

GAO Testifies Regarding Ailing IT Investments

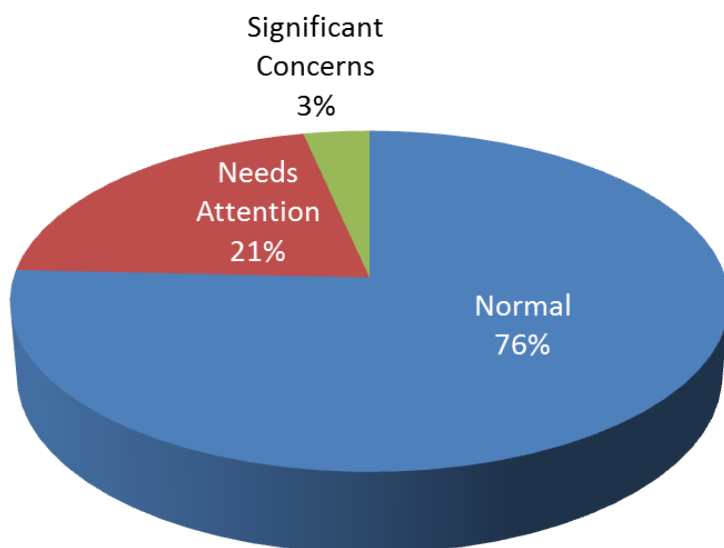
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Related Categories: IT Reform, Office of Management and Budget, Federal, PortfolioStat, Policy & Legislation

GAO's David A. Powner, Director Information Technology Management Issues, testified before the Senate subcommittee on Efficiency and Effectiveness of Federal Programs last week that \$1.4 billion worth of federal IT investments are in peril and another \$8.6 billion need attention.

Powner stated before the subcommittee under the Senate Committee on Homeland Security and Governmental Affairs that according to the OMB IT Dashboard 183 federal investments are in jeopardy, equating to \$10 billion. "OMB and agencies need to aggressively govern these at-risk investments using TechStat sessions and other governance mechanisms," Powner said.

Overall Performance Rating of Major Investments on the IT Dashboard, as of June 2014



Source: IT Dashboard and GAO

Last month, Powner appeared before the entire Senate Committee for Homeland Security and Governmental Affairs on Identifying Critical Factors for Success in IT Acquisition to offer insight into best practices and reform initiatives that can help improve IT investment management. Expanded use of critical success factors in IT acquisition, such as active stakeholder engagement and support from agency executives, along with further implementation of government and industry best practices, will better position agencies to more effectively deliver mission-critical systems, according to GAO.

The IT Dashboard, launched by OMB, has been one key reform issue. The IT Dashboard was meant to help mitigate risk in federal IT programs and it has increased visibility and garnered success. However, it has its weaknesses. GAO issued a report in 2011 which voiced concerns about accuracy and reliability of dashboard data, but also pointed out that data was improving over time. Recently, GAO reported that agencies had removed major investments from the dashboard which raises concerns about transparency. Additionally, GAO noted that the timeliness of updates to the dashboard was lacking. As of December 2013, the public version of the dashboard was not updated 15 of the previous 24 months.

Powner also cited OMB recommendations for increased incremental development, but GAO's recent findings indicate that almost 75% of investments reviewed did not plan to deliver capabilities every six months and less than half planned to deliver capabilities in 12 month cycles.

In recent reports, GAO has also offered recommendations for PortfolioStat efforts. PortfolioStat requires agencies to conduct annual reviews of their IT portfolios and make decisions about eliminating duplication. This initiative has the potential to save \$5.8 billion through FY 2015, however weaknesses exist in the implementation of the initiative across agencies. One implementation issue revolves around CIO authority.

With over \$80 billion in federal IT spending per year, it's incumbent upon agencies and the administration to learn from successful IT implementations, as well as failed projects. While use of best practices, legislation, and OMB efforts at transparency and oversight have improved IT execution and spending, continued leadership and attention is necessary to build on current progress.

