

**OPENING STATEMENT OF
SENATOR GEORGE V. VOINOVICH, RANKING MEMBER
SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT,
THE FEDERAL WORKFORCE AND THE DISTRICT OF COLUMBIA**

DECEMBER 13, 2007

**PRIORITIZING MANAGEMENT: IMPLEMENTING CHIEF MANAGEMENT OFFICERS
AT FEDERAL AGENCIES**

Good morning, Chairman Akaka. Thank you for calling today's hearing. I also would like to extend a warm welcome to our witnesses who have testified before this Subcommittee on numerous occasions.

It is through strong partnerships, whether between Senator Akaka and myself or between the executive and legislative branches, that we will achieve real reform and transformation of the federal government for the benefit of the American people.

Having focused intently the last few years on establishing chief management officers (CMOs) at the Departments of Defense and Homeland Security, Senator Akaka and I asked the Comptroller General to evaluate the role and need of CMOs throughout the government. In my opinion, CMOs would bring to the federal government a high-level, sustained focus to the critical management challenges facing many of our agencies.

We focused our attention on DoD and DHS because the management challenges at these large agencies are daunting. However, our work, at times, has been met with resistance. While both departments have named a chief management officer, I do not believe either position is sufficient to meet the challenges facing their departments.

While S. 547, the Effective Homeland Security Management Act of 2007, was adopted as an amendment to the Improving America's Security Act of 2007, a watered-down version was included in the final legislation. Subsequently, S. 547 passed by the Committee and is awaiting action by the Senate. I have the greatest respect for Deputy Secretary Paul Schneider at DHS and the good work he and his team have done during his brief time. However, I believe a term appointment for the CMO is imperative to achieve and sustain success.

With just over one year remaining for the current administration, the work of the CMO must be continued into and through the next administration. Unfortunately, we know all too well that the length of time it takes to confirm a presidential nominee. DHS faces its first transition and cannot afford to continue with such a void in its senior leadership.

Similarly, the Department of Defense faces the greatest management challenges within the federal government. Three of the nine DoD high-risk areas have been on GAO's High-Risk list since GAO began the series in 1990. More concerning is the fact that DoD has responsibility, in whole or in part, for 15 of 27 high-risk areas. These high-risk areas, and the

resources and management efforts they consume, diminish the ability of the Department to perform its missions effectively and wastes over \$20 billion of taxpayer dollars annually. Imagine, Congress and the President are squabbling over \$11 billion in spending for the rest of the federal government and the Department annually wastes more than double this difference!

I credit Mr. Brinkley for the tremendous work he has done leading DoD's Business Transformation Agency. By developing and issuing the Enterprise Transition Plan every six months, BTA has been able to monitor certain aspects of the Department's business transformation and make significant improvements in a short period of time.

Mr. Brinkley, I look forward to hearing how you plan to institutionalize BTA's business transformation plan. However, your term will expire in January 2009 with a new administration.

The fiscal year 2008 Defense Authorization act begins to move the Department in the right direction by establishing a statutory CMO and Deputy CMO, however, the lack of a term will limit their effectiveness.

While I applaud Secretary Gates for taking the step to name a Chief Management Officer, the designation of the existing Deputy Secretary does not get the job done. After all, there are only 24 hours in a day, and Deputy Secretary England already is responsible for a multitude of tasks. The CMO cannot be someone who worries about the day to day operations, rather someone who is able to focus on the long-term transformation.

Although invited, the DoD CMO is not here today to discuss this important issue, which makes me question the Department's commitment to a CMO. I think Comptroller General Walker will agree with me that we need a dedicated senior level official with the necessary authority whose full-time job is focused on management.

Mr. Johnson, in your written testimony, you state that the existing deputy secretary position in agencies can perform the necessary responsibilities if they are held accountable; however, little progress has been made at DoD since the inception of the High-Risk list in 1990. I am not as confident as you that deputy secretaries can appropriately fill this role. I look forward to discussing further with you whether a deputy secretary at a large cabinet agency has enough time or is in the position long enough to serve as an effective chief management officer.

True transformation is driven by committed leadership and must stand the test of time. With the coming transition to a new administration, we must ensure that organizational transformation within all agencies continues to be a priority so that the federal government can meet the challenges of the 21st Century and that the American taxpayer feels confident that their money is being well spent. I look forward to hearing from our witnesses today.

Thank you, Mr. Chairman.

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