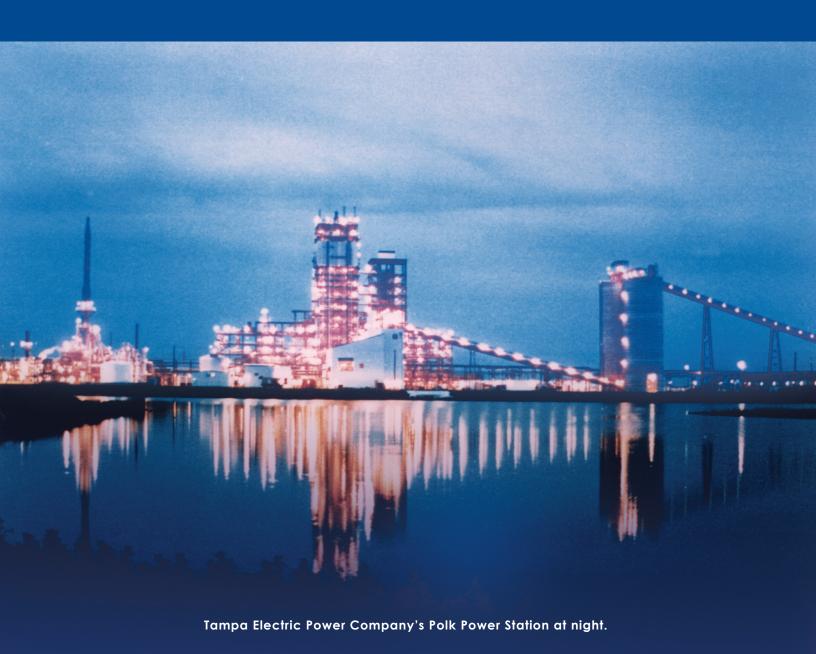
INTRODUCTION



Implementing the President's Management Agenda

When President Bush issued his management agenda in 2001, the Department of Energy viewed it as an opportunity to make much-needed management reforms. Using the President's Management Agenda as the framework to guide our efforts, the Department went from an organization generally thought to be one of the Government's worst managed agencies, to one of the best in three years. For example, our improvements in cyber security are enabling the Department to better safeguard sensitive information about nuclear materials and weapons from terrorists and rogue states.

Secretary Bodman has committed to continue using the President's Management Agenda as the guidepost for our efforts to institute management reforms and transform the Department of Energy into the kind of results-oriented organization of which all Americans can be proud. He has designated his Deputy Secretary to spearhead efforts

to implement the President's Management Agenda initiatives to transform the Department into an organization that delivers results for the Nation.

Strong Record of Achievement

When the President's Management Agenda was launched in 2001, the Office of Management and Budget (OMB) rated the Department "red" on all five Government-wide initiatives.
On the most recent scorecard, June 30, 2005, the Department received four "green" status ratings and one "yellow" status rating, reflecting the significant improvements we have made

"What matters in the end is completion.

Performance. Results.

Not just making promises,
but making good on promises."

President George W. Bush

in the strategic management of human capital, competitive sourcing, financial performance, e-government and budget and performance integration.

In addition to the five Governmentwide initiatives, the Department participates in the new Federal Real Property Asset Management Initiative and the Research and Development Investment Criteria Initiative. As of June 30, 2005, the Department's status score on the Federal Real Property initiative improved from red to yellow. This recognition resulted largely from publishing a comprehensive Asset Management Plan, which provides guidance on managing the Department's multi-billion dollar real property portfolio, and detailed plans for managing the real property at specific sites over the next ten years.

Factors Contributing Toward Success

The Department's success in implementing the President's Management Agenda results from strong top level leadership, ownership by career officials, active communications, and participation across all levels of the agency, including the field.

The Department's commitment to the President's Management Agenda begins with leadership from the Secretary and Deputy Secretary. Since the Agenda was announced in 2001, the Department's senior leadership has embraced its principles as a

Fueling Progress for America

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tool for making much-needed reforms and implementing a strategy to fulfill our management vision.

To ensure effective implementation of the Agenda, the Deputy Secretary chairs the Department's Management Council.

Comprised of the Department's top political and career officials, the Council meets monthly to discuss guidance from the President's Management Council, to review progress and challenges in implementing Agenda initiatives, and to establish clear expectations for future action.

The Deputy Secretary selected the Department's Associate Deputy Secretary to lead dayto-day implementation of the President's Management Agenda. Senior career executives were named to lead each of the seven initiatives. These career executives are responsible for developing and implementing long-term action plans to institute goaloriented management reforms for their initiative. In addition, a kitchen cabinet of career senior executives was established by the Associate Deputy Secretary to strengthen the commitment to the President's Management Agenda principles throughout the career ranks.

To enhance communication on the President's Management Agenda, the Secretary recently launched a website to provide more information on the Department's efforts and progress in implementing Agenda initiatives.

Finally, to ensure accountability, the Deputy Secretary issues a quarterly "report card" that uses stoplight scores to assess each component's performance in implementing the seven PMA initiatives. Components with yellow or red scores must prepare remediation plans, which are monitored by the Associate Deputy Secretary.

This integrated approach has fueled the Department's success in implementing the President's Management Agenda and instituting meaningful management reforms.

"I am proud to join the Department of Energy with its excellent record in implementing the President's Management Agenda. As we institute management reforms and transform the Department of Energy into the kind of results-oriented organization of which all Americans can be proud, we will use the President's Management Agenda as the guidepost for our efforts.

Secretary Samuel W. Bodman