





# The Rising Tide: Will All Boats Be Lifted?

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by *Tim Jaques, PMP*

“Agencies should consider this year a transition year during which OMB . . . will move to a more dynamic performance planning, management, improvement, and reporting framework that is useful, streamlined, and coherent.”

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**Shelly Metzenbaum**  
**Office of Management and Budget**

Large IT projects are under fire in the federal government. In August, President Obama sent 30 large tech projects back to the drawing board. Citing a tangled network of more than 24,000 website pages and 1,100 data centers, federal CIO Vivek Kundra stated his intent to reduce the footprint and complexity of the federal IT infrastructure. Earlier in the year, the Department of Veterans Affairs reviewed more than 45 IT projects and stopped a host of them.

The Office of Management and Budget (OMB) has undertaken an ambitious program of change around IT investment governance. It is in the midst of a formative year: nearly a third of the memoranda issued by OMB in fiscal year 2010 are devoted to improving federal performance on projects. These memos in their collective describe OMB’s approach to ferreting out underperforming projects, cutting costs, and streamlining the investment profile of the U.S. government. Clearly, the Administration is focused on governmental efficiency as a strategy toward reducing the deficit. To date, the guidance from OMB has been limited primarily to information technology, as they aggressively pursue ways to eliminate the billion-dollar bombshells that continue to make headlines.

The nine memos, as shown at right, illustrate the shift in policy that OMB is taking in addressing governmental spending vis-à-vis IT. OMB is transitioning away from traditional GPRA and PART processes in favor of the forward-looking TechStat reviews. The shift is laudable, as OMB aims to imbue a results-oriented culture into department leadership. OMB wants early identification of underperforming projects, and swift corrective action. Achieving these objectives requires fundamental shifts in project transparency, ownership, and process. Departments will need more robust methods for IT governance, earned value management, and other processes.

While these memos begin to light the way to a new era beyond GPRA, OMB needs to forge a more comprehensive approach for managing projects. The memos demonstrate a patchwork of ideas—TechStat reviews, discretionary budget reductions, voluntary evaluations, and mandatory EVMS reporting requirements—but lack a set of organizing principles.

The current approach ignores the importance of making fundamental changes in the project management discipline. For example, the memos reaffirm OMB’s use of concepts found in project management, including earned value management, baseline management, and project portfolio management. But these areas are addressed in the context of procurement, not project management. If OMB sidelines project management as a component of the acquisition lifecycle, many agencies may fail to realize the full potential of project and program management. Agencies that do not embrace project management have no real impetus to develop this capability. At the individual level, the federal certification program for project management—FAC-P/PM—is largely unmeasured and therefore cannot demonstrate improvements in project management competency.

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Behind all of this is one key precept: project management is arguably the single most critical link in converting billions of dollars in federal funding into useful, manageable assets. Simply having project managers assigned to projects is not enough: departmental leadership must embrace a critical mass of processes associated with selecting and reviewing projects and programs, as shown in the top two layers of the triangle. With so many new requirements and investment opportunities in play, departments that fail to embrace an enterprise approach to project management risk failing to meet their goals and performance measures for the year.

While most departments are familiar with project management, leaders in these agencies must develop a clear picture of what project management can do for them, and then work toward a reasonable implementation that is robust, standards-based, and responsive to the needs of the organization.

Don't miss our Web-only companion piece! [Click here to view Nine OMB Memos that Shape Funding Priorities.](#)

#### **About the Editors**

**Timothy Jaques, PMP**, and **Jonathan Weinstein, PMP**, are founding partners of Line of Sight ([www.line-of-sight.com](http://www.line-of-sight.com)), a project management, process design, and organizational change management services organization. They work with both the government and private sectors and have written extensively on project management and organizational change.