

GAO Highlights

Highlights of [GAO-16-742](#), a report to the Ranking Member, Committee on Natural Resources, House of Representatives

Why GAO Did This Study

The explosion onboard the Deepwater Horizon drilling rig in April 2010 highlighted the importance of effective oversight of oil and gas activities, but Interior has faced challenges in hiring, retaining, and training staff responsible for such oversight. Since 2011, Interior's management of federal oil and gas resources has been on GAO's list of program areas that are at high risk, partly because of human capital challenges. In a February 2015 update to the list, GAO found that Interior had begun to address these challenges but needed to do more.

GAO was requested to review the status of Interior's human capital challenges. This report examines Interior's efforts to (1) resolve its hiring and retention challenges for key oil and gas staff and (2) address its training needs for such staff. GAO reviewed regulations, reports, and department documents; analyzed Interior and OPM information; and interviewed department officials.

What GAO Recommends

GAO is recommending that Interior evaluate the effectiveness of special salary rates and incentives, evaluate its bureaus' training programs, develop technical competencies for all key oil and gas staff, evaluate the need for a BSEE inspector certification program, and better facilitate collaboration across the bureaus. Interior agreed with one recommendation, partially agreed with 3 others, and disagreed with one recommendation. GAO continues to believe that the recommendations are valid, as discussed in the report.

View [GAO-16-742](#). For more information, contact Frank Rusco at (202) 512-3841 or ruscof@gao.gov.

OIL AND GAS OVERSIGHT

Interior Has Taken Steps to Address Staff Hiring, Retention, and Training but Needs a More Evaluative and Collaborative Approach

What GAO Found

The Department of the Interior has taken steps to resolve its hiring and retention challenges for key staff engaged in oil and gas activities, but it has not evaluated the effectiveness of its efforts and has missed opportunities to collaborate within the department for resolving these challenges. Specifically, Interior has taken steps to address two underlying factors—lower salaries and a lengthier hiring process compared with industry—that impede its ability to hire and retain such staff. For example, in fiscal year 2012 Interior began using special salary rates to give higher pay to certain key staff in its bureaus that oversee oil and gas resources: the Bureau of Land Management (BLM), Bureau of Safety and Environmental Enforcement (BSEE), and Bureau of Ocean and Energy Management (BOEM). To bolster compensation further, some bureaus increased the number of staff receiving student loan repayments and other incentives. Officials said these efforts in fiscal year 2015 filled positions, but they had not evaluated the effectiveness of their efforts. As a result, Interior cannot determine how or whether it should alter its approach. Regarding the lengthy hiring process, the bureaus recently adopted new human resources software that may provide them with better data to track their hiring process. As the bureaus sought to improve hiring and retention, Interior's Office of Policy, Management and Budget—which is charged with managing human resources and addressing cross-cutting issues—missed opportunities to facilitate collaboration across the bureaus. For example, two bureaus used separate recruitment teams that did not collaborate. Senior officials in the office did not identify any collaboration mechanism that they used to bring the bureaus together to discuss shared challenges. Without such a mechanism, the bureaus may continue to address these challenges through fragmented and potentially duplicative efforts.

Interior has trained key oil and gas staff without fully evaluating the bureaus' staff training needs or the training's effectiveness, according to officials, and Interior has provided limited leadership in facilitating the bureaus' sharing of training resources. The Federal Workforce Flexibility Act of 2004 and Office of Personnel Management (OPM) regulations require agencies to evaluate their training efforts, but Interior's Office of Policy, Management and Budget has not performed these evaluations. In addition, none of the bureaus have evaluated training, according to officials, and only one developed technical competencies for staff as directed in Interior's Departmental Manual. Further, BSEE's training for inspectors does not include proficiency examinations or certifications, according to officials, although two oversight bodies recommended implementing a certification program in 2010. Interior has provided limited leadership in facilitating the sharing of training resources across the bureaus, appearing to miss opportunities that could improve the use of these resources. For example, BOEM does not have staff to develop curricula or evaluate training efforts and, as of July 2016, BSEE had 6 full-time staff in their training program, according to officials. These bureaus conduct limited evaluations. In contrast, BLM had 59 staff in its training program and has the capacity to evaluate their training efforts, according to officials. Without further evaluation and leadership, Interior may not be able to ensure key oil and gas staff are adequately trained for their oversight tasks, and the bureaus may miss opportunities to share resources.