

Tip Sheet 6: Information on Consolidating Programs

Step 4 of this guide includes information on the options analysts may consider recommending to reduce or better manage fragmentation, overlap, and duplication, including consolidating programs. This tip sheet provides questions and information for analysts to consider when recommending consolidation.

GAO has reported on many areas that appear to be fragmented, overlapping, or duplicative and has suggested that agencies could increase their efficiency and effectiveness by consolidating programs, including administrative functions (see the list of key GAO products at the end of this tip sheet). Table 14 outlines a number of questions analysts should try to answer when considering consolidation. These questions are not necessarily exhaustive, nor would it always be necessary to consider all questions for every consolidation proposal. Evidence of thinking through some of these considerations may indicate that agency officials have developed a strong program consolidation proposal. Conversely, the absence of these questions could indicate that agency officials have not adequately planned for the consolidation proposal.

Table 14: Initial Questions to Answer When Considering Consolidation

Questions to consider	Description
What are the goals of the consolidation? What opportunities will be addressed through the consolidation and what problems will be solved? What problems, if any, will be created?	The key to any consolidation initiative is the identification of and agreement on specific goals, with the consolidation goals being evaluated against realistic expectations of how they can be achieved. Consolidation goals, for example, can be compromised and new problems introduced when an initiative is delayed or halted, with agencies running the risk of increased costs or decreased benefits.
Is there a way to track and monitor progress toward short-term and long-term goals? Does the consolidation proposal include a feedback loop? Does the feedback loop enable officials to identify and analyze the causes of the program outcomes and how this learning can be leveraged for continuous improvement?	Regular and early communication facilitates a two-way exchange, which allows for feedback and tailored information to meet the consolidation needs. It also allows for agency officials to institute some changes, if necessary, on the basis of this feedback
What will be the likely costs and benefits of the consolidation? Are sufficiently reliable data available to support a business-case analysis or cost-benefit analysis?	The initiative needs to be based on a clearly presented business-case or cost-benefit analysis and grounded in accurate and reliable data, both of which can show stakeholders why a particular initiative is being considered and the range of alternatives considered.
How can any up-front costs associated with the consolidation be funded?	Consolidations often have up-front costs, which agencies may find challenging to pay for without additional resources.
What statutory or regulatory changes are needed to support the consolidation?	If programs are statutorily required, legislation would be needed to consolidate them. If programs are agency initiated, the agency would have the authority to consolidate them.
Who are the consolidation stakeholders and other participants and how will they be affected? How have stakeholders and other participants been involved in the decision and how have their views been considered? On balance, do stakeholders and other participants understand the rationale for consolidation?	It is critical that agencies identify who the relevant stakeholders and other participants are and develop a two-way communication strategy that both addresses their concerns and conveys the rationale for, and overarching benefits associated with, the consolidation.
If the proposed consolidation approach does not include all programs with similar activities or that address similar goals, how will the new structure interact with those programs not included in the consolidation?	In seeking to avoid increasing unnecessary fragmentation, overlap, and duplication, it is critical that federal policymakers consider what other programs or funding streams exist in related areas and what the impact of the consolidation on these is likely to be. Even if no changes in these other programs are undertaken, design of the consolidation can affect the interaction with other programs and funding streams.
To what extent do plans show that practices to manage change will be used to implement the consolidation?	Implementing a consolidation can raise some of the same issues as a large-scale organizational transformation and requires the concentrated efforts of both leadership and employees to accomplish new organizational goals. Agencies should have an implementation plan for the consolidation that includes essential practices to manage change, such as active, engaged leadership of executives at the highest possible levels; a dedicated implementation team that can be held accountable for change; and a strategy for capturing best practices, measuring progress toward the established goals of the consolidation, retaining key talent, and assessing and mitigating risk, among others.

Source: GAO. | GAO-15-49SP

Key GAO Reports

Grant Program Consolidations: Lessons Learned and Implications for Congressional Oversight. [GAO-15-125](#). Washington, D.C.: December 12, 2014.

Grants to State and Local Governments: An Overview of Federal Funding Levels and Selected Challenges. [GAO-12-1016](#). Washington, D.C.: September 25, 2012.

Streamlining Government: Questions to Consider When Evaluating Proposals to Consolidate Physical Infrastructure and Management Functions. [GAO-12-542](#). Washington, D.C.: May 23, 2012.

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

Homelessness: Consolidating HUD's McKinney Programs. [GAO/T-RCED-00-187](#). Washington, D.C.: May 23, 2000.

Block Grants: Characteristics, Experience, and Lessons Learned. [GAO/HEHS-95-74](#). Washington, D.C.: February 9, 1995.

Block Grants: Overview of Experiences to Date and Emerging Issues. [GAO/HRD-85-46](#). Washington, D.C.: April 3, 1985.

State Rather Than Federal Policies Provided the Framework for Managing Block Grants. [GAO/HRD-85-36](#). Washington, D.C.: March 15, 1985.

Lessons Learned from Past Block Grants: Implications for Congressional Oversight. [GAO/IPE-82-8](#). Washington, D.C.: September 23, 1982.

Other Key Resources

Congressional Research Service. *Block Grants: Perspectives and Controversies*. Washington, D.C.: June 26, 2013.

Congressional Research Service. *Federal Grants-in-Aid Administration: A Primer*. Washington, D.C.: October 3, 2012.

Advisory Commission on Intergovernmental Relations. *An Agenda for American Federalism: Restoring Confidence and Competence*. A-86. Washington, D.C.: June 1981.

Advisory Commission on Intergovernmental Relations. *Categorical Grants: Their Role and Design*. A-52. Washington, D.C.: 1978.

Advisory Commission on Intergovernmental Relations. *Block Grants: A Comparative Analysis*. A-60. Washington, D.C.: 1977.