

# Serving Our Customers: Stewardship, Partnership, and Change

The publication of the Department of the Interior's FY 2003 Annual Report on Performance and Accountability marks a time to look forward as well as a time to look back.

Produced in part to fulfill our required compliance with the Government Performance and Results Act, the Performance and Accountability Report is the Department's best gauge of our accomplishments over the short and medium term. It tracks the results of our eight bureaus' and Secretarial offices' efforts against 323 different mission-related targets over both the last one and five years.

Those numbers and trends comprise essential criteria by which we expect to be judged; they are also the coordinates by which we steer our forward path.

Our FY 2003 Performance and Accountability Report serves as a second milestone, as well. It is the last report we will produce that looks at the Department as a bundle of unrelated bureaus and offices.

Starting with our FY 2003-2008 Strategic Plan, approved in September 2003, we have integrated and aligned bureau responsibilities into a single coherent whole for reporting and planning documents, adding a strong new emphasis on improved performance measurement, management, and responsibility. The plan represents a major step forward, reflecting the changing realities we face and the direction we will take in the years to come. At a time when the Department's responsibilities have never been greater or its management challenges more daunting, it offers clear guidance for the road ahead.

The Department's evolution has historically reflected external demand. Launched by Congress in 1849, we served initially as the Nation's custodian. Our role as America's steward developed over the decades as new responsibilities were added to our mission mandates (*Figure 1*).

Today we serve as the chief protector of the Nation's unique natural and cultural resources. We offer millions of visitors from home and abroad exceptional recreation opportunities. We make critical resources available to support every facet of the domestic economy. We provide scientific and other

FIGURE 1

Interior and Bureau Missions			
U.S. Department of the Interior			
“Protects and manages the Nation’s natural and cultural heritage; provides scientific and other information about those resources; and honors special responsibilities and commitments to American Indians, Alaska Natives, and affiliated island communities.”			
 <p><b>BUREAU OF INDIAN AFFAIRS</b> Enhance the quality of life and to promote economic opportunity in balance with meeting the responsibility to protect and improve the trust resources of American Indians, Indian tribes, and Alaska Natives.</p>	 <p><b>NATIONAL PARK SERVICE</b> Preserve unimpaired the natural and cultural resources and values of the National Park System for the enjoyment, education, and inspiration of this and future generations. The Park Service cooperates with partners to extend the benefits of natural and cultural resource conservation and outdoor recreation throughout this country and the world.</p>	 <p><b>U.S. FISH AND WILDLIFE SERVICE</b> Conserve, protect, and enhance fish and wildlife and their habitats for the continuing benefit of the American people.</p>	 <p><b>BUREAU OF LAND MANAGEMENT</b> Sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations.</p>
 <p><b>BUREAU OF RECLAMATION</b> Manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.</p>	 <p><b>U.S. GEOLOGICAL SURVEY</b> Provide the Nation with reliable, unbiased information to describe and understand the earth; minimize loss of life and property from natural disasters; manage water, biological, energy and mineral resources; and enhance and protect our quality of life.</p>	 <p><b>MINERALS MANAGEMENT SERVICE</b> Manage the mineral resources on the Outer Continental Shelf in an environmentally sound and safe manner and collect, verify, and distribute mineral revenues from Federal lands and Indian lands in a timely manner.</p>	 <p><b>OFFICE OF SURFACE MINING</b> Ensure that coal mines are operated in a manner that protects citizens and the environment during mining; assure that land is restored to beneficial use following mining; and mitigate the effects of past mining by aggressively pursuing reclamation of abandoned mine lands.</p>

information about those resources. We serve as a dependable trustee for American Indians, fulfill our responsibilities to Alaska natives, and serve the special needs of our affiliated island communities.

Departmental operations are large and decentralized, with over 70,000 employees and 200,000 volunteers working at approximately 2,400 operating locations across the United States, Puerto Rico, U.S. territories, and freely associated states. We discharge our responsibilities with budget authority totaling approximately \$14 billion and raise revenues from energy, mineral, grazing, timber, recreation, and land sales that range from \$8-11 billion annually.

Interior is the Nation’s principal Federal conservation agency. We oversee 507 million acres of America’s public lands, assets valued for their environmental resources, recreational and scenic values, cultural and historical resources, vast open spaces, and the resources, commodities, and revenues they provide (Figure 2). Interior supervises mineral leasing and operations on approximately 700 million acres of mineral estate that underlie both Federal and other surface ownerships, as well as within nearly 1.8 billion acres of the Outer Continental Shelf (OCS).

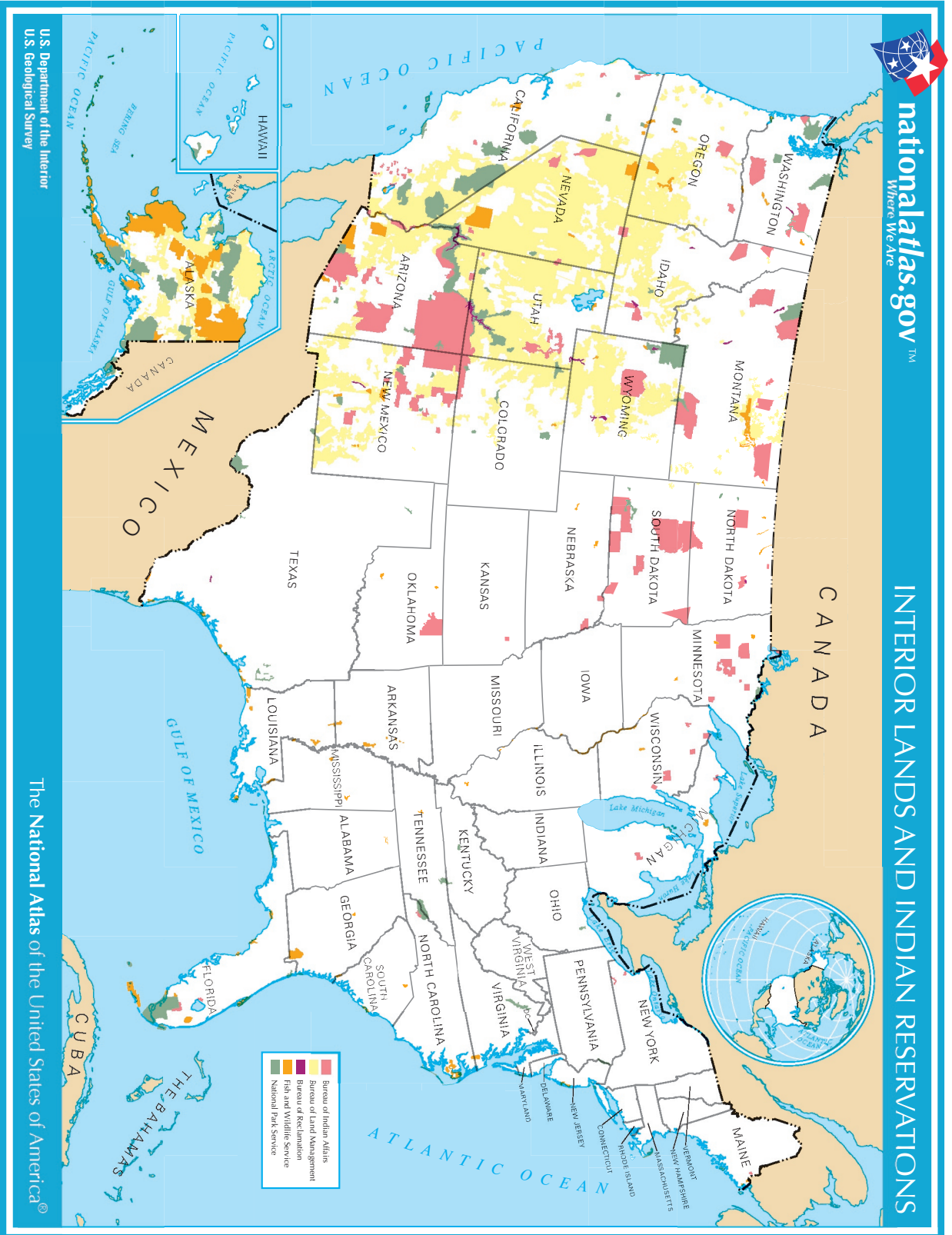


FIGURE 2

Note - Land areas less than 23,000 acres do not show on the map due to the map scale.

## DOI by the Numbers

Why has the Department of the Interior been called the Department of Everything Else? A quick look at some statistics related to Interior's diverse mission and responsibilities sheds some light on this label.

### The Lands and Water Interior Manages

- 507 million acres of surface lands
- 1/5 of the Nation's public lands
- 700 million acres of mineral estate underlying Federal lands or supervised by Interior through leasing and operations
- 1.76 billion acres of the Outer Continental Shelf
- 52.4 percent of the Nation's Wild and Scenic Rivers
- 69 million acres in the Nation's Wilderness Preservation System

### Interior's Recreation Sites

- 388 units in the National Park System including:
  - 56 National Parks
  - 10 National Seashores
  - 24 National Battlefields or Military Sites
  - 118 National Historic Parks and Historic Sites
- 180 Other recreation sites
- 542 National Wildlife Refuges
- 70 National Fish Hatcheries
- 90 National Monuments
- 45 National Natural Landmarks
- 308 Recreational lakes and reservoirs

### People We Serve

- 1.5 million American Indians and Alaska Natives
- 47,909 students in Bureau of Indian Affairs schools
- 223 Alaska Village Groups
- 500 million estimated visits to Interior recreation sites annually
- 31 million people who rely upon DOI for their source of water

### Physical Infrastructure Maintained by Interior

More than:

- 4,200 bridges and tunnels
- 39,000 buildings (historic, employee housing, and other)
- 1,600 campgrounds
- 2,500 dams
- 3,000 dikes
- 340 reservoirs
- 126,000 miles of highways and roads
- 25 tribally-controlled colleges
- 184 elementary and secondary schools and dorms

### DOI's Contributions to the Nation's Energy Supplies

28 percent of the Nation's energy comes from DOI managed lands and offshore areas.

Within this 28 percent, DOI produces:

- 35 percent of the Nation's domestic coal
- 48 percent of the Nation's geothermal power
- 17 percent of the Nation's hydropower
- 34.5 percent of the Nation's natural gas
- 32 percent of the Nation's domestic oil
- 20 percent of the Nation's windpower

How DOI Monitors Hazard-related Activities:

- 43 U.S. volcanoes monitored
- 5 hazard monitoring networks maintained
- 14 geomagnetic observations
- 121 earthquake monitoring global seismographic network stations
- 476 cumulative real-time earthquake sensors installed
- 5,621 real-time stream-gages on the Internet
- 7,000 stream-gages and water quality monitors





Land managed by Interior represents about one-fifth of America’s land surface and approximately two-thirds of all federally owned land. Each of America’s 50 States, U.S.-associated Pacific insular areas, the Virgin Islands, and Puerto Rico contain lands administered by the Department.

Like any successful large organization in either the public or the private sector, shared values understood and acted upon at all levels of responsibility guide the Department. For the Interior Department, Secretary Norton’s vision for effective program performance—“the 4 Cs: Conservation through Cooperation, Consultation, and Communication”—drives our program execution.

The 4 Cs reflect the Secretary’s goal of involving others, including communities, partners, customers, contractors, volunteers, and the interested public, in carrying out our mission. We are confident that actively working with communities, partners, customers, contractors, volunteers, and the interested public to obtain their input and feedback will improve our programs, processes, plans, and practices.

The Secretary’s four key business principles—customer value, accountability, modernization, and integration—likewise apply across the entire Department (Figure 3). They complement the President’s Management Agenda (PMA), five government-wide management initiatives unveiled by President Bush in 2001 to improve our service to citizens (Figure 4). Along with the PMA, the Secretary’s key business principles have guided the individual and collective management decisions and direction reflected in our FY 2003 Performance and Accountability Report.

### Performance Results

The Department’s Annual Performance Plan looks at accomplishments against six overarching strategic goals that support our core mission of protecting the Nation’s natural resources and cultural heritage; providing scientific information about those resources; and honoring our trust responsibilities to American Indians, Alaska Natives, and affiliated island communities (Figure 5).

FIGURE 3

### The Secretary’s Business Principles

Four key business principles of the Secretary guide the Department’s management:

**Customer Value:** All of our activities will be customer-centered, designed to add value for citizens, partners, public land users, other agencies, states, and local governments, and focused on efficiency through the application of best practices in outsourcing and human capital management.

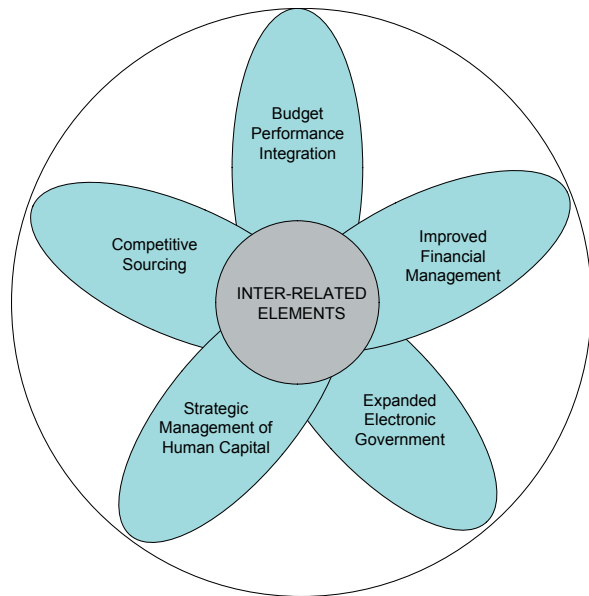
**Accountability:** Our managers and employees will be held responsible for performance results measured against clear gauges, with budgets linked to performance and sound financial management.

**Integration:** Managers will identify the opportunities to cut duplication and achieve economies to enhance customer service and efficiency, with employees focused on working together, looking at the big picture, and building human and technology bridges across the old stovepipe system.

**Modernization:** The Department will use technology to work smarter, including providing single points of access to our services and other expanded e-government opportunities. We will give our employees the skills, technologies, systems, and practices they’ll need to meet current and future responsibilities.

FIGURE 4

### The President’s Management Agenda



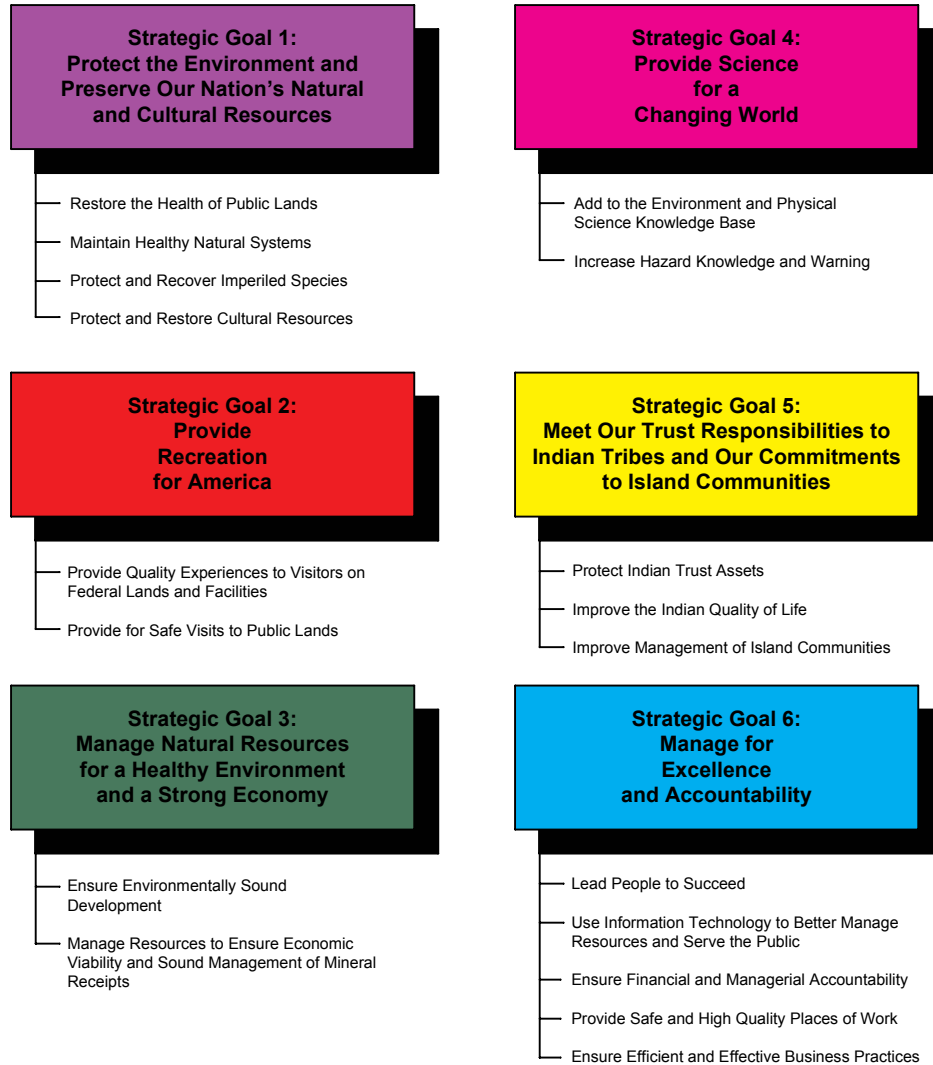
Under these strategic goals, we established 18 long-term goals to guide the varied programs and activities of the different bureaus. Each of the long-term goals describes a specific, desired outcome, with progress toward that outcome being measured annually using quantitative performance indicators.

The Department met or exceeded 66 percent of the 323 performance measures monitored during FY 2003, a significant improvement over FY 2002. (For a full report of each measure, see Part 3: Performance Section). Four percent of our measures were not reportable because of insufficient data at the time of this writing, primarily due to the early reporting goal of November 2003 that Interior set for its FY 2003 Performance and Accountability Report. This is an improvement, however, over FY 2002, when nine percent of our measures were not reportable due to insufficient data. Performance information for these measures and the estimated measures will be provided in our supplemental report issued in the third quarter of FY 2004.

FY 2003, like its recent predecessors, was marked by accelerating change in the environment in which we deliver our services, driven by many of the larger forces reshaping our Nation as a whole. Our mis-

FIGURE 5

Overarching Strategic Goals



sion obligations are becoming broader and more complex, while our resources remain limited.

With the growth of our population and the expansion of our economy, the pressures on our undeveloped land, water resources, and wildlife continue to swell. Population shifts towards the west, the south, and the coasts are bringing rapid growth, and new people in new places, with new houses, roads, schools, and stores. These changes often fragment wildlife and waterfowl habitat. Increased intercontinental mobility brings new invasive species into our country, sometimes threatening native species, adding to the risk of fire, and costing the economy billions of dollars in lost resources and productivity.

With more people come expanded demands for access and use of our national assets, as well as more pressures on Departmental personnel. Americans are increasingly looking to our public lands and waters as a source for more and more varied recreational opportunities. Energy needs also keep expanding, along with the demand for non-energy minerals, forage, and forest products.

Water shortages are already a way of life, particularly in the arid West, and are certain to present continuing challenges. A growing number of communities are also at risk from natural hazards, including the perils of coastal storms and other processes, and the build-up of brush and other fuels in forests and rangelands that can cause wildfires of devastating proportions.

Conservation inside this fluid environment presents an interesting challenge to 21st century America: how to meet the increasing demands for natural resources while also conserving them. Success depends on balancing conflicting, legitimate, and often passionately held points of view.

Conservation today by its very nature must be a partnership between the American people and their governments. The more the Department can empower people as stewards of the land we share, the more effective we can be in our conservation mission, as our FY 2003 Annual Report illustrates.

Our ability to hit the targets we set in our plans often depends on the active cooperation of others. To succeed we have had to create a new approach to environmentalism, a collaborative relationship that is more focused on results and less contentious than the framework of the past that often relied on top-down prescriptions and procedural detail.

The Department is committed to strengthening partnerships, built around the Secretary's 4 Cs—"Consultation, cooperation, and communication in the service of conservation." Opportunities abound for achieving conservation goals through the cooperative efforts of governments, Tribes, organizations, and people who share the common goal of conserving our cultural, historic, and natural places.

The internal work of the Department has grown increasingly complex. The American people today demand more of their public servants than ever before. Citizens increasingly expect to be involved at every step of the decision processes. They call for better business management practices, improved efficiency, financial transparency, and mission accountability.

We must fulfill the public's expectations while we compete for financial resources, cope with the complications of technology change, and wrestle with demographic dynamics, replacing baby boomers with a new, younger workforce.

None of these many changes, internal or external, has come as a surprise to the Department. They define the issues we address in this annual Performance Report: long-range challenges we have seen for many years and will continue to see in the years ahead.

What is surprising is how fast those changes keep coming, and the evolutionary response they demand inside the Department.

## Looking Forward

Throughout our 154-year history, Interior bureaus have largely operated as independent entities. As such, they have built a rich history and deep internal bonds of dedication and commitment.

Today, however, the historic evolution of the Department into a composite of compartmentalized bureaus jeopardizes our efforts to address mission challenges. Increasingly, the management of lands and resources under our stewardship involves ecological, scientific, economic, and social factors that extend well beyond any single bureau's boundaries. An endangered species does not know the difference between private land, refuge land, trust land, or park land. Wildfire does not respect boundary lines drawn on a map.

A combination of constrained budgets and greater workloads has created almost irresistible pressures on the Department to forge a more coordinated, enterprise approach to our mission. Our traditional bureau-centered approach limits opportunities to improve effectiveness and efficiency. Simply put, we

know we can accomplish more by working together than we can by working apart.

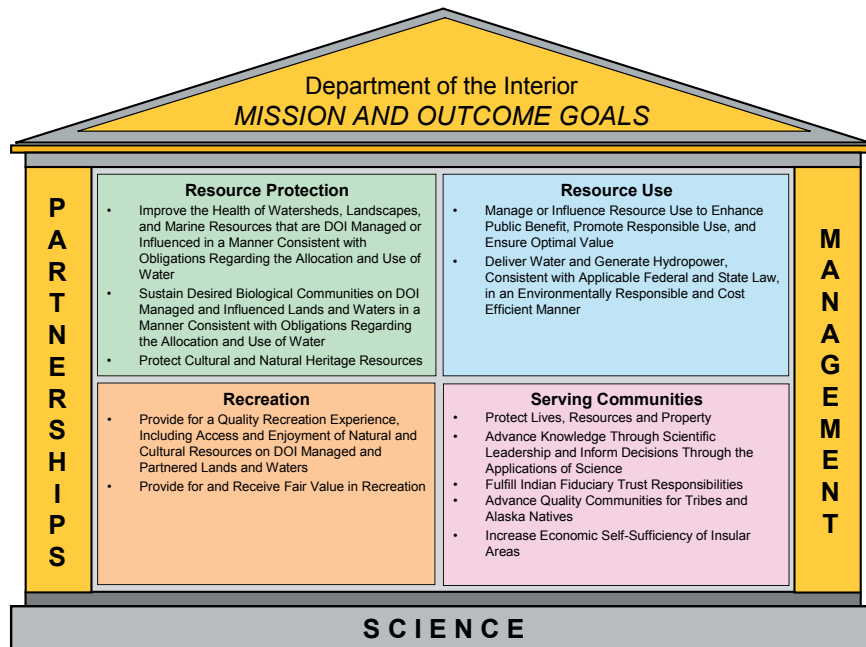
We have realized many gains in shifting our culture. The Department's new FY 2003 - 2008 Strategic Plan, approved in September 2003, is the most critical step so far in our ongoing journey towards integration, and one of last year's signal accomplishments.

Since the inception of the Government Performance and Results Act (GPRA), strategic planning at Interior has been decentralized, with individual bureau strategic plans bundled and submitted collectively. That approach perpetuated the evolution of Interior as a holding company rather than fostering cooperative planning and the development of common measures for shared responsibilities.

Our new strategic plan takes an enterprise perspective. It sets out specific goals for our mission responsibilities, now organized into four areas: Resource Protection, Resource Use, Recreation, and Serving Communities. It replaces the former bundle of assorted office and bureau plans with an integrated Departmental plan, driven by cross-cutting, multi-bureau, and multi-agency goals and objectives (Figure 6).

It changes what we measure in the field, too. Rather than tracking the costs of inputs, like salaries, tires, or office supplies, we will measure the cost of outputs, the cost of operating a wildlife refuge, for example, or removing an acre of invasive plants, program for program. Those numbers, in turn, will let managers link budget spending with performance results, as envisioned by the President's Management Agenda (PMA), creating a powerful management tool to recognize superior performance, focus attention on achievement and

FIGURE 6



innovation, and move more quickly to spread best practices throughout the organization.

In addition to allowing us to set consistent multi-agency, results-oriented performance goals, our new unified approach to strategic planning and performance reporting will:

- Set an agenda for Interior that reflects the Administration's and the Secretary's priorities;
- Emphasize communication, collaboration, and coordination with key constituents on the future direction of the Department;
- Make Interior more "results oriented" and accountable to citizens; and
- Provide the means to hold organizations and managers accountable for results.

To be responsive to the demands of tomorrow, the Department will continue to transition to a unified organizational culture and a unified public identity. That will require the strong commitment of our bureaus to our overall responsibility of stewardship, working together to serve our shared missions.