

## **Introduction**

The new Administration will face many strategic challenges on issues ranging from national security, the global financial crisis, climate change, health care, education, and energy. Included in that mix of challenges is the Department of Homeland Security (DHS) and the public safety issues for which it is responsible. Five and a half years after its creation, seven years after the September 11 attacks, and three years after Katrina, DHS stands at a critical crossroads. Tremendous progress has been made in many areas to improve the security of our country and to enhance prevention and response capabilities at all levels of government. However, fundamental challenges remain unresolved, a reality that continues to impact the Department's effectiveness. These challenges center on organizational, functional, and doctrinal gaps in the homeland security arena, including the following:

- **Lingering organizational issues that impede meaningful collaboration.** Organizational disunity within DHS impedes overall mission effectiveness and has severely frayed the partnership between DHS and its state and local government counterparts. Although the critical importance of integration and coordination are regularly cited by DHS leadership, the Department has not succeeded in creating a culture that demands and delivers jointness and collaboration. With so many public, private, and community-based stakeholders on homeland security issues, real long-term mission impact can only come through successful partnerships.
- **Absence of a robust policy analysis and evaluation capability.** Even after two major reorganizations, DHS still lacks a basic, Department-wide analytical capability to assess and inform its programs. Without this function, DHS lacks the means to develop, offer, and apply independent, objective, data-driven analysis to its most challenging policy problems. As a result, the Department is not using its limited resources across the entire homeland security portfolio as efficiently and effectively as it could be doing.
- **Lack of an integrated national plan for preventing terrorist attacks within the United States.** Despite extensive intelligence community reform, we still lack a coherent national strategy for terrorism prevention on par with the *National Infrastructure Protection Plan* or the *National Response Framework*. A national strategy focused on preventing terrorist attacks before they occur would help tie together the many federal, state, local and private sector agencies engaged in prevention efforts. A national strategy would also help orient existing prevention initiatives—such as the Information Sharing Environment and the growing national focus on fusion centers—in a broader strategic context.

This paper proposes a path forward to address each of these three issues which, while not an exhaustive list, represent the most critical challenges to be addressed by the new Secretary of Homeland Security. Addressing these organizational, analytical, and doctrinal matters will enable DHS to work more effectively across the full spectrum of prevention, protection, response, and recovery activities for which it is responsible. These enabling capabilities will position DHS to lead a more integrated effort to confront complex challenges and identify high-payoff solutions.

## Partnerships and Collaboration

Homeland Security is a mission that transcends agencies and levels of government, and is not confined strictly to the operations of DHS. Hurricane Katrina provided a clear lesson that DHS cannot succeed in its mission alone, and that success can only come through a strong, collaborative partnership with its federal, state, local, private sector, and non-governmental counterparts. Successful partnership, however, depends on trust and credibility, and the past two years have seen a degradation in confidence and trust in DHS. This problem affects the Department's external relations with its partners as well as its internal operations, damaging relationships among components and between leadership and employees. This degradation manifests itself in disunity and turf battles internally, in repeated clashes with other agencies over mission space; in visible breakdowns in the partnership between DHS and its state and local counterparts; and in the lack of effective Departmental mechanisms for communicating about security risks with the American public. These underlying issues of trust and confidence must be addressed, and DHS' commitment to partnership and collaboration improved—internally and externally—if the Department is to succeed in its mission.

One key component of the DHS mission is executing the preparedness policies set forth in Homeland Security Presidential Directive 8. The National Preparedness Guidelines, which are designed to help the Department implement these policies, define preparedness as a continuous process involving all levels of government, the private sector, and nongovernmental organizations in “deliberate, critical tasks and activities necessary to build, sustain, and improve the operational capability to prevent, protect against, respond to, and recover from domestic incidents.” Thus the preparedness mission cuts across virtually all other Departmental missions and activities, and encompasses all of the Department's external partners. DHS' execution against this mission, however, is hindered by a fractured system of authority and responsibility for key elements of the preparedness mission: Responsibility for state and local preparedness programs resides in FEMA, while preparedness efforts aimed at improving the protection of critical infrastructure and emergency communications are housed in the National Protection and Programs Directorate, and responsibility for transportation security preparedness programs is split between the U.S. Coast Guard (USCG) and the Transportation Security Administration. This division of responsibility has prevented DHS from developing fully integrated preparedness doctrine and policy guidance, has given rise to internal conflict, and has made accessing and understanding the complicated network of preparedness programs difficult for its constituencies.

## Recommendations

In general, the new Secretary should avoid wholesale reorganizations and focus instead on integrating the Department's internal and external operations. DHS has been through too many reorganizations in too short a period of time, and the strain is showing. With a few exceptions, the Secretary should focus instead on how the Department functions, not how it is organized—creating jointness and collaboration where work is actually performed. In addition, a few structural actions are needed to address specific, critical needs in a manner that will realize effective partnership and collaboration. Specifically, the new Secretary should:

- *Create a DHS Integrated Staff.* This staff will improve integration among and strategic direction to the Department's twenty-two component agencies. The DHS Integrated Staff

should build upon Secretary Ridge's effort, subsequently dismantled, to create an operational integration staff, and upon Secretary Chertoff's Office of Operations Coordination. This new DHS Integrated Staff should focus specifically on creating jointness within DHS operations through provision of centralized guidance on strategic priorities and desired outcomes, planning, doctrinal development and combined operations, as appropriate. More importantly, the new Secretary should populate the Integrated Staff with the Department's most capable personnel and strive to make it the most prestigious place to work in DHS. By emphasizing jointness and relying upon recommendations and advice from the Integrated Staff, the Secretary can begin to create a new ethos for the Department that emphasizes partnership, collaboration, and a One-DHS mentality.

- *Reconstitute the Office of State and Local Government Coordination in the Office of the Secretary.* Perhaps the clearest and most effective way to rebuild DHS' relationship with its state and local partners is to reconstitute the Office of State and Local Government Coordination in the Office of the Secretary. Under Secretary Ridge, this office provided an effective means for states and localities to offer input to senior DHS officials on policy and program activities, and an equally effective avenue through which Department components could engage with those partners on a wide variety of issues. This capability has been lost in DHS under Secretary Chertoff, and Hurricane Katrina was a clear lesson that DHS cannot succeed in its mission alone; success can only come through a strong, collaborative partnership with its state and local counterparts. Through this office, DHS should establish a formal, institutionalized process for soliciting state and local input into DHS policies and programs that directly affect them. Reconstituting the state and local coordination office and using it to initiate open dialogue and facilitate active engagement with Mayors, Governors, and their staffs concerning their interests and priorities will go a long way to rebuilding these essential partnerships.
- *Reintegrate preparedness policy and programs.* The Post-Katrina Emergency Management Reform Act (PKEMRA) established a Deputy Administrator for National Preparedness within FEMA; the Deputy Administrator should be fully vested with the authority and responsibility for DHS' preparedness mission, and charged with working with the USCG, TSA and other Departmental components to design an integrated, strategic approach to national preparedness, in accordance with the PKEMRA legislation and keeping with these agencies' responsibility for their own operational readiness. Additionally, the Offices of Infrastructure Protection and Emergency Communications should be integrated into FEMA, reporting through the Deputy Administrator for National Preparedness. This will effectively integrate preparedness program policy and development, and enable flexible, coordinated program delivery through FEMA's regional offices.
- *Actively and openly engage with the country.* DHS should reinvent the *Ready* Campaign as an aggressive public engagement effort to dialogue with Americans about the risks facing our country and how collectively we can best address those risks—as government agencies, businesses, organizations, communities, families, and citizens. This effort should be executed in concert with the Department's Private Sector Office and the reconstituted Office of State and Local Government Coordination, thereby allowing DHS to engage with and bring to bear the tools and capabilities of each sector of society—

public, private, and civil—to solve shared problems openly. To truly improve preparedness nationally, DHS must engage with its state, local, private sector, and civilian partners on homeland security concerns in a manner that recognizes their motivating interests and concerns. This effort hinges on truly open dialogue that embraces stakeholders as equity partners in a shared national mission, not on an improved or tightly controlled messaging campaign. Only thus can DHS begin to rebuild the trust and confidence with its partners and the American public that is so essential to its success.

### **Improving the Department's Analytic Capabilities**

DHS is a unique organization of new and existing agencies and offices that all have a stake in achieving the Department's overall mission. Yet there are few, if any, truly Departmental capabilities that provide DHS leadership the means to understand issues and make programmatic tradeoffs across the entire homeland security enterprise. Although an Office of Policy exists to both assist in that endeavor and integrate Department-wide policies, planning, and programs, the policy office has languished during the first years of the Department's existence. As currently configured, the Office of Policy suffers from budget constraints, limited sway over programs and decisions, and an underwhelming ability to analyze data to inform courses of action.

Merging two dozen different agencies into DHS created both a unique opportunity and a challenge to collect and analyze information in ways that could help dissolve organizational silos rather than perpetuate them. However, a sustainable analytic function within the Department has not yet been established. The absence of an analytic capability is concerning because it leaves DHS without an organic means to develop, offer, and apply independent, objective, data-driven analysis to some of its most challenging policy problems. In addition, the *National Strategy for Homeland Security* calls for the application of a risk-based framework across all homeland security efforts to identify and assess potential hazards, determine levels of acceptable relative risk, and prioritize and allocate resources among all homeland security partners. Despite widespread recognition of the value of such an effort, DHS has not yet established an inclusive and repeatable process for evaluating risk at the national level. Finally, various studies have indicated that DHS cannot presently answer questions about how prepared the nation is from a capabilities standpoint, where our investments in federal, state, local, private sector, and nonprofit partners have yielded demonstrable gain, and what capability gaps must still be addressed. Without an analytical framework and corresponding governance process to assess capabilities against national planning requirements on a regular basis, DHS will not be in a position to address questions about how prepared we are, how prepared we need to be, and how we can close the gaps.

### **Recommendations**

If DHS is to realize its potential as an effective organization, it must possess a robust, inclusive policy organization supported by a strong analytic capability that can deliver expert analysis, data-driven recommendations, and solutions to help inform decisions. The central challenge for DHS in this regard is to have one eye on the past, using the information it has to better understand what has occurred and why, and one eye on the future, anticipating new requirements and engaging with its partners to improve its performance. To accomplish this,

the new Secretary should significantly strengthen the analytic capabilities of the DHS Office of Policy in the following ways:

- *Create a DHS-wide, cross-cutting analytic capability.* DHS needs to link its many data streams and diverse operations through cross-cutting analyses. This will allow the Department to rapidly identify and shape emergent issues, and to understand the implications these issues have for homeland security policy, programs, and organizational dynamics. Analysis could take many forms, and must combine specialized subject matter expertise, appropriate analytical techniques, and practical experience. For example, retrospective analyses, such as meta-analyses of exercise and real-world operations, can be used to identify recurring problems, better understand historical cause-and-effect relationships among policies and programs, and discover emerging issues. This analysis may include reconstructing exercise and real world event responses and combining the results from similar scenarios over time to reveal recurring gaps and common problems. These kinds of analyses which are commonly undertaken by other agencies such as the Department of Defense (DOD) will enable the Department to develop new knowledge and use that knowledge to improve its operations as well as more effectively shape policy and program development.
- *Translate analytic results into learning opportunities to improve national preparedness and operational readiness.* Knowledge gained by developing the Department’s analytic capabilities should also be translated into learning opportunities for federal, state and local agencies. Although programs for sharing lessons learned and implementing corrective actions have long been a component of emergency management and homeland security policy, the same problems continue to surface during Tier 1 multi-jurisdictional exercises like the Top Officials exercise series. They are also visible in the response to complex events like Hurricane Katrina. These persistent problems are a reflection of complex underlying issues that are not easy to evaluate and fix. In addition, the opportunities to participate in Tier I national level exercises are few, and many local communities, states and federal agency components have not had this learning experience. One specific example of a translation opportunity is to leverage the reconstruction and analysis of Tier 1 exercises. This rich data source can be used to develop repeatable training exercises that will allow other jurisdictions to “re-play” the scenario, see the actions and decisions of federal agencies and other jurisdictions, and examine their own decisions and actions in this complex environment. Similar learning opportunities could be developed from reconstructions and analyses of real world events.
- *Establish a Department-wide Program Analysis and Evaluation (PA&E) function.* DOD has long had a PA&E office that provides objective program evaluations and analysis to the Secretary of Defense for consideration. DHS should look to the Defense Department as a model for how PA&E functions can lend direct value to decision-making. DHS is already instituting a programming and budgeting system similar to that of DOD’s, which should continue to be matured. To make this system truly effective, however, DHS should establish a companion capability to evaluate program performance, assess the cost-effectiveness of homeland security systems, and develop and evaluate program alternatives. This will improve the performance of DHS programs and operations, and support the President-Elect’s commitment to evaluate federal programs based on their performance and cost-efficiency.

- *Institute a national risk analysis process.* Individual components within DHS analyze risk for their particular sector/domain (e.g., ports) or in service of a specific programmatic objective (e.g., grant allocations). But without a comprehensive view of risk across domains at the national level, DHS will continue to build and implement programs that lack sufficient grounding in the threats and vulnerabilities the nation faces from day to day. A systematic assessment of national risk can offer insights to planners into how natural and man-made hazards threaten, and how adversaries might seek to exploit, key vulnerabilities as well as how best to prevent, protect against, respond to, and recover from incidents. This risk analytic function must cut across all components of the Department and the federal interagency, leveraging data and subject matter expertise from internal and external stakeholders to develop a comprehensive risk operating picture. Further, this must be shared with individual departments, agencies, and components charged with executing specific programs.
- *Develop capacity to assess national preparedness and operational readiness.* DHS must finalize a systematic approach to and repeatable cycle for assessing preparedness capabilities nationally. As the lead for creating a National Preparedness System, FEMA (or its legacy components) developed, piloted, and shelved several different methodologies since 2005, when the Department embraced a shift to a capabilities-based planning philosophy for homeland security and issued the first iteration of the Target Capabilities List. But to date, a capabilities assessment process and a supporting system of metrics and measures has yet to be finalized and executed. A repeatable assessment of capabilities is imperative so that DHS and its external partners at every level can understand current levels of preparedness, potential programmatic courses of action to close any preparedness gaps, and the long-term impact that present-day capabilities investments can have on preparedness at the federal, state, and local levels. This is the only way that DHS will be able to analyze preparedness accomplishments and take a strategic approach to address lingering gaps.

### **National Prevention Plan**

The national homeland security framework has evolved tremendously over the past five years, as cascading plans and doctrine have taken shape around the key mission areas articulated in the National Strategy for Homeland Security: prevention, protection, response and recovery. Yet surprisingly, a critical gap remains—our nation still possesses no single, integrated plan for the prevention of terrorist attacks in the United States. We have developed a National Response Framework and a National Infrastructure Protection Plan to provide structured direction for integrating national capabilities in support of those mission areas, but no similar national plan exists to link together the many federal, state, local, and private sector agencies engaged in terrorism prevention in support of this essential national mission. As a result, we continue to suffer from disunity and conflict over policy, turf and the perceived roles and responsibilities of federal, state and local law enforcement, intelligence agencies, military, private sectors and the citizenry.

### **Recommendations**

The new Secretary for Homeland Security should address this critical deficiency as quickly as possible, leading an integrative effort to develop a National Prevention Plan. Development of this plan should be inclusive, with appropriate representation from federal intelligence and

law enforcement agencies, state and local law enforcement, fusion centers, and key private sector partners. The plan should build on the existing Information Sharing Environment and National Strategy for Information Sharing, and should clarify and codify how the terrorism prevention capabilities of the terrorism prevention community can be most effectively integrated to share information, support joint operations and investigations, and prevent future terrorist attacks in the United States while supporting our core national values. Specifically, the plan should address:

- Integrating state and local intelligence and law enforcement capabilities with those of federal departments and agencies in a single, national prevention framework.
- Articulating clear roles and principles for public-private partnership and information sharing.
- Balancing investigative and information sharing needs with individual privacy.
- Communicating threat information to the general public without creating unnecessary fear and hysteria.
- Building trust and creating an environment of cooperation among members of the terrorism prevention community.

Coordinating among the many intelligence, law enforcement, and operational elements of DHS in the development of a National Prevention Plan will require just as much effort as working with the Department's external partners. Given that no single Departmental component has clear lead for the prevention mission, it is appropriate that responsibility for leading development of the plan be vested with an integrative body within DHS. This would be an ideal role for the DHS Integrated Staff proposed earlier in this paper, and is exactly the kind of critical, high profile mission that will ensure such a Staff attracts the best and brightest from the DHS workforce.