

**Statement of the Honorable Clay Johnson III  
Deputy Director for Management  
Office of Management and Budget**

**before the**

**Subcommittee on Technology, Information Policy, Intergovernmental  
Relations and the Census  
of the  
Committee on Government Reform  
U.S. House of Representatives**

**March 3, 2004**

Thank you Mr. Chairman and Members of the Subcommittee for inviting me to testify this morning. I am proud of our accomplishments on the President's Management Agenda, particularly in the area of information technology management, which we are here to discuss today. I am joined by Karen Evans, the President's Administrator of the Office of E-Gov and Information Technology at OMB. Karen and I work together to improve how the government manages IT.

The federal government is becoming results-oriented.

We are asking whether federal programs produce the intended results, and if they don't, we're working with Congress to decide what to do about it. We are asking what it costs to produce those intended results, and if the costs are trending up or considered unacceptable, we're looking for ways to become more efficient. We are asking whether we're effectively managing and investing in our workforce, and if not, we're working with Congress to decide what to do about it. We are asking whether we are professionally managing and utilizing our vast investments in real property, and if we decide we are not, we will work with Congress to do something about it.

Traditionally, we have focused on the amount of money we spend on a problem or an opportunity as a measure of our commitment to dealing with it. For instance, we have said we care a lot about teaching needed skills to low-income adults and point to our spending more than \$500 million on the matter as an indication of how committed we are to the issue. The better and more relevant measures of our attention to teaching needed skills to low-income adults, though, are how many low-skilled adults we're teaching to read, how many go on to earn their high

school diplomas, how many learn English, or how many get better job skills. It's harder to do this, to determine what we're really accomplishing and at what cost, but that's what we're doing. For instance, we concluded that most of the students being served by the Adult Education State Grants program, the primary program focused on teaching needed skills to low-income adults, were not getting measurable benefits from the program. So we proposed legislation to allow us to target grants to educational approaches that have proven effective in increasing reading and math skills and making grants contingent on achieving real and measurable outcomes, like teaching people the skills they need to succeed.

We are looking at our tremendous investments in information technology in the same fashion. We spend almost \$60 billion in information technology each year, more than anybody else in the world. With increasing effectiveness we are asking whether those expenditures are producing or are likely to produce the desired result, and if they aren't, we are doing something about it.

We have agencies develop a business case for each IT investment, to identify the benefit to the agency and/or the citizens that justifies the investment. If the investment is not justified, we do not recommend it be funded.

We have agencies commit qualified project management resources to each IT project to ensure execution is timely and on budget, and if those resources are not available, we work with the agency to identify and reallocate the resources needed to make certain that the management deficiency has been addressed.

We have agencies commit funds and resources to securing each IT system, and until that happens, we limit new starts and other developmental activities until the security deficiency has been addressed.

We have agencies work together on government-wide E-gov initiatives to focus on citizen needs....to inquire about benefits, to apply for a job, to inquire about and/or apply for a grant, to reserve a campsite, and the like. We are working with agencies to limit "unique" solutions to "common" needs.

Results. We are managing our IT expenditures to produce the results that will more than justify the taxpayers' money we are spending.

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