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March 6, 2020

The Honorable Raúl Grijalva
Chairman
Committee on Natural Resources
House of Representatives

BUREAU OF LAND MANAGEMENT: Agency’s Reorganization Efforts Did Not Substantially Address Key Practices for Effective Reforms

Dear Mr. Chairman:

In July 2019, the Secretary of the Interior announced that the majority of Bureau of Land Management (BLM) employees assigned to the agency’s headquarters in Washington, D.C., would be transferred to BLM offices in western states and that a new BLM headquarters would be established in Grand Junction, Colorado. According to BLM’s fiscal year 2020 budget justification, its reorganization is part of the administration’s efforts to reorganize federal agencies. Specifically, in March 2017, the President issued an Executive Order calling for a “Comprehensive Plan for Reorganizing the Executive Branch.”¹ In April 2017, the Office of Management and Budget (OMB) issued a memorandum directing executive branch agencies to submit reform plans to OMB by September 2017 and included detailed guidance on how agencies were to develop these reform plans.²

According to the Department of the Interior’s (Interior) strategic plan, its reform plan—developed in response to the President’s Executive Order—aimed to better enable managers and the workforce in the field to make decisions by realigning Interior bureaus into unified regions, and shifting the workforce closer to field locations, among other things.³ The budget requests for fiscal year 2020 for some Interior bureaus—including BLM, Fish and Wildlife Service, United States Geological Survey, National Park Service, and Bureau of Reclamation—stated that funds were requested to support the Interior reorganization. In addition, the requests submitted in support of the March 2019 budget request for Interior also stated that each of these agencies was assessing what headquarters functions could be delivered more effectively in western states and identifying staff and functions to be relocated.⁴ On May 8, 2019, Interior provided Congress with written notification of its intent to proceed with its reorganization, beginning with the decision to relocate BLM headquarters positions to western states. According to BLM

¹Executive Order No. 13781, *Comprehensive Plan for Reorganizing the Executive Branch*, 82 Fed. Reg. 13959 (Mar. 13, 2017).

²Office of Management and Budget, *Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce*, OMB Memorandum M-17-22 (Washington, D.C.: 2017).

³Department of the Interior, *Strategic Plan for Fiscal Years 2018-2022*. The other bureaus that moved to unified regions are the National Park Service, Fish and Wildlife Service, Bureau of Reclamation, Bureau of Ocean Energy Management, Bureau of Safety and Environmental Enforcement, Office of Surface Mining Reclamation and Enforcement, Office of the Solicitor, and the U.S. Geological Survey. The unified regions became final on August 22, 2018.

⁴Recently-released budget justifications for fiscal year 2021 for these bureaus do not include this language.

documents, more than 300 positions currently performing headquarters duties in the Washington, D.C., area will relocate to western states.

You asked us to review the process BLM used to make decisions about its reorganization. This report examines the extent to which BLM addressed key practices for effective agency reform efforts, including reorganization, in the development of its reform plan.

To determine the extent to which BLM addressed key practices, we assessed BLM's reorganization efforts against relevant key reform practices compiled in our June 2018 report that identified key practices for developing and implementing agency reforms.⁵ The key practices are organized into 12 subcategories. Given that this reorganization involved relocating a large portion of headquarters staff, we focused on the following five subcategories we identified as relevant to relocating employees: (1) establishing goals and outcomes, (2) involving employees and key stakeholders, (3) using data and evidence, (4) managing and monitoring, and (5) strategic workforce planning. We considered key questions associated with each subcategory of key practices and the reorganization efforts BLM had taken to address them based on the evidence available to us as of February 20, 2020. We also consulted prior GAO work that assessed reform efforts at other agencies.⁶

To understand the process BLM used to make decisions and develop its reorganization plan, on December 18, 2019, we requested documents that would describe BLM's decision-making and process, including cost estimates for the reorganization, performance measures for determining whether the goals of the reorganization are being achieved, an implementation plan, and a list of positions and their locations before and after the reorganization. We discussed this document request with Interior attorneys and agency officials. As of February 20, 2020, we reviewed documents responsive to some of our requests, some of which BLM provided in hard copy, and some of which BLM requested we review in person at Interior. We also reviewed publicly available documents, such as the President's fiscal year 2020 budget request and relevant congressional testimony.

We categorized BLM's reorganization-related efforts into three categories: (1) those that substantially addressed the key questions, (2) those that partially addressed the key questions, and (3) those that minimally or did not at all address the key questions. We determined that BLM's efforts substantially addressed a key question if the evidence showed BLM took actions that addressed most or all aspects of the key question. We determined that BLM's efforts partially addressed a key question if the evidence showed BLM took actions that addressed some, but not most, of the aspects of the key question. We determined that BLM's efforts minimally or did not at all address a key question if the evidence showed BLM took no actions to address this key question, or took actions that minimally addressed this key question. Two analysts reviewed the relevant information from each document, and at least one analyst rated each document in one of the categories above, and the other reviewed that rating. The analysts met to reconcile each determination, and a supervisor reviewed their results. As part of our

⁵GAO, *Government Reorganization: Key Questions to Assess Agency Reform Efforts*, [GAO-18-427](#) (Washington, D.C.: June 13, 2018). In this 2018 report, the term "reforms" broadly includes any organizational changes—such as major transformations, mergers, consolidations, and other reorganizations—and efforts to streamline and improve the efficiency and effectiveness of government operations.

⁶For example, we reviewed GAO, *Government Reorganization: Issues to Consider in the Proposed Reorganization of the Office of Personnel Management*, [GAO-19-575T](#) (Washington, D.C.: May 21, 2019).

assessment, we assessed two benefit-cost analyses provided by BLM using GAO's Assessment Methodology for Economic Analysis.⁷

We conducted this performance audit from December 2019 to March 2020 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

About 10,000 BLM employees—97 percent of whom are located in the western United States—manage a portfolio of public lands and resources encompassing more than 245 million surface acres, primarily located in 12 western states. According to its strategic plan, the agency is responsible for managing public lands for a variety of uses—such as energy and mineral development, livestock grazing, recreation, and timber harvesting—while ensuring natural, cultural, and historic resources are maintained for present and future generations. BLM administers its programs through its headquarters office, 12 state offices, 38 district offices, and 127 field offices. BLM headquarters typically develops guidance and regulations for the agency, and the state, district, and field offices generally manage and implement the agency's programs.

As part of its reorganization, BLM moved its headquarters facility from Washington, D.C., to Grand Junction, Colorado. In addition, according to BLM documents, it will relocate most Washington, D.C.-based headquarters staff to BLM offices across the West or to its new headquarters facility in Colorado by July 1, 2020.⁸ According to the most recent available information from BLM as of October 8, 2019, 311 career positions would relocate from Washington, D.C., to the West and 60 would remain in Washington, D.C. Some of the 311 positions moving west would continue to perform headquarters duties (252), while others would be reassigned to state or field office duties (59). Of the 252 positions continuing to perform headquarters duties, 39 would relocate to Grand Junction and 213 would relocate to other state offices, the National Operations Center in Denver, Colorado, or the National Training Center in Phoenix, Arizona.⁹

On September 18, 2019, BLM notified affected staff that their positions would be relocated. On November 12, 2019, BLM sent affected staff memos giving them 30 days to accept or decline their reassignment. If responses were not received within 30 days (by December 12, 2019), it was assumed the staff were declining the reassignment. Those accepting reassignment had an additional 90 calendar days to report to their new duty station. BLM also created a consideration request form intended to allow employees to ask for extension of their scheduled report date. According to agency officials, employees could also use these forms to ask for reassignments to other positions, considerations of other geographic locations, and reasonable accommodations. BLM also helped organize an Interior internal hiring fair with the goal of reassigning affected individuals to Washington, D.C., vacancies within Interior.

⁷GAO, *Assessment Methodology for Economic Analysis*, [GAO-18-151SP](#) (Washington, D.C.: April 10, 2018).

⁸Bureau of Land Management, "Headquarters Move West," accessed January 2, 2020, <https://www.blm.gov/office/national-office/hq-move-west>.

⁹The National Operations Center provides operational and technical program support to BLM in areas such as human resources, information technology, and finance. The National Training Center provides training for BLM employees, partners, and contractors.

According to a BLM document dated January 23, 2020, of the 311 positions moving west, 132 were vacant before the BLM reorganization was announced in July 2019, resulting in 179 staff who needed to relocate.¹⁰ Of these 179 staff, 90 accepted their reassignments; 81 either declined the reassignment or separated from their position between July 2019 and January 23, 2020, creating additional vacancies; and eight staff fell into other categories.¹¹ (See enclosure I for details on the number of positions to remain in Washington, D.C., and the number relocating to Grand Junction or state locations.)

BLM Did Not Substantially Address Key Practices for Effective Agency Reform in Reorganizing

BLM partially addressed key practices for effective agency reform efforts in the areas of establishing goals and outcomes, using data and evidence, managing and monitoring the reforms, and strategic workforce planning according to the documents we reviewed. (See fig. 1.) However, BLM minimally or did not address key practices for involving employees and key stakeholders in the process of developing the reforms.

Figure 1: Assessment of the Extent to Which Plans to Reorganize the BLM Address Subcategories of Key Practices for Agency Reform

Category	Subcategory	Findings
Goals and outcomes of reforms	Establishing goals and outcomes	
Process for developing reforms	Involving employees and key stakeholders	
Process for developing reforms	Using data and evidence	
Implementing the reforms	Managing and monitoring	
Strategically managing the federal workforce	Strategic workforce planning	

- Substantially addressed** – Bureau of Land Management (BLM) took actions that addressed most or all aspects of the key questions in this subcategory.
- Partially addressed** – BLM took actions that addressed some, but not most, of the aspects of the key questions in this subcategory.
- Minimally or not at all addressed** – BLM took no actions to address the key questions in this subcategory, or took actions that minimally addressed these key questions.

Source: GAO analysis of Department of the Interior documents. | GAO-20-397R

Establishing Goals and Outcomes of Reforms





Based on the documents we reviewed, BLM partially addressed key reform practices for establishing goals and outcomes. (See fig. 2.) Specifically, BLM established broad *goals* for the reorganization and considered some of the costs and benefits of relocation, but the agency did not establish *performance measures*, and its analysis of costs and benefits did not include key

¹⁰According to Interior’s 2017 Agency Reform Plan, it conducted a strategic review of the size and location of the workforce and found a large portion of the workforce was concentrated in Washington, D.C., and Denver, Colorado, while Interior had a need for more resources at the field operations level. The plan stated that the department implemented hiring controls in Washington, D.C., and Denver, and prioritized filling field positions.

¹¹As of January 23, 2020, according to BLM, one additional headquarters position was pending a relocation memo, two additional responses to relocation memos were pending, and five additional career senior executive service positions were being moved under a different process.

information. According to a July 16, 2019, Interior letter¹² and congressional testimony,¹³ the goals of the reorganization include delegating more responsibility to the field, maximizing services to the American people, and increasing BLM's presence closest to the resources BLM manages. Interior officials stated that the metrics are the benefits cited in the July letter, such as enhanced management, oversight, and communications; improved customer service; and increased functionality. However, the letter did not explain how BLM would measure these benefits to assess the extent to which they were achieved. We requested information on performance measures, but as of February 20, 2020, BLM had not provided this to us.

Figure 2: Assessment of the Extent to Which Plans to Reorganize the BLM Address Key Questions on Establishing Goals and Outcomes

Category	Subcategory	Key questions	Findings
Goals and outcomes of reforms	Establishing goals and outcomes	<ul style="list-style-type: none"> To what extent has the agency established clear outcome-oriented goals and performance measures for the proposed reforms? To what extent has the agency considered the likely costs and benefits of the proposed reforms? If so, what are they? Has agency leadership defined and articulated a succinct and compelling reason for the reforms (i.e., a case for change)? 	
			<p> Substantially addressed – Bureau of Land Management (BLM) took actions that addressed most or all aspects of the key questions in this subcategory.</p> <p> Partially addressed – BLM took actions that addressed some, but not most, of the aspects of the key questions in this subcategory.</p> <p> Minimally or not at all addressed – BLM took no actions to address the key questions in this subcategory, or took actions that minimally addressed these key questions.</p>

Source: GAO analysis of Department of the Interior documents. | GAO-20-397R

Based on documents we reviewed, BLM considered some *costs and benefits* of the reorganization, but its analyses did not include complete information on assumptions, methodology, and relevant costs. Specifically, BLM developed 5-year and 20-year analyses in which it calculated the cost differential between keeping staff in Washington, D.C., and relocating them to Grand Junction and field locations. However, these analyses did not include justifications or explanations for assumptions made. For example, the analyses assumed a baseline attrition rate of 25 percent for positions slated to be relocated. In addition, BLM did not conduct a sensitivity analysis.¹⁴ These analyses also did not include other costs, such as travel to Washington, D.C., from all the new staff locations, or factors such as the effect of staff relocation on productivity. These additional costs and factors were recognized conceptually in a July 2018 Interior memo, but these details were not included in the quantitative analysis of costs and benefits. As a result, our assessment concluded that this type of information is necessary to fully inform decision makers about the potential costs and benefits of the reorganization.

In making its *case for change*, according to a July 2019 Interior letter, the department states that having senior staff closer to the land they manage would improve decision-making and stakeholder engagement. However, 97 percent of BLM career staff were already located in the field, according to testimony from BLM's Deputy Director of Policy and Programs. Further, according to some stakeholder organizations, the department's case for change is not

¹²On July 16, 2019, the Assistant Secretary of Land and Minerals Management wrote to Senator Murkowski, Chair of the Committee on Appropriations, Subcommittee on Interior and Environment, describing the reorganization plan.

¹³William Perry Pendley, BLM Deputy Director, Policy and Programs, *Oversight: BLM Disorganization: Examining the Proposed Reorganization and Relocation of the Bureau of Land Management Headquarters to Grand Junction, Colorado*, testimony before the House Committee on Natural Resources, 116th Cong., 1st sess., September 10, 2019.

¹⁴Sensitivity analyses reveal how the outcome of the analysis is affected by a change in a single assumption, without which policymakers will not fully understand how much of the result hinges on the specific choices made by the authors of the analysis.

compelling because they believe the reorganization could adversely affect BLM's ability to achieve its mission by, for example, limiting stakeholders' ability to access agency resources and expertise.¹⁵

In addition, in a letter to Interior, 30 former BLM senior executives stated that relocating headquarters-based employees to the field could adversely affect BLM's capacity to perform key functions—for example, by eliminating BLM's participation in the daily legislative, budget, and policy discussions with Interior, the Office of Management and Budget, other agencies, and Congress in Washington, D.C.¹⁶ In response, agency officials said that BLM staff would continue to perform functions in the main Interior building that are inherently located in Washington, D.C., such as budget and legislative affairs.

As we previously reported, a critical first step in the agency reorganization process is to define the benefits of the reorganization and describe how the future will be both different from and better than the past.¹⁷ Our prior work shows that establishing a mission-driven strategy and identifying specific desired outcomes to guide that strategy are critical to achieving intended results.¹⁸ Establishing outcome-oriented performance measures for its reorganization would enhance BLM's ability to assess the effectiveness of its reorganization efforts. Our past work has also found that leadership should articulate a succinct and compelling reason for the reform, as this helps build morale and commitment to the organizational changes.¹⁹

Involving Employees and Key Stakeholders

Based on the documents we reviewed, BLM has minimally or not at all addressed key reform practices for involving and communicating with employees and other key stakeholders. (See fig. 3.) Specifically, BLM provided a February 2019 email that asked the executive leadership team for feedback on which positions BLM should relocate to the West.²⁰ According to BLM's internal website, assistant directors also worked with division chiefs to discuss implementation plans. However, documents we reviewed did not indicate what input the executive leadership team provided, whether BLM considered it, or how BLM used it in formulating reorganization plans. These documents also do not indicate that staff other than the executive leadership team were consulted or *engaged with* during this formulation process.

¹⁵For example, see The Coalition to Protect America's National Parks, *Coalition Joins Partners in Opposition to DOI Reorganization*, August 6, 2019; and the Public Lands Foundation, *Maintaining the Bureau of Land Management Headquarters in Washington, D.C.*, July 2019.

¹⁶*Letter to Secretary of the Interior Bernhardt from Former Career Senior Executives Opposing the Dismantling of the BLM*, September 5, 2019.

¹⁷[GAO-19-575T](#).

¹⁸[GAO-18-427](#).

¹⁹[GAO-19-575T](#).

²⁰BLM's executive leadership team consists of the BLM Director, deputy directors, assistant directors, center directors, and state directors.

Figure 3: Assessment of the Extent to Which Plans to Reorganize the BLM Address Key Questions on Involving Employees and Key Stakeholders

Category	Subcategory	Key questions	Findings
Process for developing reforms	Involving employees and key stakeholders	<ul style="list-style-type: none"> How and to what extent has the agency engaged employees and employee unions in developing the reforms (e.g., through surveys, focus groups) to gain their ownership for the proposed changes? Is there a two-way continuing communications strategy that listens and responds to concerns of employees regarding the effects of potential reforms? How will the agency publicize its reform goals and timeline, and report on its related progress? 	○
		<p>● Substantially addressed – Bureau of Land Management (BLM) took actions that addressed most or all aspects of the key questions in this subcategory.</p> <p>◐ Partially addressed – BLM took actions that addressed some, but not most, of the aspects of the key questions in this subcategory.</p> <p>○ Minimally or not at all addressed – BLM took no actions to address the key questions in this subcategory, or took actions that minimally addressed these key questions.</p>	

Source: GAO analysis of Department of the Interior documents. | GAO-20-397R

According to documents we received from the department, Interior held listening sessions with employees regarding the department-wide reforms, but the documents did not indicate that the BLM relocation was a topic of discussion at these sessions. We requested additional information about the listening sessions or *communications with employees* other than the executive leadership team specifically regarding the BLM reorganization and whether BLM used this information to develop its plan. As of February 20, 2020, BLM had not provided us such information. BLM provided examples of communications with staff, such as emails from the Deputy Director updating staff on the status of relocation memos or providing options for pursuing other positions at Interior or BLM for those who chose not to relocate. However, these communications took place after July 16, 2019, when BLM officially informed Congress of its reorganization plans.

BLM has made some efforts to *publicize* its ongoing reorganization efforts. For example, the publicly available “Headquarters Move West” website contains Frequently Asked Questions with high-level information on the goals of the reorganization, the selection of Grand Junction, and other areas.²¹ Further, the agency issued a press release on November 15, 2019, that shared a goal of the reorganization.²² However, some information provided publicly has, at times, included conflicting information about the end date of the reorganization. For example, BLM’s relocation website publicly listed the goals of the reorganization and a beginning and end date.²³ The website states the relocation will be complete by July 1, 2020, which conflicts with Interior’s July letter stating the relocation will be complete by the end of calendar year 2020. In late February, Interior clarified to us that the headquarters relocation to Grand Junction would be completed by July 1, 2020, and BLM’s entire move west would be completed at the end of calendar year 2020, when the lease expires on its M Street office location in Washington, D.C. However, the distinction between BLM’s headquarters relocation and its entire move west was not clear in the documents we reviewed.

Our prior work has shown that it is important for agencies to directly and continuously involve their employees and other key stakeholders in the development of any major reforms and that involving employees and other stakeholders helps facilitate the development of reform goals and objectives, as well as incorporating insights from a frontline perspective, and increases

²¹Bureau of Land Management, “Headquarters Move West.”

²²Bureau of Land Management, “In Case You Missed It: BLM Leader Touts Benefits of Agency’s Headquarters Relocation to West,” press release, November 15, 2019.


²³Bureau of Land Management, “Headquarters Move West.”

acceptance of any changes.²⁴ Employee involvement strengthens the process and allows them to share their experiences and shape policies. Involving employees also helps gain their ownership for the reform.²⁵

Using Data and Evidence to Develop Reforms

Based on the documents we reviewed, BLM partially addressed key reform practices for using data and evidence when developing reforms. (See fig. 4.) Specifically, in a draft white paper on the relocation of BLM’s headquarters to the West, dated May 16, 2019, BLM presented *data and evidence* on leasing rates, demographics, and lifestyle attributes in Washington, D.C., and four western locations. The white paper generally, but not always, included sources for the data it presented. However, it did not describe a methodology for choosing a location for BLM’s new headquarters. For example, it did not explain how information would be evaluated or how BLM would rank factors to select the preferred location. The white paper also noted BLM was working with Interior’s Office of Policy, Management, and Budget to create a report that analyzes the most suitable location for a western headquarters. However, as of February 20, 2020, BLM had not provided us such a report. Other documents included some discussion of potential costs and benefits but noted that more analysis was needed to make a determination. We requested this information, but as of February 20, 2020, BLM had not provided it to us.

Figure 4: Assessment of the Extent to Which Plans to Reorganize the BLM Address Key Questions on Using Data and Evidence When Developing Reforms

Category	Subcategory	Key questions	Findings
Process for developing reforms	Using data and evidence	<ul style="list-style-type: none"> What data and evidence has the agency used to develop and justify its proposed reforms? How has the agency determined that the evidence contained sufficiently reliable data to support a business case or cost-benefit analysis of the reforms? 	
		<ul style="list-style-type: none"> Substantially addressed – Bureau of Land Management (BLM) took actions that addressed most or all aspects of the key questions in this subcategory. Partially addressed – BLM took actions that addressed some, but not most, of the aspects of the key questions in this subcategory. Minimally or not at all addressed – BLM took no actions to address the key questions in this subcategory, or took actions that minimally addressed these key questions. 	

Source: GAO analysis of Department of the Interior documents. | GAO-20-397R

BLM documents we reviewed included a list of existing and proposed locations for all staff performing headquarters duties and justifications for their relocation. However, the justifications were described in general terms and in most cases did not explain a specific rationale for relocating each position. Specifically, in some cases all positions in a division within BLM had the same justification, regardless of the position title or the new location selected. These justifications included general statements about moving a position west, noting, for example, increased opportunities for face-to-face communication with staff and stakeholders and the opportunity for program-level positions to help field staff implement policies. As previously discussed, BLM developed benefit-cost analyses, but they did not contain complete information, such as the cost of travel to Washington, D.C., from all the new staff locations, or factors such as the effect of staff relocation on productivity. Further, BLM had not provided information on whether it determined that the data it used to support its benefit-cost analyses were *sufficiently reliable*.

²⁴GAO-18-427.

²⁵GAO, *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*, GAO-03-669 (Washington, D.C.: July 2, 2003).

We have previously reported that successful reforms require an approach that is built on the use of data and evidence.²⁶ This prior work has shown that agencies are better equipped to address management and performance challenges when managers effectively use data and evidence, such as from program evaluations and performance data that provide information on how well a program or agency is achieving its goals. When reforming a given program, the use of data and evidence is critical in setting program priorities, allocating resources, taking corrective action, and solving performance problems and ultimately improving results. For example, our September 2017 report on managing for results found that expanded use of data-driven reviews could help agencies better achieve desired results.²⁷

Managing and Monitoring Reorganization Efforts





Based on the documents we reviewed, BLM partially addressed key reform practices to manage and monitor reorganization efforts. (See fig. 5.) Specifically, BLM developed a plan and a timeline to address vacancies by identifying employees to serve as backups for vacant leadership positions and by planning to hire to fill vacancies at all levels, according to agency documents. Such steps were intended to help ensure *continued delivery of headquarters-related services* during the reorganization.²⁸ We requested a copy of BLM's *implementation plan with planned milestones or deliverables* to track progress of other efforts leading up to the completion of the BLM reorganization. Interior officials told us the July 16, 2019, letter was their implementation plan. The letter contains high-level goals and a preliminary list of locations to which staff would relocate, but it does not include key milestones or metrics against which to assess progress. For example, the letter states that the reorganization will take place by the end of calendar year 2020, but does not include any interim milestones or deliverables. Furthermore, in a letter to Congress, the agency indicated that it intended to have a project manager oversee the relocation to minimize disruptions. As of February 20, 2020, the agency had not provided information on whether it had named one. In addition, BLM has not *ensured transparency* of its efforts by publicly reporting on implementation progress. As previously discussed, the agency created the "Headquarters Move West" website, which provides some information to the public on the reorganization, but does not provide key milestones.

²⁶[GAO-18-427](#).

²⁷GAO, *Managing for Results: Further Progress Made in Implementing the GPRA Modernization Act, but Additional Actions Needed to Address Pressing Governance Challenges*, [GAO-17-775](#) (Washington, D.C.: Sept. 29, 2017).

²⁸We found some evidence of disruption to BLM's services. Specifically, in the course of our other work reviewing other BLM programs, an Interior official asked us to suspend all our BLM-related oil and gas management engagements for 6 months because the high turnover rate would prohibit BLM from responding to our requests for information and data. A BLM official told us they needed additional time to respond to our inquiries due to staffing changes from the relocation.

Figure 5: Assessment of the Extent to Which Plans to Reorganize the BLM Address Key Questions on Managing and Monitoring Reforms

Category	Subcategory	Key questions	Findings
Implementing the reforms	Managing and monitoring	<ul style="list-style-type: none"> How has the agency ensured their continued delivery of services during reform implementation? What implementation goals and a timeline have been set to build momentum and show progress for the reforms? In other words, has the agency developed an implementation plan with key milestones and deliverables to track implementation progress? Has the agency ensured transparency over the progress of its reform efforts through web-based reporting on key milestones? 	
<p>  Substantially addressed – Bureau of Land Management (BLM) took actions that addressed most or all aspects of the key questions in this subcategory. </p> <p>  Partially addressed – BLM took actions that addressed some, but not most, of the aspects of the key questions in this subcategory. </p> <p>  Minimally or not at all addressed – BLM took no actions to address the key questions in this subcategory, or took actions that minimally addressed these key questions. </p>			

Source: GAO analysis of Department of the Interior documents. | GAO-20-397R

We have previously reported that incorporating change management practices improves the likelihood of successful reforms.²⁹ For example, we discussed steps that can be taken by leadership to help ensure continued delivery of services, such as issuing updated guidance as a reform gets under way to provide clarity to employees.³⁰ In addition, we have previously reported that organizational transformations must be carefully and closely managed by developing an implementation plan with key milestones and deliverables to track and communicate implementation progress, among other actions.³¹ Finally, our prior work also shows that fully implementing major transformations can span several years and must be carefully and closely managed.³² An implementation plan with key milestones and deliverables would help BLM ensure that it is tracking and communicating its progress.

Strategic Workforce Planning

Based on the documents we reviewed, BLM partially addressed key reform practices for strategic workforce planning. (See fig. 6.) Specifically, BLM identified backup employees for leadership positions that were vacant during the reorganization. BLM also considered which vacancies were most important to fill and identified ways to spread the hiring efforts across available human resources offices. These efforts partially addressed *succession planning* but did not address strategies to recruit applicants for these vacant positions. We requested *assessments of the expected effects of the reorganization on the current and future workforce*, but as of February 20, 2020, the agency had not provided documents or analysis to demonstrate how the proposed reorganization would affect the workforce, including the retention of current staff.


²⁹GAO-18-427.

³⁰GAO-03-669.

³¹GAO-19-575T.

³²GAO-18-427.

Figure 6: Assessment of the Extent to Which Plans to Reorganize the BLM Address Key Questions on Strategic Workforce Planning

Category	Subcategory	Key questions	Findings
Strategically managing the federal workforce	Strategic workforce planning	<ul style="list-style-type: none"> • How has the agency assessed the effects of the proposed agency reforms on the current and future workforce and what does that assessment show? • What succession planning has the agency developed and implemented for leadership and other key positions in areas critical to reforms and mission accomplishment? • To what extent have the reforms included important practices for effective recruitment and hiring such as customized strategies to recruit highly specialized and hard-to-fill positions? 	
		<p> ● Substantially addressed – Bureau of Land Management (BLM) took actions that addressed most or all aspects of the key questions in this subcategory. ◐ Partially addressed – BLM took actions that addressed some, but not most, of the aspects of the key questions in this subcategory. ○ Minimally or not at all addressed – BLM took no actions to address the key questions in this subcategory, or took actions that minimally addressed these key questions. </p>	

Source: GAO analysis of Department of the Interior documents. | GAO-20-397R

In a September 10, 2019, congressional hearing, BLM’s Deputy Director of Policy and Programs said BLM did not conduct an analysis on how the move might affect attrition but assumed that attrition would mirror historical retirement rates. As of February 20, 2020, the agency had not provided us an analysis estimating the percentage of staff who would choose not to relocate or other explanations to support its statements on attrition.

In addition, we requested information on any special *recruitment strategies* BLM developed, but as of February 20, 2020, the agency had not provided us with its plans for recruiting. Broadly, in documents such as Interior’s reform plan and the May 2019 draft white paper, the agency stated that it would be easier to recruit and retain employees in smaller cities because they have a better quality of life than in larger cities, but BLM did not provide additional analysis to support this, such as employees’ views or recruitment and retention data. BLM took some steps to retain staff but did not take steps to address recruitment. For example, according to the relocation memo provided to staff on November 12, 2019, those accepting reassignment were eligible for a one-time relocation incentive of 25 percent of basic pay, which may help BLM retain qualified staff.

Strategic workforce planning should precede any staff realignments or downsizing, so that changed staff levels do not inadvertently produce skills gaps or other adverse effects that could result in increased use of overtime and contracting.³³ Since 2011, Interior’s management of federal oil and gas resources has been on our list of program areas that are at high risk, partly because of human capital challenges. Our 2019 update on high-risk areas found that Interior continues to experience problems hiring, training, and retaining sufficient staff to oversee and manage oil and gas operations on federal lands and waters.³⁴ Our prior work has shown that if turnover is not strategically managed and monitored and succession plans are not in place, gaps can develop in an agency’s institutional knowledge and leadership as experienced employees leave.³⁵ By undertaking additional strategic workforce planning, the agency would be better positioned to successfully implement the reorganization and ensure continued delivery of services.

³³GAO-18-427.

³⁴GAO, *High-Risk Series: Substantial Efforts Needed to Achieve Greater Progress on High-Risk Areas*, GAO-19-157SP (Washington, D.C., Mar. 6, 2019).

³⁵GAO, *Federal Workforce: OPM and Agencies Need to Strengthen Efforts to Identify and Close Mission-Critical Skills Gaps*, GAO-15-223 (Washington, D.C., Jan. 30, 2015).

Conclusions

As part of Interior reform efforts, BLM is relocating more than 300 positions from the Washington, D.C., area to BLM state offices across the West or to its new headquarters facility in Colorado. In developing its plan, BLM has not substantially followed key practices for effective agency reforms relevant to relocating employees. Since the relocation decisions have already been made, the opportunity to improve BLM's efforts for certain subcategories is limited; however, for three subcategories, improvement remains possible. First, BLM established broad goals for the reorganization but did not establish outcome-oriented performance measures. Establishing outcome-oriented performance measures for its reorganization would enhance BLM's ability to assess the effectiveness of its efforts. Second, the agency has not developed an implementation plan that includes key milestones to help demonstrate progress. Such an implementation plan would help BLM ensure that milestones and deliverables are being tracked and communicated. Third, BLM has not completed a strategic workforce plan that demonstrates how it will recruit for and fill vacant positions resulting from the relocation. By adopting relevant key practices as part of its reorganization effort and undertaking strategic workforce planning, the agency would be better positioned to successfully implement the reorganization and ensure continued delivery of services.

Although BLM's reorganization is well under way, as Interior considers pursuing reorganizations of its other bureaus, the department has an opportunity to apply key practices for effective agency reforms to better enable it to achieve progress toward its reform goals. Adopting effective practices for agency reform will help ensure that any future bureau reorganizations are well positioned to achieve intended reform goals and that the bureaus continue to deliver valuable services to the taxpayer.

Recommendations for Executive Action

We are making a total of four recommendations, including three to BLM and one to Interior:

The Director of BLM should establish outcome-oriented performance measures to assess the effectiveness of the reorganization. (Recommendation 1)

The Director of BLM should develop an implementation plan for the reorganization that includes milestones and deliverables to track and communicate implementation progress. (Recommendation 2)

The Director of BLM should complete a strategic workforce plan that addresses how it will recruit for and fill vacant positions resulting from the relocations. (Recommendation 3)

The Secretary of the Interior should ensure its bureau leadership incorporates key practices for effective agency reforms prior to implementing reorganization activities at other Interior bureaus. (Recommendation 4)

Agency Comments and Our Evaluation

We provided a draft of this report to Interior for review and comment. We received written comments, reprinted in enclosure II. Interior also provided technical comments, which we incorporated as appropriate.

In its written comments, Interior neither agreed nor disagreed with our four recommendations.

In response to our first recommendation, Interior stated that BLM had developed outcome-oriented performance measures, but the department agreed to take our recommendation to develop such measures under consideration. BLM did not provide information on performance measures associated with its reorganization goals during the course of our review or in response to our draft. Establishing outcome-oriented performance measures for its reorganization would enhance BLM's ability to assess the effectiveness of its efforts.

In response to our second recommendation, the department stated that BLM had set forth steps and key milestones and would continue to report on its progress in meeting key milestones and implementing reforms. As discussed, the document BLM provided as its implementation plan—the July 2019 letter to Congress—did not contain milestones or metrics against which to assess progress. We continue to believe that an implementation plan with key milestones and deliverables would help BLM ensure that it is tracking and communicating progress, as we recommended.

In response to our third recommendation, the department stated that BLM has a comprehensive recruitment process under way to fill vacant positions. As discussed in the report, BLM had 132 vacant headquarters positions before the BLM reorganization was announced in July 2019, and 81 staff either turned down the reassignment or separated from their position between July 2019 and January 23, 2020, creating additional vacancies. By undertaking strategic workforce planning, the agency would be better positioned to ensure continued delivery of services and fill existing vacancies.

In response to our fourth recommendation that Interior should ensure its bureau leadership incorporates key practices for effective agency reforms prior to implementing reorganization activities at other Interior bureaus, the department stated that it would take this into consideration. Successful agency reforms depend upon implementing change management practices as discussed in this report. Any future reform efforts should be executed in a thoughtful, transparent way and consistent with leading practices.

The department made two additional comments on our report. First, it disagreed with our assessment regarding BLM's involvement of employees and stakeholders. We agree that documents BLM provided in response to our draft report indicate that the agency invited staff to an "all employee meeting" in December 2017 where a potential BLM move could be one of several topics. However, in the documents Interior provided, we saw no evidence that staff views, other than those of the executive leadership team, were sought prior to making the decision. According to key practices, Interior's engagement with staff should have included efforts such as surveys or focus groups to gain employee ownership for the proposed changes and included a two-way communications strategy to listen to and address employee concerns rather than simply informing employees of decisions.

Second, the department suggested that the efforts we reviewed did not constitute a reorganization or reform and therefore should not be evaluated as such. However, BLM explicitly refers to these efforts as a reorganization. Specifically, in the July 16, 2019, letter to Congress, the Assistant Secretary of Land and Minerals Management referred to the changes at BLM as a "realignment" and a "meaningful reorganization," noting that "a meaningful reorganization is not simply about where functions are performed; rather, it is rooted in how changes will better satisfy the needs of the American people." This is consistent with key practices for effective agency reform, which state that "reforming and reorganizing the federal government is a major endeavor that can include refocusing, realigning, or enhancing agency missions, as well as taking steps to improve services by identifying and eliminating

inefficiencies.” In addition, the stated goals of the reorganization—delegating more responsibility to the field, maximizing services to the American people, and increasing BLM’s presence closest to the resources BLM staff manage—are encompassed in our definitions of reforming and reorganizing the federal government. Finally, documents BLM provided to us include information on positions being reassigned to state or field office duties. These positions will no longer perform their headquarters duties and will see a change in reporting structure.

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We are sending copies of this report to the appropriate congressional committees, the Secretary of the Interior, and other interested parties. In addition, the report is available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff members have any questions concerning this report, please contact us at (202) 512-3841, fennella@gao.gov, or ruscof@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report were Janice Ceperich and Elizabeth Erdmann (Assistant Directors), Marietta Mayfield Revesz (Analyst in Charge), Pedro Almoguera, Jaci Evans, Wil Gerard, Cindy Gilbert, Gwen Kirby, and Dan Royer. Other significant contributors include Sarah Veale and Peter Beck.

Sincerely yours,



Anne-Marie Fennell
Director, Natural Resources and Environment



Frank Rusco
Director, Natural Resources and Environment

Enclosures – 2

Enclosure I

Some of the 311 Bureau of Land Management career positions relocating to the West would continue to perform headquarters duties (252), while others would be reassigned to state office duties (59). Table 1 shows the planned locations of the 252 positions that will continue to perform headquarters duties under the agency’s reorganization plan, according to the Bureau of Land Management as of October 8, 2019.

Table 1: Planned Locations for Positions Continuing to Perform Headquarters Duties under the Bureau of Land Management Reorganization

	D.C. ^a	CO HQ ^b	AK	AZ	CA	CO	ES ^c	ID	MT	NV	NM	OR	UT	WY	Total relocating outside of Washington, D.C., by directorate
Director’s staff	6	10	—	5	—	—	—	1	—	—	—	—	—	—	16
Law enforcement and security	1	3	—	—	—	—	—	—	—	—	—	—	—	—	3
Resources and planning	2	3	—	1	—	26	—	14	—	5	—	2	8	—	59
Energy, minerals, and realty management	3	4	—	2	7	4	—	—	—	12	19	—	3	6	57
National conservation lands and community partnerships	1	3	—	—	—	2	—	—	—	8	13	—	9	—	35
Communications	25	7	—	—	3	2	—	—	—	3	—	—	9	—	24
Human capital management	1	4	—	22	—	—	—	—	—	—	—	—	—	—	26
Business, fiscal, and information resources management	21	5	—	—	—	24	—	—	—	1	—	—	2	—	32
Total by location	60	39	0	30	10	58	0	15	0	29	32	2	31	6	252

Source: GAO presentation of Bureau of Land Management information as of October 8, 2019 | GAO-20-397R

Legend: — indicates that no employees are affected.

Notes: State abbreviations refer to Bureau of Land Management field locations in these states.

^aMain Department of the Interior Building location in Washington, D.C.

^bGrand Junction, Colorado, headquarters

^cEastern States Office, which covers the 31 states east of and bordering the Mississippi River. This office is located in Washington, D.C., as of February 19, 2020, but will be moved to Falls Church, Virginia, under the reorganization.

Comments from U.S. Department of the Interior



United States Department of the Interior
BUREAU OF LAND MANAGEMENT
Washington, D.C. 20240
<http://www.blm.gov>



FEB 28 2020

Ms. Anne-Marie Fennell
Director, Natural Resources and Environment
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Ms. Fennell:

Thank you for providing the U.S. Department of the Interior (Department) the opportunity to review and comment on the draft Government Accountability Office (GAO) report entitled, *Bureau of Land Management: Agency's Reorganization Efforts Did Not Substantially Address Selected Key Practices for Effective Reforms* (GAO-20-397R).

We are pleased that the report recognizes the work of the Bureau of Land Management (BLM) as it finalized the relocation of the BLM headquarters and continues to complete the movement of associated positions to the West. This includes BLM's work to establish goals and outcomes for the initiative, the use of data and evidence to inform its decision, the various steps taken to manage and monitor the process of the relocation, and the measures adopted to ensure strategic workforce management.

We disagree with your assessment of BLM's involvement of employees and stakeholders and believe it should reflect the early and genuine involvement of multiple rungs of BLM management over several months, all of which comprised a key part of the BLM's analysis. From Assistant Directors to Division Chiefs, Branch Chiefs, and necessary support staff, the level of involvement and awareness of the process was not insignificant. As noted in the draft report, the BLM executive leadership team's Assistant Directors coordinated with Division Chiefs as the relocation plans were formulated. The Division Chiefs, and to varying degrees Branch Chiefs, provided meaningful input into the type of functions that each position fulfilled, whether they were primarily headquarters or field functions, and whether they were intrinsically tied to the Washington, D.C. geographic area. The BLM executive leadership team then engaged in a back and forth dialogue as the determinations were made regarding each position's functions, whether each position was primarily headquarters or field, and what would be the best geographic location for the position in the West. At the same time, BLM State Directors were also involved.

The draft report criticizes how BLM management undertook this process because documents reviewed "did not indicate what input the executive leadership team provided, whether it was considered, or how it was used in formulating reorganization plans." Due to the timeframe driving your report, we tried to meet your compressed schedules and supply relevant

information. This includes the July 16 letter to Congress that, among other things describes the rationales for moving positions to BLM locations in the West, rather than multiple versions of draft internal documents.

Similarly, the draft report notes that the documents reviewed did not indicate that the BLM relocation was a topic of discussion during listening sessions regarding the department-wide reforms. Yet, multiple meetings were held with employees of the Department and stakeholders at which time the possibility of the move West was publicly known and the key goal of moving employees closer to the lands they manage was well understood.

Finally, the draft report uses “reorganization, relocation, and reform” interchangeably. These terms are not interchangeable. The policy decision to move the BLM headquarters and positions West is a relocation of positions not a reorganization. It is not an effort to reform the BLM or to change the BLM’s important multiple-use mission managing 245 million acres of our nation’s public lands—99.97% of which are located in the American West. Rather, it is a commonsense relocation of top decisionmakers and senior personnel closer to the lands they manage in the West. This move will serve the bureau, its employees, and the American public better. Applying key questions developed for actions different from those being undertaken by the BLM, as you did, results in an imprecise comparison by the GAO.

Moreover, relocating BLM headquarters and positions to the West does not involve any reduction in force activities. As a relocation rather than a reorganization, the BLM is moving existing positions to several new areas in the West. This effort does not include workforce restructuring or eliminating encumbered positions. Instead, the BLM is filling positions that have remain unfilled, in some cases, for years. Meanwhile, the Bureau has worked assiduously to minimize the impact to affected employees by offering relocation bonuses and Permanent Change of Station benefits and has mobilized human resources officers from across the nation to come to Washington, D.C., to work one-on-one with employees to manage the relocation process. In the handful of cases where employees declined to move West with the relocation, the agency is working to find new positions for them within the Department of the Interior or other federal employment opportunities in the Washington metro area.

The GAO issued four recommendations to the Department as part of its overall findings. Below is a summary of actions taken or planned to implement the recommendations.

Recommendation 1: The Director of Bureau of Land Management should establish outcome-oriented performance measures to assess the effectiveness of the reorganization.

Response: The BLM has developed outcome-oriented performance measures, but will take this under consideration and follow through as appropriate.

Recommendation 2: The Director of Bureau of Land Management should develop an implementation plan for the reorganization that includes milestones and deliverables to track and communicate implementation progress.

Response: The BLM has set forth the steps and key milestones and will continue to report on its progress in meeting key milestones and implementation progress.

Recommendation 3: The Director of Bureau of Land Management should complete a strategic workforce plan that addresses how it will recruit for and fill vacant positions resulting from the relocations.


Response: BLM has a comprehensive recruitment process underway.

Recommendation 4: The Secretary of the Interior should ensure its bureau leadership incorporates key practices for effective agency reforms prior to implementing reorganization activities at other Interior bureaus.

Response: The Department will take this recommendation under consideration.

If you have any questions, or need additional information, please contact Ms. Nancy Thomas at (202) 208-7954.

Sincerely,



William Perry Pendley,
Deputy Director, Policy and Programs

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