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Assessing DHS's Performance

Watchdog Recommendations to Improve Homeland Security

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RAND Office of External Affairs

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Testimony presented before the House Homeland Security Committee, Subcommittee on Oversight and Management Efficiency on February 26, 2015

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Assessing DHS's Performance
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Before the Committee on Homeland Security
Subcommittee on Oversight and Management Efficiency
House of Representatives

February 26, 2015

Introduction

Good morning, Chairman Perry, Ranking Member Coleman, and distinguished members of the subcommittee. I thank you for the opportunity to testify today about the Department of Homeland Security (DHS), specifically about recommendations to improve the department and the Homeland Security Enterprise (HSE).

In the aftermath of the terrorist attacks of 9/11, the Department of Homeland Security was formed. With the Homeland Security Act of 2002, the third-largest cabinet-level department, composed of 22 disparate agencies, was established. Given the rapidity with which the department was formed, it should be no surprise that the result was a loose confederation of components—such as the Transportation Security Administration, Secret Service, Federal Emergency Management Agency (FEMA), and U.S. Coast Guard, to name a few—overseen by a relatively small number of underresourced departmental staff. The Homeland Security Act of 2002 provided the rationale for the department but left the many of the operational specifics for later. Some of the decisions made in haste did not translate well into implementation and should be reconsidered as part of a comprehensive reform effort. These include internal DHS and Interagency conflicts with respect to several key homeland security issues.

While the nation developed significant preparedness and response capabilities since the establishment of the department, more can and must be done. The largely smooth response to Superstorm Sandy in November 2012 stands in stark contrast to the earlier preparedness and response during Hurricane Katrina. The successful management of the surge in the flow of illegal

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aliens—especially unaccompanied minors—across the southwestern border in the summer of 2014 demonstrated an important ability to coordinate across the government and internationally. Close collaboration between the private sector and the National Cybersecurity and Communications Integration Center (NCCIC) on emerging cybersecurity issues in several critical infrastructure areas—including in the financial and energy sectors—also demonstrates how far the department has come.

Yet we continue to see evidence of both the complexity and the lack of national preparedness across key mission spaces. The response to the Ebola outbreak provides evidence of the lack of national preparedness with respect to biodefense, in terms of either naturally infectious disease or deliberate use of biological weapons. The fire in a Washington Metro station several weeks ago continues to highlight critical shortfalls in first responder and law enforcement communications and situational awareness during emergencies. The growing numbers of cybersecurity incidents demonstrate that the department is playing catch-up in this mission space. The continued proliferation of technology is allowing state-like capabilities to fall into the hands of small groups and even individuals; we should expect these trends to continue.

In considering the case for change, it is worth noting that under the leadership of Secretary Johnson, the department has committed to building the capacities and institutions that will be required. Under his direction, the department is undertaking a “unity of effort” campaign to address many of the deficiencies noted over the department’s short history, including a greater emphasis on strategy and collaboration among operational components. These efforts are critical and must continue. Therefore, my testimony today is both to reinforce these efforts and to identify additional opportunities for reform.

In thinking of the potential for DHS reform, it is useful to consider another governmental reform effort that is now almost three decades old. The 1986 Goldwater-Nichols Act made the broadest and most sweeping changes to the Pentagon since its establishment by the National Security Act of 1947. In the years since, it has stood as the embodiment of the best type of legislative oversight—implementing thoughtful, serious, and reasoned reforms to address specific bureaucratic failures and identifying inefficiencies and service rivalries within the Department of Defense (DoD). The act worked and, as a result, improved the functioning of the largest department in the federal government. The same spirit should be applied to reforming DHS and the HSE.

The use of the Goldwater-Nichols analogy is not to imply that the DoD model can or should be directly applied to DHS. In fact, DHS reform is actually far more complex. Unlike DoD, which has

a strict hierarchical command structure, DHS leads through guidance, use of standards, and developing coalitions between federal, state, local, tribal, and territorial entities, as well as industry, other nongovernmental organizations, and international actors. It cannot direct these elements, but must rely on them to collaboratively implement homeland security initiatives. As a result, DHS reform can apply many of the lessons learned in Goldwater-Nichols, but must develop a unique outlook toward reform.

Recommendations

My recommendations for DHS reform focus on five critical areas: (1) authorities and responsibilities; (2) legislation and oversight; (3) strategy formulation, planning, effectiveness of operations, and resource allocation; (4) personnel management, DHS identity, and culture; and (5) management and administration. Some of these changes can be made from within DHS, but others will require external support and direction from Congress and the White House. Additionally, while some recommendations could be implemented directly, in other cases innovative alternatives must be developed and compared before a course of action is determined.

Authorities and responsibilities must be clarified. This begins with a comprehensive analysis of the roles, missions, and functions of the department and the HSE. Today, many of the authorities and responsibilities are overlapping, have gaps between them, or are unclear. Over the past decade, legislation has been applied onto the original Homeland Security Act in an uncoordinated manner. This must be rectified through comprehensive authorizing legislation, something that the department has not had since its inception in 2002. In addition, the role of the department versus FEMA in a crisis is another issue that must be reconsidered. Having FEMA with a direct report to the president in times of crisis confuses lines of authority and affects all aspects of preparedness and response, from planning to operations on the ground. Authorities and responsibilities reform must also institutionalize the change that is ongoing in the department through the “unity of effort” initiative; this must be done through comprehensive legislation. Without such legislation, the “unity of effort” initiative will likely lose momentum, as other attempts at DHS reform have done during transitional periods.

Oversight challenges and legislation shortfalls require several important initiatives to be implemented. The congressional oversight process must be streamlined; today, more than 120 committees, subcommittees, caucuses, and commissions claim some degree of jurisdiction over DHS. This fractured oversight results in conflicting guidance, micromanagement on low-level issues, a lack of strategic direction, and overreporting. Legislation serves to guide the efforts of the department. In areas such as cybersecurity, technology policy, and privacy, having a legal

basis for developing policies, programs, and regulations is essential. In many of these emerging contentious issues, this legislation is lacking.

Legislation would also be useful for enhancing the relationship between the department and state governors. While the Stafford Act does provide a systemic means for providing federal natural disaster assistance for state and local governments, other coordination activities between the federal and state governments could also be formalized through legislation. Another useful addition to assist Congress in its oversight process would be the requirement for DHS to provide an annual submission (similar to the annual Secretary of Defense Report required under Goldwater-Nichols); such a requirement would institutionalize a strategy-to-resources discussion of ends, ways, and means on a more regular basis than the four-year Quadrennial Homeland Security Review (QHSR).

In considering a strategy to resources framework, several important reforms should be considered. The “unity of effort” initiative and the accompanying Joint Requirements Council (JRC) are important first steps. Additional emphasis must be made to link strategy, planning, operations, and resources through the identification of key mission areas and the development of comprehensive strategies to satisfy operational requirements. This requires developing a systems approach to these mission areas, identifying seams and gaps, and applying appropriate resources to close these gaps and build necessary capabilities. In such a systems approach, there must be a strong reliance on analysis to guide key decisions. Establishing clearer links between strategy and resources should also include the development and submission to Congress of a Future-Year Homeland Security Plan (FYHSP), similar to the Future-Year Defense Plan (FYDP) submitted by DoD. The use of a FYHSP would ensure greater stability in DHS budgets and programs.

Acquisition reform will be important as well. Research, development, and acquisition within the department must be linked. Today, research and development is the purview of the Science and Technology Directorate, while the Under Secretary for Management manages the acquisition system. This creates a natural gap between research and development (R&D) and acquisition, rather than having a natural linkage between the three areas. The result is a requirements-generation process that is largely disconnected from departmental acquisition programs. Another important initiative would be developing a department-wide approach to strategic resourcing in areas such as screening and vetting, cybersecurity, and aviation; this shortfall has been recognized within the department, but additional support and resources for this effort will be important to prospects for long-term incorporation into DHS.

Improvements in personnel management and developing a DHS identity and culture are essential for enhancing the effectiveness and efficiency of the department, as well as addressing employee morale and satisfaction. Central to this effort would be the development of a Homeland Security Personnel System (HSPS) charged with the development of leaders in the department and within the components, as well as assisting state, local, tribal, and territorial (SLTT) entities with developing their professional homeland security workforce. Career maps should be developed that assist in the management of personnel, including guidance on training requirements, operational assignments, and educational opportunities. Promotions to Senior Executive Service (SES) and flag rank for components should be based on developing personal and professional competence through service in a variety of challenging and broadening assignments, including service on the DHS staff. For DHS staff personnel, promotion to SES and flag rank should likewise be tied to successful service on a component staff.

Concerning management and administration, reform is necessary to improve the effectiveness and efficiency of the department. The roles, missions, and functions analysis recommended earlier in my testimony would undoubtedly identify opportunities for streamlining activities, consolidating staffs and functions, and aligning roles and missions. Examples of several reform initiatives are provided below; however, these should not be considered to be comprehensive, but rather illustrative.

- The JRC must be formalized with appropriate legislation, as should the Department Management Action Group (DMAG) and Senior Leader Group (SLG), which provide senior leader direction for the department. These forums have already demonstrated utility in taking on weighty topics such as aviation security and the growing Islamic State of Iraq and Syria (ISIS) threat. Such legislation would ensure that these entities survive into the next administration.
- A combined staff should be developed that rotates in talented Homeland Security professionals from across the HSE to serve on two-year assignments at DHS headquarters. This would have the benefit of infusing the DHS staff with operationally oriented personnel who would also grow immeasurably through the opportunity.
- Organizational reform will also be required, such as elevating the Assistant Secretary for Policy to an undersecretary and combining the research, development, and acquisition functions into a single organization.

- Finally, the department is plagued with span of control issues exacerbated by the distribution of headquarters throughout the Washington, D.C., area and the number of direct reports to the secretary and deputy secretary; a concerted effort to consolidate several headquarters would be a useful outcome.

Many of these management and administrative reforms will require appropriate support and resourcing to fully implement, but they will be essential to the achieving desired outcomes.

During my time serving in the department, the failure to have stable budgets resulted in significant opportunity costs. Uneven spending profiles throughout a budget cycle during one fiscal year resulted in 80 percent of a budget being spent in the last three months. The lost momentum associated with sequestration and the federal workforce furlough hindered progress in the execution of key departmental programs. The lost man-hours associated with preparing for and recovering from the furlough was also a significant distraction and squandering of resources. The effect on the workforce was palpable.

Conclusions

I have made a number of recommendations in this testimony. However, this is not to imply that the department has not already been making progress in many of these areas. Rather, it is to highlight that these efforts must be well reasoned, coordinated, and comprehensive; further, they will require both internal and external support. It is also useful to remember that other DHS reform efforts have been attempted in the past, and despite promising rhetoric, none has yet taken hold. A significant cause of the failures has been not codifying these changes through legislation.

The time for reexamining the department and streamlining our nation's homeland security efforts is now. The range of challenges facing the department and the HSE will continue to evolve and, in many cases, grow. Ensuring that preparedness and response capabilities will keep pace necessitates a comprehensive review, followed by vigorous implementation.

In making recommendations for comprehensive reform of the Department of Homeland Security, I remain mindful that change will be difficult, but they are very necessary to strengthen and mature the enterprise, and to allow the dedicated men and women who serve in the department and within the HSE to reach their full potential.

I appreciate the opportunity to discuss recommendations to improve the department, and thereby the homeland security of our nation, and look forward to your questions.