

Government-wide Category Management Policy: Helping Government Agencies Buy Smarter

? What's happening?

The Office of Management and Budget (OMB) has issued a new policy (**OMB Memorandum M-19-13**) that gives guidance to agencies on implementing category management.



What is category management, exactly?

Category management, a priority area of transformation under the President's Management Agenda (PMA), is a way of helping the federal government buy smarter. It's a commercial best practice of buying common goods and services to increase efficiency, reduce costs, minimize redundancies and deliver more value. The government has adopted some of these practices over the last few years in 10 common categories of spend, working together to find the best value, and ultimately save money for taxpayers.



Category management encourages competition and transparency, makes buying smarter, and builds a stronger government. This drives better buying decisions, better results, and increased savings, which benefits taxpayers.



So, what are agencies expected to do?

1. Create annual goals to successfully implement CM, consistent with small business and socioeconomic requirements
2. Develop plans to engage with industry and improve vendor relationships
3. Strengthen demand management plans to avoid wasteful spending
4. Share prices-paid and other related data to improve government buying
5. Train employees in CM principles and practices



How will this new policy help taxpayers?

These actions will help agencies get better value from their common spending, and spend less time on administrative processing. Agencies can take advantage of these efficiencies and redirect their resources to mission-specific priorities – which directly supports and benefits taxpayers.



For more information?

- CM information can be found on the Acquisition Gateway at **About Category Management** or **BIC**; or, via email at category.management@gsa.gov
- Policy-related questions can be directed to Mathew Blum (mblum@omb.eop.gov) or Meredith Romley (mromley@omb.eop.gov)

What's new, or different, in this category management (CM) policy?

- Gives guidance for agencies to adopt CM practices, including specific goals for improving spend under management and using BIC solutions
- Emphasizes that agencies must implement category management consistent with small business and socio-economic goals
- Defines roles and responsibilities for all of the relevant government stakeholders, including specific engagement by agency small business representatives
- Increases the importance of data – for example, heightens the availability of available government-wide data and pricing/reporting dashboards, and increases expectations for their use by agencies
- Supersedes some previous memos (e.g., this replaces the Federal Strategic Sourcing Initiative memo from 2012)
- Outlines a streamlined process for acquisition business case analyses and alternatives

