

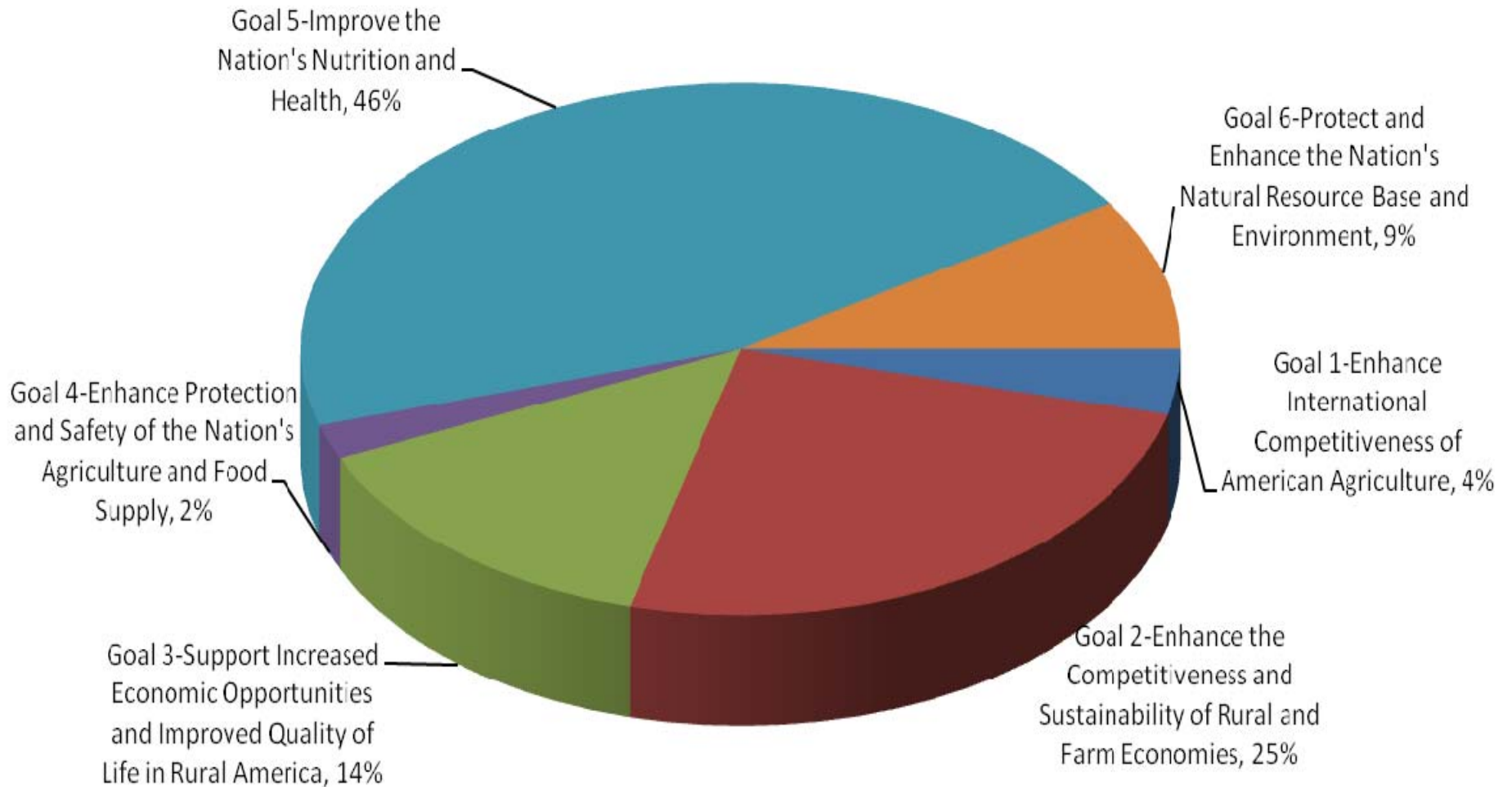
# Improving Program Efficiency and Managing for Results at USDA

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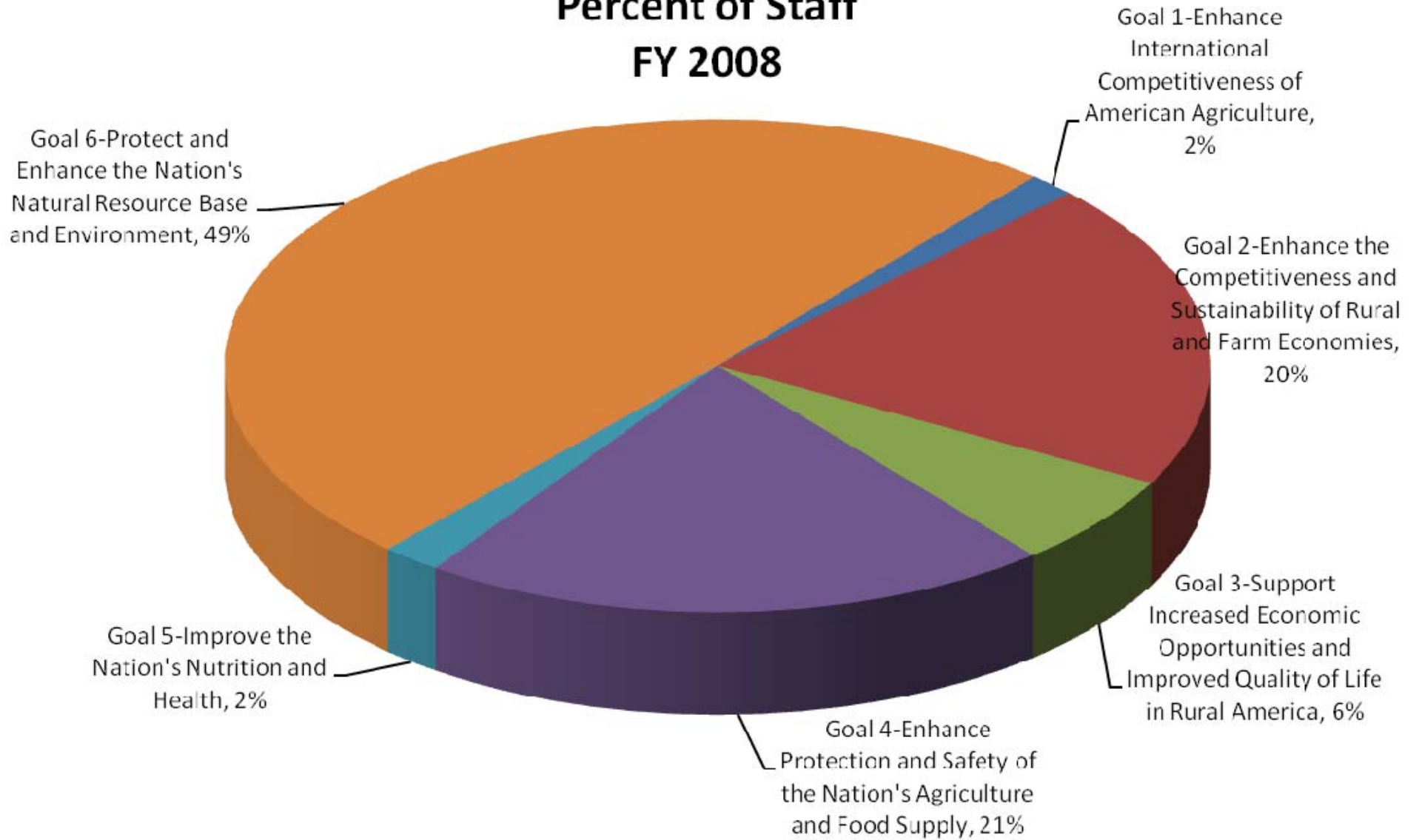
# USDA is a Complex Organization

- Outlays = \$90.8 billion in FY 2008
  - USDA budget is the 5th largest in the Federal Government
- Staff Years = 103,475
  - USDA is the 6th largest employer in the Federal Government
- 7 Mission areas and 29 agencies with diverse responsibilities and issues

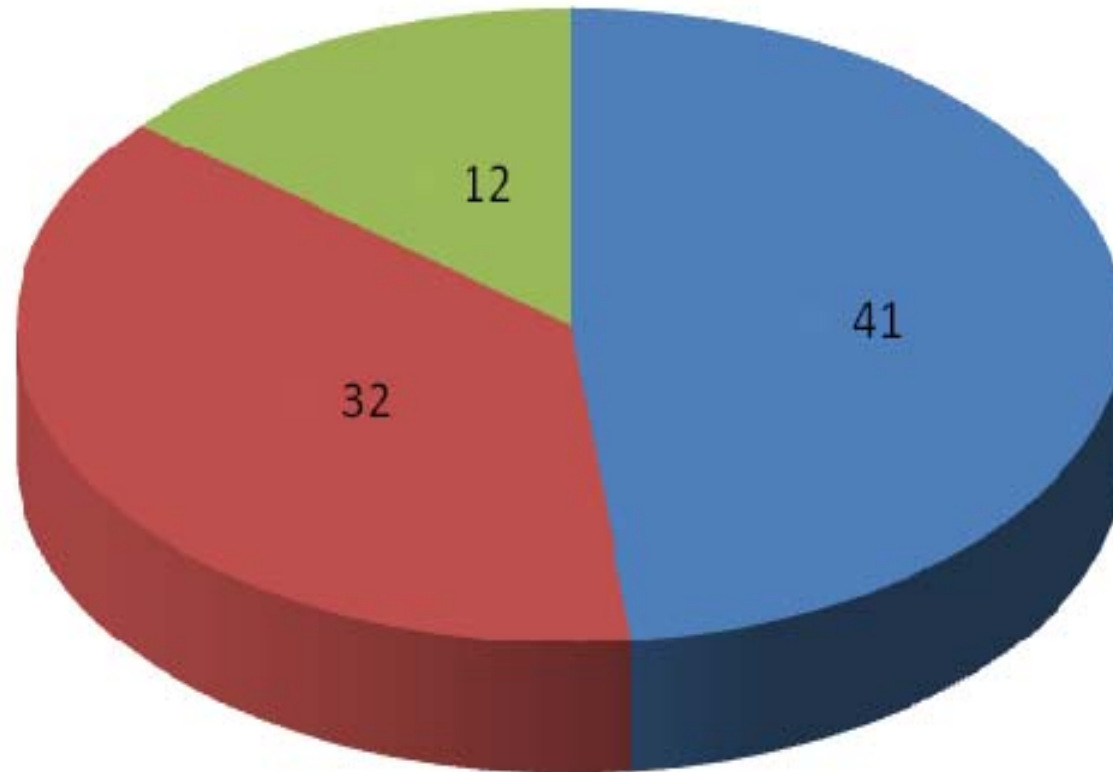
## Percent of USDA Obligations in Each Strategic Goal FY 2008



## Percent of Staff FY 2008



# USDA Program Assessments



■ Effective and Moderately Effective ■ Adequate ■ Results Not Demonstrated

# Characteristics of Effective Programs

- Clear objectives/goals
- Defined measures (outcome, output and efficiency)
- Ability to collect and report performance data regularly with confidence in information
- Accountability for achieving objectives/goals
- Achieves desired or expected outcome as efficiently and effectively as possible

# Activity vs. Results Driven

- Activity Driven
  - “do something mentality”
  - confuses process actions (means) with outcomes (ends)
  - implements actions and uses resources without directly impacting quality and productivity
- Results Driven
  - Focuses on achieving specific measurable outcomes and matching resources to accomplish requirements
  - Asks what is needed, when is it needed and who can provide it

# Using Performance Assessments in Budgeting

- Key component of performance based budgeting which:
  - Allows for the allocation of resources to achieve certain defined objectives
  - Uses statements of missions, goals and objectives to explain why funding should be spent and demonstrates what was achieved with funding
- Historically USDA has used results of assessments as one of many factors in making funding decisions at the budget formulation and execution stage



# Improving Program Performance

- Identify obstacles to performance improvements (Information Technology limitations; Human Capital accountability; Financial Management e.g. improper or erroneous payments)
- Ensure agencies set ambitious goals and targets
- Provide clear expectations
- Hold accountable for realistic goals/targets

**What's Next**

# *A New Era of Responsibility Renewing America's Promise*

## *Restore Fiscal Discipline and Plan for the Future*

- Cut the deficit in half by End of the President's first Term
- Review the Budget Line-By-Line for Waste

## *Make Government More Effective*

- Eliminate Wasteful Redundancy
- Streamline Government Procurement
- Reform federal Contracting and Acquisition
- Put Performance first
- Enforce Standards in Addition to Measuring Performance
- Increase use of Technology
- Make Sure that Taxpayer dollars Are Spent Wisely in Our Large Entitlement Programs

# *Restoring Fiscal Discipline and Planning for the Future*

Review the Budget Line-By-Line for Waste

- The 2010 budget, as identified in A New Era of Responsibility, will include proposals to reduce or eliminate programs
- In addition, at this week's cabinet meeting, the President challenged the cabinet to cut a collective \$100 million dollars in the next 90 days. Agencies will be required to report back with their savings at the end of 90 days.

# Put Performance First

- The Administration in A New Era of Responsibility called for:
  - Creating a team led by the Chief Performance Officer that will work with agency leaders and OMB to improve results and outcomes for Federal Government programs while eliminating waste and inefficiency
  - Chief Performance Officer will work with Federal agencies to set tough performance targets and hold managers responsible for progress
  - Each major agency will be asked to identify a limited set of high priority goals over the next few months. The President will meet regularly with cabinet officers to review the progress their agencies are making toward meeting performance improvement targets

# Enforce Standards in Addition to Measuring Performance

- In A New Era of Responsibility the Administration announced:
  - The Administration will fundamentally reconfigure the Program Assessment Rating Tool
  - Will open up the insular performance measurement process to the public, the Congress and outside experts
  - Will eliminate ideological performance goals and replace them with goals Americans care about and that are based on congressional intent and feedback from the people served by Government programs

# Improving Administrative Performance

- *“Reforming how government works is not only a question of cutting and eliminating ineffective programs, but also making worthwhile programs work better by improving performance.” New Era of Responsibility*
- *“The goal is not just good management or solid operations, but generating good results for the American people. Through this performance lens, government operations become a way to drive better results, not an end in and of itself... Specifically, Jeff will lead the President’s efforts on contracting and procurement reform, improve government productivity by helping to root out error and waste, build a performance agenda across government, and enhance the transparency of the government’s finances so that citizens are empowered to hold us all accountable for improved stewardship and performance.” Peter Orszag’s Blog [www.whitehouse.gov/omb/blog/09/04/18/MoveOverR2CPOisHere/](http://www.whitehouse.gov/omb/blog/09/04/18/MoveOverR2CPOisHere/)*

# What's Next at USDA

- Secretary Vilsack has said:
  - That results-oriented management is central to running the Department effectively and technology and federal employees are essential to that effort. *Government Executive March 27, 2009.*
  - He wants to improve performance measures to achieve results the public expects, including a safer food safety system, more vibrant rural communities and jobs, and greater opportunities for farmers and ranchers to prosper. *Government Executive March 27, 2009.*