

Memoranda 02-02 (Implementation of the President's Management Agenda and Presentation of the FY 2003 Budget Request)

October 30, 2001

M-02-02

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Mitchell E. Daniels, Jr.
Director

SUBJECT: Implementation of the President's Management Agenda and Presentation of the FY 2003 Budget Request

In August the President launched a Management Reform Agenda targeted to "address the most apparent deficiencies where the opportunity to improve performance is the greatest." Working with the President's Management Council, the Office of Management and Budget has developed standards for success in each of the five government-wide initiatives: Strategic Management of Human Capital; Expanded Electronic Government; Competitive Sourcing; Improved Financial Performance; and Budget and Performance Integration. We are in the process of evaluating with each department and agency where they stand against these standards as of September 30, 2001, the completion of the latest fiscal year. This initial evaluation will serve as our baseline for tracking improvement as we implement the President's Management Reform Agenda.

An Executive Branch Management Scorecard will be used to show both how well a department or agency is executing the management initiatives, and where it scores at a given point in time against the overall standards for success. This scorecard will be provided to you and the President on a regular basis. The scorecard employs a simple grading system: green for success, yellow for mixed results, and red for unsatisfactory. There will be two sides of the scorecard: current status against the standards for success, and progress in implementing the initiatives. The progress side will track whether a department's work plan for the initiatives is being successfully executed according to established timetables. Clearly, the September 30th baseline will show a lot of poor scores for current status, reflecting the state of the government we inherited.

Recognizing the importance of good management to the efficient and economic delivery of desired results, it is also our intention to devote a significant portion of the President's FY 2003 budget request to a discussion of the management issues affecting each department or agency. Further complementing the traditional attention to resources and funding requests will be a greater focus on specific program performance and effectiveness. The performance component of the presentation will build upon the discussions OMB had with each department or agency this past spring.

I have attached an illustrative sample of the Executive Branch Management Scorecard, together with the standards for success for the government-wide initiatives. My expectation is that the baseline assessments will be completed by the end of November, in time for our discussions on your FY 2003 budget. This should allow for a presentation of the overall scorecard to the President in early December. Please direct any questions concerning this material to your OMB Resource Management Office.