

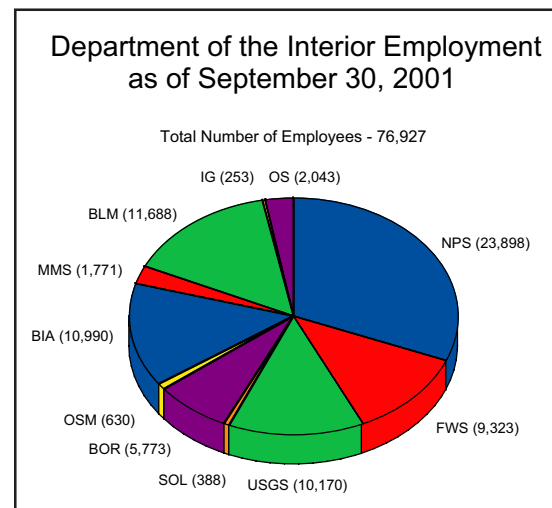
“As we look to the future, the issues facing the Department will require our workforce to possess even greater communication, cooperation, and consultation skills to achieve our conservation goals. We must collectively find solutions to the increasing and often conflicting demands that are placed on the resources for which we have stewardship.”

- Secretary Gale Norton

2. Setting the Context

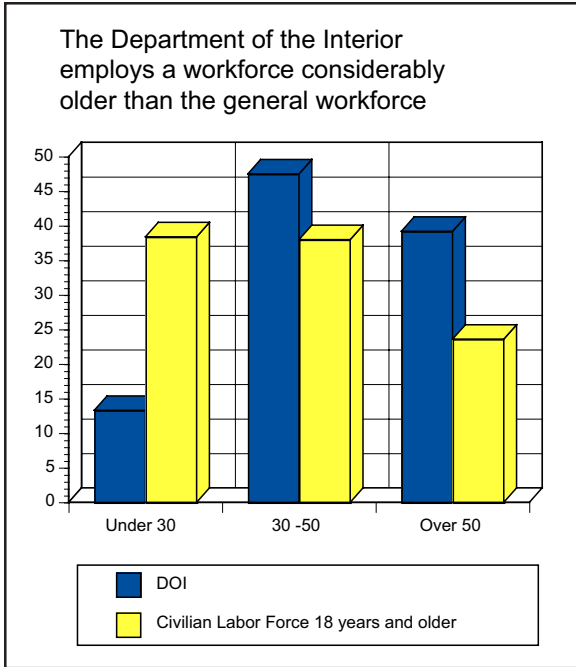
Current Workforce

In June 2001, the Department issued its “Report on Workforce Planning and Restructuring, Phase I: Workforce Analysis,” which provided a description of the Department’s current workforce and a summary of the human resource challenges the Department faces. The characteristics and issues highlighted in that analysis reflect the major challenges we face as an agency.



Demographics

The next five years will see tremendous change in the workforce of the Department, the Federal government, and the nation as a whole. The baby-boomer generation will begin retiring in record numbers. We assessed several factors that will impact the demographics of our workforce, including attrition, retirements, competitive sourcing and potential restructuring actions. Looking closer, we assessed anticipated retire-



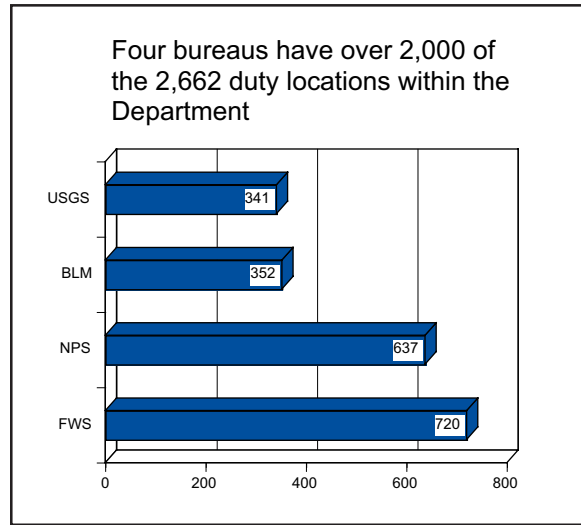
ments in critical areas such as law enforcement and fire management, as well as in mid- and senior-level management ranks. The Department’s workforce is older on average than the rest of the civilian workforce.

We examined issues related to the recruitment and retention of younger employees. Several recent surveys have documented that the Federal government has become less attractive as an "employer of choice" among graduating college students, who cite difficulties in the hiring process, poor work environments, and other factors as disincentives. A recent Brookings Institution study also cited Presidential Management Interns—often sought by agencies since they represent an outstanding source of new talent for the public sector— as perhaps the most dissatisfied Federal workers.

The combination of these factors at both ends of the career pipeline—a loss of experience and institutional retaining promising new employees—presents a central challenge.

Location and Supervision

The Department is a highly decentralized organization designed to work near the citizens it serves. Our employees are widely dispersed at nearly 2,700 locations throughout the country, often at remote sites. Much of that dispersed workforce is found in four bureaus. As a whole, the Department has one supervisor for every 8.4 paid employees. On September 30, 2001, supervisors and managers represented 12 percent of the workforce. This ratio, however, does not account for more than 200,000 volunteers who work with us, assist in the fulfillment of our mission, and require the guidance of front line supervisors. If we include 200,000 volunteers, we get a supervisory ratio of about 30 to one, with supervisors representing about 3.3 percent of the workforce.



Attrition Projections

As with all Federal agencies, projected attrition rates for the Department require vigilance. Attrition rates reflect changes in jobs due to retirements, transfers between agencies (including promotions), or departure from Federal service. Our overall attrition rate for the next five years is expected to be similar to the government average. Most of our technical career groupings are projected to experience turnover at slightly higher

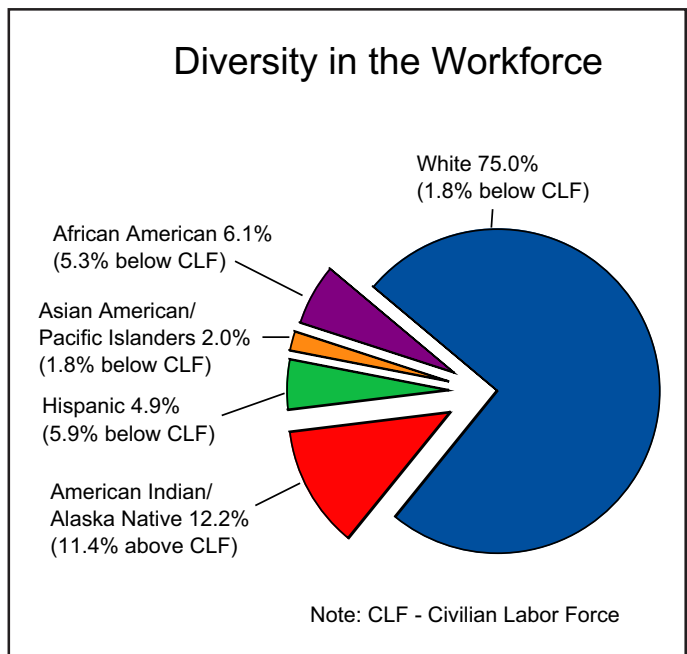
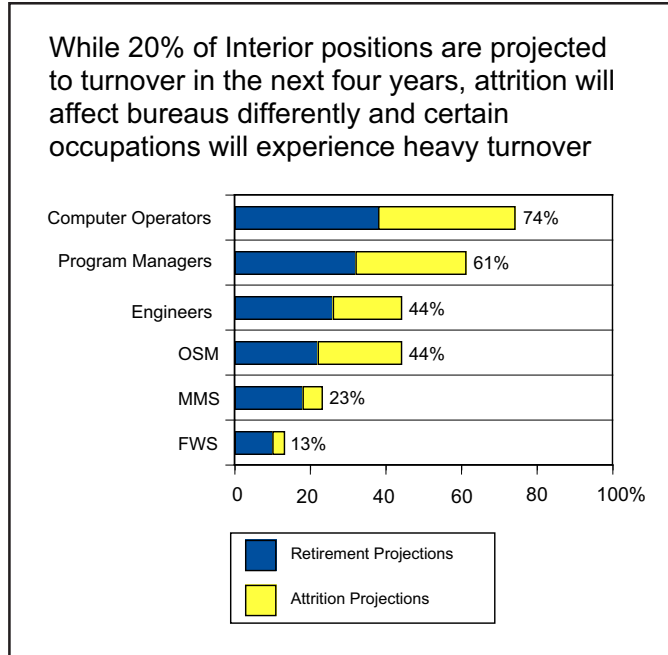
rates. While overall projected attrition rates are fairly consistent with the government average, the rates for individual bureaus and occupations vary significantly. This plan will guide bureau-specific implementation, which will address those areas where attrition rates are of concern.

Diversity

DOI defines “diversity” in broad terms, including but not limited to racial, religious, color, gender, national origin, disability, sexual orientation, age, education, geographic origin, and skill characteristics. Having a diverse workforce is essential to providing services to the culturally and linguistically diverse populations that visit the Department’s facilities and lands. Having a diverse workforce helps recruitment and retention of highly skilled employees from the entire civilian workforce and conveys the message that DOI provides equal opportunities for all.

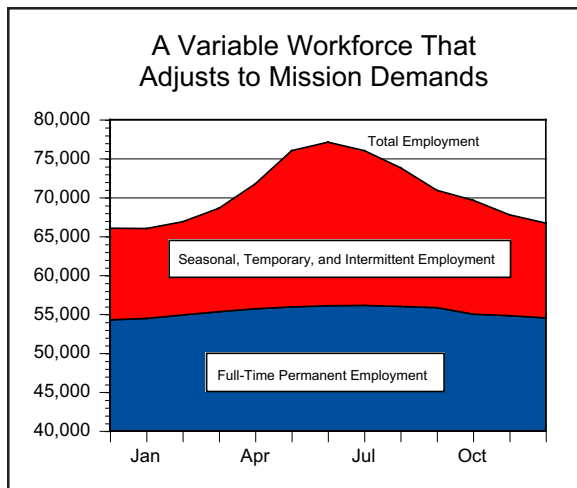
The Department has not done a good job of attracting, hiring, developing, and retaining a diverse workforce, as required by Federal law and Department policy. As of September 30, 2001, approximately 75% of our workforce was white, and approximately 62% were male. Achieving diversity will take a serious and focused commitment by the Department to reach our skilled workforce that mirrors the American public.

We strive to increase the number of persons with disabilities employed by the Department. At present, persons with disabilities represent about 10% of our total workforce, which is above the government-wide average of 7.2%.



Seasonal, Temporary, and Intermittent Workforce

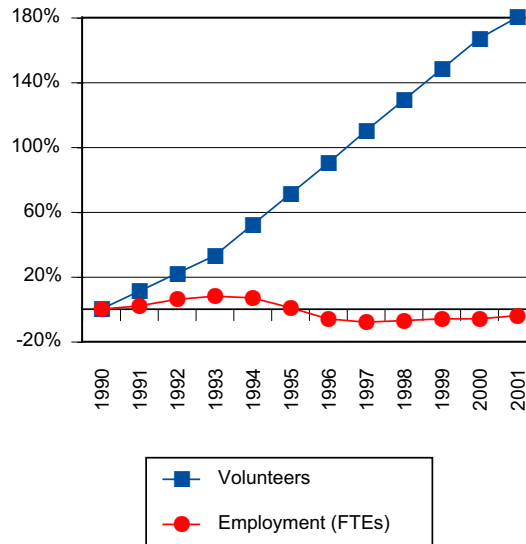
More than any other Federal agency, the Department of the Interior relies on its seasonal, temporary, and intermittent workforce to accomplish its work. The percentage of these non-permanent workers in our workforce has increased 18 percent over the last five years, from 15,035 to 17,786. Seasonal employment peaks during the summer months and steadily declines through the following spring. Our need to deploy a sizeable and diverse non-permanent workforce continues to grow. Seasonal and temporary employees play a key role in fighting forest fires; welcoming visitors to our parks, refuges, and public lands; collecting scientific data; and serving alongside our full-time employees in a seamless fashion.



Volunteers

Simply stated, some bureaus would be hard pressed to function without their volunteer workers. Volunteers help maintain and sustain our national parks, national wildlife refuges and fish hatcheries, BLM public lands, water resource management activities, and assist in carrying out our scientific research programs. Volunteers serve as campground hosts, clear trails, help with seasonal bird surveys, collect new information for

To keep pace with an increasing workload, Interior has attracted a growing number of volunteers



maps, and assist with many other day-to-day activities.

In FY 2000, the number of volunteer workers surpassed 200,000 – almost three times the number of employees in our paid workforce. The number of volunteers has doubled over the last ten years; we expect this trend to continue. The high quality work they perform results in significant savings to the American people and allows us to offer more programs and services to our nation’s citizens. For example, in FY 2001, volunteers for the Bureau of Land Management, the Park Service and Fish and Wildlife Service provided equivalent combined total service valued at about \$98 million.

Trends Affecting Mission Delivery

Because the Department’s mission is rooted in the land and the demands placed on our natural resources, we assessed major factors and trends that will shape the demands on the Department over the next several years. A comprehensive list of these “drivers” is included in Appendix A.

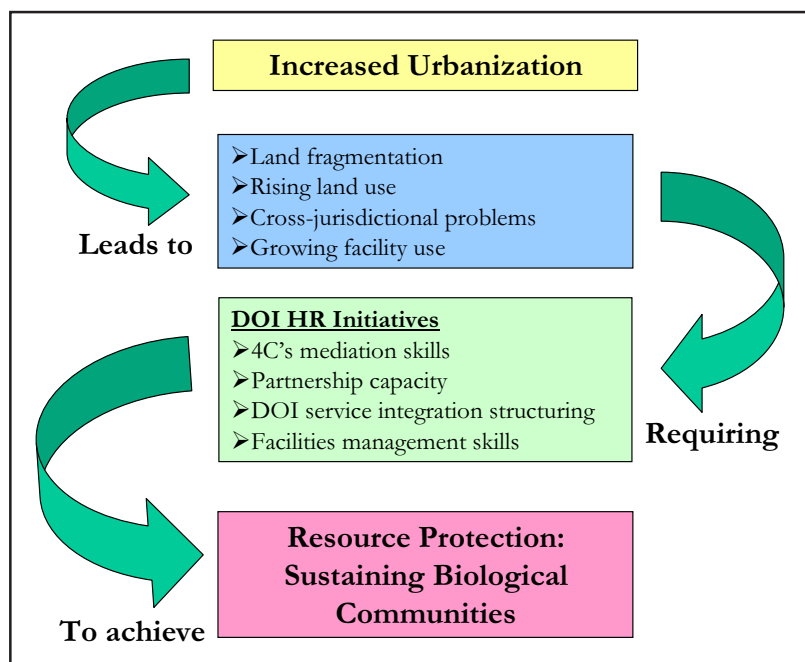
The Department delivers its services within a context affected directly and pervasively by the broader forces in society that are shaping and reshaping the nation, continually presenting new challenges and opportunities to this land management agency. As populations move to new areas, new pressures on the natural landscape emerge. Citizens are looking for increased recreational opportunities, putting more pressure on public lands. Demand is increasing for energy and from alternative energy sources. Population shifts across the landscape are fragmenting the natural habitats for wildlife and waterfowl, affecting their conditions. The global nature of our economy has brought new and disruptive species into our natural domain, challenging native species and exacerbating fire potential. A growing number of communities face risks from natural hazards, perils of coastal storms and other processes, and weather cycles that can cause devastating wildfires.

The following summarizes the challenges that result from external and internal forces that will shape our workforce over the next five years and influence how we fulfill our mission and achieve our performance goals. Each illustration demonstrates the need to build new and improved skills and competencies to address a changing set of demands and expectations.

Increased Urbanization

Urban areas are spreading towards lands protected and managed by the Department – national parks, wildlife refuges, Indian reservations, and wilderness areas. Greater numbers of people living in proximity to Federally managed lands result in (see chart):

- Increased recreation on Federal lands
- Increased resource demands
- Increased interaction between citizens and land managers



Citizens living near Federal lands have a very personal interest in the Department’s management actions and decision making process. Increasing urbanization will impact nearly every program of the Department and require a change in the way our services are delivered and the skills our employees require.

Need to Work With Others

A high profile example is the wildland/urban interface, which presents major fire challenges, especially in the face of persistent drought in the West. The enormity of wildland fire hazards we

Demographic Changes: Population Has Grown Fastest in the West, Particularly in the “Public Land States”

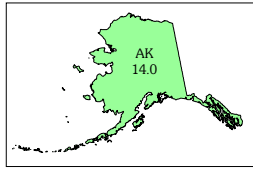
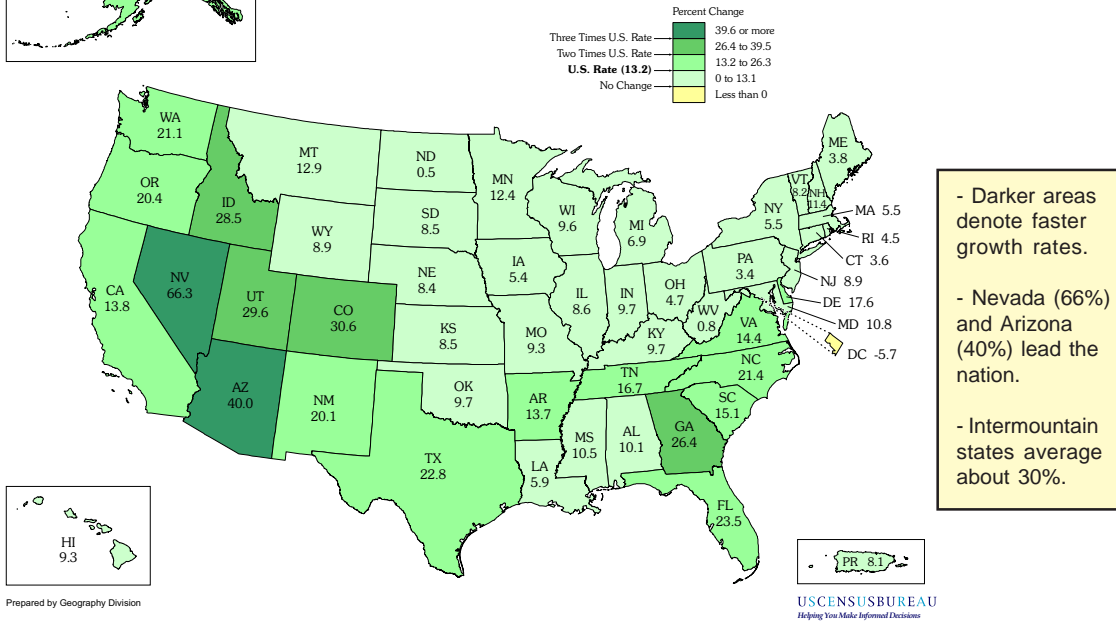


Figure 1. Percent Change in Resident Population for the 50 States, the District of Columbia, and Puerto Rico: 1990 to 2000



face coupled with a growing wildland-urban interface, indicates that our employees will need better collaboration and negotiation skills to work with state, local and tribal governments, nonprofit organizations, and private landowners to address fire management challenges.

Need for New Partners and Professional Skills

Greater demand for access to and use of public lands also increases the need for volunteers, interpreters, and law enforcement personnel. Specialized scientific as well as communication skills will be more critical due to the increased risk of disease from greater human/wildlife interaction, the spread of invasive species, and increased risk of contamination and pollution to Interior lands and facilities.

Need for New Management Practices

The Inspector General has identified several management challenges faced by the Department. Achieving our mission in the context of growing demands on recreation, resource access, resource protection will require improved facilities management and maintenance capacity; better ability to account for deployed assets; and better performance monitoring.

Expectations: Information Technology and Business Acumen

Information technology has become an integral tool in conducting the Department’s business. At the same time, public expectations for improved government services and accountability have risen dramatically. Citizens expect government services to be delivered using the same advanced technol-

ogy in widespread use in the private sector. The Department's workforce must use information and technology as an effective means for delivering service to a broader public in a timely and understandable fashion.

The public also expects prudent management of financial resources. Managers must be familiar with cost implications of their decisions and activities through implementation of Activity-Based Cost Management. Our tasks require greater financial management and analytical skills, contracting and procurement skills, asset management skills, and strategic business skills. Greater creativity and business acumen will be needed to deliver services in more efficient and effective ways, often in greater cooperation with our partners. In a context of constrained financial resources, park superintendents, refuge managers, agency superintendents, and public lands managers are recognizing the need for more effective utilization of available funds. They are also recognizing the importance of using a variety of approaches to meet their needs: fee collection to enhance investment in visitor services and asset maintenance; teamwork with other agencies, friends groups and other third parties; and partnerships with foundations.

The Department faces a number of specific management challenges in meeting increased expectations for information technology and business skills:

- The preparation of timely, reliable, and useful financial information as required by the Chief Financial Officers Act continues to be a major challenge for DOI and its bureaus.

Demographic Changes Have Increased BLM's Management Responsibilities		
Type of Work	1976 Workload	2000 Workload
Lands Actions		
Patents or Deeds Issued	53	244
Acres Patented or Deeded	36,991	135,850
Recreation Sites		
Non-Fee Sites	326	3,191
Fee Sites	0	335
Historical & Archaeological Properties		
Properties Recorded	11,076	235,574
Acres Inventoried	1,133,956	14,416,221
% of Onshore Oil and Gas from Federal Lands	6% (O&G)	5% Oil
Natural Gas Produced	1,080 Mcf	2,139 Mcf
Coal Production on Federal Lands	54,782,356	404,787,030

- Along with most agencies in the Federal government, the Department continues to have long-standing problems in the areas of computer security and overall system effectiveness.
- Although DOI collects more than \$6 billion in revenues annually, OIG and GAO reports have shown that collections could be enhanced from royalty payments, recreational fees, and cost recovery activities.

Rising Priorities in Law Enforcement, Public Safety, and Homeland Security

In the aftermath of the events of September 11th, 2001, the Department has adjusted many of its practices to meet the need for greater security and protection of its many facilities and assets. For example, security at major dams and reservoirs across the country has increased and will remain a high priority well into the future. Parks and other public lands extend for hundreds of miles along the nation's borders. Our law enforcement personnel must be prepared to deter terrorist and other unlawful acts against employees, visitors, facilities and resources. IT specialists must protect information systems and equipment from hackers and terrorists. Our law enforcement personnel must develop the skills to make visitors

feel welcome while providing a safe and secure experience.

Management challenges accompany increased security needs. According to the Inspector General, ensuring the health and safety of employees and the increasing number of visitors to public lands and facilities under DOI jurisdiction remains a clear priority and a significant challenge. In addition, the attacks on America on September 11, 2001, exposed the vulnerability of our visitors and employees, national monuments, and critical infrastructure to terrorist acts.

Managing Aging Infrastructure

Maintenance and repairs to our facilities have not kept pace with growing facility needs. As new parks and refuges are added, additional maintenance demands accrue. Many of the Department's dams, built more than 60 years ago, are using antiquated technology. Children on Indian reservations attend school in deteriorating facilities. Aging infrastructure will require employees or contractors with the skills to assess facility conditions, and repair and maintain roads, buildings, land, systems, and equipment.

Costs to complete deferred maintenance on DOI's large and aging inventory of schools, office buildings, bridges, dams, irrigation systems, roads, and historic buildings and structures are currently estimated to range from \$7.2 billion to \$11.3 billion. Our ability to effectively fulfill maintenance responsibilities has been inhibited by the lack of adequate maintenance management systems, practices, and processes.

Responsibilities and Commitments: Native Populations

The American Indian and Alaska native population now exceed two million and represent one of the fastest growing populations in the United States. Of that population, the BIA serves 1.2 million Indians who are members of the 559 federally recognized Indian tribes in 31 states. At a

yearly growth rate of 2.7 percent, the Native American population will double by the year 2050. Even as its population grows, American Indians lag behind the general U.S. population on almost all socio-economic, health, and educational measures.

Similarly, the island communities affiliated with the United States face mounting challenges for their rapidly growing populations, challenged economies and governments.

In this context, BIA continues to experience administrative and management problems that constrain its ability to fulfill its trust responsibilities and effectively promote self-determination on behalf of tribal governments, American Indians and Alaska Natives. Audits continue to reveal long-standing financial and program management deficiencies in U.S. insular areas, some of which are experiencing continuing financial difficulties.

Defining Critical Skills Shortages

Workforce planning plays an essential role in defining our critical skill shortages. Efforts are underway in the Department to complete bureau and office workforce analyses by September 30, 2003. Bureaus and offices will develop implementation plans to meet any specific organizationally unique skill gaps in their workforce needs beyond those more generic, Department-wide gaps identified in this plan. Workforce plans will guide succession planning, prepare employees for more challenging roles, and provide continuity as our workforce matures.

Given the breadth of challenges we face, Interior employees need skills as varied as the organizations and missions they support. The complex environment in which we operate requires employees to use technical, interpersonal, and leadership skills in virtually everything we do.

To effectively address our strategic management and major programmatic challenges and achieve our performance goals, we must overcome skill gaps in technical and leadership areas. The specific technical skill gaps include:

- Law enforcement and security
- Information technology
- Fire management
- Natural and physical science
- Financial management (including trust management and auditing)
- Facilities management and engineering
- Contract management
- Mediation and negotiation skills
- Strategic business planning skills

Our managers must possess the **leadership, management, communications, and strategic planning skills** necessary to guide our employees to more effectively delivery of services to the American people. In order to attract, recruit and retain highly skilled employees, our managers must be

able to provide leadership that guides, inspires, and motivates our employees.

Beyond these specific skill gaps, the most pressing and overriding human capital problem faced by the Department is the ability of its workforce to cope with the sustained increased demand for its services, even while its employment levels trail far behind. These demands require employees with **mediation and negotiation skills and the ability to develop and manage partnerships.**

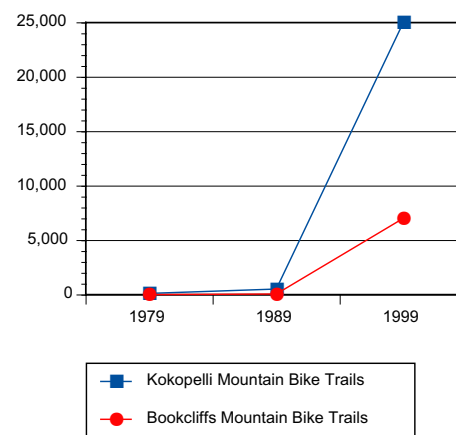
The demands on the land and its use are accelerating at a galloping pace, while the number of Interior employees has dropped (see chart on page 18). Since 1985:

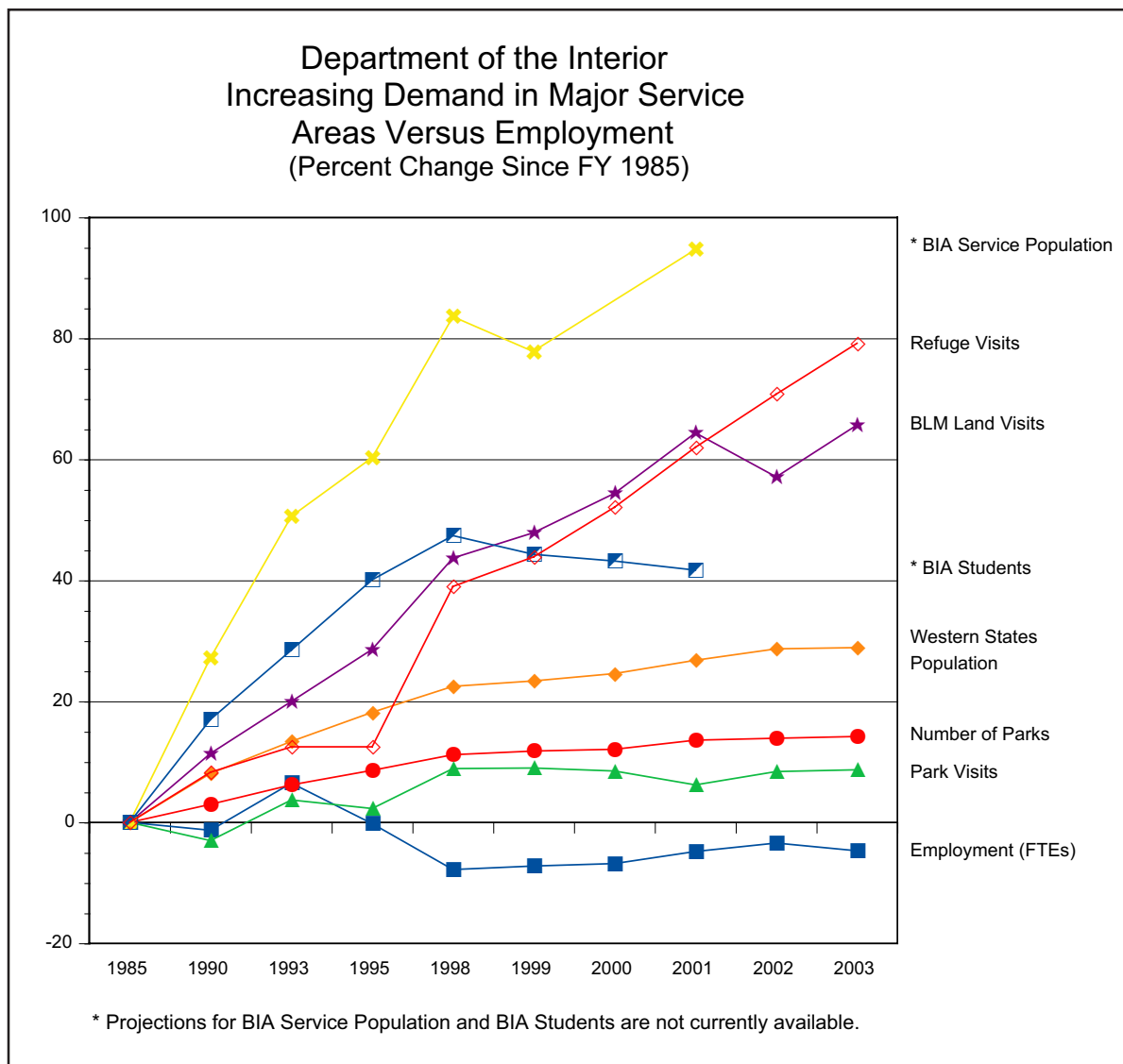
- Eleven of the 15 fastest growing states are located in the West.
- The number of endangered and threatened species has tripled to 1,244 today. As a result of this increase in the number of protected species, the Fish and Wildlife Service is conducting 4.5 times the number of consultations (37,500 annually) than it did just 15 years ago.

One local example from Grand Junction, Colorado, illustrates the challenges we face more broadly throughout the West. Annual recreational visits (mainly for mountain biking and river rafting) on BLM lands have increased from 61,000 such visits in 1979 to 609,000 visits 20 years later. While staffing increased from 16 in 1979 to 27 in 1989, it has remained relatively constant since then, despite the doubling of visitation levels.

While increased recreation is creating new demands, so are mineral extraction activities. Applications for BLM permits to drill for onshore oil and gas have swelled from 1,870 in 1995 to 3,863 in 2001. At the same time, staffing to do these reviews has declined by 16 percent.

Grand Junction's Mountain Bike Trails Annual Visits





- The number of refuges has grown by 100 to a total of 538 and visits have increased by nearly 60%.
 - Approximately 50 new units of the National Park Service have been established, bringing the total number to 385, with resulting increases in visitor use and resource impacts.
 - The BIA service population has nearly doubled, growing from 786,000 to more than 1.5 million. The number of Indian children in BIA schools has increased by nearly 50%.
 - BLM lands in protected status have grown by 20 million acres to 36 million acres. National monuments comprise 4.7 million acres of that total.
 - BLM lands have become a growing source of recreation, with recreational visits increasing by 40% .
- In short, the Department faces challenges derived from increased population; increased popularity of parks, refuges, and public lands; demand for recreation and recreational opportunities from

Growing Demands for Agency Management and Accountability	
<p><u>1987</u> Computer Security Act</p> <p><u>1990</u> Budget Enforcement Act of 1990 (as amended) Chief Financial Officers Act Federal Credit Reform Act</p> <p><u>1992</u> Energy Policy Act</p> <p><u>1993</u> Government Performance and Results Act</p> <p><u>1994</u> Accounting Standardization Act Federal Acquisition Streamlining Act Government Management Reform Act</p> <p><u>1995</u> Paperwork Reduction Act</p>	<p><u>1996</u> Administrative Disputes Resolution Act Clinger-Cohen Act Debt Collection Improvement Act Federal Acquisition Reform Act Federal Financial Management Improvement Act</p> <p><u>1998</u> Business Opportunity Development Reform Act Federal Activities Inventory Reform Act Government Paperwork Elimination Act Travel and Transportation Reform Act</p> <p><u>1999</u> Construction Industry Payment Protection Act Federal Financial Assistance Management Improvement Act</p> <p><u>2000</u> Government Information Security Reform Act</p>

hiking, swimming, boating, and biking; and conflicting demands for water and land that are becoming increasingly heightened and urgent.

At the same time, additional statutory requirements complicate employee tasks in the areas of financial management, acquisition, information technology, financial assistance, and accountability (see table above). The staffing and funding for many of these vital support areas was reduced during the 1990s in an attempt to streamline government. Agencies face the growing list of demands with diminished capabilities on almost every front.

Despite these demands, the employees of the Department of the Interior continue to be innovative, dedicated, and resourceful. We have received five consecutive clean audits on the Department's combined financial statements, and two Certificate of Excellence in Accountability Reporting (CEAR) awards from the Association for Government Accountants for our FY 2000 and 2001 accountability reports. Efforts to reduce costs and improve efficiency by consolidating payroll functions within the National Business Center are recognized as a model throughout gov-

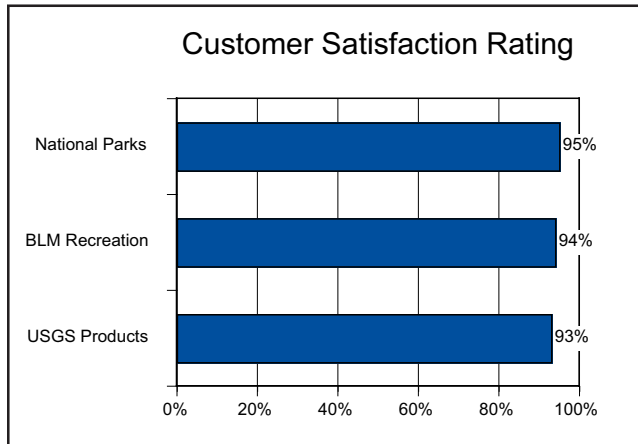
"In 1998, the Department of Interior's National Business Center consolidated payroll systems for Interior, the Social Security Administration, the Department of Education and many smaller agencies onto the Federal Personnel Payroll System. The result was a payroll system that worked better and cost 25 percent less."

- Mitch Daniels
Director, Office of
Management and Budget

ernment. The Bureau of Land Management is recognized as a leader throughout the Federal government for its implementation of Activity-Based Cost Management.

DOI employees are close to their customers, serving them effectively. Approximately three out of four of the Department's employees interact directly with customers and citizens.

In addition, surveys show the Department delivers quality services to those who visit DOI-managed lands and facilities, achieving high customer-service ratings.



To continue and strengthen the Department's high level of performance, this plan lays out strategies to attract, retain, and manage our workforce in the context of new and ongoing challenges.