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**New OMB Report Updates Plans for Carrying Out the  
President's Competitive Sourcing Initiative**

**Washington, D.C.** – The Office of Management and Budget (OMB) has released a new report on the Bush Administration's plans for holding competitions to perform services for the federal government. The report describes the Administration's three-pronged approach for the reasoned implementation of competitive sourcing, including:

- customized plans, built around considered research and sound analysis of each agency's mission and workforce mix;
- a dedicated infrastructure to ensure accountable decision making; and
- improved processes for conducting competitions in a fair and efficient manner.

It also discusses revised criteria that will be used to grade progress on the President's Management Agenda (PMA). The revised criteria contain no government-wide numerical goals that would require an agency to compete a portion of the commercial activities performed by the government.

Competitive sourcing is one of the five initiatives in the PMA, a plan to reform the federal government by making it citizen-centered, results-oriented, and market-based. It helps improve the performance and efficiency of commercial activities performed for the federal government. Competitions are held in which the costs and overall value of services are compared among private sector and federal government providers. It does not matter who wins – the desired outcome is the delivery of better services at the best value for the American taxpayer.

- The government currently spends hundreds of billions of dollars each year on commercial services provided by 850,000 government employees. These services include everything from engineering, laundry, computer support, custodial services, fee collection at National Parks, eyeglass-making, landscaping, as well as other activities commonly available in the private marketplace.
- Independent studies by the General Accounting Office (GAO) and the Center for Naval Analyses show that holding these competitions saves taxpayers an average of 30 percent.
- Studies show when the private sector does win a public-private competition, a small, women-owned or minority-owned business wins 60 percent of the time.

To read the full report, go to [www.whitehouse.gov/omb](http://www.whitehouse.gov/omb) and click for the Competitive Sourcing Initiative Report. For Administrator Styles' testimony, click that web page's Testimony heading. For additional information, please contact OMB Communications at 202-395-7254.

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