and following best practices, it may be difficult to maintain the improvements in agency performance plans and reports or bring about improvements in areas where weaknesses remain.

Additionally, we found that timing issues may affect the development of agency strategic plans that are meaningful and useful to top leadership. The commitment and sustained attention of top leadership within agencies, OMB, and Congress is critical to the success of strategic planning efforts. A strategic plan should reflect the policy priorities of an organization's leaders and the input of key stakeholders if it is to be an effective management tool. However, GPRA specifies time frames for

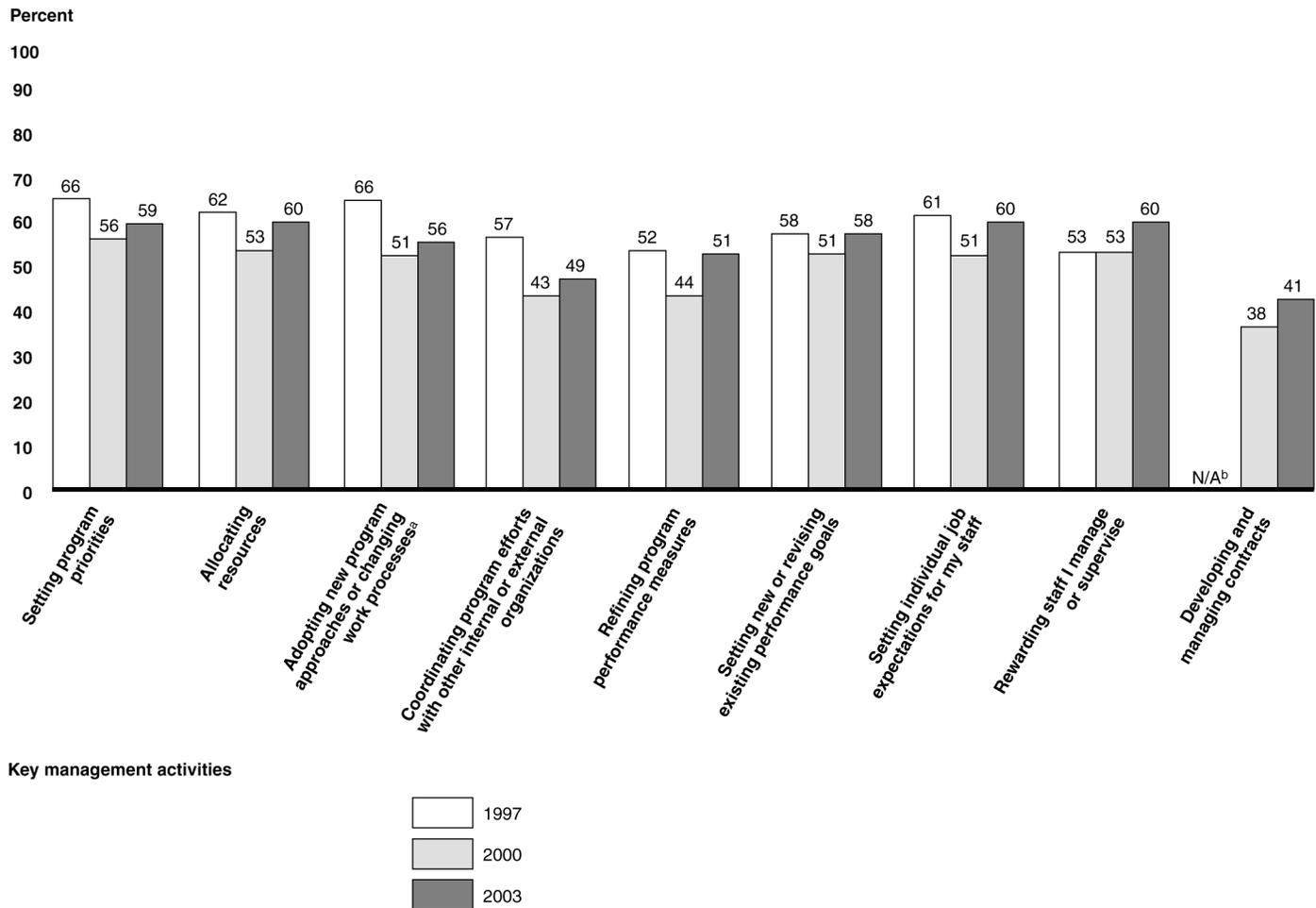
⁴PART is a diagnostic tool developed by OMB that it has been using to rate the effectiveness of federal programs with a particular focus on program results. OMB's goal is to review all federal programs over a 5-year period using the PART tool.

updating strategic plans that do not correspond to presidential or congressional terms. As a result, an agency may be required to update its strategic plan a year before a presidential election and without input from a new Congress. If a new president is elected, the updated plan is essentially moot and agencies must spend additional time and effort revising it to reflect new priorities. Our focus group participants, including GPRA experts, strongly agreed that this timing issue should be addressed by adjusting time frames to correspond better with presidential and congressional terms.

Use of Performance Information to Manage

The benefit of collecting performance information is only fully realized when this information is actually used by managers to bring about desired results. Federal managers reported mixed results in the use of performance information (see fig. 3). Focus group participants and survey respondents noted that although many federal managers understand and use results-oriented management concepts in their day-to-day activities, such as strategic planning and performance measurement, they do not always connect these concepts to the requirements of GPRA. According to our 2003 survey results, the reported use of performance information to a “great” or “very great” extent for nine management activities, such as setting program priorities or setting individual job expectations for staff, ranging from 41 to 66 percent, has not changed significantly since our first survey in 1997. One exception was the reported use to a “great” or “very great” extent of performance information to adopt new program approaches or change work processes, which was significantly lower than the 1997 results. GPRA’s usefulness to agency leaders and managers as a tool for management and accountability was cited as a key accomplishment numerous times by focus group participants. However, a number of alternative views indicated that the usefulness of GPRA as a management tool has been limited. Our survey data also indicate that managers perceive their participation in activities related to the development of performance information has been limited.

Figure 3: Percentage of Federal Managers Who Reported Using Information Obtained From Performance Measurement to a Great or Very Great Extent for Various Management Activities



Source: GAO.

Note: Percentages are based on those respondents answering on the extent scale.

^aThere was a statistically significant difference between the 1997 and 2003 surveys.

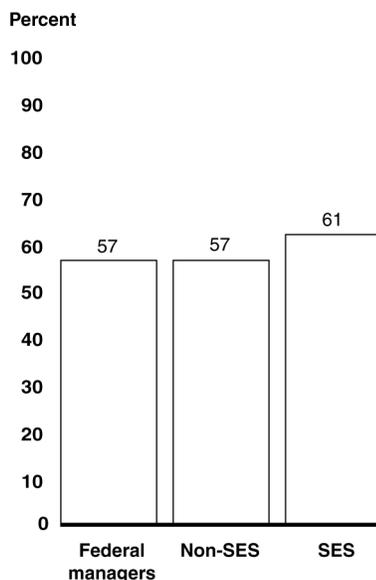
^bThis question was not asked in 1997.

Human Capital Management

Human capital management considerations also pose challenges to GPRA implementation. In our survey, federal managers reported that they are held accountable for program results, but may not have the decision-making authority they need to accomplish agency goals. When asked the extent to which managers or supervisors at their levels were held

accountable for the accomplishment of agency strategic goals, 57 percent responded to a “great” or “very great” extent in 2003. Also, there was little difference between the views of SES and non-SES managers in the area of accountability. (See fig. 4.)

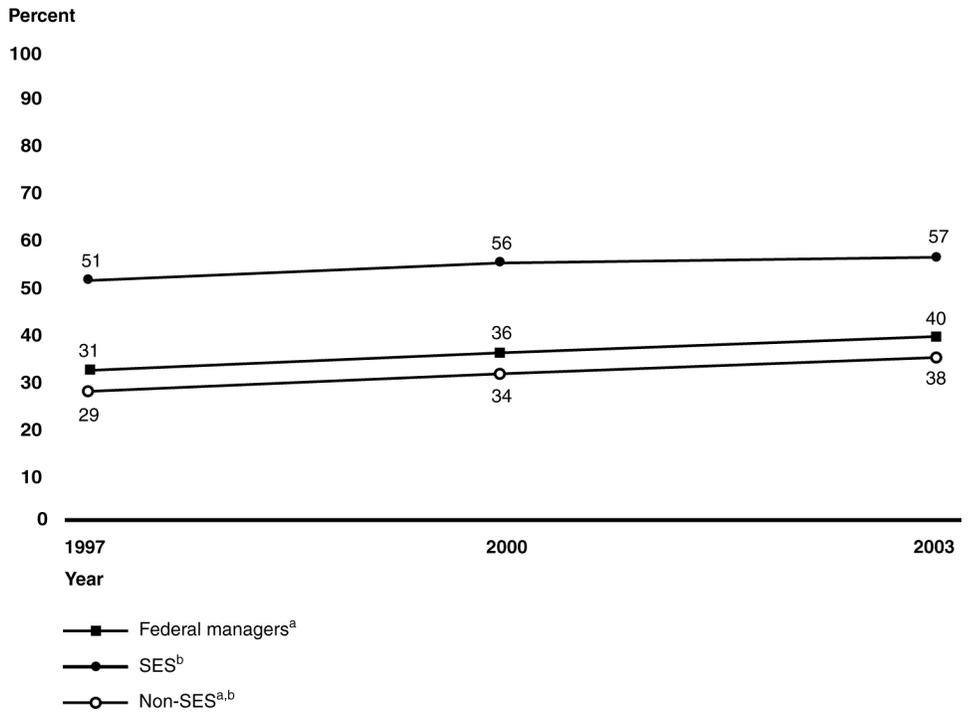
Figure 4: Percentage of Federal Managers, SES, and Non-SES in 2003 Reporting to a Great or Very Great Extent That They Were Held Accountable for the Accomplishment of Agency Strategic Goals



Source: GAO.

In contrast, there was a significant difference between SES and non-SES managers’ perceptions of having the decision-making authority they needed to help the agency accomplish its strategic goals. Compared to the 57 percent of SES managers who reported having such authority to a great or very great extent in 2003, only 38 percent of non-SES managers reported having such authority to a great or very great extent. (See fig. 5.)

Figure 5: Percentage of Federal Managers Reporting To a Great or Very Great Extent That Managers/Supervisors at Their Levels Had the Decision-making Authority They Needed to Help the Agency Accomplish Its Strategic Goals



Source: GAO.

^aThere was a statistically significant difference between the 1997 and 2003 surveys.

^bThere was a statistically significant difference between SES compared to non-SES for each survey.

Moreover, fewer than half of managers reported receiving relevant training. Managers also perceived a lack of positive recognition for helping agencies achieve results. Unfortunately, most existing federal performance appraisal systems are not designed to support a meaningful performance-based pay system in that they fail to link institutional, program, unit, and individual performance measurement and reward systems. In our view, one key need is to modernize performance management systems in executive agencies so that they link to the agency's strategic plan, related goals, and desired outcomes and are therefore capable of adequately supporting more performance-based pay and other personnel decisions.

Performance Measurement Managers reported persistent challenges in setting outcome-oriented goals, measuring performance, and collecting useful data. Focus group participants and survey respondents noted that outcome-oriented performance measures were especially difficult to establish when the program or line of effort was not easily quantifiable. For example, implementing GPRA in a regulatory environment and meeting GPRA reporting requirements for intergovernmental grant programs are particularly challenging. Managers also identified difficulties in distinguishing between the results produced by the federal program and results caused by external factors or nonfederal actors, such as with grant programs. Finally, managers reported that timely and useful performance information is not always available.

Crosscutting Issues Crosscutting issues continue to be a challenge to GPRA implementation. Our review of six agencies' strategic and annual performance plans showed some improvement in addressing their crosscutting program efforts, but a great deal of improvement is still necessary. We have previously reported and testified that GPRA could provide OMB, agencies, and Congress with a structured framework for addressing crosscutting policy initiatives and program efforts. It can also be a valuable tool to address mission fragmentation and program overlap. OMB could use the provision of GPRA that calls for OMB to develop a governmentwide performance plan to integrate expected agency-level performance. It could also be used to more clearly relate and address the contributions of alternative federal strategies. Unfortunately, this provision has not been fully implemented. Instead, OMB has used the President's Budget to present high-level information about agencies and certain program performance issues.

The current agency-by-agency focus of the budget does not provide the integrated perspective of government performance envisioned by GPRA. For example, the fiscal year 2004 budget identified budget requests and performance objectives by agency, such as the U.S. Department of Defense, as opposed to crosscutting governmentwide themes. From this presentation, one could assume that the only activities the U.S. government planned to carry out in support of national defense were those listed under the chapter "Department of Defense." However, the chapter on the fiscal year 2004 budget discussing "the Department of State and International Assistance Programs," contains a heading titled, "Countering the Threat from Weapons of Mass Destruction." And while OMB may have a technical reason for not classifying this task as being related to national defense or homeland security, it is unclear that a lay reader could make

that distinction. The fiscal year 2005 budget also identified budget requests and performance objectives by agency, not by crosscutting theme.

A strategic plan for the federal government could provide an additional tool for governmentwide reexamination of existing programs, as well as proposals for new programs. If fully developed, a governmentwide strategic plan could potentially provide a cohesive perspective on the long-term goals of the federal government and provide a much needed basis for fully integrating, rather than merely coordinating, a wide array of federal activities. Successful strategic planning requires the involvement of key stakeholders. Thus, it could serve as a mechanism for building consensus. Further, it could provide a vehicle for the President to articulate long-term goals and a road map for achieving them. In addition, a strategic plan could provide a more comprehensive framework for considering organizational changes and making resource decisions. The development of a set of key national indicators could be used as a basis to inform the development of governmentwide strategic and annual performance plans. The indicators could also link to and provide information to support outcome-oriented goals and objectives in agency-level strategic and annual performance plans.

Congressional Use of Performance Information

Finally, focus group members believed that one of the main challenges to GPRA implementation was the reluctance of Congress to use performance information when making decisions, especially appropriations decisions. However, less than one quarter of federal managers in the 2003 survey shared that concern. Further, a recent Congressional Research Service review suggests that Congress uses performance information to some extent, as evidenced by citations in legislation and committee reports. While there is concern regarding Congress' use of performance information, it is important to make sure that this information is useful. In other words, the information presented and its presentation must meet the needs of the user. Regular consultation with Congress about both the content and format of performance plans and reports is critical.

As a key user of performance information, Congress also needs to be considered a partner in shaping agency goals at the outset. GPRA provides a vehicle for Congress to explicitly state its performance expectations in outcome-oriented terms when consulting with agencies on their strategic plans or when establishing new programs or exercising oversight of existing programs that are not achieving desired results. This would provide important guidance to agencies that could then be incorporated in agency strategic and annual performance plans.

Recommendations and Matters for Congressional Consideration

The challenges we identified in our report are not new—most have not changed significantly since we first reported on governmentwide implementation of GPRA. However, we have frequently reported on approaches that agencies, OMB, and Congress could use to address the challenges. These approaches include strengthening the commitment of top leadership to creating and sustaining a focus on results; taking a governmentwide approach to achieving outcomes that are crosscutting in nature; improving the usefulness of performance information to managers, Congress, and the public; and improving the quality of performance measures and data. Collectively, these approaches form the agenda that federal agencies, OMB, and Congress will need to follow to bring about a more sustainable, governmentwide focus on results.

In our report we recommended that the Director of OMB implement five suggestions to improve its guidance and oversight of GPRA implementation:

- To provide a broader perspective and more cohesive picture of the federal government's goals and strategies to address issues that cut across executive branch agencies, we recommend that the Director of OMB fully implement GPRA's requirement to develop a governmentwide performance plan.
- To achieve the greatest benefit from both GPRA and PART, we recommend that the Director of OMB articulate and implement an integrated and complementary relationship between the two. GPRA is a broad legislative framework that was designed to be consultative with Congress and other stakeholders, and allows for varying uses of performance information. PART looks through a particular lens for a particular use—the executive budget formulation process.
- To improve the quality of agencies' strategic plans, annual performance plans, and performance and accountability reports and help agencies meet the requirements of GPRA, we recommend that the Director of OMB provide clearer and consistent guidance to executive branch agencies on how to implement GPRA. Such guidance should include standards for communicating key performance information in concise as well as longer formats to better meet the needs of external users who lack the time or expertise to analyze lengthy, detailed documents.
- To help address agencies' performance measurement challenges, we recommend that the Director of OMB engage in a continuing dialogue with agencies about their performance measurement practices with a particular focus on grant-making, research and development, and regulatory functions to identify and replicate successful approaches agencies are using to measure and report on their outcomes, including the use of program evaluation tools. Additionally, we recommend that the Director of

OMB work with executive branch agencies to identify the barriers to obtaining timely data to show progress against performance goals and the best ways to report information where there are unavoidable lags in data availability. Governmentwide councils, such as the President's Management Council and the Chief Financial Officers Council, may be effective vehicles for working on these issues.

- To facilitate the transformation of agencies' management cultures to be more results oriented, we recommend that the Director of OMB work with agencies to ensure they are making adequate investments in training on performance planning and measurement, with a particular emphasis on how to use performance information to improve program performance.

We also identified two matters for congressional consideration to improve the governmentwide focus on results:

- To ensure that agency strategic plans more closely align with changes in the federal government leadership, Congress should consider amending GPRA to require that updates to agency strategic plans be submitted at least once every 4 years, 12-18 months after a new administration begins its term. Additionally, consultations with congressional stakeholders should be held at least once every new Congress and interim updates made to strategic and performance plans as warranted. Congress should consider using these consultations along with its traditional oversight role and legislation as opportunities to clarify its performance expectations for agencies. This process may provide an opportunity for Congress to develop a more structured oversight agenda.
- To provide a framework to identify long-term goals and strategies to address issues that cut across federal agencies, Congress should consider amending GPRA to require the President to develop a governmentwide strategic plan.

Agency Comments

In commenting on a draft of our report, OMB generally agreed with our findings and conclusions. OMB agreed to implement most of our recommendations, but stated that the President's Budget represents the executive branch's governmentwide performance plan and could also double as a governmentwide strategic plan. However, because of the budget's focus on agency-level expenditures for the upcoming fiscal year, we believe that the President's Budget provides neither a long-term nor an integrated perspective on the federal government's performance. We also provided relevant sections of the draft to the six agencies whose plans and reports we reviewed. DOE, HUD, and SSA disagreed with some of our observations, and we changed or clarified relevant sections of the report, as appropriate.

Mr. Chairman, this concludes my prepared statement. I would be pleased to answer any questions you or the other members of the Committee may have at this time.

For future contacts regarding this testimony, please call Patricia A. Dalton, Director, Strategic Issues, at (202) 512-6806. Other individuals who made key contributions to this testimony were Elizabeth Curda and Kimberly Gianopoulos.

This is a work of the U.S. government and is not subject to copyright protection in the United States. It may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.

GAO's Mission

The General Accounting Office, the audit, evaluation and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through the Internet. GAO's Web site (www.gao.gov) contains abstracts and full-text files of current reports and testimony and an expanding archive of older products. The Web site features a search engine to help you locate documents using key words and phrases. You can print these documents in their entirety, including charts and other graphics.

Each day, GAO issues a list of newly released reports, testimony, and correspondence. GAO posts this list, known as "Today's Reports," on its Web site daily. The list contains links to the full-text document files. To have GAO e-mail this list to you every afternoon, go to www.gao.gov and select "Subscribe to e-mail alerts" under the "Order GAO Products" heading.

Order by Mail or Phone

The first copy of each printed report is free. Additional copies are \$2 each. A check or money order should be made out to the Superintendent of Documents. GAO also accepts VISA and Mastercard. Orders for 100 or more copies mailed to a single address are discounted 25 percent. Orders should be sent to:

U.S. General Accounting Office
441 G Street NW, Room LM
Washington, D.C. 20548

To order by Phone: Voice: (202) 512-6000
 TDD: (202) 512-2537
 Fax: (202) 512-6061

To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Web site: www.gao.gov/fraudnet/fraudnet.htm

E-mail: fraudnet@gao.gov

Automated answering system: (800) 424-5454 or (202) 512-7470

Public Affairs

Jeff Nelligan, Managing Director, NelliganJ@gao.gov (202) 512-4800
U.S. General Accounting Office, 441 G Street NW, Room 7149
Washington, D.C. 20548