



# PRESIDENTIAL AND CONGRESSIONAL TRANSITION

## Management Agenda: *Improve Federal Performance to Better Achieve Results*

**The Presidential Transition Act** points to the U.S. Government Accountability Office (GAO) as a resource for incoming administrations as well as new Congresses.

GAO's **Management Agenda** is a streamlined tool for new leaders to quickly learn about critical management challenges and risks facing the federal government and the actions needed to address those challenges.



**Improve Federal Performance to Better Achieve Results** is one of the eight management challenges highlighted in the Management Agenda.

Given the increase in public demands for a more effective and accountable federal government, it is critical that Congress and the incoming administration collect and use evidence to drive improvements and better achieve results. Agencies should use data for decision making, enhance regulatory processes, build evaluation capacity, and improve the visibility of agency-wide risks.

Read on to learn more about the following challenges:

1. Use Data to Drive Decisions
2. Improve the Regulatory Process
3. Encourage Agencies to Evaluate Their Programs
4. Implement Enterprise Risk Management

# Use Data to Drive Decisions

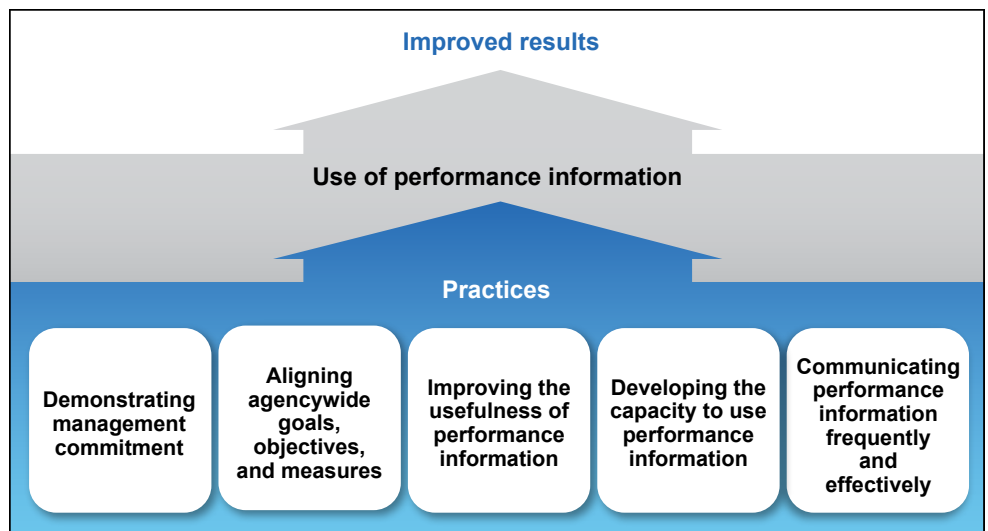
## Challenge: Insufficient Use of Performance Information

During the past 20 years, more federal managers have collected and reported performance information. However, managers across government surveyed by GAO have not reported increases in the use of that information in decision making over time. Timely and high quality performance information and other evidence, such as program evaluations and research studies, are essential to identify and address complex challenges and pinpoint improvement opportunities. Performance information and evidence are key to identifying where improvements are needed (in areas such as collaboration, or program design or delivery) and achieving critical results.

We identified five practices that enhance the use of performance information in decision making. The strongest driver of the use of performance information was whether federal managers had confidence in that information's validity.

In addition, agencies are testing various mechanisms—such as pay-for-success, performance partnerships, and tiered-evidence grants—to build and use evidence to improve results.

### Using Performance Information for Decision Making



Source: GAO-05-927. | Modified from GAO-14-747

### Related GAO Work

- Managing for Results in Government
- Data-Driven Decision Making

### Contact



J. Christopher Mihm  
Managing Director  
Strategic Issues  
[mihmj@gao.gov](mailto:mihmj@gao.gov)  
202-512-6806

### Key Actions Needed

1. Demonstrate sustained leadership commitment to use performance data and evidence to inform agency decision making.
2. Maintain and build on leadership-driven annual reviews to assess progress toward meeting agency strategic objectives, and identify improvements.
3. Expand the use of data-driven performance reviews to assess progress toward meeting agency performance goals, and identify improvements.
4. Test, assess, and adopt promising evidence-based policymaking approaches to better achieve outcomes.

# Improve the Regulatory Process

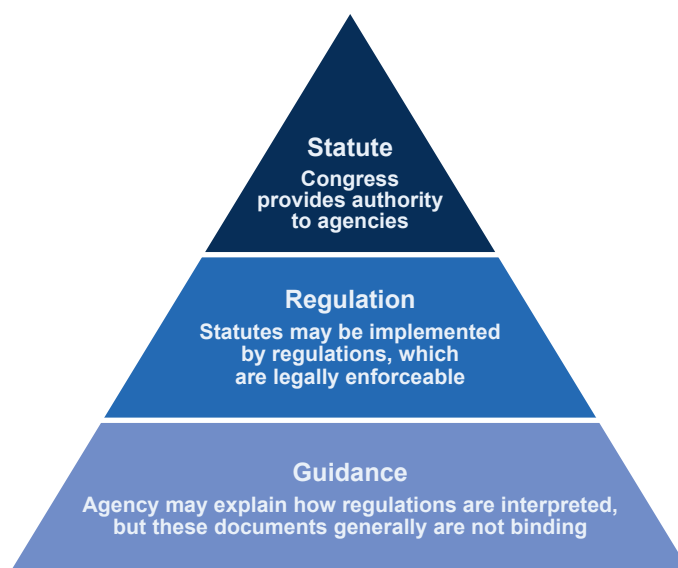
## Challenge: Promoting Regulatory Transparency and Systematic Reviews

Federal agencies use regulations to achieve goals such as ensuring public health and safety, controlling environmental pollution, and overseeing financial markets and institutions. Given the significant benefits and costs of regulation, it is crucial that rulemaking procedures and practices be effective and transparent.

Agencies must ensure that their regulations reflect the best available information and are reevaluated to ensure they achieve intended goals. Opportunities exist to strengthen agency procedures to ensure that regulations are responsive, efficient, up-to-date, and consistent.

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### Agency Rulemaking Authority



Source: GAO analysis of agency authority. | Modified from GAO-15-368 and GAO-16-720

### Related GAO Work

- [Federal Regulation](#)

### Contact



J. Christopher Mihm  
Managing Director  
Strategic Issues  
[mihmj@gao.gov](mailto:mihmj@gao.gov)  
202-512-6806

### Key Actions Needed

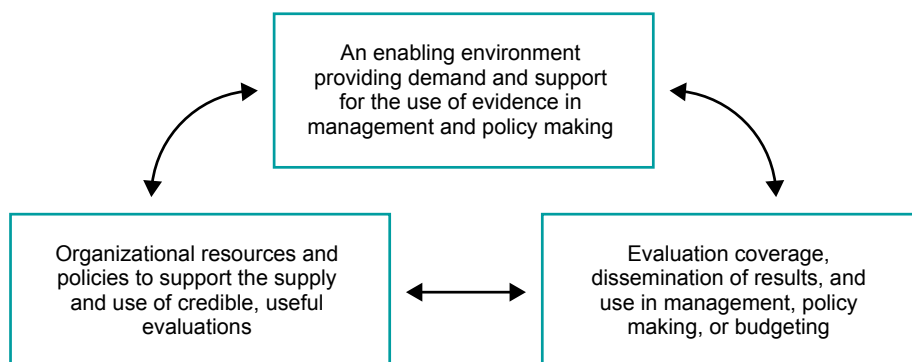
1. Improve the transparency of agencies' regulatory processes and activities to enhance oversight and better facilitate public comment and debate.
2. Ensure regular agency reviews of existing regulations, related guidance, and regulatory user fees to inform decisions to modify, streamline, expand, or repeal them.
3. Strengthen internal controls to ensure consistent agency procedures for the development, review, dissemination, and evaluation of regulations, guidance, and user fees.

## Encourage Agencies to Evaluate Their Programs

### Challenge: Little Evidence for Decision Making

Program evaluation studies provide systematic evidence on the extent to which programs have met their intended objectives. Evaluations that explain variation in program performance or why objectives were not met can provide critical insight into what actions could improve federal performance. As of June 2014, two-thirds of federal agencies lacked evaluations for most of their programs and half lacked the organizational capacity to produce credible evaluations useful to decision makers.

#### Key Elements of Evaluation Capacity



Source: [www.gao.gov](http://www.gao.gov).

#### Related GAO Work

- Managing for Results in Government
- Duplication and Cost Savings

#### Contact



Nancy Kingsbury  
Managing Director  
Applied Research  
and Methods  
[kingsburyn@gao.gov](mailto:kingsburyn@gao.gov)  
202-512-2700

#### Key Actions Needed

1. Demonstrate sustained leadership commitment to the use of evaluation results.
2. Establish—and provide stable funding for—central offices responsible for objective evaluation of agency programs.
3. Invest in the hiring and continuing education of evaluators.
4. Consult with congressional and other stakeholders in developing evaluation agendas that meet their information needs.

## Implement Enterprise Risk Management

### Challenge: Lack of Visibility Over Agency-wide Risks

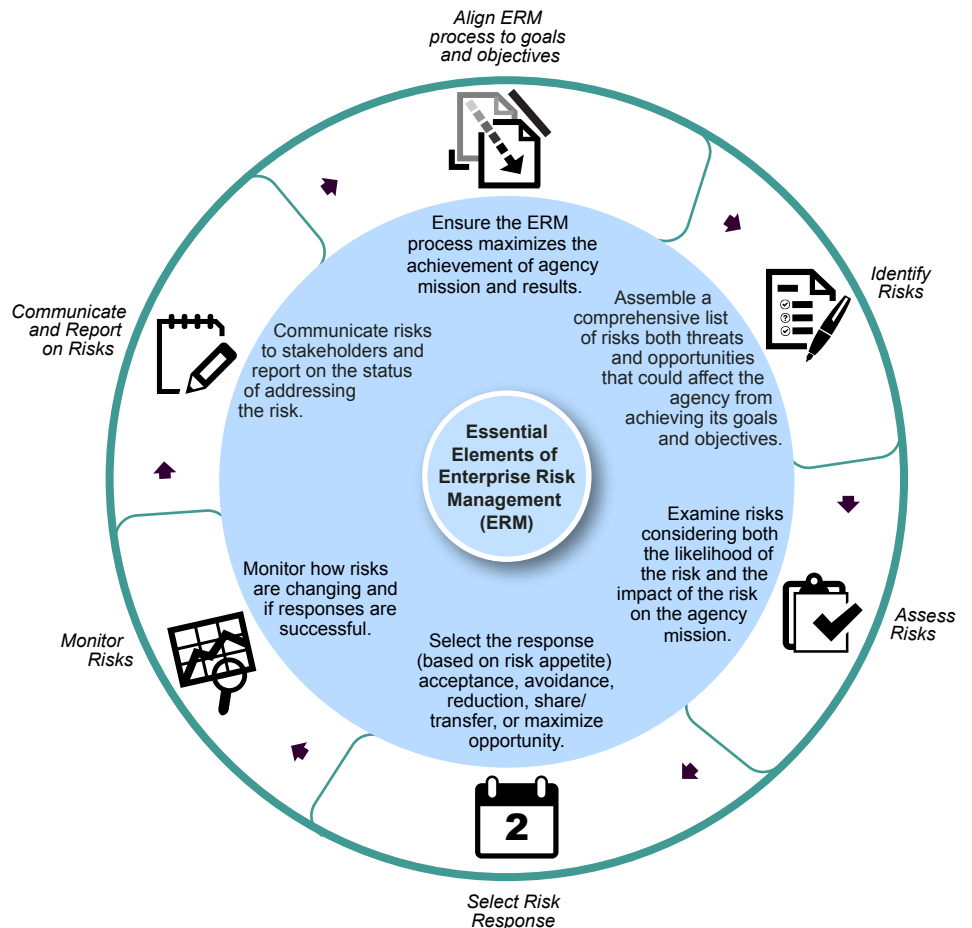
Federal leaders manage complex missions such as protecting Americans from public health and security threats, building and managing safe transportation systems, and maintaining a safe workplace. Risk is any uncertainty with the potential for a negative outcome or challenge or a positive outcome or opportunity.

Federal leaders need greater visibility over risks they face in achieving their mission and need to more effectively manage these risks and increase value to citizens.

Enterprise Risk Management (ERM) is the practice of identifying and managing a risk portfolio that covers an entire organization. In a federal agency, this portfolio

allows leaders to see commonalities or relationships among risks in various programs and operations across the agency and in its partnerships with other agencies and organizations. While a longstanding practice in the private sector, ERM is a relatively new practice in much of the federal government that has the potential to improve outcomes and help leaders better plan and manage risks. In July 2016, the Office of Management and Budget made ERM a requirement for federal agencies.

## Key Elements of Enterprise Risk Management Frameworks



Source: GAO. | [www.gao.gov](http://www.gao.gov)

## Related GAO Work

- Standards for Internal Control in the Federal Government

## Contact



J. Christopher Mihm  
Managing Director  
Strategic Issues  
[mihmj@gao.gov](mailto:mihmj@gao.gov)  
202-512-6806

## Key Actions Needed

- Share good practices that have been used successfully to manage enterprise risks.
- Develop an approach for agencies to sustain the sharing of ERM implementation experiences and good practices and approaches.
- Encourage employees to engage in candid conversations about agency risks.
- Involve internal and external stakeholders as part of risk assessment and solutions.



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