

“We have begun a process that will transform our agency, building on its strengths. We will foster organizational cooperation rather than stove-piped actions. We will recognize and reward achievement and address poor or inappropriate performance. We will improve the quality of worklife to attract and retain another dedicated, talented, and resourceful generation of public servants in the best traditions of this great Department.”

*- P. Lynn Scarlett
Assistant Secretary
Policy, Management
and Budget*

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Achieving Our Performance Goals

To be an even more effective and efficient customer-focused agency, we must deal openly with the major mission challenges we face as a Department. The way in which we operate today, while grounded in the past, is evolving rapidly. If we can embrace the positive direction of this change, we can address the growing demands we have just described. Our five-year human capital plan centers on our three major organizational and skill building initiatives:

- Integrating the Department
- Employing the 4C's
- Managing for Excellence

Integrating the Department

Established in 1849 as the fourth cabinet-level Department, DOI was originally referred to as the "Home Department" and the "Department of Everything Else." Over its more than 150-year history, the Department has often been viewed as a holding company for its eight component bureaus, each with its own legislative history, organic act mandates, separate appropriations accounts and authorizing legislation, and unique organizational structures. Today, this bureau-specific capacity represents an enormous resource for the nation. Our employees identify with their well-defined bureau missions and have a level of esprit de corps, organizational loyalty and commitment that leads to exemplary, dedicated public service.

What to Change? IT Organizational “Variety”

Functions reporting to our Chief Information Officers vary widely.

Function	OCIO	BIA	BLM	BOR	FWS	MMS	NBC	NPS	USGS
Capital Asset Planning	X	X	X					X	
Telecom	X		X		X	X	X		X
Information Mgt.	X		X	X			X		X
Security	X	X	X	X	X		X	X	X
Strategic Planning	X			X	X	X	X	X	X
Architecture	X		X						
Chief of Staff	X								
GIS		X							X
Knowledge Mgt.		X							X
Financial Mgt.		X			X				
e-Gov		X				X			
Information Systems		X					X	X	
CTO		X						X	X
Program Support			X						
System Coord			X						
National IRM Center			X					X	
Infrastructure				X		X			
Info & Tech Svc				X	X	X	X	X	
IT Services			X	X	X		X		
FGDC									X

Variations in Organizational Responsibility & Authority

Variations In Direct Reporting Organization Structure

The Information Technology (IT) activities within Interior currently vary widely among bureaus making it difficult to communicate and work collaboratively across all our organizations.

However, what is said of individuals, namely that one's greatest strength is often one's greatest weakness, can also be said of organizations. While bureau identification and loyalty provide benefits, these attributes can deter cooperation, resulting in foregone efficiencies and duplication of effort. **The historical evolution of the Department as a composite of stove-piped organizations has complicated efforts to address significant mission and management challenges.** Often, it is easier to work within the same organization rather than risk the unknown and potentially lose control over outcomes by partnering with other bureaus, Departmental offices, or external agencies. There is a penchant toward hoarding knowledge instead of sharing and communicating key information. Bureaus tend to "keep problems to themselves," trying to solve them within each individual bureau, even when

sharing remedies and best practices would offer potentially faster, less costly results.

Information technology practices demonstrate these tendencies. Currently, the Department has four different e-mail systems, several different operating systems, and networks scattered across the country. The Department has no common word processing system nor standard system architecture. Our decentralized structure and culture result in longer time lines and higher costs to provide IT services.

Many issues are complex and multidimensional challenges, reaching across bureau program boundaries, requiring common understanding, approaches, and solutions. An endangered species does not know the difference between public land, refuge land, trust land or park land. An

ecosystem under stress is likely to be stressed on all adjacent public lands. Wildfire knows no boundaries, given high fuel loads and drought conditions.

Building Cooperation

Driven by mission imperatives that outstrip budget and personnel resources and require closer collaboration and teamwork, the Department is gradually evolving toward greater bureau integration.

Increasingly, the management of lands and resources under our stewardship involves ecological, scientific, economic, and social factors that extend well beyond the boundaries of the Department's individual bureaus. Successful resource management requires cooperation with states, private landowners, and other agencies to ensure balanced use and protection of our lands, waters, and habitat.

We have also come to understand the value in a common Departmental stewardship mission. Increasingly, our bureaus and offices are approaching problems and finding solutions in a more dynamic, integrated manner. For example, in addressing the IT challenges described above, we are working together to utilize common data standards and systems to provide more efficient and secure operations and services to the public and to our employees.

The need to build a more integrated Department is central to the full achievement of our

Seamless Service

Over the past few years, the Bureau of Land Management and the U.S. Forest Service have co-located some offices as part of a "Service First" initiative. Similarly, the Farmington Indian Minerals Office (FIMO) provides American Indian information and services for their entire mineral rights issues in one location. These services include outreach, inspection, enforcement, and mineral revenue compliance services provided by the Bureau of Indian Affairs, Bureau of Land Management and Minerals Management Service, all under one Office Director.



Both "Service First" and FIMO are cooperative, cross-bureau initiatives that put our customers first. These efforts achieve three primary objectives:

- Seamless service to customers serviced by more than one bureau – for example, one-stop shopping for permits and services;
- Reduced confusion and duplication by using the same procedures across agencies; and
- Reduced costs by sharing resources (personnel, facilities, and skills) and eliminating business processes that do not add value.

mission and lies at the core of our 4C's management approach. We must reexamine the way in which we deal with human resources issues and processes, including organizational structures and the hiring, training, and development of our employees. Integrating strategies range from incentives to encourage and reward cross-bureau experience and mobility to providing more integrated training and orientation to the Department's overall mission.

While a bureau-oriented approach to the Department's overall mission and mandates may have been appropriate during the last two centuries, today an integrated "One-DOI" approach can yield substantial insight and greater program effectiveness. For the first time, the Department's comprehensive Strategic Plan aligns and coordinates the execution of all bureau missions mandated to the Department by Congress.

The Hallmark of DOI Teamwork

Within the Department, consultation, communication, and cooperation are the means by which we can forge common action to tap the full potential of the talented and dedicated employees who comprise this agency. With financial and personnel resources always trailing the accelerating demands for service, **we must work together to find new ways to achieve efficiency and effectiveness.** Adapting sound business principles to the management and operation of the Department, together we can reduce duplication, streamline operations, and yield a greater return on the public's funds entrusted to us. We can also work more effectively, utilizing the full depth of knowledge and experience resident in our bureaus.



Actions for Integrating the Department and Meeting Critical Skills Shortages

In order to work more effectively as a unified agency that serves citizens and accomplishes its mission goals, the Department will attract, develop and retain employees with skills to serve in a wide variety of capacities throughout the entire agency. The following actions will build cross-bureau collaboration and communication:

Hiring Processes. The Department will build common human resource practices that will reduce bureau redundancy while providing greater integration and transparency in bureau personnel practices. This effort, guided by the Management Initiatives Team (MIT), will include the following:

Common position descriptions. Common position descriptions will identify qualifications needed for similar positions wherever they are located in the Department, providing greater balance and equity between similar positions in different organizations and making it easier for applicants to apply for similar vacancies located in different bureaus.

Common vacancy announcements. Utilizing central Interior-wide vacancy announcements, bureaus and offices can attract and recruit applicants for multiple positions across the nation. Applicants will be able to utilize a consistent format that will describe vacancies and the skill levels being sought. By cross-referencing positions that contain similar qualifications, applicants will be referred to other positions for which their skills may be relevant.

Streamlining the hiring process. Because extensive paperwork burdens and long delays in the hiring process are barriers to effective recruiting, the MIT's Human Capital Team will investigate best practices to shrink the time and burden currently required in the hiring process.

New employee tracking report. In order to better track and measure successful recruiting practices, mobility, and retention, the Office of Personnel Policy will measure and report on the number of new hires, including cross-bureau and outside hires and the method of recruitment (e.g., merit promotion, special hiring authority, conversion from an intern program, etc.). The results will be reported regularly to the MIT's Human Capital Team.

DOI Mission Orientation for New Employees. To build greater awareness and familiarity with the breadth of opportunities and challenges the De-

partment collectively faces, a new DOI orientation program will be developed and utilized to provide all new employees with a basic awareness and understanding of the Interior mission.

DOI Mid-Career Exchange Program. We need a program to improve the utilization of mid-career level employees. Such a program could provide employees at the mid-career level with a one-to two-year assignment outside of their current organization that would diversify the experience of the employee and help foster greater cooperation, consultation and communication within the Department. The objective is to strengthen career development within the Department, assist employees in developing a greater Departmentwide mission awareness, and retain employees whose experience can be more broadly shared within the Department. The Human Capital Team has been tasked with developing a Mid-Career Exchange program proposal in conjunction with the DOI University and for evaluating the effectiveness of the current Team Leadership Program.

Senior Executive Development and Mobility. The Department's highly successful SES Career Development Program has regularly trained high potential GS-14 and GS-15 employees for pre-certification to the Senior Executive Service since its inception more than twenty years ago. The program offers intra-Departmental skill building emphasizing common mission challenges and capabilities for unified action across the Department's bureaus and offices. The MIT will review the program as part of its overall review of training.

Studies by the Office of Personnel Management, the Merit Systems Protection Board, the Council for Excellence in Government, and the National Academy of Public Administration have all called for increased mobility for Senior Executives. The wealth of experience represented by the Department's SES corps can be invaluable in



building a greater integration of the Department's mission by career leaders who are intimately involved in the management of the Department's many programs. However, bureaus have normally preferred to retain their executive talent rather than risk losing it. The MIT has requested the Human Capital Team to examine possible incentives to encourage the use of SES mobility assignments.

Strengthening Our Science Practices. The Department requires timely, accurate and impartial scientific information to address the increasingly complex natural resource and land management issues and challenges it faces. Such information is indispensable for establishing sound land and resource management practices and policies throughout our bureaus. The National Research Council (NRC) recently examined the scientific opportunities, demands, and roles that confront the USGS, the nation's premier natural sciences research, mapping, and monitoring agency. Using the NRC report as a springboard, USGS and DOI land management bureaus have worked closely to establish better pathways to obtain the critical information needed to manage and protect the natural resource assets entrusted to us.

The Department has underway a number of efforts to ensure the integrity of scientific information upon which it relies and to maintain public

trust and confidence in the role of science in advising Interior policies. Recently, we developed information quality guidelines to ensure the objectivity, utility and integrity of all information made available to the public. As part of this effort, we are also reviewing and strengthening our common standards for peer review of research. Finally, the Department is drafting "A Code of Science Ethics" that will help guide the conduct of employees, contractors and consultants engaged in science-based projects.

We are also working actively with the NRC and other organizations for ongoing, independent review of our science-based activities. Examples of such reviews include DOI Klamath Basin decisions, South Florida Ecosystem monitoring program, and a facilitated review of the draft science ethics policy described above.

Training Investment Review. Training provided to DOI employees must be linked to the competencies needed to address current and future mission needs. To insure that DOI funded training is on track, the Human Capital Team will undertake a thorough review of training. Opportunities for greater coordination of training programs, including cross-training between bureaus will be examined. The MIT will review the expenditure of training funds and benchmark this investment as compared to world class organizations to determine its adequacy. It will also examine the extent to which access to training varies by bureau, by grade level, and by occupation. It will examine bureau approaches to training and establish best practices. It will measure the extent to which first time supervisors and other managers are meeting their training requirements. Finally, the MIT will review the cost and use of in-house training centers, contract training and Internet-provided training and suggest improvements where they may be necessary.

Employing the 4C's

The Secretary's 4C's agenda—*consultation, communication, and cooperation, all in the service of conservation*—is the central tenet for transforming our relationships internally within the Department and externally with the public that we serve. The 4C's approach builds upon the fundamental notion that we can achieve more by working together than we can if we act by ourselves.

The public expects easy access to services that are responsive to their needs, rather than to internal organizational alignments. Citizens would prefer to plan their recreation around what activities are available to them rather than what agency manages the land or resource. Recreation.Gov, our website providing recreation opportunities nationwide (National Parks, Wildlife Refuges, Federal Lands, State Parks, National Forests, and other Federal lands), has met with enthusiastic reception precisely because it meets directly the public's demand for easily accessible information on recreation in one place, regardless of the agency provider. Similar public expectations apply to all our services, from the issuance of grazing and timber permits to the availability of information on earthquake hazards and water quantity and quality.

The 4C's approach recognizes that the landscape-wide issues the nation faces cannot be solved by any individual bureau by itself, the Department as a whole, or even the entire Federal government. The solution lies in effective partnerships between the Federal, state, and local government, citizens, and organizations.

For example, in the area 20 miles north of Idaho Falls, Idaho, the Upper Snake/South Fork Snake River project provides valuable river front, cottonwood riparian properties, and public access along the river corridors. This portion of the river has a world famous, blue ribbon fishery for cut-throat trout, provides habitat for the majority of Idaho's bald eagle production with 17 nesting ter-

A Case Study in Partnership Building

Golden Gate National Recreation Area is a complex and varied set of national park sites located in the San Francisco Bay Area, encompassing 76,000 acres. Because of the need to manage its natural resources and built environment and to connect with a large and diverse urban population, the park has built an impressive array of partnerships that support and sustain all its efforts.

Like most large parks or park systems, Golden Gate has a general management plan and supporting strategic, resources management, and business plans that govern its work. But its approach to partnerships serves as the focal point for all of the park's activities.

Realizing that it needed an indispensable partner upon which to build partnership efforts, the park established the Golden Gate National Park Association as its principal, non-profit partnership entity. The Association has grown from a modest start in 1981 where it contributed less than \$9,000 in support to the park to the past year where its contributions exceeded \$14 million. **Since its inception, the Association has contributed over \$65 million in support.** The Association has also become a seamless partner by producing educational material and interpretive-based products; managing park visitor centers and book stores; co-managing native plant nurseries and site-based stewardship programs; and raising private and other public funds for both major capital and smaller projects as well.

Today the park is an innovation lab for creative financing. To meet the needs of the park's maintenance infrastructure, resource management, and visitor services will require hundreds of millions of dollars of investment—needs that could not be met fully with Federal government dollars alone. Consequently, the park leadership has pursued and leveraged funds from other public sources, including private philanthropy; aggressive cost recovery, fee for service approaches; and expansive business and program partnerships. In FY 2002, **the park brought in \$0.83 for every \$1 of appropriated funds through its partnership, revenue and volunteer programs.**

The park management has learned that building community ownership of the park's mission and values requires that the park staff itself operate differently. Rather than being the "doers" of all things, employees needed to see themselves as the "facilitators" in utilizing the talent of the community to assist in how work is accomplished in the park. In FY 2002, **380 Golden Gate employees worked with over 11,000 volunteers** in nearly all of its varied programs. To sustain this intense community engagement and resource leveraging, the park has realigned its organizational structures to facilitate the use of volunteer and community resources and recruited and trained a park staff whose skills and talents mirror its partnership approach to managing the park.

ritories, and is prime habitat for 126 bird species. To achieve good stewardship of this area, BLM cooperates with eight organizations such as Ducks Unlimited and Trout Unlimited, the Shoshone-Bannock Tribe, and numerous landowners to protect the river corridors through conservation easements. Other partners donated \$6.9 million in conservation easements, and the Bonneville Power Administration provided a grant of more than \$6 million to the project.

Our dollars and knowledgeable staff work to remove barriers to citizen participation and to pro-

vide the help needed to fulfill the environmental promise of citizen stewardship. We can participate in **cost-shared projects that will multiply our effectiveness, foster innovation, and create incentives for the stewardship of our natural resources.** From small-scale revegetation for erosion control to county-wide resource protection efforts, the opportunities for partnerships abound. At Muddy Creek, Wyoming, for example, 35 partners—ranchers, environmentalists, miners, a local conservation district, Federal agencies, and others—are working together to manage 500,000 acres. These partners are protecting stre-

A Case Study in Diffusing Conflict

The recreational use of the Colorado River in the Grand Canyon has been the subject of significant debate for over 30 years. The appropriate level of use, potential wilderness designation and associated allowable uses are of intense interest to environmentalists, private boaters (self-guided), commercial outfitters and the Indian tribes whose reservations border the river. **A previous effort by Grand Canyon National Park to revise the 1989 Colorado River Management Plan** was suspended in 2000 after **it became clear that it would not be possible to reach consensus** on the provisions of a revised plan. The cessation of the planning efforts led to lawsuits. In reaching a settlement to the lawsuits in 2002, the park agreed to hold public meetings within 120 days and to complete revisions of the river plan by December 31, 2004. The park recently concluded public meetings in five locations (Denver, Salt Lake City, Las Vegas, Flagstaff, and Phoenix) that were so successful that two additional meetings are scheduled later this year in Oakland and Baltimore. Even the park's most outspoken critics have supported the process, recognizing that it is designed to solicit a wide variety of ideas from which the park may be able to craft solutions to a very complex set of issues.

Months before the public meetings, the **National Park Service began studying ways to diffuse the conflict** that was part of earlier public meetings on the river management plan. Among other things, they worked with outside consultants to help neutralize the National Park Service presence at the meetings. Consultants met with 40 past participants of public meetings in four states to get ideas for a new public format before staging the open houses. It was clear from these discussions that past participants were also interested in having a process less contentious than previous efforts.

Based on this information, the Park Service did several things differently during the recent public meetings. Rather than having a town meeting format, the public meetings had an open house format, complete with refreshments and name tags. Chairs were arranged around tables instead of in rows. Park staff wore street clothes instead of uniforms. Park staff encouraged discussion that included differing points of view, diffusing conflict.

Participants were provided six different formats for submitting comments to ensure that as many participants as possible were comfortable making comments, thereby generating as many comments as possible from the meetings. Participants could write comments on a flip chart, or they could fill out a comment form. Alternatively, participants could send an email using one of the two computers provided for that purpose or note the address to send one later. Another option allowed participants to write their comments directly on a large, table-sized USGS map with details of the river located in the center of the room. Or, if they preferred to talk rather than write, they could sit down by a stenographer and have their comments recorded as they spoke with no time limit. Every half hour, small, facilitated group sessions were held and additional responses were elicited. In addition, the Park Service has a web-site where materials from the public meetings are available, along with a synopsis of comments received from prior public meetings on the river management plan.

ambeds, reducing invasive species, and creating healthier habitats for wildlife. They are accomplishing all this while maintaining local ranching and other economic opportunities on the land. Their success is based on cooperative, locally generated ideas and solutions.

A 4C's approach recognizes the value of volunteers. As noted previously, the effort of more than 200,000 DOI volunteers who donate in excess of seven million hours of service every year can be valued at about \$98 million annually. But **the**

daily impact these volunteers make goes well beyond any dollar estimate in terms of their contribution to the people we serve. Volunteers are often the first people to greet visitors to parks, refuges, and campgrounds. They are a great source of new ideas and infuse the Department's programs with energy, vitality, and creativity.

A 4C's approach can expand our effectiveness, aid in mission accomplishment, and unleash the best qualities of citizen stewardship. To achieve a 4C's approach both in our internal management of

the Department and our work with citizens will require the same type of transformation of our workforce as has been cited in the Gold Gate National Recreation Area and Grand Canyon National Park examples. The training of our workforce in collaborative skills from team building to alternative dispute resolution is an imperative. In training our staff, we must utilize the experience and wisdom of our field personnel whose innovative management approaches have fostered cooperative conservation. As at Golden Gate, the selection, development, and retention of our employees must be focused on obtaining a workforce that can build partnership approaches.

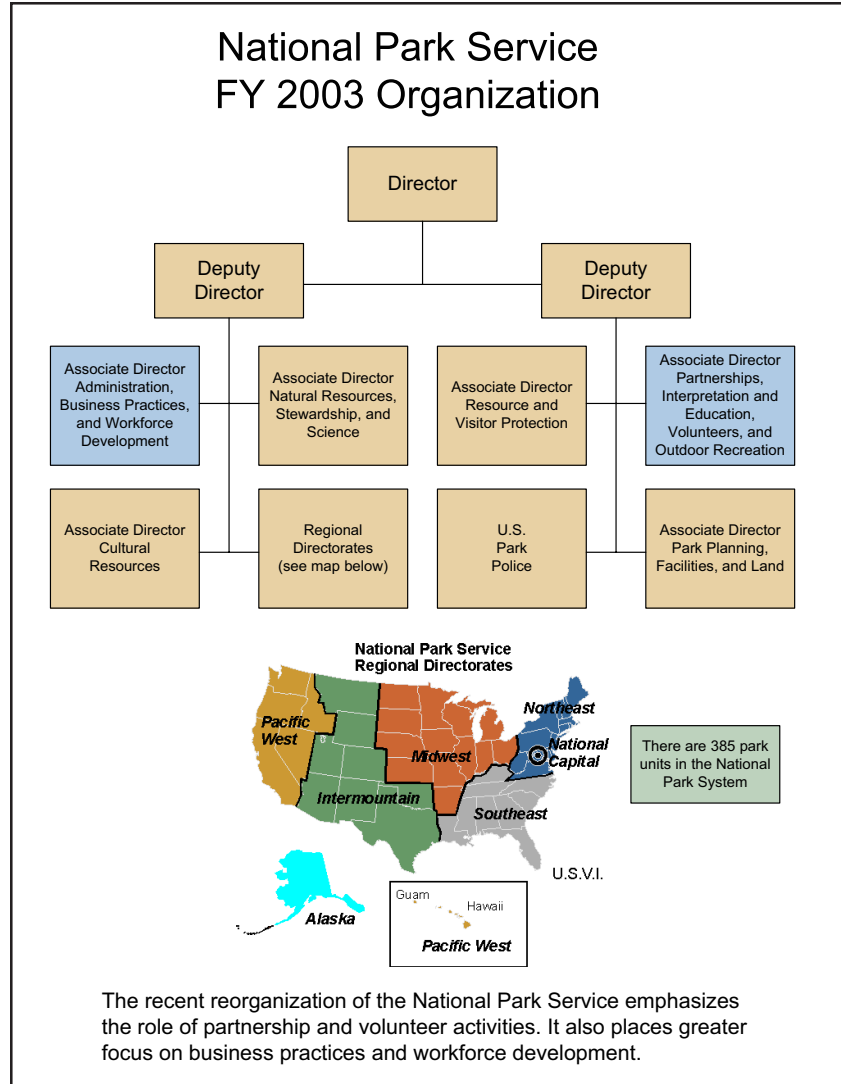
Actions for Building 4C's Skills

The Department will review and revamp its management and employee training to ensure that such training builds the skills to foster improved communication, cooperation, and consultation within the Department and with the citizens we serve. Specific approaches that emphasize the 4C's include:

Alternative Dispute Resolution (ADR) Training. The Department's recently established Office of Collaborative Action and Dispute Resolution will be developing Alternative Dispute Resolution awareness training to encourage the use of ADR to prevent or resolve conflicts at the earliest opportunity and at the lowest organizational level in all areas of the Department. The Office will

also develop additional training in skills that can be used in a wide variety of situations, such as internal workplace conflict resolution, negotiation of proposed regulations, development of management plans, and mediation of multi-party conflicts over land-use, natural resources or environmental issues.

New Supervisory Training. The Department will review the training requirements for new supervisors to ensure that managers within the Department foster 4C's behavior and provide the coaching and mentoring needed to maximize the human capital resources of the Department.



Current Supervisory Training. National meetings of bureau field managers (park superintendents, refuge and hatchery managers, public land managers, area office managers, etc.) will include training segments based on the application of the 4C's, highlight techniques and approaches to build collaboration with our partners, including state and local governments, tribes, citizen interest groups, and individual citizens.

Interior-wide Managers Conference. The MIT will consider the feasibility and logistics of organizing a Departmental conference for all DOI managers to highlight the wide range of practical applications of the 4C's approach being put into practice in DOI bureaus. Such a Departmental conference, the first in modern Departmental history, would also reinforce efforts underway to achieve citizen-centered governance and achieve the Department's mission in a more integrated fashion.

Secretary's 4C's Award. To recognize significant contributions to the Service of Conservation through Consultation, Cooperation, and Communication, the Department will institute a new award. The Secretary's Four C's Award will be given annually to individual employees, or group/teams of employees, who have made exceptional contributions in this area. The award will recognize outstanding achievement and publicize how the innovative use of consultation, cooperation, and communication advances mission success.

Managing for Excellence

Accomplishing our core mission activities requires the focus and support of management at all levels of the organization. The Secretary's Plan for Citizen-Centered Governance, issued in September 2001, laid the groundwork for a more effective, results-oriented and customer-focused Department. Adapted for the unique needs of this Department, the plan builds upon the five components of the President's Management Agenda:

- Improved Financial Performance
- Budget and Performance Integration
- Expanded Electronic Government
- Competitive Sourcing
- Strategic Management of Human Capital

Improved Financial Performance

A skilled and knowledgeable financial management workforce is essential to improved financial performance. While the Department has obtained clean audit opinions on its overall operations for the last five years, it has done so only through heroic efforts on the part of financial management staffs throughout the Department. Only in the last two years have such audits been completed on time. As reporting periods shorten in future years, demands on financial staff will increase.

The audit process involves more than just the financial management staffs. An analysis of the audit process revealed that bureau program managers must be more directly involved in maintaining critical program data and providing it to our auditors. Similarly, program managers are responsible for resolving in a timely and effective manner the 38 material weaknesses identified in the audit and management control process.

The Department faces a major challenge in this area as described earlier this year in its "lessons learned" analysis of its performance. A 35 percent reduction in our financial management staff in the 1990's has eroded the Department's financial management capability. Similarly, a 1998 study conducted by Hackett Benchmarking revealed that Interior's financial workforce had an average of 29 years of experience, an indication that our experienced staff will be retiring soon.

Financial management capability is a cornerstone for improving Departmental performance in the following areas:

- Providing timely and accurate financial information to managers throughout the year;
- Ensuring that our financial systems fully meet all Federal requirements; and
- Closing our books faster and more accurately.

Working through an inter-bureau council, we have: established a financial management intern program to meet bureau staffing needs; held cross-training to address needs for more responsive financial audits; and addressed staffing retention problems by building common positions and grade levels.

Budget and Performance Integration

Timely, accurate, and transparent information about Interior programs is essential to determine how well we are performing. Interior employees need financial information that they can readily obtain and use about performance, cost, and effectiveness of the programs for which they are responsible. To build this capability, **we are investing in a system to link budget, performance, and financial information for Interior employees and the public.**

Under the leadership of the Bureau of Land Management and Office of Surface Mining, we have adapted a powerful tool, Activity-Based Cost Management (ABCM), that provides program managers with the information needed to allocate resources and to monitor and evaluate performance effectively. The Minerals Management Service will implement ABCM in October 2002, with the remaining bureaus and offices scheduled to fully implement it in the following fiscal year. We have begun pilot projects for the following cross-cutting programs:

- Invasive Species
- Deferred Maintenance
- Law Enforcement and Security

“Information on program costs is the gold to be found in our financial systems, and we are learning how to mine it.”

*- P. Lynn Scarlett
Assistant Secretary
Policy, Management, and Budget*

- Indirect Costs
- Litigation
- Recreation in one geographic location

Implementing ABCM will require a shift in skills, expertise, and practices. Adjusting to a new paradigm for capturing costs (e.g., at the time/attendance point of entry for labor costs) requires a cultural shift. We will also need to upgrade the financial management and analytical skills of our current workforce across all parts of the Department. While ABCM provides powerful data, it takes review and analysis to achieve better program performance.

The Department will work to ensure that budget, planning and program managers receive training on how to assess the performance of our programs and use that information for management decisions. For successful budget and performance integration, increased collaboration between budget, finance, planning/evaluation, and program managers is critical. The Department's capacity to effectively evaluate its programs has seriously eroded and needs renewed attention. Only when we can evaluate whether our programs are achieving desired results can we set priorities and make sound investments for the future.

E-Government

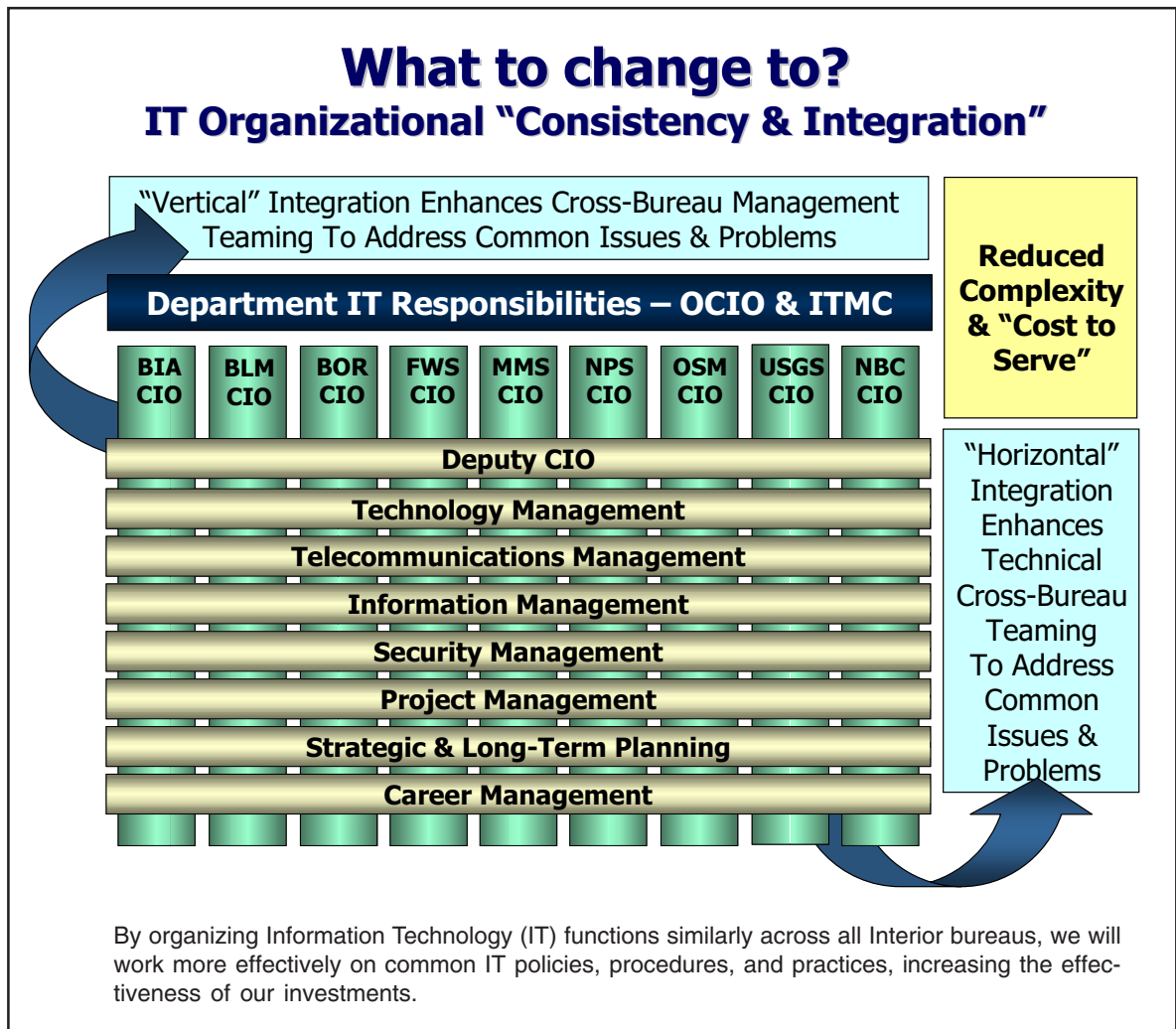
As we have all seen in our personal lives, digital technologies can transform operations. The President's Management Agenda identified e-government as a major way to serve citizens more directly and more efficiently. Yet information technology services at the Department currently are

bureau-centric and decentralized at the regional and field levels. We have overlapping applications, non-standardized information systems, and multiple networks throughout the Department. We are just starting to develop full system inventories, enterprise architectures, and well-managed investment practices.

Moreover, we have struggled to make our information technology secure. On December 5, 2001, the Department received a court order to close down its Internet connections until we were able to certify their security. Later, on February 26, 2002, the New York Times announced to the world in a front-page headline, "Hackers Find No Barrier To Files for Indian Fund." These events un-

derscored the vulnerability of our systems and the legacy of inadequate technology investment practices. It also reinforced how Internet reliant we have become in conducting the Department's business.

Working through the Management Initiatives Team, **we have identified the investments and strategies required to address the IT security problem and our other IT needs** more directly. To accomplish these goals, we are simplifying and unifying business processes to maximize the benefit of technology, resulting in processes that will be faster, cheaper, and more efficient. We will also have to replace older islands of automation by unifying IT operations across the Department.



By organizing and staffing our IT functions across bureaus in a consistent manner, we can enhance our effectiveness.

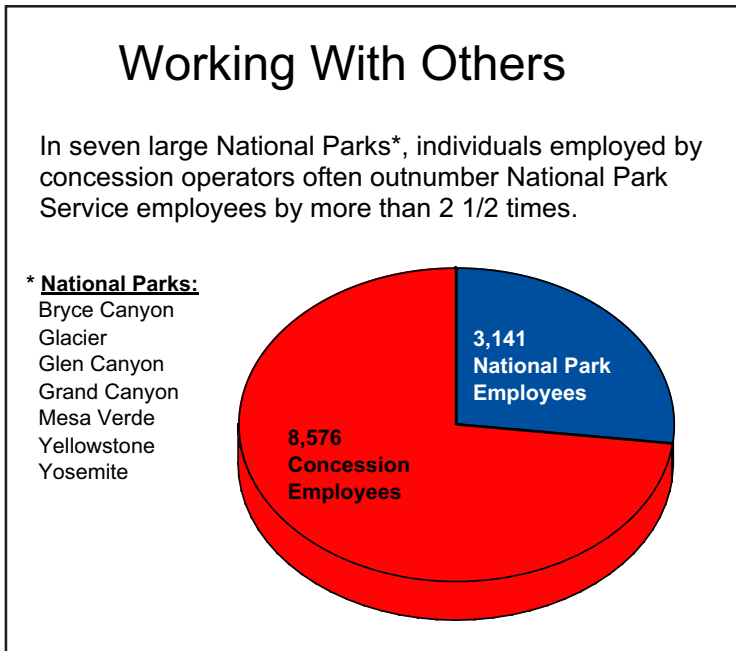
We must attract and retain the skills of IT professionals and contractors in order to obtain appropriate IT solutions. These challenges make information technology a critical skill area on which we are focusing our human capital investment.

Competitive Sourcing

The Department has decades of experience in utilizing contractors effectively. In fact, the National Park Service has a long tradition of using concessionaires to provide appropriate visitors services, from transportation to lodging. The Department, along with other Federal agencies, is examining how best to structure its provision of services between those best delivered by government employees and those best delivered by contractors.

The aim of the President's initiative on competitive sourcing is to **obtain and provide services to the American people in the most cost-effective, customer-oriented manner.** Evaluating functions as candidates for competitive sourcing helps determine which operations should be performed as currently structured, which should be redesigned, and which should be contracted. Currently, commercial-type functions for about 3,500 positions are under review. Most of these operations involve ten or fewer employees. The Department has ensured that a fair and open process will be used for all of our competitive sourcing studies, even for those involving ten or fewer employees for which no formal study is required.

Competitive sourcing has some immediate human capital implications for the Department. DOI employees are developing OMB Circular A-



76 knowledge and skills. Position descriptions and performance plans must be accurate, and competitive areas must be consistently and appropriately defined. Effective communications are critical to ensure that employees and prospective contractors are well informed about competitive sourcing. We must exercise the management flexibility within our organizations to help retain talented employees who want to remain in the Department. By working cooperatively and managing our position vacancies in a more integrated manner, the Department's Human Resources offices can identify employment opportunities elsewhere in the Department where knowledge and skills are needed.

Strategic Management of Human Capital

Creating a more effective Department depends on attracting, developing, and retaining quality employees and motivating them to perform at high levels. **This plan will guide sound investments in human capital** by bureau implementation of bureau-specific strategies, and oversight, adjustments, and management of those strategies by our Management Initiatives Team, through its Human Capital Team comprised of management



officials and human resources managers. The MIT will report back to the Department's Management Excellence Council on a regular basis and overall results and developments will be incorporated in each year's Citizen-Centered Governance Report (see Appendix B).

Actions for Building Management Excellence

In addition to the specific actions defined in the President's Management Agenda and the Secretary's Plan for Citizen-Centered Governance, a number of specific human capital oriented actions will enhance the Department's capacity to manage its programs in a more result-oriented, customer-focused and efficient manner.

Performance Management Improvement

To be an effective, performance-based organization, the Department must build a better performance appraisal system that links individual success with organizational achievement. Such a

system will establish individual performance expectations, evaluate results, provide for individual accountability, and give performance recognition—all linked to the organizational goals and mission of the Department.

The MIT will review and evaluate the Department's existing performance management system and determine how it can be improved to build a stronger linkage between employee performance and organizational success. The MIT will also evaluate the effectiveness of the current "pass/fail" appraisal rating system to see if it provides meaningful feedback to employees and effective distinctions in achievement upon which to reward accomplishment or identify ineffective performance.

Attracting New Leaders

The MIT has approved in concept the creation of a DOI Management Intern program. Its Human Capital Team will develop the scope and costs of

the program which is aimed at attracting and developing a cadre of management interns to assist in meeting the leadership needs within the Department in a multi-disciplinary, multi-functional manner. This entry level management training and development program will emphasize cross-bureau and integrated management training.

The Department will continue to utilize the government-wide Presidential Management Intern Program, but will assess implementation of the program to see if there can be greater opportunities for field assignments and more active DOI-wide orientation and mentoring for participating interns.

Utilization of Special Hiring Authorities and Benefits

The MIT will review the use of special hiring authorities from recruitment bonuses to retention allowances to ensure that these currently available authorities are being used effectively and to identify opportunities to expand their use where appropriate. If needed, additional training on the use of these authorities will be provided to managers. An initial set of special authorities to be reviewed are listed here.

Recruitment, retention, and relocation bonuses can be used in order to help attract and retain highly qualified employees and enhance mobility.

Student Loan repayment authority allows repayment of part or all of an employee's loan, subject to annual payment limitations. Employees must sign a service agreement to continue employment with DOI for at least three years.

Student Educational Employment Program (SEEP) students gain work experience while they complete their education. While in school, the student is on an excepted appointment. After completing his/her degree and a requisite number of work hours, SEEP participants may be con-

verted to career-conditional status without competition. The SEEP program offers opportunities to expand diversity recruiting and to identify candidates for skill shortage areas.

Developing Business Skills

As a land managing, natural resource agency, the Department of the Interior has only recently viewed business skill development as a mission critical asset. The creation of a new business manager career path in the National Park Service reflects the growing awareness of the need for sound business-oriented management skills at all levels of the Department. The Human Capital Team will explore the feasibility of establishing a business manager career ladder in other DOI bureaus to strengthen business focus and skills at the local level.

Program Support Capacity

The Department's human resource, acquisition management, information technology, and financial management staffs at the headquarters, regional, and field level were weakened through employment reductions carried out in the mid-1990's. The MIT will review the Department's existing capacity in each of these areas to evaluate the adequacy of existing resources and effectiveness of current organizational structures to support mission accomplishment. Also, to expand recruitment and development in these occupational categories, the MIT will assess current recruitment and training programs such as the highly successful DOI Financial Management Intern Program, the DOI Acquisition Intern Program, the Human Resource Certification Program and other similar governmentwide programs to determine the best mix of such opportunities to meet DOI skill gaps.

Reorganization Opportunities

The MIT expects bureau organizational units to continue to identify opportunities to redesign and restructure their work processes and organizational structures to improve the efficiency and effectiveness of their operations. Reorganizations

are a fact of life in most large organizations. Over the last ten years, there have been over 40 bureau reorganizations of various complexity and effectiveness. To insure that future reorganizations add maximum value, the MIT has agreed to formulate reorganization principles upon which any DOI reorganization should be structured. These principles will include the following: improved customer service, reduced costs of operations, more effective deployment of personnel, analysis of competitive sourcing opportunities, strengthened business processes, and effective use of information technology. These principles will be incorporated in a business case analysis to be prepared and submitted with all reorganization proposals submitted to the Assistant Secretary for Policy, Management and Budget.

Summary

Together we must work cooperatively, foster effective communication and have meaningful consultation, both within the Department and externally in order to deliver services effectively and efficiently and to provide coherent natural resources management. In addition, we will achieve management excellence through business practices that assure accountability and provide accurate and meaningful information upon which to base decisions.