

**Hearing Statement for Chairman Joseph Lieberman
Homeland Security and Governmental Affairs Committee
Nomination of Jeffrey Zients, Deputy Director OMB
Washington, DC
June 10, 2009**

And now we will consider President Obama's nomination of Jeffrey Zients to be deputy director for the Office of Management and Budget.

Since its creation, a common criticism of OMB is that its leadership, no matter what party is in charge, too often has focused on the "B" at the expense of the "M" – on budget as opposed to management. That should not be the case. The two go hand in hand and if a program is not doing well with the "M", it is likely to have problems with the "B" as well and that means the taxpayers are not getting their money's worth.

I'm pleased that President Obama has made the drive toward management excellence a top priority across the government and has stated that the Deputy Director for Management at OMB will also serve as the first "Chief Performance Officer" of the federal government.

Mr. Zients will have oversight of four statutory offices with far-reaching mandates: The Office of Information and Regulatory Affairs; the Office of Federal Procurement Policy; the Office of E-Government and Information Technology; and the Office of Federal Financial Management.

I would like to take a moment to outline just a few of the challenges I believe Mr. Zients will face if confirmed.

In the area of performance metrics, the ratings system created by the previous administration – the Program Assessment Rating Tool, or PART – was viewed skeptically by many as a biased system that generated poor ratings for programs that the Administration wanted to eliminate for ideological reasons.

I hope, Mr. Zients, that you can help create objective performance rating metrics for programs, and one that takes into account that a “one-size-fits-all” approach is inappropriate given the diversity of government programs.

Improving contracting practices is another priority for the President, and rightfully so, as total spending on goods and services has skyrocketed from \$189 billion in 1999 to \$532 billion in 2008.

Another concern is properly managing the Information Technology investments of the Federal government – estimated to be over \$70 billion in this fiscal year. We must be assured these funds are spent effectively while also meeting the President’s goals of using technology to make the government more transparent, participatory, and collaborative.

In a related concern, OMB will continue to play a key role – along with DHS – in protecting our federal networks against the malicious actors that seek to do us harm. In recent years this has been a real challenge.

And finally, I’d like to mention how important transparency initiatives can be to improving accountability in government programs. President Obama is passionate about this issue as well.

But many current efforts to provide data to the public on federal spending, including USAspending.gov, have fallen short of original expectations and now the Recovery Accountability and Transparency Board is grappling with how to provide the public comprehensive information on stimulus spending.

I'm optimistic that, with strong leadership, we'll be able to solve these problems so the public can track spending and provide their own oversight if they spot wasteful spending.

Mr. Zients has 20 years of business experience as a CEO, management consultant, and entrepreneur. He has served as CEO and Chairman of The Advisory Board Company and as Chairman of the Corporate Executive Board – two firms that are leading providers of performance benchmarking and best practices across a wide range of industries. He has spent most of his career devising ways to improve governance, organization, management, efficiencies, financial systems of companies, and now we will look to him to bring those best practices to government agencies.

So again, welcome Mr. Zients. I look forward to your statement and your answers to our questions.

Sen. Collins.