# DELIVERING A MORE RESPONSIVE, AGILE, AND EFFICIENT GOVERNMENT

The Budget continues to support the Administration's work to modernize Government for the 21ˢᵗ Century. The President's Management Agenda (PMA), launched in March 2018, set out a strategic vision for modernizing the Federal Government to improve mission outcomes, service to the people, and stewardship of taxpayer dollars.

Taxpayers expect their Federal Government to deliver citizen services in an effective and cost-efficient manner. Doing so requires a skilled workforce with timely access to relevant market information, business intelligence, and related data. The PMA advances a number of key drivers of change—including technology, data, and the workforce—and promotes coordination across agencies.

As the two-year anniversary of the PMA approaches, the Administration will continue to build toward a long-term vision of a Government that is responsive to the needs of the people it serves, agile in delivering on its mission, and responsible in its stewardship of taxpayer dollars. The next steps on the PMA will be released this spring. This chapter highlights specific success stories achieved by different teams through their PMA efforts, as well as some actions underway. Additional information on these initiatives and regular progress updates are available on *https://Performance.gov*.

## IMPROVES EFFICIENCIES IN GOVERNMENT

**Makes Government Leaner and More Efficient.** In the Budget, Federal agencies have proposed elimination or modification of more than 500 plans and reports that are outdated or duplicative. Since the start of the Administration, the largest 24 Federal agencies have implemented more than 100 initiatives to reduce administrative burden and put more resources toward agency missions, driving billions of dollars in realized and anticipated savings and shifting hundreds of thousands of Full-Time Equivalent employee hours to higher-value work. These initiatives include more than 50 initiatives focused on process improvement and standardization; approximately 30 initiatives using robotic process automation, artificial intelligence, and/or other innovative software; and nearly 20 initiatives focused on the digitization of agency processes.

**Aligns Federal Compensation with the Private Sector.** The Congressional Budget Office (CBO) concluded in a series of recent reports that Federal employees are, on average, compensated with combined pay and benefits higher than the private sector. Most recently, in 2017, CBO found a 17-percent disparity on average, in total compensation, between Federal employees and their private sector peers. The disparity—which varies significantly by education level—is overwhelmingly attributable to benefits. CBO found that, in comparison to the private sector, the Federal Government continues to offer a very generous package of retirement benefits, even when controlling for certain characteristics of workers. To align Federal compensation with leading private sector practices, the Budget continues to propose reforms to Federal benefits including: 1) increasing employee contributions to the Federal Employees Retirement System (FERS) such that the employee and employer would each pay half the normal cost; 2) eliminating the FERS Cost-of-Living Adjustment (COLA) and reducing the Civil Service Retirement System COLA; 3)

eliminating the Special Retirement Supplement; 4) changing the retirement calculation from the High-3 years to High-5 years; and 5) reducing the Thrift Savings Plan G Fund interest rate.

**Saves Money with Category Management.** The Federal Government spends over $350 billion on common goods and services every year. Through the category management initiative, the Administration has aggregated demand for common goods and services, leveraged innovative procurement strategies, and improved data analytics. As a result, the Administration has reduced duplicative contracts by 26 percent, increased contract dollars to small businesses, created opportunities for new entrants, avoided costs of $27 billion, and is on track to achieve $36 billion in savings by the end of 2020. The Budget includes resources to further support statutory and regulatory changes to leverage procurement data more strategically and reduce expensive friction in acquisitions.

**Streamlines Review and Permitting for Major Infrastructure Projects.** Major infrastructure projects are vital to American competitiveness and long-term economic growth, but the environmental review and permitting process has for too long been opaque, overly complex, and unpredictable for businesses and State and local partners. The Administration has instituted a new integrated, cross-agency approach to increase transparency, accountability, and efficiency for all stakeholders, resulting in over $1 billion in cost savings through avoided permitting delays.

**Saves Taxpayer Time and Money with Shared Support Services**. In 2019, the Administration established a whole-of-Government framework for improving service quality, eliminating duplicative efforts, leveraging the Government's buying power, and replacing antiquated technology. This new model delivers more value to American taxpayers by identifying, planning, and operating Government-wide shared services.

**Manages Real Property Efficiently**. The Administration has prioritized optimizing the Federal Real Property Portfolio to achieve the mission while minimizing cost. The *Analytical Perspectives* volume chapter 7, "Federal Real Property," describes recent accomplishments and the vision to achieve this reform.

**Reorganizes Government**. The Administration issued a bold reform and reorganization plan in June 2018 to build productive, bipartisan dialogue around realigning the Federal Government mission delivery model to better meet the needs of the 21st Century. Positive progress on these proposals includes the successful transfer of the background investigation mission from the Office of Personnel Management to the Department of Defense in October 2019. Improvements to business processes and expanded capacity have already reduced the investigation backlog by over 64 percent from 725,000 in April 2018 to under 261,000 in December 2019. The Budget builds on this success by proposing to transfer the United States Secret Service from the Department of Homeland Security to the Department of the Treasury, which would result in enhancements to counterfeit and cybercrime investigations.

**Prevents Improper Payments**. Preventing improper payments that result in a monetary loss is a high priority for the Administration. Government-wide efforts leverage risk-based approaches that improve payment accuracy and increase access to data and mitigation strategies for agencies, State governments, and the public to help detect, prevent, and recover improper payments. The Administration has identified a suite of proposals, detailed in the Budget, that would save $182 billion over 10 years, if enacted. For additional details, please refer to the *Analytical Perspectives* volume chapter 6, "Payment Integrity," which includes Budget proposals aimed at preventing these improper payments.

**Improves Acquisitions in the Digital Age**. Modernizing the Federal acquisition system for the digital age requires the development of tactical strategies and practical tools that support improved access to business intelligence, as well as the accelerated identification, testing, and adoption of meaningful changes to business practices. To accelerate the pace of modernization, the Administration will baseline the current state of acquisition innovation, pilot a centralized information sharing knowledge

management resource, promote emerging technologies, and scale application of a proven model to coach innovative practices.

## DEVELOPS A MORE RESPONSIVE GOVERNMENT

**Improves Customer Experience.** The Administration recognizes every interaction between the Federal Government and the public as an opportunity to demonstrate that Government is working to meet the public's needs. The PMA pushes Federal programs to view their work from the perspective and experience of the customer and align talent and resources accordingly. This year, for the first time, Federal agencies have shared their plans to improve the way they serve their customers, putting their new High Impact Service Providers' Customer Experience profiles online at *https://performance.gov*. By connecting the people with these plans, the Administration is increasing the transparency and accountability of 25 of the largest public-facing services in a ground-breaking way.

**Accelerates Government Modernization.** Since its launch in March 2019, the Technology Modernization Fund Board has awarded approximately $90 million to nine initiatives to accelerate modernization across the Government while demonstrating efficient management of taxpayer resources. In 2020, two new modernization projects have been approved to leverage innovative commercial capabilities to enable digital transformations and enhance the speed at which improved citizen services are delivered.

**Engages Government with Private Sector.** In September 2019, the Administration awarded almost $1 million to three teams of diverse collaborators through the Government Effectiveness Advanced Research Center challenge competition. These teams will demonstrate how Government can catch up to private-sector services and capabilities and will lay the groundwork for where operations and services need to be in 5, 10, and even 20 years.

**Moves Government Closer to the People it Serves.** The Administration successfully relocated the headquarters of the Bureau of Land Management (BLM) to Grand Junction, Colorado, where leadership will be closer to the 245 million acres of BLM-managed land in 11 western States and Alaska.

**Leverages Data as a Strategic Asset**. The world is creating data faster than ever before, with 90 percent of the data on the Internet created since 2016. Data from Federal programs should be used as a strategic asset to grow the economy, facilitate oversight, and promote transparency. After a year and a half of work and input from hundreds of stakeholders, the Administration released the *Federal Data Strategy 2020 Action Plan*, a significant milestone in the effort to create a coordinated approach to Federal data use and management that serves the public.

**Uses Evidence to Promote Better Outcomes.** The Administration continues to implement evidence-building activities to improve policy, programs, and regulations, including through multiyear learning agendas, annual evaluation plans, and capacity assessments.

## INCREASES AGILITY FOR A MORE MODERN GOVERNMENT

**Improves Federal Hiring**. The Administration is piloting a new way to assess qualifications for applicants to the competitive service, with the goal of ensuring only qualified candidates make it to hiring managers for review, particularly in positions of highly technical or specialized knowledge. On the heels of the success of these initial pilots, the Administration codified "Subject Matter Expert Qualification Assessments," and is prototyping technology to engage subject matter experts in new assessments for specialized human capital recruitments.

**Addresses the Federal Cybersecurity Shortage**. A cyber reskilling pilot program offers Federal employees the opportunity for hands-on training in cybersecurity, one of the fastest growing fields in the Nation and critical to protecting Government data from bad actors. These projects demonstrate a path forward for reskilling Federal employees to achieve and sustain needed skills inside the Federal workforce.

**Secures the National Supply Chain**.  In 2019, as part of the National Cyber Strategy and the SECURE Technology Act, agencies were required to assess the risks to their respective information and communications technology supply chains.  The Administration established the Federal Acquisition Security Council to help agencies safeguard information and communication technology from emerging threats and support the need to establish standards for the acquisition community with respect to supply chain risk management.

**Promotes Results-Oriented Accountability for Grants**.  The Federal Government has over 1,400 grant programs and over 28 grant-making agencies.  By centralizing the collection of grants data, the Administration is saving grantees over 150,000 work hours annually.  Less time on red tape means more time turning grant dollars into results for the American taxpayer.  The PMA supports new standard data elements that set the stage for future grants management shared solutions and policies to reduce administrative burden, promote transparency, and increase return on taxpayer investment.  The *Analytical Perspectives* volume chapter 14, "Aid to State and Local Governments," describes the vision to achieve this reform.

**Improves Management of Acquisitions**.  In 2019, the Administration took steps to establish an official career path for program managers to ensure they are appropriately trained and certified to collaborate with contracting officials in managing major acquisitions.  Agencies also created and strengthened structures to manage similar investments in their portfolios and identified priority projects for heightened management attention.

**Strengthens Performance and Risk Management**.  The Administration continues to leverage best practices from across sectors to drive organizational performance improvement and better risk management.  In quarterly performance reviews for the 85 Agency Priority Goals (APGs) for 2018-2019, the overwhelming majority met or exceeded their performance targets.  With the release of the Budget, agencies have set over 90 new APGs for the coming two years.  Agencies and the Office of Management and Budget will continue to use Strategic Reviews in 2020 to assess programs and major risks to over 300 mission objectives.  To further support the maturity of Enterprise Risk Management (ERM), the Administration established an Executive Steering Committee that will identify and share best practices, assess maturity of ERM programs, promote ERM integration within mission and mission support functions, and facilitate constructive coordination with oversight entities.