



FOR IMMEDIATE RELEASE  
December 13, 2007

Contact: Jesse Broder Van Dyke  
(202) 224-6361

**Statement of Senator Daniel K. Akaka  
"Prioritizing Management: Implementing a Chief Management Officer at Federal Agencies"  
Committee on Homeland Security and Governmental Affairs  
Subcommittee on Oversight of Government Management,  
the Federal Workforce, and the District of Columbia**

*This hearing will come to order.*

*Good morning. I would like to welcome our distinguished witnesses to this hearing on establishing a Chief Management Officer at federal agencies to address human capital, business transformation, financial management, and strategic planning challenges across the federal government.*

*Senator Voinovich and I have been working with agencies for years to resolve management challenges and encourage agency leaders to prioritize management. Hearing after hearing has shown that strong agency leadership that places a priority on management results in improved agency performance.*

*An agency's main focus must be its mission. However, agencies tend to overlook the importance of strong and sustained management in their operational goals. As a result, agencies often fail to meet their mission in the most efficient and effective way.*

*Using the ongoing war in Iraq as an example, it is clear that strong leadership and efficient management are essential to supporting the war fighter. We also need strong leadership and efficient management throughout the federal government to support the critical efforts of agencies to meet their missions.*

*I believe that a CMO, a high-level official in charge of a department or agency's business operations, can help improve overall effectiveness and enable the agency to better meet its mission. This would not complicate the existing bureaucracy; rather, I believe that elevating the*

*issues of strategic planning, human capital, and business transformation to a higher level will provide management issues the priority they deserve.*

*Last year, our Subcommittee asked the Government Accountability Office (GAO) to evaluate how CMOs have been established in the public and private sector and to develop criteria and strategies for establishing CMOs across the federal government. As we will hear from the Comptroller General, establishing a CMO and providing them with the necessary authority can improve the efficiency and effectiveness of any organization, especially large, complex departments.*

*On September 18, 2007, Secretary of Defense Robert Gates designated Deputy Secretary for Defense Gordon England as the Chief Management Officer at the Department of Defense. I believe Secretary England is a strong leader and a good choice to serve as CMO. Also, I am pleased to see the Department elevate the importance of management to the deputy level. I look forward to seeing the progress made at DoD to improve its business operations.*

*However, in a little more than a year, the federal government will face a Presidential transition and Secretary Gates and Secretary England likely will leave their posts. We need to ensure that their management efforts do not disappear by making management part of the institutional framework at the Defense Department and other federal agencies. Structures need to be developed that will stay in place from one Administration to the next. GAO recommends that the establishment of a CMO at federal agencies be codified. I agree. Earlier this year, the President signed into law a provision to create a CMO at the Department of Homeland Security as part of the 9-11 Commission Recommendations bill. There is also a provision to codify a CMO and Deputy CMO at the Department of Defense included in the FY08 Defense Authorization conference report.*

*But these are just first steps in a long process of improving management accountability at agencies.*

*The continuity of management and business operations is also critical. A CMO could be that link between administrations. One of GAO's recommendations is to have a five to seven year term appointment so that management can remain a constant high-level focus of an agency outside the political process. I think this is an idea that we need to explore very seriously.*

*GAO examined the impact, both positive and negative, that codifying such a position would have on the management of departments. I believe that GAO's recommendations provide sound criteria for agencies to begin establishing CMOs. I look forward to hearing from our witnesses on how they see the establishment of CMOs as part of the overall management strategy for the government.*