

GAO Highlights

Highlights of [GAO-19-450](#), a report to congressional addressees

Why GAO Did This Study

In 2017, State initiated a series of reform efforts in response to an executive order by the President and guidance issued by the Office of Management and Budget aimed at reorganizing and streamlining the government. GAO's prior work has shown that successful agency reform efforts follow key implementation practices, such as establishing a dedicated team to manage the implementation of reforms, and ensuring transparency by setting public goals and milestones to monitor progress.

This report examines (1) the status of the reform efforts that State reported to Congress in February 2018 and (2) the extent to which State addressed key practices critical to the successful implementation of agency reform efforts. GAO reviewed State's reform plans, proposals, and related documents; met with officials involved in State's reform efforts; and assessed implementation of the reform efforts against relevant key practices identified in GAO's prior work.

What GAO Recommends

The Secretary of State should (1) determine which unimplemented reform projects, if any, should be implemented and communicate this determination to Congress and appropriate State personnel, and (2) establish a single dedicated team to manage the implementation of all reform efforts that the Secretary decides to pursue. State generally concurred with the recommendations.

View [GAO-19-450](#). For more information, contact Jason Bair at (202) 512-6881 or BairJ@gao.gov.

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STATE DEPARTMENT

Leadership Focus Needed to Guide Agency Reform Efforts

What GAO Found

The Department of State (State) is implementing most of the 17 reform projects it reported to Congress in February 2018, but a few are stalled or discontinued. State completed one project streamlining policy formulation, and continues working to implement 13 projects on topics including human resources, information technology, and data analytics. Progress on two projects related to overseas presence has stalled, and State has discontinued a project to consolidate real property management.

State has not addressed certain key practices related to leadership focus and attention in implementing its reform efforts. Multiple transitions in State's leadership and changing priorities contributed to uncertainty about leadership support for reform projects. Top leadership is expected to drive any needed transformation by clarifying priorities and communicating direction to employees and stakeholders.

- In March 2018, the President replaced the Secretary of State, a transition that created uncertainty within the agency regarding the future of ongoing reform projects. While some officials stated that the new Secretary had expressed support for data analytics and cyber security reform efforts, other officials said they were unclear as to whether their projects remained a priority. According to senior officials, the current Secretary has focused on critical needs, such as ending the hiring freeze and increasing recruitment, and on launching new initiatives.
- In April 2018, State disbanded the dedicated teams overseeing its reform efforts and shifted responsibility to bureaus and offices. In some cases, officials assigned to lead reform projects reported receiving little or no direction from department leadership. GAO's prior work has highlighted the benefits of having a dedicated team to manage agency transformations.
- In addition, State officials indicated that the challenges posed by these transitions were compounded by a lack of Senate-confirmed leadership in key positions. Specifically, during the first 2 years of State's reform efforts, bureaus and offices responsible for implementing 12 of State's 13 continuing reform projects reported directly to one or more officials serving in an acting capacity. For example, State did not have a Senate-confirmed Under Secretary for Management from January 2017 to May 2019, which, according to senior officials, hindered State's reform efforts.

According to State officials, taken together these leadership transitions led to several projects being scaled back, slowed down, or both.

Although uncertainties exist about leadership priorities regarding the reform efforts, the bureaus and offices responsible for implementing reform projects have taken steps to manage and monitor them, consistent with key practices. Each of the continuing projects has implementation plans that include milestones and deliverables, and some report their progress publicly. For example, State reports on the progress of some projects in its annual performance plans and reports. The lack of a dedicated team to manage the reform process, however, could slow State's overall efforts.