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**Action Learning Scenario #4  
Room 110  
Cutting Costs while  
Keeping Our Science Strong**

**ELT Champions/Sponsors:** Karen Baker, Associate Director  
for Administration and Enterprise  
Information

Barbara Wainman, Director,  
Communications and Publishing

**Coach:** Bill Werkheiser

**Action Learning Team**

1. Greg Delzer
2. Peggy Gardiner
3. Terri Moore
4. Sharla Pierce
5. Kevin Wood

- Karen and Barbara will be present on both Monday and Friday. Ione and Bill will be at the NCTC all week – Bill, as course co-coordinator and Ione, as facilitator for the creativity sections and coach of the coaches.
- Copies of background materials provided by Champion and Sponsor will be placed in breakout room #110 for the Action Learning Team.

## **Cutting Costs while Keeping Our Science Strong** ***Achieving Cost Efficiencies for Science***

**ELT Champions/Sponsors:** Members of the ELT (ACES) Team  
Karen Baker, Associate Director for Administration and  
Enterprise Information  
Barbara Wainman, Director, Communications and Publishing

**Issue:** Budgets for all federal agencies are most likely to get worse before they get better. We are moving from a position of simply not growing to absorbing significant cuts that will affect our employees, our science, and our mission. How we manage our way through these down times will have a great impact on our future.

**The Leadership Challenge:** The President and Speaker of the House, during recent budget talks, spoke of taking bold steps, not simply doing the minimum required to reach a deal; seeking the “grand bargain” in an effort to get the Nation back on sound financial footing. As stewards of the USGS we too must take bold steps. We must achieve more than a short term logistical fix. We must change the shape of our organization; we must become more nimble and better able to respond to the increasing demands for efficiency and calls to do more with less. In the spirit of the debt talks we too must set aside our own “partisan” preferences for discipline or geographic area if we are to achieve the change necessary to position the USGS to take on the science issues of the future. This will require a cultural shift and shared sacrifice.

**Background:** The possibility of budget cuts in 2012 and 13 are not the typical cycle we have witnessed in the recent past. Congress is seriously considering measures that would shrink our buying power to FY 2010, or even FY2006 levels. The House proposed FY 2012 appropriation for the USGS is down \$30 million from FY 2011. The option of continuing to shrink in place is not sustainable and therefore we must confront the reality of changing fundamentally how we do business. How should we do this; what are our options? Do we reduce our physical footprint? Do we eliminate programs and projects (and by necessity employees)? Do we contract more of our work in an effort to have more flexibility in the event of cuts? And equally importantly, how in this climate of cuts do we plan for the future and ensure that we have the right skills and abilities to tackle the next generation of science questions? How do we safeguard the ability to address the challenges and science goals that the Science Strategy Planning Teams (SSPTs) are sure to recommend?

It is imperative that we have a plan in place if we are to chart our own destiny rather than have direction imposed on us. While the budget pressures are a catalyst, they also offer us an opportunity to take a hard look at how we conduct the business of our science and look for efficiencies and opportunities to improve the quality of our science.

An Executive Leadership Team (ELT) working group, called the “Achieving Cost Efficiencies for Science”, or “ACES” Team has just been chartered to tackle this problem but a solution will require the dedication, commitment, and ideas of all of our employees. We must begin a bureau-wide dialogue about choices and options and engage all the best minds in USGS as to how to meet budget constraints, maintain or improve the quality of our science, and position ourselves to address tomorrow’s scientific challenges. No small order.

Attachment 1 is the ACES Team charter that we are using as a starting point from which to develop our initial recommendations to the Director, Deputy Director, and colleagues on the ELT at a face-to-face ELT meeting in late October. We need your input and innovative thinking as we prepare for that meeting! Please think outside the box and give us your ideas for how to best position the Survey, your Survey, for the budget and science challenges we face. Attachments 2 and 3 are articles giving a different perspective from the private sector on how to approach cost cutting included in order to spark your brain-storming on this topic. We look forward to hearing your thinking on this challenging topic!

**Attachments:**

1. Charter for ELT working group (ACES)
2. “A Quick Hit Approach to Cost Savings”, Harvard Business Review\*, Powers and Connor, 2001
3. “Cut Costs + Grow Stronger”, Harvard Business Press\*, Banerji, Leinwand, Mainardo, 2009

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