

Why GAO Did This Study

The federal government is the world's largest and most complex entity, with about \$3.5 trillion in outlays in fiscal year 2010 that fund a broad array of programs and operations. GAO's long-term simulations of the federal budget show—absent policy change—growing deficits accumulating to an unsustainable increase in debt. While the spending side is driven by rising health care costs and demographics, other areas should also be scrutinized. In addition, there are significant performance and management challenges that the federal government needs to confront.

GAO was asked to testify on how the provisions of the Government Performance and Results Act (GPRA) Modernization Act of 2010 (GPRAMA) could, if effectively implemented, help address these challenges. Our statement is based on our past and ongoing work on GPRA implementation, as well as our recently issued reports (1) identifying opportunities to reduce potential duplication in government programs, save tax dollars, and enhance revenue; and (2) updating our list of government operations at high risk due to their greater vulnerabilities to fraud, waste, abuse, and mismanagement, or the need for broad-based transformation. As required by GPRAMA, GAO will periodically evaluate implementation of the act and report to Congress on its findings and recommendations.

View [GAO-11-466T](#) or key components. For more information, contact Bernice Steinhardt at (202) 512-6543 or steinhardtb@gao.gov.

March 16, 2011

GOVERNMENT PERFORMANCE

GPRA Modernization Act Provides Opportunities to Help Address Fiscal, Performance, and Management Challenges

What GAO Found

GAO's past and ongoing work illustrates how GPRAMA could help address government challenges in five areas:

Adopting a more coordinated and crosscutting approach to achieving meaningful results. GPRAMA could help inform reexamination or restructuring efforts and lead to more efficient and economical service delivery in overlapping program areas by identifying the various agencies and federal activities—including spending programs, regulations, and tax expenditures—that contribute to crosscutting outcomes. These program areas could include multiple employment and training programs or numerous teacher quality initiatives, among others.

Addressing weaknesses in major management functions. Agencies need more effective management capabilities to better implement their programs and policies. GPRAMA requires long-term goals to improve management functions in five key areas: financial, human capital, information technology, procurement and acquisition, and real property. GAO's work has highlighted opportunities for improvements in each of these areas and aspects of several of them are on the GAO high-risk list.

Ensuring performance information is both useful and used in decision making. Agencies need to consider the differing needs of various stakeholders, including Congress, to ensure that performance information will be both useful and used. For performance information to be useful, it must be complete, accurate, valid, timely, and easy to use. Yet decision makers often do not have the quality performance information they need to improve results. To help address this need, GPRAMA requires (1) disclosure of information about accuracy and validity, (2) data on crosscutting areas, and (3) quarterly reporting on priority goals on a publicly available Web site.

Instilling sustained leadership commitment and accountability for achieving results. Perhaps the single most important element of successful management improvement initiatives is the demonstrated commitment of top leaders, as shown by their personal involvement in reform efforts. GPRAMA assigns responsibilities to a Chief Operating Officer and Performance Improvement Officer in each agency to improve agency management and performance.

Engaging Congress in identifying management and performance issues to address. In order for performance improvement initiatives to be useful to Congress for its decision making, garnering congressional buy-in on what to measure and how to present this information is critical. GAO has previously noted the importance of considering Congress a partner in shaping agency goals at the outset. GPRAMA significantly enhances requirements for agencies to consult with Congress.