



STATEMENT
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REGARDING A HEARING ON

“AGENCY APPROACHES TO REORGANIZATION: EXAMINING OMB’S
MEMORANDUM ON THE FEDERAL WORKFORCE.”

BEFORE
THE U.S. HOMELAND SECURITY & GOVERNMENTAL AFFAIRS COMMITTEE,
SUBCOMMITTEE ON REGULATORY AFFAIRS & FEDERAL MANAGEMENT

Thursday, June 15, 2017
Washington, DC

Chairman Lankford, Ranking Member Heitkamp, and distinguished Members of the Committee: It is a great honor and privilege to appear before you today to discuss the Department of Homeland Security's (DHS) plan for advancing our agency's effectiveness, accountability and overall efficiency in order to best protect the homeland and secure our Nation's borders. For over 33 years, I have served the American people—first as an Air Force officer and mobility pilot, and now alongside the men and women of DHS.

DHS's men and women are dedicated professionals who love their country and work tirelessly in support of our mission to safeguard the American people, our homeland, and our values with honor and integrity. I am pleased to appear before you to tell you about the process the Department is using to continue to drive more effective and efficient mission delivery and also continue to work to protect the taxpayer dollar.

Executive Order (EO) 13781 and the amplifying reform memorandum from the Office of Management and Budget (OMB) provide the opportunity for each agency to reconsider and transform the way we do business. For DHS, this means focusing first on effective delivery of mission and mission support, using evidence and engaging employees and stakeholders to identify the issues, and then strategically implementing solutions to institutionalize change.

DHS immediately organized around the EO in consultation with the DHS Deputy's Management Action Group (DMAG) (comprised of Deputy heads of DHS Components and led by the DHS Deputy Secretary), to provide guiding principles for the effort. The Secretary continues to emphasize that to protect the homeland DHS cannot do more with less, therefore the principle focus is on effectiveness first, followed by accountability and efficiency. As a result the Organizational Effectiveness Working Group (OEWG) was established within two weeks of the EO signing. Each Component, Directorate and mission support line of business provided senior executive leadership to the group. The OEWG was challenged by leadership to identify ideas early in the process, ensure DHS core missions are the priority and to think creatively about mission support. This is an opportunity for DHS and the effort should not be constrained by history or current operational or business processes. The Deputy Secretary asked that people think big and small and somewhere in the middle. To do this, the Department is leveraging all of

the resources it has to understand the issues and garner reform concepts, recognizing that sometimes the most innovative ideas come from our employees.

To develop the reform plan, DHS is first looking at the large body of evidence that exists to support a call for change. Within the organization, the OEWG is taking a top-down and bottom-up approach to highlight key issues while OMB has assisted in gathering ideas from the American people. All stakeholder engagement will continue throughout the process, as it is never too late to do business better.

Over the past 14 years, DHS has been studied and evaluated by many credible entities such as the Government Accountability Office, think tanks, universities and more. There is a rich history of organizational change that must necessarily inform future reform. DHS will leverage the body of work available to identify issues, especially those related to duplication, overlap and fragmentation. More broadly, the Department has been working on its third Quadrennial Homeland Security Review and complementary DHS Strategic Plan. The efforts to understand the homeland security enterprise and future environment will be integrated into the OEWG work plan to ensure the goals and objectives of DHS are achieved.

The Department recognizes that there is no one more interested in achieving the goals and objectives of DHS than the individual employee. To this end, DHS is taking a bottom-up approach. The Deputy Secretary has been out on a listening tour, collecting the employees' point of view and specific ideas for improving effectiveness. The OEWG launched a formal questionnaire on the DHS intranet to gather direct feedback from individuals in cooperation with our employee unions. This combined engagement effort has resulted in nearly 2,300 suggestions. At the same time, DHS Component leadership has formally advanced issues for consideration, giving the OEWG a top-down view. Finally, DHS is considering concepts put forward by the public. To date over 31,000 suggestions for DHS have come in through the OMB call for public comment. In order to develop a robust reform plan with all of this information, the OEWG is embarking on a structured assessment methodology, with an emphasis on the longer view.

In the very near term, DHS is working to first identify the specific issues we intend to address through reform. The type of issue will drive the next assessment step. More mature ideas can move to an implementation planning stage while less mature concepts will require in-depth study and analysis in advance of implementation planning. The Department intends to use all analytical tools and data available to explore return on investment, cost effectiveness, customer satisfaction and performance achievement. Ultimately, ideas that ensure the most effective delivery of the DHS mission will be incorporated in the agency reform plan.

To ensure the plan is successful, the Department is designing in an accountability blueprint. Many of the reform concepts apply to a single DHS Component, while others affect multiple Components or the Department as a whole. While we are still in early stages, it may be that the most impactful ideas involve more than one Department and agency. If this is the case, DHS will advance multi-agency ideas to OMB and will work closely with affected agencies and OMB to drive toward a whole of government effectiveness plan over the summer and fall, ultimately to be incorporated in the Fiscal Year 2019 President's Budget request.

Within DHS, the OEWG will identify key Component issues and then work with those Components to form individual Component reform plans to be integrated into the DHS reform plan due to OMB in September. Ideas that impact more than one DHS Component will form the heart of the DHS agency reform plan. The plan will focus DHS efforts on delivering core mission, streamlining mission support, and ensuring that programs are funded and managed by the appropriate party—whether federal, state, local or private sector. Issues will be selected and refined throughout the month of June. In July, more in-depth analysis will be undertaken to directly inform the September plan. If there are elements of the plan that can be immediately implemented, DHS will take swift action to do so. However, it is anticipated that some reform concepts will need to be fully developed over a much longer period of time in close coordination with the customers and stakeholders. The Department intends to capture each concept in the agency reform plan, regardless of its maturity. Throughout the Administration, DHS expects that single Component, cross-Component and cross-agency plans ultimately approved will have regular progress reviews with the Under Secretary for Management, the Deputy Secretary, DMAG and stakeholders.

DHS is responding rapidly to the EO on government reform and is committed to shaping a reform plan based on evidence, innovation and credible input from employees and the American people. The Department wants to ensure that reform concepts can institutionalize ways to be more organizationally effective in delivering our mission. This effort has the commitment of DHS senior leaders today and into the future of the Administration.

In closing, the work the Department has before it is considerable. We have outstanding men and women working at DHS who are committed to protecting our homeland and the American people. You have my commitment to work tirelessly alongside these men and women to study, develop and execute the plans necessary to deliver the mission of homeland security most effectively today and into the future.

Thank you again for the opportunity to appear before you today and for your continued support of DHS. I am committed to working with Congress to advance a sound plan for increasing DHS effectiveness, accountability and efficiency to prevent and combat threats to our Nation.

I am pleased to answer any questions you have for me.