OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR

U.S. Department of the Interior Program Startup Evaluation

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Memorandum

To: Rachel Jacobson, Assistant Secretary, Fish and Wildlife and Parks
Larry Echo Hawk, Assistant Secretary, Indian Affairs
Marcilynn Burke, Assistant Secretary, Land and Minerals Management
Anne Castle, Assistant Secretary, Water and Science

From: Mary L. Kendall
Acting Inspector General

Subject: U.S. Department of the Interior Program Startup Evaluation
Report No. ER-EV-MOA-0001-2010

This memorandum transmits our evaluation report on the U.S. Department of the Interior's program planning processes. We performed an evaluation to identify what program planning processes are used by the bureaus, and what factors lead to success in the program planning processes identified.

We found four different models of program planning used by the five bureaus we reviewed. These include a collaboration-based program planning model used by the Office of Surface Mining for the Appalachian Regional Reforestation Initiative; a business-based program planning model used by the U.S. Fish and Wildlife Service for the Chesapeake Bay Restoration effort; a science-based program planning model used by the U.S. Geological Survey for the Global Climate Change Program; and a performance-based program planning model used by the Bureau of Reclamation for the WaterSMART grant program. One program, the Bureau of Indian Affairs Youth Initiative, was early in its program planning process and did not have a well-defined process in place. We believe that programs such as the Bureau of Indian Affairs Youth Initiative that are in early stages of development or undergoing revision could benefit from our findings by using one of the models we have identified.

For programs where we identified areas of improvement, we have provided specific recommendations in separate memoranda to each of the appropriate bureaus.

Should you have any questions, please do not hesitate to contact me at 202-208-5745.

Table of Contents

Results in Brief

The U.S. Department of the Interior (DOI) is challenged to identify and implement new programs to meet its mission of protecting our Nation's natural resources and heritage, honoring our cultures and tribal communities, and safeguarding resources to supply the energy needs to power our future. In order to meet this challenge, new DOI programs must be properly planned and evaluated.

Although effective planning does not guarantee a program's success, an effective planning process helps justify program budgets, determine program priorities, define program goals, and provide a means for evaluating program accomplishments.

Our review of programs within DOI identified four distinct planning models. These models include:

- The **collaboration-based** program planning model used by the Office of Surface Mining (OSM) for the Appalachian Regional Reforestation Initiative (ARRI), which focuses on building and maintaining trust among stakeholders, establishing a common goal, and using the strengths of the different stakeholders to achieve program objectives.

- The **business-based** program planning model used by the U.S. Fish and Wildlife Service (FWS) for the Chesapeake Bay Restoration effort, which focuses on using cost analysis to make management decisions about where and how to target conservation activities efficiently.

- The **science-based** program planning model used by U.S. Geological Survey (USGS) for the Global Climate Change program, which focuses on applying the best evidence resulting from the scientific method to decision making processes.

- The **performance-based** program planning model used by the U.S. Bureau of Reclamation (USBR) for the Water Sustain and Manage America's Resources for Tomorrow (WaterSMART) grant program, which focuses on managing organizational performance by evaluating program results.

We hope our evaluation can be a resource for DOI and its bureaus when planning new, or modifying existing, programs.

Introduction

Objective

We conducted this evaluation to identify how program planning is accomplished within the U.S Department of the Interior (DOI). We set out to answer the following questions:

- What program planning processes are used by the bureaus?
- What are the successful factors of each program planning model?

By addressing these questions, we hope to provide a useful tool for DOI and its bureaus as it develops new programs or revises existing programs.

Background

Program planning is a problem-solving process through which an organization develops a plan to achieve specific objectives. Program planning involves a variety of elements, including identifying program needs and capacity, planning for resource allocation and use, assuring service delivery, preparing to respond to critical events, and evaluating program activities and outcomes. In its simplest form, program planning is defined as the selection of related, purposeful activities to be undertaken to achieve one or several related objectives. Undertaking a long-term strategic planning process can provide the framework needed for program planning. Strategic planning can help identify the organizational goals to be achieved over a specific period of time and the resources needed to achieve the desired goals.

The Departmental Manual provides limited program planning guidance. In the absence of definitive Department-level guidance, each bureau and program office has been left to its own devices.

In this evaluation we reviewed program planning at five bureaus: OSM, FWS, USBR, USGS, and BIA. At the time of our review, we noted that four of these bureaus had well-developed program planning models; one bureau, BIA, did not. Because BIA did not have a well-developed program planning process at the time of our review, we have reported our findings in a separate report. Similarly, for two other bureaus (OSM and USBR) where we have found issues that need to be further addressed, we have prepared separate reports.

In the program planning models we identified during our review, we found that each used the same basic 7-step process, but tailored it to meet the specific program needs. Although there are several variations of the basic process that can be used to ensure programs are properly planned, each model includes the same general components, starting with identifying a problem and ending with feedback and evaluation (Figure 1).

Step 1	**Identify the problem**	Adequate data describing the problem and a theory explaining the causes of the problem must be established so that reasonable decisions can be made about where and how to intervene in the causal process.
Step 2	**Develop objectives and performance measures**	Identify clear goals and objectives, to design a program, administer it completely, and to measure its performance. Programs must be strongly associated with the organization's overall mission. Using the organization's mission as the starting point, planning should identify major goals and objectives.
Step 3	**Link the program strategy to the organizational strategic plan**	Program planning should be tied to the organization's strategic plan by developing a framework for how goals can best be met. This framework should serve as the roadmap for the new program.
Step 4	**Identify key stakeholders**	Primary stakeholders or their representatives must be directly involved in the program planning process to provide perspectives from their point of view.
Step 5	**Identify needed resources**	Identify the appropriate resources to ensure that program planning is performed with the right mix of people and with an adequate amount of funding needed to ensure success.
Step 6	**Coordinate program activities**	Coordinate activities through high-level influence and direction to mitigate institutional and cultural differences among bureaus.
Step 7	**Feedback and evaluation**	Feedback and evaluation on the impact of a program is vital in determining program success. A process of continuous monitoring allows changes and corrections to be made to address unanticipated issues in program implementation.

Figure 1. Components of a basic program planning process.

The results of our review focus on individual case studies and do not apply to each bureau's program planning method overall. This review focuses on the key elements of each program's success as well as opportunities for improvement.

Bureau Program Planning Case Studies

The case studies we present represent a snapshot in time of how the basic program planning processes have been applied within DOI. Since DOI does not provide specific guidance, the programs we reviewed have used models that are a variant of the process depicted in Figure 1. We have identified elements of each model that we believe contributed to program achievements.

Collaborative-Based Program Planning Model: Office of Surface Mining – Appalachian Regional Reforestation Initiative

The Office of Surface Mining (OSM) established the Appalachian Regional Reforestation Initiative (ARRI) in 2004 to address reclamation of de-forested surface mined lands in the Appalachian region. Restoration efforts failed prior to the establishment of the ARRI initiative.

Competing interests and an uncoordinated strategic approach were the primary underlying reasons why earlier efforts failed. In addition, clear goals could not be identified and the efforts failed to sustain the necessary leadership to define and develop an effective program strategy. Combined with decisions to accommodate special interest groups, the political pressure to respond quickly to public concerns over land stability and contaminated water sources interfered with an orderly program planning process.

In creating ARRI, the bureau improved upon its past experiences and implemented a collaborative-based program planning model, or what OSM calls a Concentric Management Approach, to address the reforestation issue. OSM took on a leadership role by coordinating input among its partners to define the vision and mission and develop a strategic approach for the program.

By including only specific partners sharing the vision and goals of the initiative, the collaborative effort used an interdisciplinary approach employing the expertise from the Federal, state, academic, and non-profit sectors. Partner relationships were formalized by signing a statement of mutual intent, which served as the program's operating guidelines. By including only those partners that agreed to the initiative's approach, program managers had more control over the planning process and were better positioned to deflect external pressures that might have resulted in a repeat of program failure.

The collaborative approach to program planning places a considerable emphasis on building and maintaining relationships with key partners by focusing on a common goal, as well as in using the strengths of the different partners to achieve the program's goals. While a formal organizational structure may be necessary, our observations led us to believe that, within a collaborative model, a bureaucratic structure should be avoided since many of the steps in the planning

process may not succeed in a more rigid organizational environment. In this case, the planners recognized the impacts that a traditional hierarchical organizational structure can have on the collaborative planning process and appear to have been successful in maneuvering around the associated barriers, particularly with respect to lines of communication.

For example, our conversations with program managers and stakeholders suggested that the most significant tasks in the planning process were identifying the problem and reaching a consensus on the best approach to address reforestation issues. Face-to-face dialogue proved to be the most useful tool in overcoming organizational barriers and creating the necessary trust among stakeholders. By using both horizontal and vertical communication approaches, the program planners successfully avoided pitfalls such as leveling (simplification of information) and sharpening (exaggeration of details) that occur with unproductive communications. Once consensus was achieved on the main issues and a strategy was developed, the program managers and their partners effectively navigated through the remainder of the planning process. Goals were established and metrics were developed to measure program achievements over time.

The hallmark of the collaborative effort focused on the interaction between the bureau and its partners in developing a long range strategy and program goals. At the time of our review, ARRI successfully fostered partnerships among 382 individuals from 207 organizations.

Through the use of a collaborative-based planning model, OSM has been able to develop an effective program that has demonstrated success and sustainability over time. Goals for the initiative have been achieved gradually. We believe the initiative has achieved a degree of success because of OSM's ability to:

- Identify and selectively engage key partners from various sectors;
- Establish a clear vision, strategy, and structure;
- Develop performance measures to evaluate their achievements;
- Maximize partnerships through sharing of resources and expertise; and
- Provide leadership by coordinating among the partners.

Business-Based Program Planning Model: U.S. Fish and Wildlife Service – Chesapeake Bay Strategic Habitat Conservation Pilot Program

As one of several Federal agencies actively engaged in the restoration and conservation of the Chesapeake Bay, the U.S. Fish and Wildlife Service (FWS) initiated the Chesapeake Bay Strategic Habitat Conservation (SHC) pilot program, a long-range strategy for addressing conservation and restoration efforts associated with the bay. This pilot program is designed to eliminate inefficiencies in resource allocations through coordination with the bureau's regional partners. Specifically, SHC is a science-based framework for making management decisions about where and how to manage conservation efficiently to achieve

specific outcomes. Prior to developing this program, conservation efforts for the bay were managed through 5 separate programs located at 27 field stations, each with different areas of focus.

In designing the SHC pilot program, the bureau used a business-based model approach. From this business perspective, the bureau's primary focus is on its return on investment (i.e., measurable gains). Paying particular attention to the leveraging of resource and mitigating redundancy with the goal of eliminating wasteful spending, the bureau is focused on using activity-based costing (ABC) as its primary method of tracking costs against on-the-ground activities. ABC is a cost management tool designed to provide insight into the real costs of an organization - its activities (the work that it performs) and its outputs (products and services). Using ABC allows field, regional, and national managers to enhance decision-making by aligning available resources with program priorities.

The bureau's approach includes developing a set of planning and reporting measures that leverage workload data and performance information across the pilot program. Although early in development, the bureau's efforts should position the program to respond more effectively to change, as well as provide them with greater capabilities to more fully justify their future budgetary needs.

As part of their business-based methodology, the bureau also uses an adaptive management approach, a process of continuous program monitoring to allow changes and corrections to be made to address unanticipated issues in program implementation. The strategy employed by the bureau in the business-based model is intended to improve decision making by using performance data obtained through continuous monitoring to develop budgets, to plan and coordinate resources where the need is greatest, to implement new activities when needed, and to evaluate the effectiveness of restoration activities.

The program's performance measures are tied directly to DOI's strategic planning process. The bureau communicates its goals to field units in order to develop meaningful performance measures that target resources to maximize the return on investment.

When considering the stages of the planning process, the bureau has used the business-based model to:

- Identify issues and allocate resources in needed areas;
- Align their program strategy and coordinate program activities with their key partners; and
- Define clear program objectives and performance measures.

Performance-Based Program Planning: Bureau of Reclamation – Water Sustain and Manage America's Resources for Tomorrow (SMART) Grant Program

The Department's Water Sustain and Manage America's Resources for Tomorrow (WaterSMART) program is an umbrella initiative for multiple programs, including the Bureau of Reclamation's (USBR) grant program. The WaterSMART program was designed to maximize water savings and improve water management in the Western United States. Since 2004, 184 projects have been funded through this program. By combining $76 million in Federal funding with local partnerships, the WaterSMART program has constructed water management improvements of over $240 million in 16 states. The USBR WaterSMART grant program evolved from the bureau's predecessor, the Water 2025 Challenge Grant program, and provides cost-sharing assistance on a competitive basis for a variety of water conservation projects.

In creating its WaterSMART grant program, the bureau used a performance-based program planning model focusing on the ability of its grantees to support the objectives of the program. The bureau develops, defines, and identifies specific requirements and uses grant announcements as a major vehicle for communicating the levels of required performance for grantees. In this case, performance management consists of an integrated set of planning, reviewing, and monitoring procedures that cascade down through the organization, providing a link between the grantee performance and the overall strategy of the bureau.

The program planning process itself is a multi-tiered, top-down activity initiated in the USBR Office of Policy and Administration under a program coordinator. Key decisions about resources and program goals are developed by the program coordinator with input from the regional coordinators and from bureau leadership. The process uses a "corporate team" approach, employing experienced staff from the bureau's five regional offices. One of the primary functions of the process is to develop program goals, the criteria needed to obtain the goals, and procedures necessary to develop and maintain the program. To do this, the bureau solicits input directly from its partners who are served by the grants. In this way the bureau is better positioned to meet the needs of the end users. The program processes are transparent and regularly communicated to USBR staff and partners.

The program's performance measures are tied directly to the program's and DOI's strategy. Our discussions with the program coordinator indicated that on a cyclical basis, the strategy is reviewed and updated to ensure that key program goals are included in the plan.

The WaterSMART grant program has been able to meet its goals in part because the program has:

- Centralized leadership and planning activities;

- Clearly defined a strategy, program vision, and goals;
- Defined expectations and established performance measures to evaluate grantee performance;
- Identified necessary resources; and
- Coordinated planning with the bureau's stakeholders.

Science-Based Program Planning: U.S. Geological Survey – Global Climate Change

In 1990, Congress enacted the Global Change Research Act (P.L. 101-606), calling for a comprehensive and integrated research program to assist the Nation and the world in understanding, assessing, predicting, and responding to global climate change. As a result of this act, the U.S. Global Change Research Program (USGCRP), a multi-departmental effort intended to address global climate change issues, was established. USGS is one of 13 Federal departments and agencies participating in the USGCPR and is responsible for coordinating Federal research on changes in global environment.

In February 2010, DOI issued an amendment to Secretarial Order 3289, *Addressing the Impacts of Climate Change on America's Water, Land, and Other Natural and Cultural Resources.* The order and its amendment serve as the bureau's guideline for the Global Climate Change program, through which USGS coordinates activities among the other bureaus to increase the understanding and impact of global climate change.

USGS serves as a repository of data for decision makers. In developing the climate change program, the bureau used a science-based model. The data generated by USGS impacts domestic and international climate change policies, and the program planning model used by the bureau is driven by the application of science. The science-based program planning model focuses on establishing credible scientific data to be used by decision makers for political and public support on a variety of environmental issues. The premise of the bureau's science-based model assumes that:

- Data generated by the bureau will be provided in a manner that facilitates its ease of use; and
- The science behind the data will be recognized as important, but as only one of the components of information considered in the decision making processes for policy development.

When considering the components of program planning, USGS expended a considerable amount of time and energy on establishing credible scientific data. The bureau's use of the science-based planning model has created an environment of cooperation for the planning process. The scope and scale of the program planning process is designed in such a manner as to encourage collaboration at all levels from scientists, science center chiefs, and regional and national leaders. All of the components of program planning follow a standardized approach, which

has been carefully detailed in a bureau guide entitled "Program Planning in the USGS." The planning process is guided by program priorities, partner and customer needs, and availability of funding. The planning process incorporates a set of detailed “guiding principles” specifying that each program within the bureau are to be coordinated in order to maximize the value and impact of science (see Figure 2).

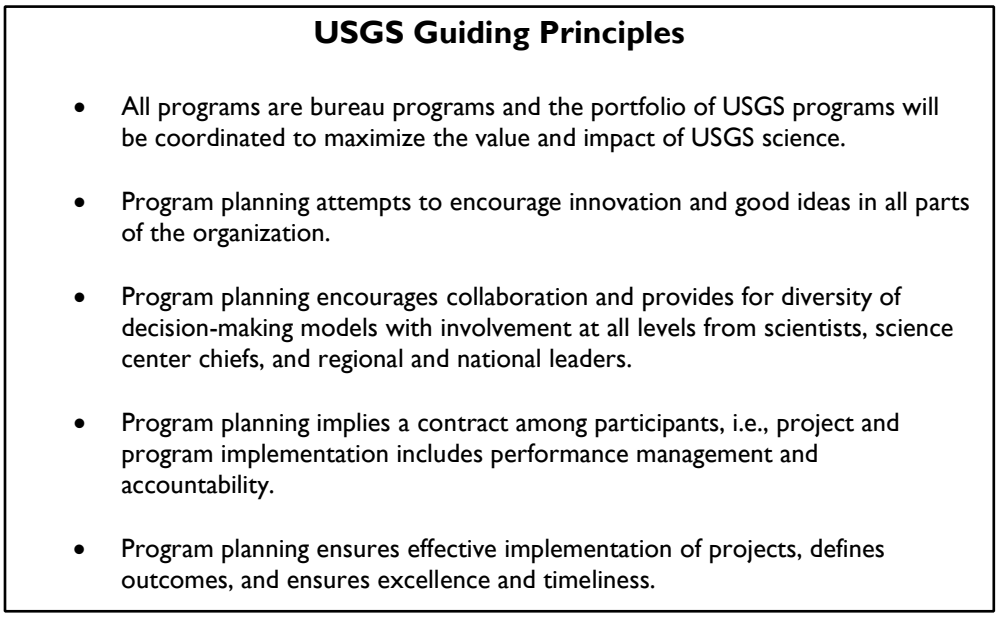

Figure 2. USGS Guiding Principles.

The program planning process includes the establishment of clearly defined objectives, identifiable stakeholders and partners, defined deliverables, and specified annual funding targets. As events change based on science, however, the objectives, deliverables, and targets are also likely to change. The bureau has developed an internal review process whereby modifications in the planning process can be implemented only after a thorough review has been performed. Typically, changes must be based on valid internal or external factors that are related to the availability of funds, changes in partnership relations, or modifications to program performance. The program must have an approved operational plan coupled with regional strategic plans as well as the bureau’s broader strategic plan. The operational plan describes the decision-making approaches used within the program and must be vetted and approved by a bureau-level program council. Approval of the plan represents a contract governing how the individual program will be implemented.

Strategic plans developed by the bureau’s regions describe focus areas as well as scientific priorities and goals for the individual regions. The regions are responsible for identifying annually the challenges, opportunities, and priorities

for collaboration in the planning process.[1] Bureau guidelines indicate that the regional science priorities and plans will be geographically and topically focused and developed with input from across the bureau and with stakeholders.

USGS has developed a plan for a coordinated, science-based response to climate change impacts. When considering the stages of the planning process, the bureau has used the science-based model to:

- Define a clear mission and objectives;
- Establish clear budget requirements;
- Incorporate an institutionalized approach for program planning; and
- Uphold a reputation for credible science that benefits decision makers and withstands public scrutiny.

[1] USGS has eight regions: the Southeast, South Central, Northeast, Midwest, Rocky Mountains, Northwest, Southwest, and Alaska.

Summary

We found that DOI uses various approaches for identifying or requiring processes for developing new programs or revising existing programs. For the programs we evaluated across DOI, we have identified different program planning models. Although the basic structure of the 7-step planning process is similar for each model, we have highlighted the ways in which each program varied the planning process and the unique characteristics of each approach that brought the greatest benefit.

Our evaluation was intended to provide a resource for the Department and bureaus to use when planning new programs or modifying existing programs and may serve as a starting point for such discussions.

Appendix 1: Scope and Methodology

We performed this evaluation in accordance with the Council of Inspectors General on Integrity and Efficiency "Quality Standards for Inspections." We conducted an evaluation to identify the basic elements as well as the different models of program planning used within the U.S. Department of the Interior. The intent of this evaluation is to provide a product that can be used as a planning resource for managers in developing new programs or in revising existing programs.

We focused our evaluation on case studies we performed on five programs and limited our review to programs that were recommended by the bureaus based upon our request to identify programs considered either successful or identified as being new. We did not predefine "success;" rather, we left it to the bureaus for their own interpretation. No attempt was made on our part during the evaluation to determine the relative degree of success or failure of the programs we examined. The programs we evaluated were in varying stages of program planning and implementation.

As part of our evaluation, we:

- Obtained a general understanding of program planning within BIA, BLM, FWS, OSM, and USGS;
- Conducted site visits and interviewed officials from the various DOI bureaus;
- Reviewed documentation and reports internal to the respective bureaus and the sites we visited;
- Performed other work that we considered necessary; and
- Reviewed laws and regulations and Departmental and bureau guidance pertaining to program planning.

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By Mail: U.S. Department of the Interior
Office of Inspector General
Mail Stop 4428 MIB
1849 C Street, NW.
Washington, DC 20240