

Proactively and Positively Managing Organizational Change During Regional Restructuring

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Issue:

During the past year, the USGS has been developing and evaluating options for changing its current regional structure. The impetus for this change includes both internal and external stakeholder input which indicates that the Survey needs to enhance its presence on the landscape, ability to partner with others, ability to set bureau-wide priorities, and capacity for integrated science. (See Attachment 1, Framework for Regional Restructuring.) Simultaneously, an Organizational Excellence (OE) Model (Attachment 2) has been developed as a systems approach to planning and implementing organizational change. The OE Model uses the critical role of leadership and management as the foundation upon which our people, processes and structure are aligned so that the USGS can most effectively develop and deliver science.

An issue the USGS faces in the regional restructuring is how to manage the change proactively and positively in a way that engages both employees and stakeholders. The changes associated with the proposed restructuring offer us a valuable opportunity to use the OE Model to manage the change and ensure that the implementation of the restructuring includes and aligns the full range of factors that will impact science outcomes and organizational excellence. Our hypothesis is that using the OE Model to help guide this change will result in the most effective transformation of the USGS to meet the goals for the restructuring.

Background:

Goals of the Regional Restructuring. In 2004, Director Groat determined that changes needed to be made in the existing USGS regional structure. Based on internal and external feedback, he proposed structural and role changes in the regions. The goals of the proposed changes are:

- strengthening of USGS science for meeting the future challenge of addressing complex issues;
- mission-driven facilitation of interdisciplinary science and science delivery;
- enhanced partnerships and collaboration;
- stronger DOI linkage on the landscape;
- better use of executive skills and human capital; and
- clearer accountability and bureau representation in the regions.

Regional leaders have emphasized to the Director that, during this change, the USGS must: (1) build on the success of the regions in developing partnerships, particularly

with other DOI bureaus, (2) remain responsive and relevant to current and future science, business and customer needs, (3) ensure collaborative regional to national science planning, (4) facilitate reimbursable program development and execution, (5) effectively bring together our 4 business models, (6) maintain nationally consistent standards of quality and deliverability, (7) incorporate other on-going change efforts effectively, (8) enforce executive accountability, (9) avoid creating new stovepipes and (10) avoid duplication and addition of staff.

Use of the OE Model in the Restructuring. The decision to use the OE Model as a framework for managing the regional restructuring was influenced by a recognition that similar change efforts in other agencies (and some past change efforts in the USGS) have been less than effective due, in large part, to a failure to manage the people, communication, and leadership aspects of moving to a new design. For example, a post-implementation review (Attachment 3) of the Fish and Wildlife Service's (FWS) 1994 organizational change showed that employees had little or no involvement in events leading up to the change, information about the change was inadequately communicated to employees, and managers were not held accountable for actions associated with the change.

A number of steps have already been taken to address change management issues in the USGS regional restructuring (and, hopefully, avoid the pitfalls experienced by FWS). The Office of Communications developed a draft Communications Plan (Attachment 4) for communicating with employees and external stakeholders before, during, and after the change. Members of the Human Resources (HR) Office and Office of Employee Development (OED) interviewed a sample of 16 senior leaders about the restructuring to get their feedback on the challenges and benefits of the change, along with their suggestions regarding specific actions that should be taken to make the restructuring successful (Attachment 5). Based on these interviews, HR and OED have made recommendations for implementing the restructuring (Attachment 6) that address the people, leadership, and process aspects of the change. In a similar effort, Paul Young, a Leadership 201 graduate in the Eastern Region, interviewed Eastern Region senior leaders about what is being done and should be done to help employees through the changes associated with regional restructuring. Results of those interviews are provided in Attachment 7.

Challenge:

While the USGS is awaiting final Department of the Interior (DOI) review and approval of the new regional structure, we believe it is important to address and prepare for the fundamental issues of change. We would like the Action Learning Team to work at a level of thinking that reaches beyond proposed organization charts and maps. Specifically, we ask you to focus on the people and leadership challenges that are associated with this and any other major restructuring effort.

Drawing on the background materials provided, your own experience, and your learnings from the leadership program, please make recommendations on how the

USGS should manage the people and leadership aspects of the change in order to achieve the science outcomes the USGS is seeking, engage employees and external stakeholders, and avoid the pitfalls experienced by the FWS in its 1994 organizational change.

As part of your recommendations, please address the following questions:

- Using the OE model as a guide, what are the highest priority actions that must be taken in the people and leadership elements of the model to ensure success of the organizational change? By whom must these actions be taken?
- How can the USGS best engage employees and external stakeholders to encourage their commitment to the change?
- What are the criteria for evaluating success in addressing the people and leadership challenges associated with the regional restructuring?
- How can the USGS best use the OE Model as a basis for managing the change associated with regional restructuring as we move into implementation? How can we strengthen the OE Model approach? Are there any gaps?

Your findings and recommendations in response to these questions will provide valuable insight and ideas that can help USGS senior leaders manage the change in a way that engages employees and stakeholders and enhances the ability of the USGS to develop and deliver science to its customers.

Background Materials:

Attachment 1 – Framework for Regional Restructuring

Attachment 2 – Organizational Excellence Model, Explanation, and Descriptions

Attachment 3 – US Fish and Wildlife Service Ecosystem Approach to Fish and Wildlife Conservation

Attachment 4 – Regional Restructuring Communication Plan

Attachment 5 – Interim Report: Manager Interviews Regarding Regional Restructuring

Attachment 6 – Change Recommendations

Attachment 7 – Results of Interviews with Eastern Region Managers

ATTACHMENT 1 - Framework for Regional Restructuring

Impetus for Change

Response to internal and external stakeholders' input

Internal – Organizational Assessment Survey, Director/Deputy Director's meetings with Cost Center Managers and Regional Executives

External – Director's Listening Sessions, Regional Stakeholder Meetings.

External – National Research Council Bureau-level Review of USGS (2001)

Major Recommendations:

- “To achieve its mission goals, USGS will have to strengthen coordination and collaboration with other federal agencies, states, academia, and industry. At present USGS insufficiently engages potential partners, especially related federal agencies whose work can enhance USGS ability to achieve its mission objectives
- USGS should develop a more effective process to assess and prioritize customer needs
- USGS should place more emphasis on multi-scale, multidisciplinary, integrative projects that address priorities of national scale”

National Research Council Recent Reviews of 7 Specific USGS Programs *

Recommendations Cited in every Review:

- 1) Improve external communication and collaboration and enhance partnerships
- 2) Increase interdisciplinary and integrated studies
- 3) Increase ability to access a diverse set of expertise
- 4) Take a systems science perspective

* 7 Programs reviewed:

Water Resources Discipline – Research (2004), Mineral Resources Program, Geologic Discipline (2003), Geography Research (2002), Volcano Hazards Program, Geologic Discipline (2002), Water Use Program (2002), Coastal and Marine Geology Program, Geologic Discipline (1999), Energy Resources Program, Geologic Discipline (1999)

National Academy of Sciences Report “Facilitating Interdisciplinary Research” (2004)

“There is an evolution in modern research toward greater complexity....If a disjunction exists between how science naturally moves and how various structures hold it back, the task is to mend it.....Researchers need organizational and career structures that are suitably flexible and carefully designed to support this trend”

Goal for Regional Restructuring

The Acting Director's stated goal of regional restructuring is to increase USGS presence on the landscape for enhancing science and partnerships with other DOI Bureaus, local and regional agencies and increase opportunities for interdisciplinary USGS science products and services.

Vision of Executive Leadership

Collectively, the USGS Executive Leadership has determined that their vision for this restructuring is that it should **preserve** USGS science excellence, relevance and credibility. It should **enhance** partnerships, stakeholder support and relationships with DOI Bureaus. It should **create** new science opportunities and partnerships.

Trend of Recent Change

The currently proposed change is seen to be part of a continuum of change occurring over the last 6 or 7 years as outlined in the following table:

MOVING FROM.....	GOING TO.....
Culture and mindset of discipline-based science	Focus on issue-based, multidisciplinary natural science
Traditional earth science disciplines	Non traditional disciplines
Executives with single discipline focus, accountability, representation	Executives with multidisciplinary focus, accountability, representation
Limited distribution on the landscape	Greater proximity to customers; enhanced partnerships
Structure and leadership distinct from other DOI Bureaus	Greater alignment with other DOI Bureaus
Science activity focus	Science product and information delivery focus; real-time
Multiple diverse business models	Business models with more commonality

Guiding Principles for Change

Science

Enhance interdisciplinary science, bringing the full breadth and scope of USGS science to an issue while preserving and enhancing the value, impact and relevancy of discipline specific and field based science. Engage in more regional opportunities that allow increased integration of work in order to deliver science that addresses societal needs and local problems.

Customer Engagement

Improve customer engagement at the regional level in support of DOI agencies and issues. Focus on developing relationships with Federal, state, local and NGO organizations for effective decision-making.

Leadership and Accountability

Hold senior management accountable for achieving Bureau and Region goals, including all applicable PART and GPRA measures, and for active and positive participation in restructure implementation activities. Simplify reporting relationships to improve authority and role clarity, internally and externally. Constructively engage staff in understanding the change and seeing new opportunities for career development, professional growth and learning, and conducting new collaborative science. Establish interdisciplinary executive leadership to build science program and representation on the landscape to enhance partnerships.

Communication

Foster effective communication with stakeholders and clarify Bureau representation. Communicate within Bureau throughout implementation to avoid barriers to success encountered by other DOI Bureaus that have attempted similar reorganizations in the past.

Cost-savings

Achieve cost savings while maintaining product/service quality and timeliness of delivery. Reduce regional-level staffing costs and implement a management structure that matches our mission and fits the size of our workforce.

Nature of Meaningful change

- Change has to be real, not nominal, and for a compelling reason easily understood by all, not change for change's sake.
- Change must be viewed from a field and customer perspective. It must make things better for Science Centers and customers before being better for Headquarters.
- Organizational design cannot be set around support functions, but must start with enhancing our science.
- Our keystone commitment is to envision the future from a position of trust and mutual respect, not suspicion. As one Senior Manager said, "We don't want to spend more in overhead because we don't trust each other."

Key Design Requirements and Qualifiers

- This is first and foremost a science design exercise, with streamlining and cost savings determined where possible. We need a management structure that allows us to bring more value to science because it best matches and supports our mission and fits the size of our workforce.
- Leadership needs to be present on the landscape not located somewhere else.

- Design should be as simple and straightforward as possible – clear roles with minimum of overlap and assume a culture of doing, rather than having a number of staff checking the work of others.
- Emphasis is on the fit of the proposed design for our science portfolio and aligning capabilities to meet customer needs, regardless of the geographic boundaries used.
- We have only one chance to get this right; will set direction for next 10 years; could take 5 years to get to future state.

Changes Proposed

We are still in the process of obtaining DOI approval for our proposal; therefore it is premature to share specifics. However, this Action Learning should be scaled to examine the broad process of change recommended which includes:

1. Number, size, and boundaries of regions and location of new regional offices
 - Moving from 3 large regions, to a greater number of smaller regions.
2. Nature of Regional Executive Leadership
 - Moving from Regional Executives with a single discipline focus to Regional Executives responsible for all disciplines within region.
 - Changing reporting relationships of Science Centers through Regions and of Science Center Chiefs to Regional Executives. All Science Center Chiefs within a designated region will report to the Regional Executive, regardless of discipline.
3. Redesign of regional management and science support to build capacity to integrate disciplines more fully. This includes formalization of interdisciplinary science efforts by establishing a team consisting of Senior Scientists from all 4 disciplines who interact to support both discipline-specific and interdisciplinary science in the Regional Office.

What is NOT significantly changing:

1. Reporting relationships, roles and job duties of employees within Science Centers; we anticipate continued stability of Science Centers.
2. The basic approach of Admin and IT in providing support (from servicing 1 larger region to cross-servicing 2 smaller adjacent regions).

Leadership Role: Job Duties for Geographically Based Regional Executive Positions

Those holding Regional Executive positions, as senior line managers and science leaders of a significant component of USGS mission activities, would have the following primary duties and responsibilities:

- Science leadership and excellence – Participates with their counterparts in Headquarters, the Associate Directors and Discipline Chief Scientists, in Bureau strategic science planning and provides input for emerging regional science issues and regional customer input and feedback. Provides executive leadership for regional partnerships and integrated science.

- Supports the President's Management Agenda by developing performance based strategic goals and measures.
- Works with Science Center Chief to identify the primary scientific direction for activities of the Centers within the geographic area of responsibility and provides general oversight of the activities within that area regardless of the USGS workforce that performs them.
- Works with Science Center Chief and staff to incorporate information on customer and partner requirements, geographic areas of interest, and priorities into developing 5-year program plans and the regional science plan.
- Participates with the Science Centers in the development of 5-year program plans and ensures linkages and synthesis of regional priorities.
- Management excellence and leadership – provides line management for Science Center Chiefs with responsibility for the project activities, staffing (hiring decisions) and workforce planning, facilities, equipment, and infrastructure of the various Centers that are necessary to carry out the mission activities within the Bureau.
 - Leads the development of strategic workforce plans and balances FTE.
 - Promotes E-Gov and GPRA implementation and enhances information technology management.
 - Ensures effective financial management and accountability of the cost centers working with Admin Officers and Office of Regional Services.
 - Provides leadership within the region for Competitive Sourcing activities.
 - Ensures budget performance integration.
- Project planning – Facilitates the development of joint project goals and multidisciplinary involvement with Center chiefs, Program Coordinators, and project chiefs.
 - Consults with Program Coordinators, partners and customers to ensure that the integrity of Bureau programs is maintained.
 - Ensures that project results are achieved within funding parameters and address PART goals.
- Building collaboration and partnerships
 - Supports the Secretary's 4-C's philosophy and builds partnerships with customers, partners, stakeholders and employees.
 - Supports the development of reimbursable programs and activities.
- Products and outcomes – Provides strategic input and guidance on Bureau products and publications and maintains final approval for the technical and policy review process that ensures the quality, relevance, and timeliness of the production and delivery of Bureau products.

Note: These duties may be divided among multiple Executive positions in a region.