

# **Lame Duck Reclamation Downsizing**

## ***Fact Sheet***

**August 2008**

The Interior Department's Bureau of Reclamation is currently engaged in an extensive but unannounced downsizing. At the Technical Services Center (TSC) in Reclamation's Denver Office, management has an aggressive timeline to further reduce the TSC before the end of the year. These moves will abolish many specialized groups and their functions. The degree and scope of these changes, once fully implemented, would be difficult and costly to reverse.

### ***Background***

Approximately seven months ago, Reclamation management targeted select TSC employees (and some others in the Denver Office) of retirement age to receive a "voluntary separation incentive payment and voluntary early retirement authority (VSIP/VERA)" offer. There was no prior announcement and no explanation of why certain staff received offers while others did not.

An estimated 100 employees took that offer (and about 20 employees from 2006 to 2007) out of a total of approximately 500 employees. Many work groups' services disappeared with those employees. At about the same time, some of the region and area offices were going through reductions-in-force (RIF), but without any clear explanation of the ultimate management goals.

Despite the loss of the roughly 100-member retirement age group in the TSC, at the end of May 2008, management offered another VSIP/VERA to a "more narrowly focused" group of another 65 employees. This second round targets almost exclusively middle-aged staff with an average of about 15-20 years of government service (the majority of it with Reclamation), most of whom are in environmental planning or technical positions.

Several days after these latter VSIP/VERA letters were handed out, management stated in a meeting that it wanted to do everything possible to avoid a RIF "to protect younger employees," specifically implying that if there were an insufficient number of voluntary departures that henceforth the removals would be through layoffs, involuntary downgrades or relocations.

### ***Effects***

The mission of Reclamation is to manage millions of acre feet of water, primarily with dams and reservoirs for multiple competing interests in the 17 Western states. This work is accomplished in its area offices, five regional offices, the Denver Office (includes the TSC), and Washington D.C. Office. The TSC was designed to provide specialized staff support for services needed by area and regional offices (and, to a lesser extent, the D.C. Office) in cases where it is impractical to hire expertise in the field and to provide professional support for coordinating joint projects.

Significantly, jobs now being targeted for elimination provide key, irreplaceable services for Reclamation and the public it is supposed to serve. Examples of affected functions include –

- The Expeditionary Unit Water Purification (EUWP) creates potable water from almost

any water source. The EUWP produced 1.3 million gallons of potable water to the Biloxi Regional Medical Center in 2005, and was a key operator during the Hurricane Katrina aftermath;

- Environmental scientists and other specialists working to understand the ecological consequences of Reclamation projects, as required under NEPA. Similarly, a number of positions most seriously impacted in the TSC are soil scientists, seismologists, economists, sociologists, historians, cultural resource experts, recreation planners, technical writers and editors;
- TSC's large in-house laboratory and library are key components of its work but appear to be slated for sharp reductions or elimination. The TSC laboratory is world renowned and provides invaluable research for Reclamation projects. The on-site library is critical for understanding the field of water management, securing inter-library loans and assisting researchers.

Beyond the disruption of work caused by this upheaval, employee morale has been devastated. In an agency that already had one of the lowest ratings in Office of Personnel Management satisfaction surveys of all agencies, employees are now faced with being forced to, at best, take details for odd jobs and, at worst, potentially be relocated to another city or face a RIF. A RIF would result in some employees initially losing their jobs, but it also would likely mean reassigning employees to other areas (again where they have no choice) or having to choose to leave their jobs altogether.

Ironically, all of this dislocation is being done in the name of management excellence. The M4E initiative has consumed much funding and countless hours with no identifiable achievements.

### ***Hidden Agenda***

These actions are being undertaken as part of what is called the "management for excellence (M4E)" initiative. Reclamation-wide management put out final drafts of a lengthy "M4E" report that did not include specifics of which functions or groups would be targeted or why, nor did it mention RIFs and similar actions:

- Employees have not been told why certain employees or groups are targeted and others are not (in the TSC or elsewhere), other than to say that they do not have enough work. However, a lot of employees who have a sufficient workload also received the letters;
- Management will not disclose how many positions/functions it plans to abolish; and
- Timeframes for these drastic changes are absurdly short. The VSIP/VERA offers gave employees only two weeks to decide whether to take the offers and the letters came without any notice whatsoever.

The effects are not confined to staff that received VSIP/VERA letters. Reclamation management is treating all employees in these groups as if everyone in the group received the letters. Thus, entire groups are being prepped for abolishment without any outward acknowledgement;

The hallmark of M4E has been secrecy. For example, in late 2007, management hired contractors to conduct employee focus groups and surveys but the promised results were never given to employees.

### *Creating the Conditions for Outsourcing*

The only explanation offered by agency management is a lack of projected projects and the need to “right-size” Reclamation. Tellingly, Reclamation management has not completed its proposed “right sizing” studies but is nonetheless taking major actions to downsize staff and cut functions. Moreover, despite the stated need to reduce staffing, management has still not instituted a Reclamation-wide hiring freeze.

What is apparent, however, is that “management for excellence” is designed to force reliance on increased outsourcing of jobs. For example, the majority of the approximately 65 most recently targeted employees have relatively long careers with Reclamation and extensive education (almost all have masters degrees and many have PhDs) that would be difficult to economically or practically replace.

Increased reliance on contractors may produce unfortunate results given the already serious problems that Reclamation is experiencing with the quality and cost of current consultant work. Reclamation’s inability to effectively manage its current contracts will be aggravated by full implementation of the M4E agenda.

Rampant waste and abuses in Interior contracting initiatives induced Congress in the 2008 Omnibus Appropriations Act to severely limit funds that may be spent to facilitate outsourcing. Reclamation’s M4E activities circumvent these Congressionally-mandated restrictions.

Many of the managers who are pushing M4E will soon be leaving public service and, not surprisingly, many will become private sector consultants in water management fields, eligible to compete for Reclamation work previously performed by the now-displaced civil servants.

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