



Highlights of [GAO-05-139](#), a report to congressional requesters

DEPARTMENT OF HOMELAND SECURITY

A Comprehensive and Sustained Approach Needed to Achieve Management Integration

Why GAO Did This Study

The creation of the Department of Homeland Security (DHS) represents one of the largest reorganizations of government agencies and operations in recent history. Significant management challenges exist for DHS as it merges the multiple management systems and processes from its 22 originating agencies in functional areas such as human capital and information technology. GAO was asked to identify opportunities for DHS to improve its management integration.

What GAO Recommends

GAO recommends that the Secretary of DHS: (1) develop an overarching management integration strategy, and (2) provide its Business Transformation Office (BTO) with the authority and responsibility to serve as a dedicated integration team and help develop and implement the strategy. GAO also suggests that Congress monitor (1) the progress of DHS's management integration, for example, by requiring the department to periodically report the status of its efforts; and (2) whether senior leadership has the authority to elevate, integrate, and institutionalize its management integration and reassess whether to create a new Chief Operating Officer (COO) or Chief Management Officer (CMO) position to more effectively drive this integration. DHS generally agreed with the report's recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-05-139.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Eileen R. Larence at (202) 512-6510 or larencee@gao.gov.

What GAO Found

GAO found that while DHS has made some progress in its management integration efforts, it has the opportunity to better leverage this progress by implementing a comprehensive and sustained approach to its overall integration efforts. GAO assessed DHS's integration efforts to date against three of nine key practices consistently found to be at the center of successful mergers and transformations: setting implementation goals and a time line to build momentum and show progress, dedicating an implementation team to manage the transformation, and ensuring top leadership drives it. While there are other practices critical to successful mergers and transformations—including using the performance management system to define responsibility and assure accountability for change—GAO selected these three key practices because they are significant to building the infrastructure needed for DHS at this early juncture in its management integration efforts.

Establishing implementation goals and a time line is critical to ensuring success and could be contained in an overall integration plan for a merger or transformation. DHS has issued guidance and plans to assist its integration efforts, on a function-by-function basis (information technology and human capital, for example); but it does not have a comprehensive strategy, with overall goals and a time line, to guide the management integration departmentwide.

GAO's research shows that it is important to dedicate a strong and stable implementation team for the day-to-day management of the transformation. DHS has established a Business Transformation Office (BTO), reporting to the Under Secretary for Management, to help monitor and look for interdependencies among the individual functional integration efforts. However, the role of the BTO could be strengthened so that it has the requisite responsibility and authority to help the Under Secretary set priorities and make strategic decisions for the integration, as well as implement the integration strategy.

The current responsibilities of the Under Secretary contain some of the characteristics of a COO/CMO. GAO has reported that such a position could help elevate, integrate, and institutionalize DHS's management initiatives. Recent DHS actions, such as management directives clarifying roles for the integration, can provide the Under Secretary additional support. However, it is still too early to tell whether the Under Secretary will have sufficient authority to direct, and make trade-off decisions for the integration, and institutionalize it departmentwide. The Congress should continue to monitor whether it needs to provide additional leadership authorities to the Under Secretary, or create a new position that more fully captures the roles and responsibilities of a COO/CMO.