

- FINAL -
QUESTIONS AND ANSWERS

BIG PICTURE ISSUES

Q: What are the problems that exist that you think would be resolved under this proposal?

A: Our internal experience and external criticisms led us to focus on four objectives: 1) developing clear lines of accountability; 2) creating customer oriented service capabilities; 3) building professional capabilities in law enforcement; and (4) fulfilling INS's singular mission to uphold the immigration laws of the U.S. as passed by Congress.

This new proposal creates separate chains of command for service and enforcement operations. Our new managers will have clear operational priorities and responsibilities. This means accountability and ensures that we have the right people in the right roles.

Clearer focus will mean better service. Training will be provided in modern up-to-date customer service operations. Performance standards will reinforce consistent service and productivity across the country.

Immigration enforcement will take on a clearer definition. Enforcement officers will receive specialized and integrated enforcement training in the various components of immigration control.

By defining clear roles within an integrated agency, the INS can fulfill what only one agency can do: uphold our country's great immigration tradition and laws by providing benefits to those who are eligible and ensuring that violations of the law are enforced.

Q: If you are creating two distinct divisions—service and enforcement, why don't you just split the agency apart?

A: Immigration is one mission. Splitting responsibilities among two or more agencies would create further fragmentation and set us back enormously in terms of the progress and the investment the INS and Congress have made over the last five years and disrupt our day-to-day operations. Splitting the agency would devide the problems, not solve them.

This is kind of a non-answer.

Q: Couldn't a lot of the accountability problems be solved by leaders demanding accountability—firing people who don't perform—or by leadership? What kind of new accountability measures are built into this proposal? What is really going to change to make INS a well managed agency?

A: There is no question that leadership matters—~~leadership can make a lot of things work. But~~ In order to create long term and sustainable change—and an agency which can address the complex issues of immigration—you have to have the right structure. Furthermore, INS will not be able to develop and attract new leadership unless we put into effect the kind of defined roles and responsibilities from which accountability naturally follows. Our plan will allow us to do this above all else. Training, management, infrastructure, and career development will allow employees to provide the best service to our country.

Q: Can you give any examples of whether there already has been a culture change occurring in the agency? I have heard the Commissioner make that claim before.

A: There have been large culture changes on many fronts. First automation. Only a few years ago, only a small percentage of immigration officers had a computer on their desks. The INS has joined the automation age—in fact we are leaders, with our new fingerprint (IDENT) and other technologies. Second, in border management. The port in San Ysidro, the busiest port in the world, is an integrated enforcement operation. Not only within the INS—border patrol and inspections—but with customs and local law enforcement. Third, asylum. In developing the asylum reform regulations—which by all accounts—are a great success, the INS engaged in unprecedented partnership with the NGOs and Congress; created a system which attended to both the critical need of identifying bona fide refugees and discouraging fraudulent and abusive claims.

Q: Is this an acknowledgment that the reorganization the Commissioner did when she came in didn't work?

A: No. Any agency which has undergone the unprecedented increase in its size and mission in less than 5 years must change and evolve. This restructuring is the necessary response to demands placed upon us by our customers and Congress, and is the right step for our staff and for the future. We have worked hard over the last 5 years—and have achieved great accomplishments.

Q: Is legislation required to make these kind of changes? If it's such a good idea, why not just do it on your own? You created ONO and the ASCs on your own?

A: We will be consulting with Congress and anticipate that there may be legislative requirements. The INS is required to submit a restructuring plan by April 1 as part of our budget authorization. ~~There is, however, one item which may require legislative reform—that is classification of our inspectors as law enforcement officers.~~ Other items will be identified as we continue.

Q: What kind of time frame is envisioned to implement this?

A: While we hope to demonstrate some early successes, this is a complicated process and will be a multi-year, long-term effort. Our initial area of focus is to improve service operations—because that is the area of greatest need. We are developing an approach to how we will begin to implement the plan.

Q: What happens to HQ staff, aren't you top heavy there? ~~(What's ratio of field to HQ?)~~

not responsive

A: The role of headquarters will change—focusing on setting the vision for the agency, mapping the strategy for implementing that vision, and setting priorities.

WHAT IT MEANS TO EMPLOYEES

Q: What does the new plan mean for border patrol chiefs?

A: Their situation is essentially unchanged. *Two differences are: (1) border patrol w/ improved and better integrated career path, and (2) offices will report to Enf. Area director.* ~~The new proposal provides benefits for their staff in terms of career progression. But the chief's role essentially stays the same. They will report to a new enforcement area director, who will report to the chief of the Border Patrol, who works directly for the head of Enforcement.~~

Q: What does the new plan mean for district directors?

A: It will provide the district directors with career options in both enforcement and services. In addition to the opportunities which open up for ~~service~~ area directors for both enforcement and services, there will be senior positions in the four components of enforcement and the various components of services.

amazing
Q: How do the current reorg steps announced last month jibe with this new proposal?

A: The changes announced last week were interim and are consistent with the new proposal.

Q: When will we know how many positions are available and what types—management as well as others?

A: It is far too early to tell. This framework creates many new career opportunities at all levels. We must develop detailed plans for the transition before determining changes in individual positions. We will be giving individuals plenty of lead time to explore their options and it is fair to assume that we will be seeking to fill key senior management positions first so that these individuals can help lead the transition and be actively involved in blueprinting?

Q: How will this plan improve the life and career of INS employees?

A: ~~I think that INS employees at every level will benefit.~~ This framework resolves several of the key historical problems that have caused difficulties for employees. It clarifies designations of law enforcement status, requires reform and develops new lines of career development.

ABOUT THE PROCESS

Q: How much did it cost the taxpayers to hire an outside consultant for this? Will they stay on board through the implementation phase and at what cost? How did you feel the consultants offered something that you didn't already know yourselves?

A: Our contractors have cost the agency approximately \$500,000—and it has been money well spent. We may need a consultant to continue working with us through the implementation phase—so that our INS managers can continue doing the work of the agency.

Q: How did you choose who got to be on the Field Advisory Group—Commissioner's favorites?

A: We selected individuals who represented the diverse geography and disciplines covered by the agency. The Field Advisory Group was made up of a leadership team from the District Directors, Border Patrol Chiefs, International Affairs, and Service Centers—experienced and widely respected individuals—who were selected to serve as the voice of the field. Members were free to share their experiences in their home offices.

Q: Why was it shrouded in so much secrecy?

A: It wasn't. The advantage of using consultants is that the agency was able to stay on mission—and focus on daily operations. They were also able to speak with a

broad array of people, including field personnel, other federal agencies, key Department of State and Administration officials. Restructuring proposals are always controversial and can be disruptive to operations and morale. You have to allow a thought process to unfold and develop. It is best to do that in a controlled fashion.

Q: Have you gotten response from INS officers in the field? What happens if they don't buy in to the plan?

A: Our input process is continuing. We are bringing our key field managers in from the field to share the plan with them—and are asking them to conduct meetings to ensure good communication with their staff. Our purpose is to lay out the vision. The next step is to blueprint how the new structure will operate. This second phase requires active participation from a larger number of people from the field.

Q: Will current employees have to undergo additional training to progress in the enforcement and service arenas?

A: We certainly anticipate the need to revamp and enrich our training curriculum. We believe this is an opportunity to provide enhancements we have long sought.

Q: Contractors are doing a lot of work at the ASCs and in the natz program. Will that continue or will the people committed long-term to INS—this institution and the people they serve—be given those jobs.

A: We are committed to the welfare and livelihoods of our career service employees and to building a strong workforce. Over the last several years, the agency has looked to "out-source" a number of activities—when we determine that it makes good sense to do so. File management responsibilities in district offices—is one example. Naturalization has required additional contractors and short term staff. A modern agency—just like any efficient organization—must be flexible and responsive to changing needs—and be able to use modern staffing techniques.

IMPROVED SERVICES

Q: By moving a lot of cases to the service centers aren't you just allowing data entry clerks to essentially adjudicate cases that should be looked at by experienced and trained adjudicators? Half of their jobs involve talking to the people and examining documents—that cannot be done correctly by long distance at a service center.

A: The new structure takes advantage of the lessons we have learned from reengineering the naturalization service. There are absolutely some services which must be performed in person by trained and highly experienced personnel. One of the key benefits of our proposal is that it allows the agency to benefit from economies of scale—while focusing local staff on those activities which may require a higher level face to face contact and expertise.

Q: You guys can't even answer the phone at your phone centers now, why should we have any faith that by putting more workload there, you'll handle it better.

A: Under the new structure, one manager will be responsible for all remote service activities—this includes phone centers, service centers and other functions which will be determined. This key element to the new plan is going to help—and is going to require specialized expertise.

STOPPED

individuals' strengths, gives workers the tools they need to do the job and continue to be modern and up to date.

IMPROVED ENFORCEMENT

Q: What have you been having problems with that makes you want to try a new approach—you guys have been touting your successes at the border, was that not right?

A: Our success at the border demonstrates the need for integrated enforcement. Increased border activity, alien smuggling activities, and worksite enforcement are necessarily linked. For an immigration system to have integrity—all parts must work—and work together as a whole.

Q: By treating inspections as an enforcement issue, won't that make the lines longer and treatment worse.

A: No. We have shown at airports and at land border ports that enforcement and better traffic management go together.

IMPROVED ACCOUNTABILITY

Q: Some of the agency's biggest problems the GAO has cited are your failures to communicate from HQ to the field and vice versa, so how does this help with that?

A: Again the clear responsibilities and chain of command will improve this enormously. Staff will be able to receive and concentrate on information which is most relevant to their work. Clear responsibility breeds expertise and accountability.

SHARED SERVICES

Q: How does shared services differ from what the management division does today?

A: In many ways the INS has been moving in this direction. Shared services is an evolution of the kind of work the management division has put into place over the last years. Shared services will be similar to a vendor/client relationship—to ensure that both services and enforcement are served as a customer—better support to the field.

INTERNATIONAL AFFAIRS

Q. Where does international affairs, the asylum offices and your new global reach overseas offices fit into your proposal? How will they report under the new structure?

A. Our overseas offices are integral to our mission—and our asylum program is a model for a good service program. At the same time, international affairs is a relatively small component. We will first concentrate on restructuring our domestic regions and districts—where the bulk of our new focus must be. In the short term, we want to keep this program intact.

Q: Why do you need a CFO and a head of Shared Services? What will a CFO do?

A. In light of the problems we have had with financial management, creating a separate CFO position that reports directly to the Commissioner is the wave of the future and is what good government requires.

PAC: Tues, 3/24 11:00 a.m.

BENCHMARKING FINDINGS

**IMMIGRATION AND
NATURALIZATION SERVICE**

McLean, VA
March 9, 1998

*This report is confidential and intended solely for the use and
information of the company to whom it is addressed*

BOOZ·ALLEN & HAMILTON

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I. INTRODUCTION

II. SOCIAL SECURITY ADMINISTRATION

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I. INTRODUCTION

PERSONS INTERVIEWED FOR BENCHMARKING

AGENCY	NAME	TITLE
Social Security	Fritz Streckewald	Deputy Director, Strategic Planning
Social Security	David Jenkins	Assistant Deputy Commissioner, HR
Social Security	Pat Gracie	Programs Analysis Officer
Customs	Bill Riley	Director, Planning and Evaluation
FBI	Wade Houk	Assistant Director, Finance
FBI	Jim Oppy	Assistant Director, Personnel
FBI	Loretta Fox	Program Analyst, Personnel Policy Unit

Introduction...

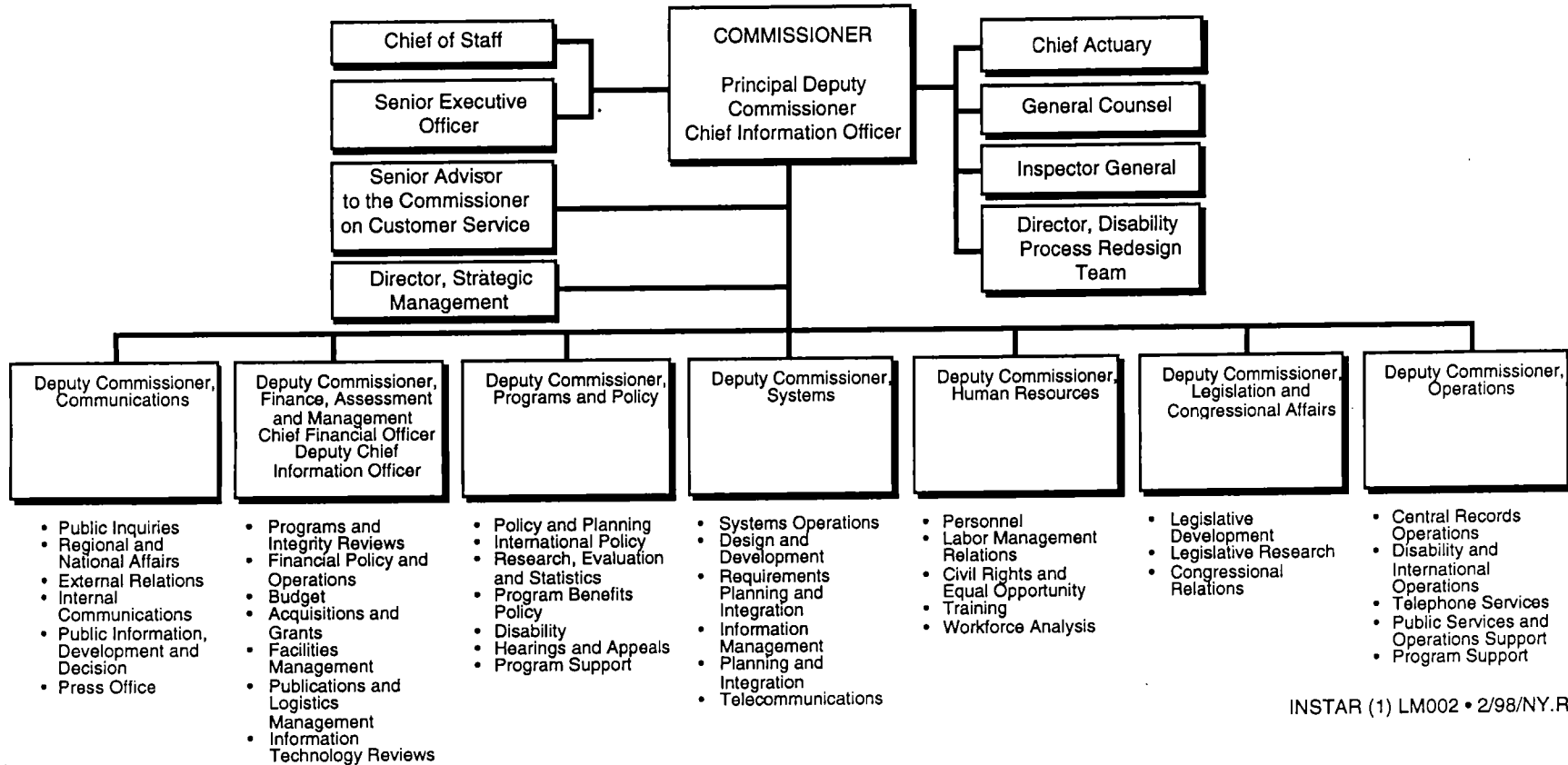
BOOZ-ALLEN & HAMILTON WAS ASKED BY THE INS TO CONDUCT A BENCHMARKING STUDY OF OTHER FEDERAL AGENCIES TO GAIN INSIGHT INTO ORGANIZATIONAL ALTERNATIVES

- Selected federal agencies with missions and responsibilities similar to the INS - Social Security, Customs and FBI
- Interviewed key senior managers to develop an understanding of how these agencies are structured - questions included:
 - How is the agency organized at the highest level and at subsequent levels?
 - How is responsibility split between headquarters and the field?
 - What do the geographic footprint and management boundaries look like?
 - What kinds of mechanisms are in place to integrate the various elements of the organization?
- Collected additional data from the interviewees and from external public sources, as available:
 - Mission statement
 - Size of the organization
 - Detailed organizational charts
 - Strategic plans
 - Previous reorganization efforts

GIVEN THE RELATIVELY SHORT TIME AVAILABLE FOR THE BENCHMARKING, EFFORT WAS FOCUSED ON OBTAINING A GOOD OVERALL VIEW OF THE ORGANIZATION STRUCTURE

II. SOCIAL SECURITY ADMINISTRATION

SOCIAL SECURITY ORGANIZATIONAL STRUCTURE



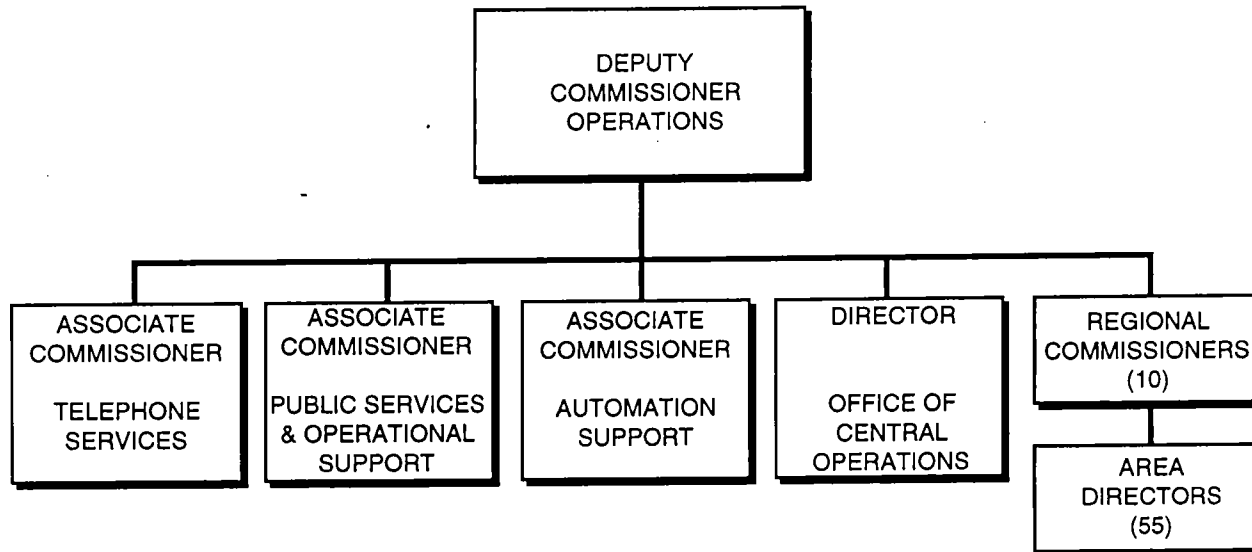
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Source: SSA, Booz-Allen interview

AT THE HIGHEST LEVEL, SOCIAL SECURITY (SSA) IS ORGANIZED ALONG FUNCTIONAL LINES

- Deputy Commissioners manage seven functional areas
 - Operations
 - Programs and Policy
 - Three internal support divisions; Finance, Systems and HR
 - Two divisions for external relations; Legislation & Congressional Affairs and Communications (also provides internal communications)
- In addition, there are 7 staff units and a Chief of Staff that report to the SSA Commissioner
- This structure produces a large number of direct reports for the SSA Commissioner—15 in total
 - This number has increased recently with the addition of a Chief of Staff and with the elevation of the Office of Chief Actuary
 - Special offices such as Disability Process Redesign and Customer Service report to the Commissioner to emphasize their importance as SSA focuses on improving these services
- While most operations activities are managed by the Deputy Commissioner for Operations, the Hearings and Appeals program in the Programs and Policy division includes related operational functions

SSA OPERATIONS ORGANIZATIONAL STRUCTURE



RPCH993-002-080dc

Source: SSA, Booz-Allen interview

THE SSA OPERATIONS DIVISION IS ALIGNED BOTH FUNCTIONALLY AND GEOGRAPHICALLY

REGIONAL STRUCTURE & FIELD OPERATIONS

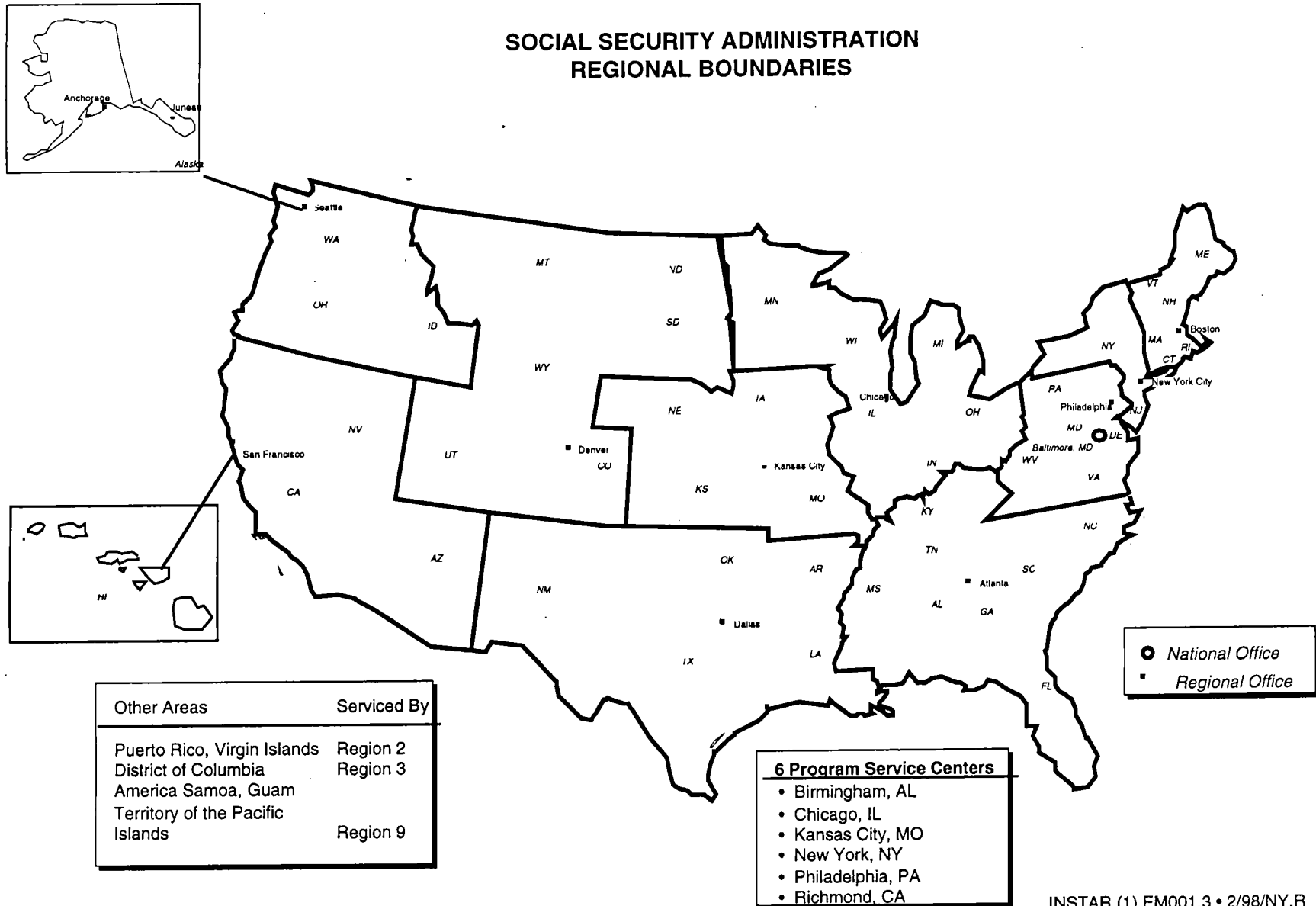
- Under the Deputy Commissioner (DC) of Operations there are 10 Regions run by Regional Commissioners (RC)
 - Under the Regions there are 55 Areas run by Area Directors (AD)
 - Under the Area Directors, there are 1,300 field offices
- The Regions also manage 36 telephone service centers and 6 bulk processing centers called Program Service Centers (PSCs)
 - SSA appears to be re-examining its telephone service center structure—every region has at least one phone center
 - The PSCs process Social Security benefits—only 6 of the 10 regions have a PSC
 - A beneficiary's Social Security Number (SSN) determines which PSC handles processing on any given case—the PSCs report up to the Region in which they are located
- Automation has reduced the amount of work that requires processing in a PSC
 - PSCs have gotten smaller in size ...
 - ...as as more work is completed by staff at the first point of customer contact (e.g., Field Office, 800 number etc.)

THE SSA OPERATIONS DIVISION (CONTINUED)

OTHER FUNCTIONAL AREAS & OVERSEAS SERVICE PROVISION

- Three functional Associate Commissioners (ACs) are responsible for coordinating specific activities across the Regions
 - Public Services and Operational Support—includes budget, facilities and related activities
 - Automation Support—includes systems software support
 - Telephone Services—includes network routing for phone services
- One Director is in charge of Central Operations—this unit has responsibility for processing disability cases, posting and maintaining earnings records and international records
- Overseas operations, called totalization benefits, have been outsourced to the Department of State Department which gets paid for performing customer service and benefits maintenance activities for people who live outside the US, but draw Social Security benefits
- The office of the Inspector General (IG) also has a regional field structure, but this is still in the process of being built up

SOCIAL SECURITY ADMINISTRATION REGIONAL BOUNDARIES



Source: SSA, Booz•Allen interview

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CURRENT MANAGEMENT BOUNDARIES (I.E. THE REGIONS AND AREAS) VARY CONSIDERABLY IN SIZE

- The current regional boundaries do not appear to have been determined based upon demand or similarities of populations
 - Regions vary tremendously in terms of volume and populations served
 - SSA tried to consolidate the 10 regions, but failed due to political opposition. As a compromise solution, staffing levels were modified
- The number and boundaries of the areas were initially determined based upon population density – some consolidation has taken place over time (60 areas have been reduced to 55 today)
- Field offices can have anywhere from 8 to 60 employees – the average is 35 staff per location

THE SSA HAS A NUMBER OF MECHANISMS BY WHICH IT INTEGRATES FUNCTIONAL DISCIPLINES AND OPERATIONS ACROSS GEOGRAPHIES

- Collaborative Planning Process
 - The overall Strategic Plan for SSA is developed by a group of 44 executives from across the agency
 - Each strategic goal in the plan has associated objectives—an executive sponsor “owns” each objective and is responsible for developing programs to achieve the desired results
- Electronic Information Access and Automation
 - SSA has moved towards electronic record keeping and paperless claims, especially in the retirement area
 - The creation of only one identifier, the social security number, eases access to information
- Task Force Formation & Frequent Communication to Prevent Fraud
 - Fraud committees are staffed by members of the Inspector General's Office and the field
 - There is a person from the IG's office in each region who regularly attends the Regional Commissioner's staff meetings
 - In headquarters, the DC of Operations meets frequently with the IG

III. CUSTOMS

Customs...

CUSTOMS UNDERTOOK A MAJOR REORGANIZATION IN 1995 TO STREAMLINE ITS STRUCTURE AND PUSH RESPONSIBILITY AND AUTHORITY TO THE LOWEST LEVELS

- The old organization was considered hierarchical with poor coordination among functional units and different management boundaries for port operations and investigations
 - Port operations consisted of 7 regions with 45 districts
 - Investigations had 27 Special Agent in Charge (SAC) offices with different geographic boundaries and its own chain of command
 - These management boundaries had been set by political processes and matched political needs
- The reorganization in 1995 flattened the agency's structure by abolishing one layer of the management - the regions - which were believed to be low value added and an impediment to headquarters' ability to effect changes in the field
- Along with the elimination of the regions, Port operations replaced its 45 districts with 20 Customs Management Centers (CMCs)
 - CMCs would serve as a single management layer between the ports and headquarters (previously ports reported to the districts who reported up through the regions)
 - While the operational decision-making of the old districts was pushed down to the ports, administrative support functions were moved to the newly created CMCs
- Within investigations, the number of SACs was reduced from 27 to 20 to match the new management boundaries of the CMCs – offices would be collocated

Customs...

ALONG WITH THE ELIMINATION OF THE REGIONS, CUSTOMS REDEFINED THE ROLE OF HEADQUARTERS AND REDUCED STAFF THERE BY ONE-THIRD

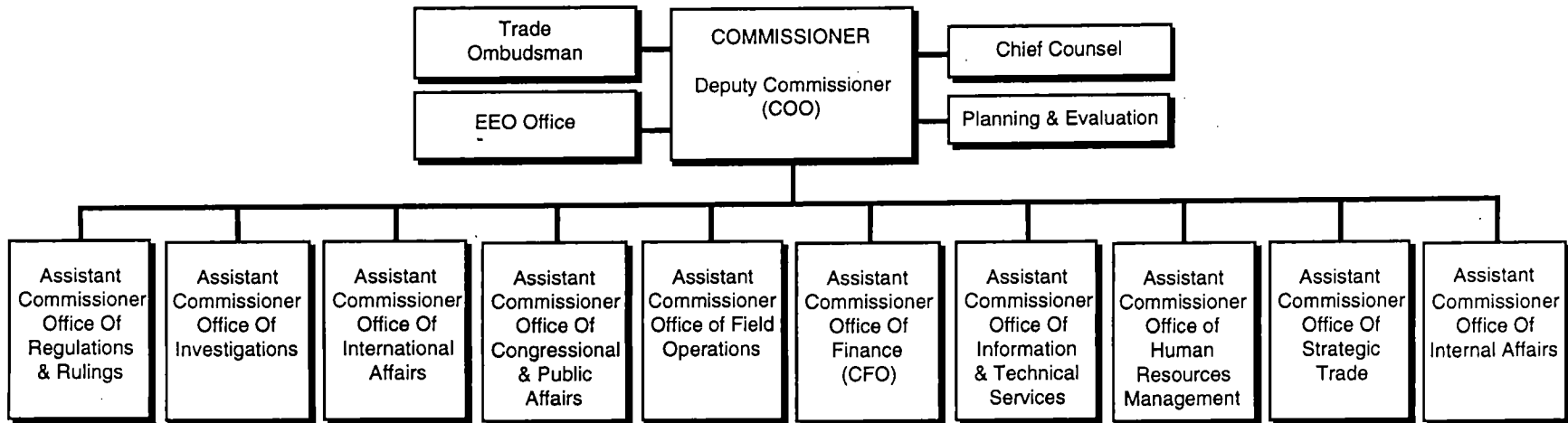
CUSTOMS REORGANIZATION

SERVICE	OLD ORGANIZATION			NEW ORGANIZATION		
	DISTRICT	REGION	HEAD-QUARTERS	PORT	CMC	HEAD-QUARTERS
Entry/Entry Summary Processing	●			●		
Bond Processing/Approval	●			●		
Broker Licensing/Compliance	●		●	●		●
Line Release Accept/Approve	●			●		
Binding Ruling	●		●	●		●
Pre-Class & PIRP	●			●		
Drawback	●	●		●		
Protest Decision/Appeal	●	●	●	●		●
FP&F Appeal	●	●	●	●		●
Technical Appeal	●	●	●	●		●
WHSE/FTZ Information/Audit	●			●		
Landing Rights	●	●	●	●		●
Overflight Exemptions	●			●		
Airport Security Program	●			●		
Operational Information/Assistance	●	●	●	●		
Uniformity Assistance	●	●	●	●	●	●
Process Execution	●			●		
Process Oversight	●	●	●		●	●
Policy Development	●	●	●			●
Administrative Support			●			

Source: Customs, Booz•Allen interview

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CUSTOMS HIGH LEVEL ORGANIZATIONAL STRUCTURE



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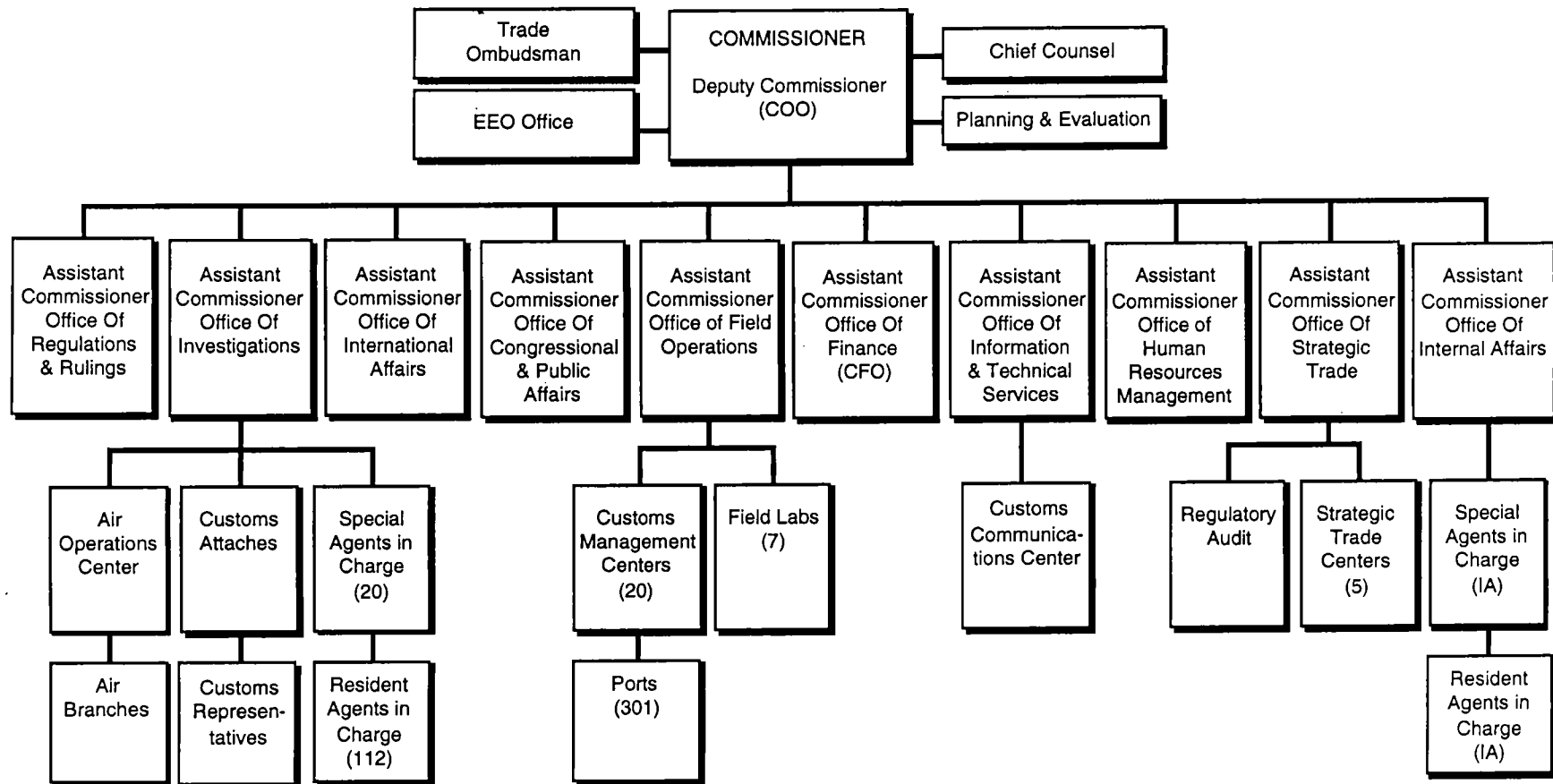
Source: Customs, Booz-Allen interview

Customs...

THE NEW CUSTOMS ORGANIZATION HAS A FUNCTIONAL FOCUS AT THE HIGHEST LEVEL

- Each support function (HR, IT, Internal Affairs, Public Affairs, Regulations and Rulings) has its own Assistant Commissioner and reports through the Deputy Commissioner to the Commissioner
- Operations activities are managed by two Assistant Commissioners
 - AC for Investigations which include the SACs
 - AC for Field Operations which includes the CMCs and ports
- Like the Social Security Administration, the Commissioner of Customs has a large number of direct reports – 10 functional Assistant Commissioners and 4 staff unit managers
- While staff at headquarters was reduced through the reorganization in 1995, the number of ACs has actually increased from 6 to the current 10

CUSTOMS ORGANIZATIONAL STRUCTURE



INSTAR (1) LM003 • 2/98/NY.R

Source: Customs, Booz-Allen interview

Customs...

OPERATIONS AT THE NEXT LEVEL IS ORGANIZED FIRST BY FUNCTION AND THEN BY GEOGRAPHY

Office of Field Operations (Port operations)

- Manages 20 CMCs which contain 301 ports of entry
 - The number of ports which report to each CMC varies depending upon volume and geography
 - For example, a CMC on the northern border may have as many as 50 ports, while a CMC in the South may have as few as 3 (i.e. because of greater volume in the South)
- In addition, there are 7 Field Labs that are specialized by functional expertise which also report to Field Operations. For example, the New York lab specializes in textiles while Savannah specializes in steel

Office of Investigations (Investigations and Intelligence)

- Manages 20 SAC offices (Special Agents in Charge) with 112 subordinate RAC field offices (Resident Agents in Charge)
 - SACs are found in major cities while RACs are located in more remote areas
 - There are approximately 7 to 10 RACs in every SAC
 - Both SAC and RAC are organized by team (e.g. Narcotics, Fraud)
- There are 26 overseas offices that also report to the Office of Investigations

ACTIVITY PLACEMENT IN THIS NEW AGENCY SUPPORTS A SIMPLIFIED ORGANIZATION EMPHASIZING SERVICE DELIVERY IN THE FIELD AND MINIMIZING MANAGEMENT OVERHEAD

Headquarters

- As previously stated, HQ has been reduced by one-third and its role redefined as focusing on policy formulation and oversight with no involvement in daily operational issues
- While the Commissioner and the Office of Planning have been given the responsibility for setting broad policies, the development of the Strategic Plan is pushed down to the field

Office of Field Operations, CMCs and the Ports

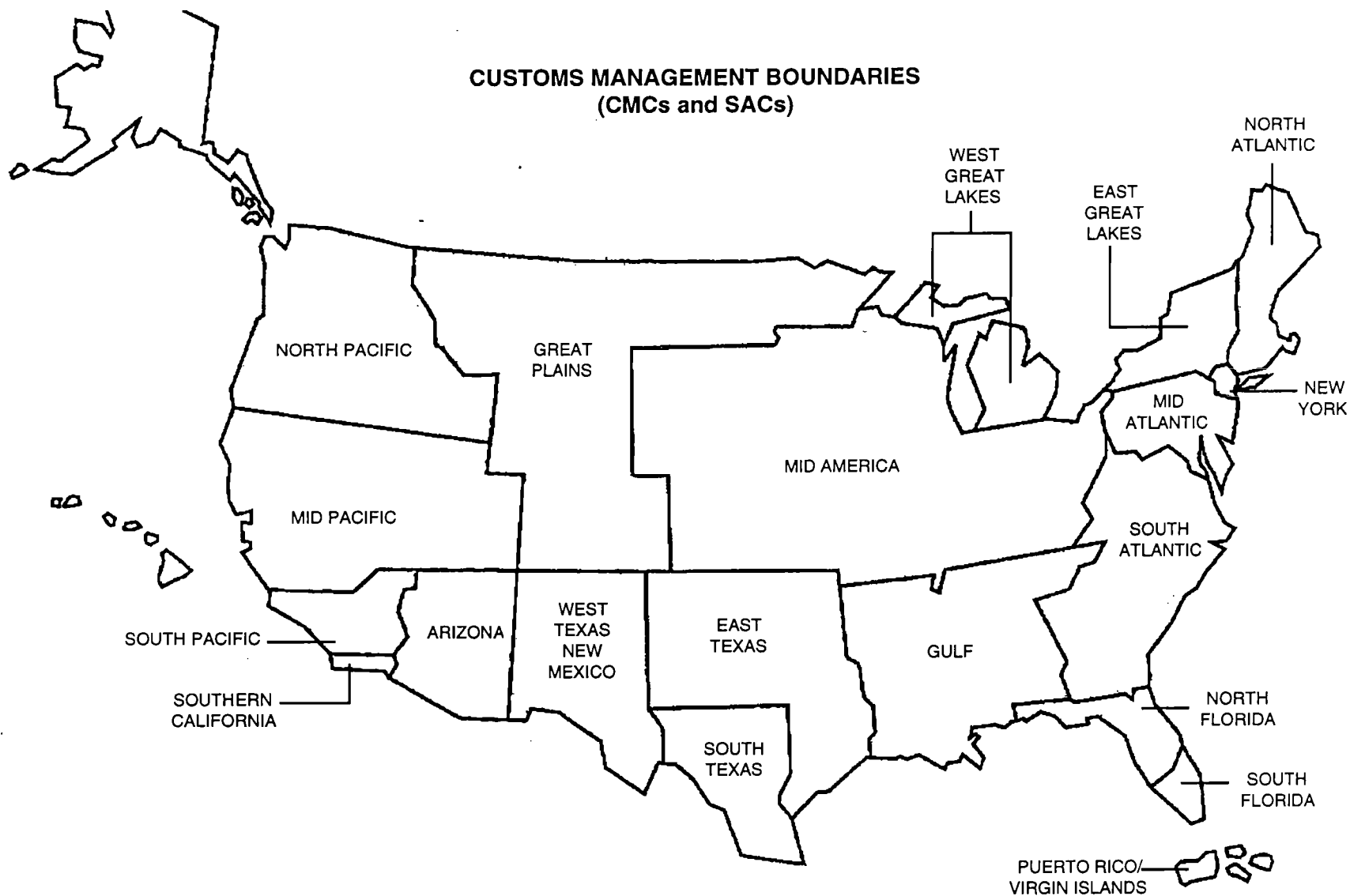
- CMCs are responsible for providing administrative support, overseeing the execution of core business processes, coordinating with counterpart SAC offices and ensuring high quality uniform service at the ports within their geographic areas
- CMCs contain both service and enforcement activities
 - They are not only responsible for facilitating the movement of passengers and cargo in and out of the ports...
 - ...they are also responsible for narcotics interdiction and canine enforcement
- Ports are charged with administering all operational aspects of the Customs service, but not all have full administrative support capabilities. For example, smaller ports enter into cross-servicing agreements with the 50 largest ports, called service ports, to perform processing of duties collected

Customs...

ACTIVITY PLACEMENT (CONTINUED)...

Office of Investigations, SACs, RACs

- SACs are given the responsibility for administering and managing all enforcement activities through investigations and intelligence sub-processes and provide oversight for the Resident in Charge (RACs) - subordinate field offices - in their geographic areas
- Although SACs are colocated with CMCs they have been allowed, however, to maintain their own administrative support functions which results in some duplication of staff
- 26 overseas offices, called attaches, are given the responsibility for carrying out investigations in foreign locations. These offices are very small, often staffed with 2-3 members, and are located in the Embassy or Consul's office



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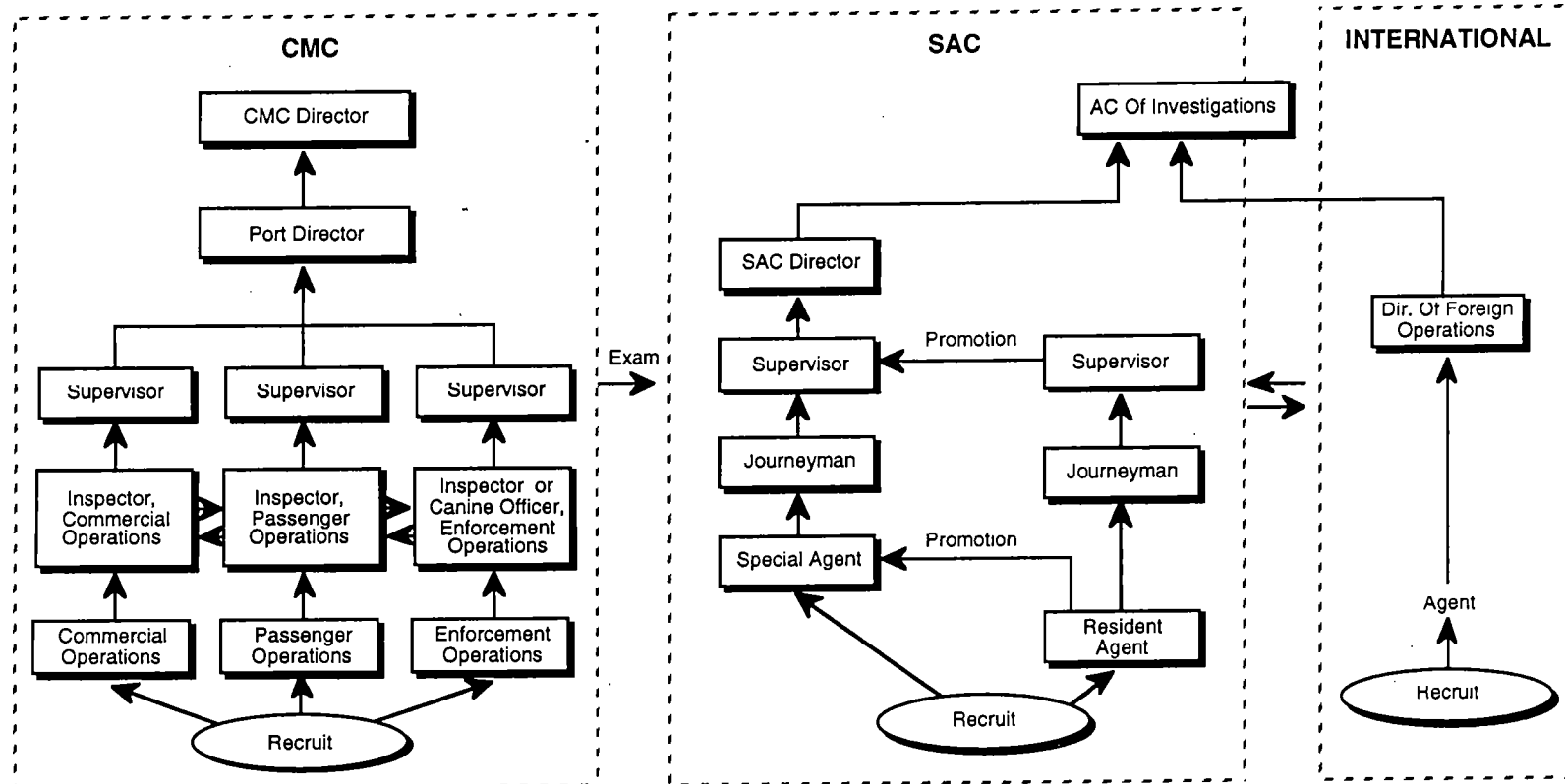
Source: Customs, Booz-Allen interview

Customs...

DURING THE REORGANIZATION, MANAGEMENT BOUNDARIES WERE RE-DRAWN TO ACCURATELY REFLECT WORKLOAD AND IMPROVE SERVICE DELIVERY IN THE FIELD

- The number and location of CMCs (Port operations management areas) were determined based on the number of ports, number of people served in each port, distance to ports, ease of transportation and political realities
- The SACs boundaries (Investigations and Intelligence management areas) were re-drawn to match those of the CMCs. Common geographic boundaries facilitate coordination and teamwork between the two including—in particular, the development of integrated strategies for improving service
- An effort was made to establish management spans of roughly 1:15 in keeping with the recommendations of the National Performance Review (NPR)

CUSTOMS CAREER PATH



INSTAR (1) E001.0 • 3/98/NY.R

Source: Customs, Booz-Allen interview

Customs...

THE CUSTOMS CAREER MODEL PERMITS UPWARD MOBILITY AND LATERAL MOVEMENT INTO OTHER DISCIPLINES (SEE FACING EXHIBIT)

- Staff within the CMC are cross-trained and can move easily from one port operation into another. In fact, such movement is encouraged to avoid the development of “cozy relationships” (e.g. between a cargo inspector and a given shipping company)

Customs Operations Units

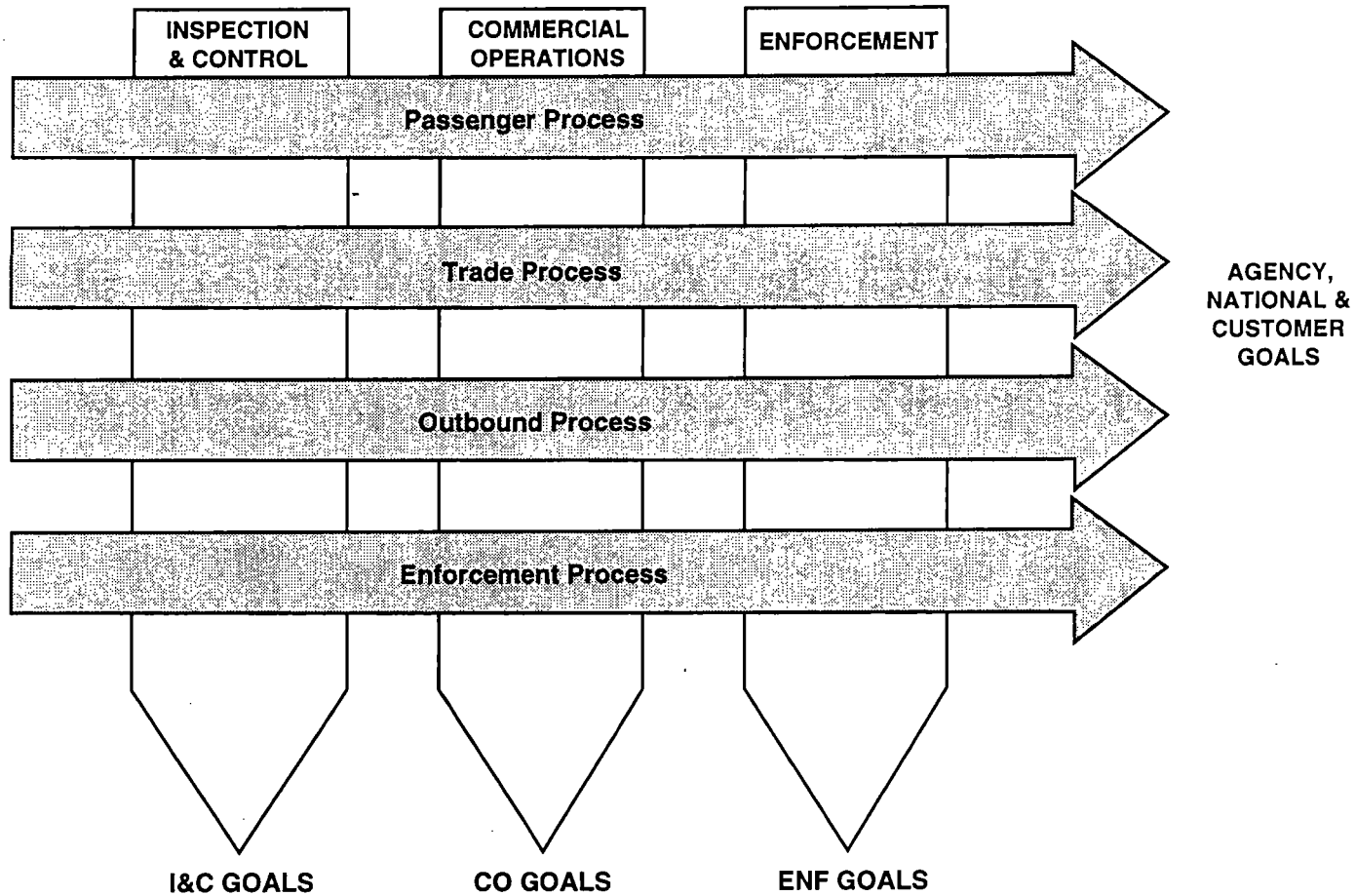
- Commercial Operations
 - Passenger Operations
 - Enforcement Operations
-
- Inspectors can take an exam to qualify as Special Agents and move into investigations (the SAC), but the reverse rarely occurs – Special Agents rarely move into inspections
 - Special Agents and Resident Agents can transfer to International Operations and vice-versa quite easily since they have the same job series and go through similar training

Customs...

AS PART OF THE REORGANIZATION, CUSTOMS HAS MOVED TO A MORE FLEXIBLE APPROACH TO BUDGETING

- Like the INS, there are multiple appropriations. For example, inspections personnel at airports are funded through user fees while air and marine programs are funded through Senate Appropriations
- During the reorganization, the Appropriations Committee agreed to allow Customs to reduce its number of budget categories from 5 to 2
 - Category One-Commercial
 - Category Two-Drugs & Other Enforcement
 - This change has given the agency a lot more flexibility to move money within these two broad categories
- Internally, the budget is allocated to 35 sub-allottees with limited flexibility to move dollars from one sub-allocation into another
- FTEs are allocated centrally, but the agency is moving away from using FTEs as a management control mechanism
 - Is allowing units to staff to budget
 - For example, sub-allottees can decide whether to staff 50 GS-11 positions or 200 GS-5s

CUSTOMS PROCESS MANAGEMENT



INSTAR (1) DB001 • 3/98/NY.R

Source: Customs, Booz-Allen interview

Customs...

CUSTOMS HAS BEEN ABLE TO INTEGRATE ITS OPERATIONS ACROSS DISCIPLINES AND GEOGRAPHIES BY UTILIZING A NUMBER OF INNOVATIVE MECHANISMS

Process Management (see Facer)

- Development of 4 core business processes (Trade, Passengers, Outbound and Enforcement) with process owners for each in every CMC. Role of the process owner:
 - Assume responsibility for a given process from end to end
 - Ensure that national direction determined at headquarters is executed in the field
 - Help in the development of streamlined processes
- Development of 3 mission processes (HR, Finance and IT) with support owners in headquarters who are responsible for the development and execution of these processes
- Process management, with its horizontal orientation across the agency, emphasizes the integration of diverse functions into a coordinated strategy for improving service delivery to customers by focusing on outcomes, not tasks, and by breaking down functional barriers

Executive Improvement & Other Teams

- Creation of an Executive Improvement Team with 11 members from different parts of the agency which meets every two weeks for an hour and is the “keeper of the vision”
- Frequent meetings of the CMCs (once every 6 weeks), SACs (once every 8 -10 weeks), Process owners (6 - 7 times a year) and Port Directors (yearly conference)

Customs ...

INTEGRATIVE MECHANISMS (CONTINUED)...

Incentives

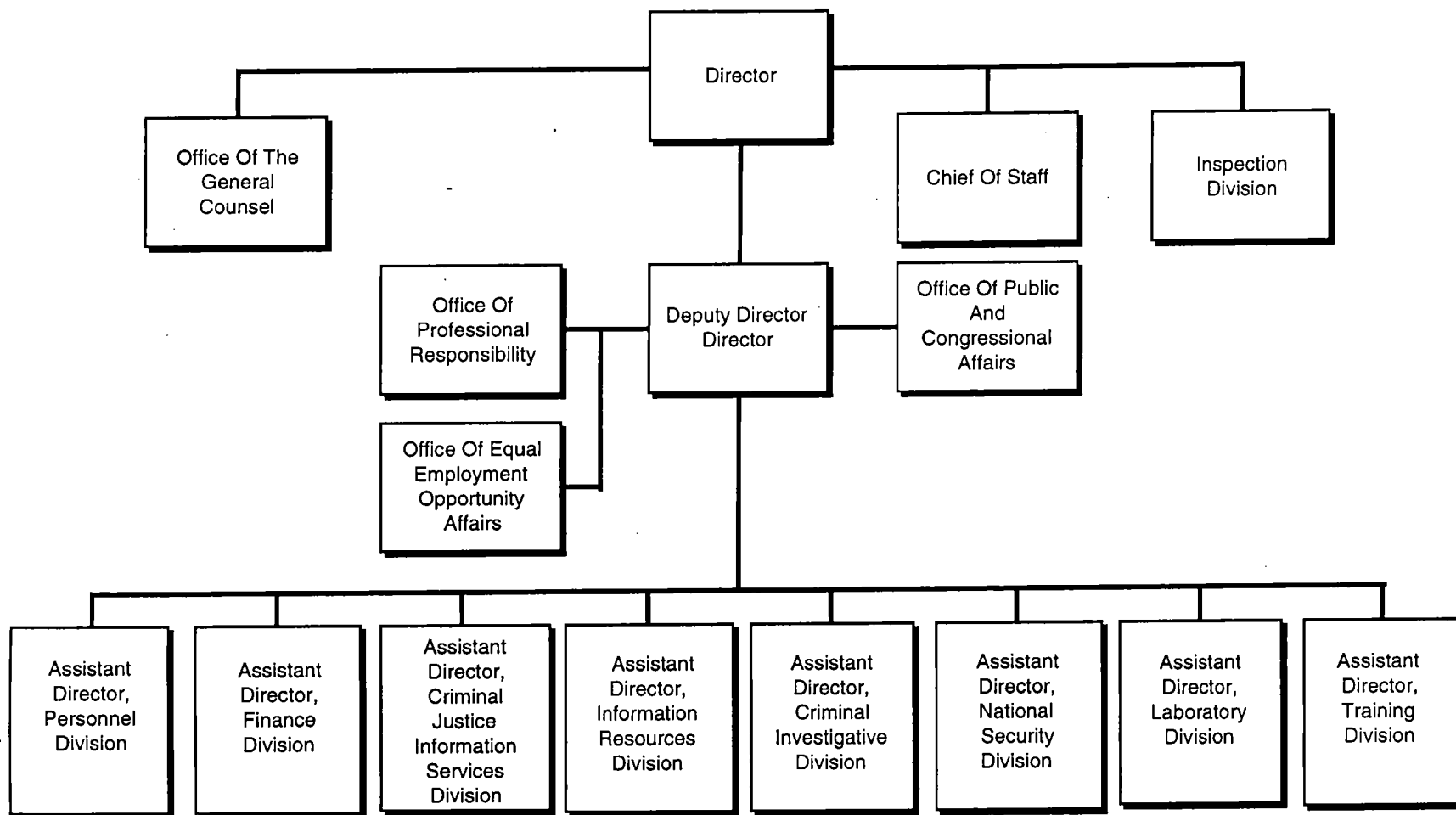
- Changes to the reward system that emphasize teamwork and create incentives to work together with different parts of the agency - for supervisors and above, teamwork is part of the performance contract and affects bonuses

Collocation

- The collocation of the CMCs and SACs fosters communication and collaboration between these two operational units

IV. FBI

FBI ORGANIZATIONAL STRUCTURE



INSTAR (1) KW001 • 3/98/NY.R

Source: FBI, Booz-Allen interview

FBI...

AT THE HIGHEST LEVEL, THE FBI IS ORGANIZED FUNCTIONALLY

- Headquarters divisions include administrative functions (finance, personnel, information resources) and programmatic (criminal investigation, national security)
- All headquarters divisions are run by Assistant Directors (ADs) who report directly to the Deputy Director (DD) of the FBI
- Each AD has 1-2 Deputy ADs followed by Section Chiefs and then by Unit Chiefs - this is true for all ADs
- In a restructuring of headquarters in 1994 several management layers were eliminated and the number of agents dedicated to administrative functions reduced:
 - A management layer of Executive Assistant Directors between the DD and ADs was removed
 - A management layer of Assistant Section Chiefs between the Section Chiefs and Unit Chiefs was eliminated
 - The number of agents performing administrative duties was reduced from over 800 to approximately 500 – these agents were returned to the field
- Since then, additional activities have been added and the count at headquarters is now up to around 650 people

FBI...

FBI FIELD OFFICES REPORT DIRECTLY UP TO HEADQUARTERS

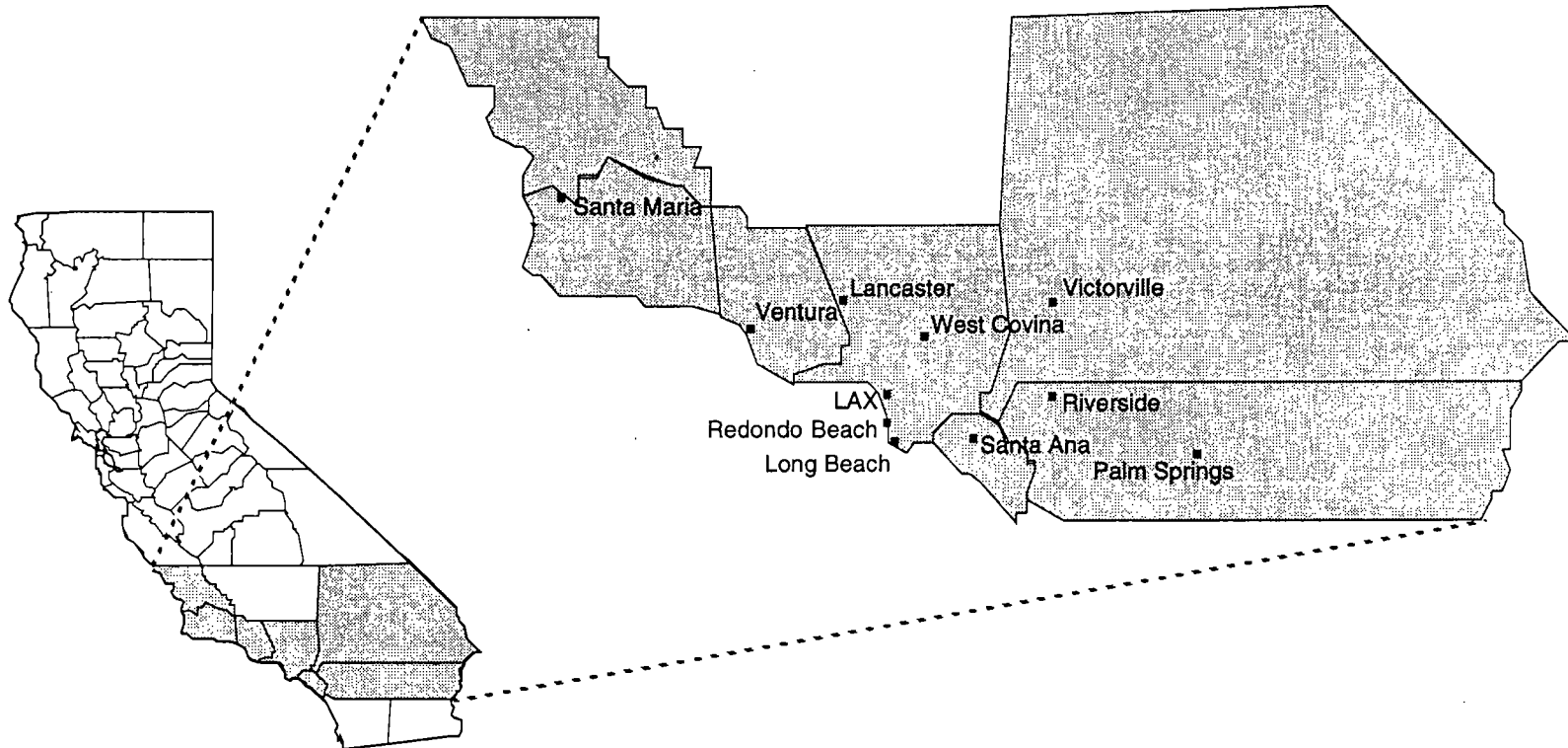
- The FBI does not have a regional structure - there are 56 field offices with 400 resident agencies under them
- Three of the largest field offices (LA, NY and Washington) are run by Assistant Directors In Charge (ADCs) - the remaining 53 field offices are run by Special Agents In Charge (SACs)
- These 56 SACs/ADCs report straight up to headquarters and deal with multiple ADs depending on the issues at hand. Examples include:
 - With regard to foreign counter intelligence and terrorism issues, field offices deal directly with the National Security division
 - For personnel issues, field offices deal with the Personnel division
- Although performance evaluations of these 56 field managers are signed by the AD Criminal Investigative division, input is obtained from a board which is comprised of selected ADs

FBI...

OPERATIONAL ACTIVITIES TAKE PLACE IN THE FIELD, WHILE PROGRAM DESIGN IS AT HEADQUARTERS, NECESSITATING A GREAT DEAL OF COMMUNICATION AND COORDINATION

- Headquarters divisions define programs and work with the field to execute them
 - Two major divisions - Criminal Investigative and National Security - define most of the “mission-critical” programs
 - Other divisions provide special tools and support to the field in handling cases. Examples include the Information Resources and Laboratory units
- Field operations are primarily focused on solving cases that involve federal crimes - kidnapping, murders, white collar crime etc.
- When a crime which warrants FBI involvement is committed, a SAC is given the responsibility for the case, depending on the location of the crime. For example, in the TWA Flight 800 case, the SAC New York field office was given overall responsibility
- Task forces of agents are formed to work on each case (e.g., TWA Flight 800 task force, Oklahoma city bombing task force etc.) and depending on the federal violation committed, report up to either the Criminal Investigative or National Security divisions - agents may be pulled from other locations to become part of a particular task force based on workload
- Significant coordination takes place between the field and headquarters to manage all aspects of program delivery
 - There are half hour daily meetings between the DD and ADs
 - There is constant correspondence sent back and forth within headquarters and between headquarters and the field to keep everybody informed of all the issues

LA FIELD OFFICE AND RESIDENT AGENCIES



INSTAR (1) KW003 • 3/98/NY.R

Source: FBI, Booz-Allen interview

FBI...

THE FBI PERIODICALLY EXAMINES MANAGEMENT BOUNDARIES (I.E. FIELD OFFICES AND RESIDENT AGENCIES) AND ADJUSTS THEM AS APPROPRIATE TO REFLECT CHANGES IN WORKLOAD DEMAND

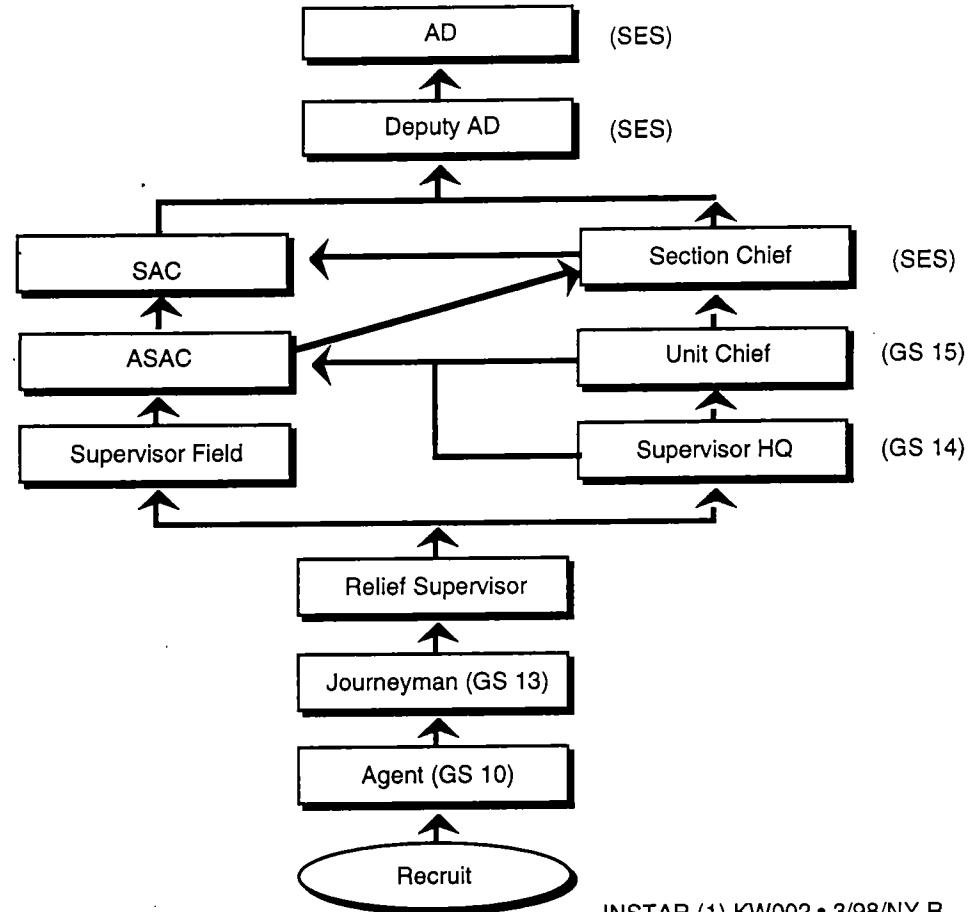
- The number of field offices is based upon workload – some can cover multiple states while there may be multiple offices in one state (e.g. Florida has three field offices)
- An assessment of the need for field offices and resident agencies in particular locations is conducted once every 2 years and the number of field offices and resident agencies may increase or decrease depending on workload. Examples include:
 - 59 field offices have been consolidated to 56 today
 - Santa Ana is currently a resident agency of the Los Angeles field office, but the FBI is monitoring the crime/activity level to determine if it should become a full field office
- There are also 32 foreign offices called legal attaches at US embassies overseas that are staffed with agents who work with foreign governments in investigating acts of terrorism committed against Americans. These offices are overseen by the International Relations Branch of the Criminal Investigative Division

FBI...

THE DECISION MAKING MODEL IS HIGHLY CENTRALIZED WITH REGARD TO RESOURCE ALLOCATION

- Field offices budget by decision unit (management & administrative, white collar crime etc.)
- The SAC has discretion over operating funds within a decision unit (i.e. travel, equipment etc.), but cannot move dollars between decision units without headquarters approval
- Dollars for undercover operations are especially highly controlled
- FTE resources are also allocated centrally by programs (e.g. foreign counter intelligence) – SACs cannot move FTEs between programs or add FTEs using other dollars without headquarters approval

FBI CAREER PATH



Source: FBI, Booz•Allen interview

INSTAR (1) KW002 • 3/98/NY.R

FBI...

THE CAREER PROGRESSION MODEL IS VERY WELL DEFINED

- Of the 27,600 FBI employees, 11,300 are agents with support staff making up the remainder
- After graduation from the FBI Academy, a new Special Agent is assigned to an FBI field office
 - This assignment is determined by the individual's special skills and the needs of the Bureau
 - Special agents are normally required to relocate during their careers
- In the field, the career progression moves from a Special Agent to a SAC usually with a stint at headquarters to gain management experience before becoming a SAC (see facer)
- Support staff, including positions like Budget Analyst, Language Specialist, Laboratory Technician etc., can apply to become agents, but this movement does not happen often – employees may apply for training in fields other than those in which they work

FBI...

THE FBI APPEARS TO UTILIZE INFORMAL MECHANISMS TO INTEGRATE ACTIVITIES ACROSS THE BUREAU – A STRONG CULTURE AND FREQUENT COMMUNICATION ARE KEY

- Program design is handled by divisions at headquarters (e.g., white collar crime out of Criminal Investigative Division)
 - Headquarters-driven programs ensures consistency, shared lessons across field
 - Extensive communication between field and headquarters and within headquarters
- Field has significant input into programs and technology, even though headquarters is responsible for development
- FBI has a very strong, field-centric culture – special agent management at headquarters has almost all served in the field, so they understand the implications of their actions
- Agents are highly mobile throughout their career – they will move among field offices, between field offices and headquarters, ensuring common practices and ways of operating