



GREG SCHNEIDERS

Katrina disaster shows value of restoring FEMA's status

Twenty-seven years ago, while working in the Carter White House, I directed the reorganization project that gave birth to a new federal agency: the Federal Emergency Management Agency (FEMA). While the idea of a single agency to coordinate the federal preparation for and response to natural disasters seems obvious now, forging political consensus behind the plan was tough.

We had to pull from more than 30 different government fiefdoms – including the Defense Department and the Department of Housing and Urban Development. The resistance was fierce. And, because we insisted that the agency be independent, report directly to the President, and have ex-officio Cabinet status, we faced another hurdle: the need for congressional approval, which could have been avoided by tucking the agency into a larger department.

Watching the saga of FEMA's disastrous response to Hurricane Katrina, I've wondered what went wrong with such a good idea. The easy answer: leadership. Unlike James Lee Witt, President Clinton's FEMA director who came to the office from a career in public service and disaster work, Michael Brown, FEMA director during Katrina, was the former head of the Arabian Horse Association, with no disaster experience. But there is another, more important explanation of what went wrong that says a lot about managing change in large organizations.

When we created FEMA, we knew that, to be effective in coordinating the assets and activities of multiple federal agencies, it needed independence, stature, and direct access to the President. President Clinton

understood this and further elevated FEMA to full Cabinet status. When Witt called upon officials throughout the bureaucracy to pitch in on disaster relief, they knew he spoke with Clinton's authority. In contrast, President Bush, in the aftermath of 9/11, downgraded FEMA's status and made it a division of the Department of Homeland Security (DHS), an agency more concerned with terrorism than with more frequent – but less dramatic – natural disasters.

Large bureaucracies, whether government agencies or private companies, are not built for extraordinary effort. They thrive on routine. When their leaders or circumstances call for the extraordinary, they resist – sometimes massively. Leaders like Jack Welch and Lou Gerstner have seen this when trying to reinvent GE and IBM, respectively, and President Bush got a taste of it after Katrina. The difference: Welch and Gerstner knew that there is no chance for success unless it is clear that orders are coming from the highest level.

What does all of this mean for FEMA's future? Simple. Take it out of DHS, and return it to independent, Cabinet-level status. If the next disaster requiring massive federal mobilization is a dirty bomb or biological attack instead of a hurricane, FEMA will be there to respond, and that response will be more effective if the agency has the independence and clout that it needs to get the job done. ■

Greg Schneiders is a founding partner of Prime Group, a consultancy that specializes in helping clients understand, plan, and execute change. Greg@primegroupllc.com.