



“One size does not fit all. The enormity and uniqueness of the disaster rendered our client’s usual processes insufficient. We recognized this and developed an innovative process to meet the unique requirements of the crisis.”

CASE STUDY

Business Process Transformation

Design and Implementation of a New Grant Closeout Process After 9/11

“Thirteen hundred grants. \$2.5 billion. In how long?”

The World Trade Center disaster was unprecedented in size, complexity, and human toll and in the prolonged attention it received from the media, the public, and all levels of government. FEMA realized that its standard toolkit of disaster assistance grants and grant management processes was not sufficient for an event of this magnitude. To help New York City recover from this historic and devastating event, FEMA needed to deliver disaster assistance funds quickly and close out grants efficiently. A new FEMA disaster assistance grant closeout process needed to:

- Be administered efficiently with a minimum of effort by the grant recipient
- Enable grant recipients to receive funds as quickly as possible
- Comply with all governing laws and regulations
- Allow programmatic close out of public assistance grants within two years of 9/11

Two years? Could that even be done?

Many experienced contractors and even some FEMA staff said that the new grant closeout process raised unrealistic expectations. The existing FEMA process generally took a minimum of several years to complete, and that was for events one-tenth the size of the 9/11 disaster.

The Turning Point.

Hagerty professionals realized that merely tinkering with FEMA’s existing process would not achieve the desired results. The traditional closeout process needed radical transformation if it was to meet FEMA requirements and New York City’s expectations.

One Hagerty professional assigned to the project had managed a billion-dollar disaster as a top-level FEMA employee; another had designed a complex new “311” call center for a major city; another had implemented innovative service delivery strategies for housing authorities across the country. These professionals understood how to take a cumbersome process and improve it dramatically—and quickly.

Hagerty’s approach resulted in an entirely new process that focused only on tasks that were critical to achieving outcomes, meeting program requirements, and meeting clients’ and grant recipients’ needs.

A Successful Journey. A Welcome Destination.

Within two years of 9/11, the team led by Hagerty professionals successfully closed out more than 1,300 grants totaling in excess of \$2.5 billion. Because there had been close collaboration and communication with grant recipients during the closeout process, applicants did not appeal any of FEMA’s eligibility determinations, even when funds were denied for ineligible projects. As a point of comparison, many disasters that FEMA handled before 9/11 resulted in hundreds of appeals.

The expedited grant closeout process put crucial recovery dollars into the hands of reconstruction officials and took the pressure off city and state employees, allowing them to return to the business of rebuilding New York City.



“The Strike Teams were very close to being filed under ‘good ideas that didn’t work out.’ The Hagerty team facilitated a critical meeting at the field office that laid the groundwork for improvements that were to come.”

CASE STUDY Facilitation

Facilitating a Meeting to Improve Post-Disaster Housing Delivery

“Necessity is the mother of invention, but who owns implementation?”

In 2004, Florida was hit by four major hurricanes within a six-week period. This unprecedented string of disasters caused widespread devastation across the state and left tens of thousands of residents homeless. FEMA responded by creating rapid-response local field teams, called Strike Teams, to help deliver temporary housing to disaster victims. It was a good concept. Strike Teams were a much-needed local presence and were able to respond with speed and agility to a quickly changing situation. However, communication and coordination problems limited the Strike Teams’ effectiveness. Because each team acted independently and approached its mission differently, communication broke down. As a result, disaster victims were not served efficiently. In an extreme example, some families received two temporary housing units while other families received none. Something had to be done or FEMA would have to pull the plug on the Strike Team concept.

An opportunity presented itself when all Strike Team leaders were scheduled to come to the central disaster field office to pick up equipment. Four hours before they arrived, FEMA asked Hagerty to meet with the Strike Team leaders and put them all on the same page. Strike Teams needed to conduct certain basic housing operations in a consistent way, and they also needed to communicate more effectively with each other and with the central field office.

Hagerty faced a challenge. Each one of the thirty independent-minded, strong-willed and confident Strike Team leaders was perfectly suited to running a multidisciplinary team in a Spartan, post-disaster environment, but, taken together, they weren’t necessarily the easiest group to facilitate. Furthermore, FEMA’s patience with the Strike Teams was running low. Hagerty saw that this was probably the last chance to make changes and save the program.

The Turning Point.

The Hagerty team consisted of three experienced facilitators, each with an understanding of disaster recovery operations. They realized that trying to force a solution on the Strike Team leaders wouldn’t be effective; once the teams returned to the field, the leaders would revert to their old ways of doing things. The key was to let the Strike Team leaders share their ideas, gripes, and experiences, to tell each other what worked and what didn’t. By sharing information, the leaders as a group could develop a consistent approach to their mission.

The facilitated session revealed that Strike Team leaders did not have a comprehensive understanding of the housing process. As a result, they didn’t appreciate how critical it was to track the steps in the process and communicate with all parties involved. Furthermore, each Strike Team apparently did some things well but struggled with other aspects of the process. Six hours of talking, sharing, charting, and some heated discussion eventually produced general agreement on broad steps the Strike Teams could take to standardize and improve key housing processes.

A Successful Journey. A Welcome Destination.

The Strike Team meeting was a tremendous success. It produced new, standardized processes that were communicated to all Strike Team members, and the leaders established a weekly conference call to discuss and address emerging issues. All Strike Team members were given direct access to the tracking database so they could enter information and view progress overall. The most important result was quicker, more efficient delivery of housing. In the end, 16,000 trailers were delivered to hurricane victims in only a few months, which at the time was a FEMA record.



“Hagerty was able to identify problems that were costing the City of Houston and federal taxpayers far too much money. Then Hagerty recommended corrective action that led to cost savings.”

CASE STUDY

Financial Management and Analysis

Financial Review of the Houston Sheltering Program

“Their hearts are in the right place. Are their dollars?”

Hurricane Katrina displaced tens of thousands of Gulf Coast residents. Communities across the United States donated food, clothing, and shelter. No city in the country took in more Katrina refugees than Houston, which offered shelter to 40,000 people.

Houston could not have handled this mass influx of evacuees on its own. The federal government was a crucial partner in the city’s efforts, providing the financial means for Houston and other communities to manage and operate shelter programs. Extreme times call for extreme generosity, and the City of Houston and the federal government were generous with their assistance.

In the weeks and months following Katrina, cities began reporting their costs to the federal government. Costs of the Houston program were clearly high—and much higher than for similar programs in other cities. The federal government was in a quandary. Providing shelter to Katrina victims was essential, and Houston was going above and beyond its neighborly duty to help displaced persons. However, Houston’s program was costing the city tens of millions of dollars and was simply not sustainable.

The Department of Homeland Security’s Office of the Inspector General (DHS-OIG) began to question costs, particularly those related to program management. FEMA had to strike a balance: Houston was generously helping evacuees get back on their feet and it needed help; at the same time, taxpayers insisted that housing program costs should be reasonable.

Costs were becoming prohibitive, endangering the existence of the housing program. However, the federal government couldn’t simply back away. In April 2005, the government called on Hagerty professionals to conduct a financial review of Houston’s sheltering program and identify ways for the city to reduce costs and implement a program it could sustain.

The Turning Point.

A small team of Hagerty professionals flew to Houston and began to review project financials. Interviews with program managers and staff gave the team a thorough understanding of the Houston sheltering program. The leader of Hagerty’s team had more than 13 years’ experience in grants management and financial analysis. The team also included accountants and financial analysts who had extensive experience with grants management, financial management, and process analysis.

It didn’t take long for the team to identify the multiple causes of skyrocketing project management and sheltering costs. The city’s invoicing process was time-consuming and inefficient; evacuees required extensive case management; and city officials had to deal with FEMA’s directives requiring extensive documentation.

A Successful Journey. A Welcome Destination.

The Hagerty team helped the federal government prepare letters explaining to the City of Houston that it would no longer reimburse costs for inefficient and unnecessary processes and recommending other ways to comply with federal requirements. The letters convinced the city that eliminating unnecessary processes, streamlining those that were inefficient, and implementing simple cost control measures would save the city, the federal government, and taxpayers millions of dollars.



CASE STUDY

Grant and Loan Management

Design and Implementation of a New Community Disaster Loan (CDL) Program

“Design a new loan application process—by Monday.”

“The Special CDL program was so much larger than the traditional program that to deliver funds quickly, we had to simplify the process as much as possible. The solution we implemented got results—and quickly—while maintaining compliance with federal regulations.”

Hurricanes Katrina and Rita were unprecedented in their impact on homes and businesses and the underlying infrastructures that supported them. The storms significantly depleted the tax base and revenues of local governments in Louisiana and Mississippi. They were unable to provide essential services to their hurricane-ravaged communities and even unable to pay salaries to government workers. They were in dire need of financial support.

The federal government’s existing CDL Program was not robust enough to support communities that had suffered so much devastation. In 2005, Congress took action and authorized the new Special CDL Program, which was a vastly expanded CDL program designed to provide more funds to more communities more quickly.

The new legislation had tremendous promise and created enormous expectations. However, it contained no details about how such a program should be implemented. The who, what, when, where, and why of the program existed—but not the how.

The Turning Point.

When the new legislation was passed, top FEMA officials immediately turned to Hagerty, which was nationally recognized for its expertise in implementing the CDL program. FEMA was aware of Hagerty’s reputation for producing effective, compliant solutions to problems that at first appeared intractable.

FEMA gave Hagerty only three days to draft a plan for implementing the Special CDL Program. Hagerty professionals, including a pre-eminent CDL expert and an accountant with more than 25 years’ experience, worked straight through a weekend to produce a workable plan. On Monday morning, the team presented a significantly streamlined CDL implementation plan that met the expanded scope and accelerated timeline of the Special CDL Program. The plan focused on:

- A streamlined application process that allowed applicants to self-certify to certain requirements
- A comprehensive and inclusive education program that gave applicants, the states, and the DHS Inspector General an understanding of all program requirements and provisions
- A rigorous validation process that enabled applicants to receive funds quickly but provided strict monitoring to prevent fraud and waste

FEMA was so satisfied with Hagerty’s approach and solution that it asked Hagerty to manage the new program’s implementation.

A Successful Journey. A Welcome Destination.

Hagerty managed the implementation of 150 loans totaling \$1.3 billion for local governments throughout Louisiana and Mississippi. Previously, FEMA had never issued more than a few CDL’s annually in amounts of \$5 million or less. FEMA was so satisfied with the expedited development of the loan packages that it asked Hagerty to develop a streamlined maintenance and monetary program for the \$1.8 billion CDL Program.



“Just because it hadn’t been done before didn’t mean it couldn’t, or shouldn’t, be done. It just required fresh thinking, comprehensive knowledge of the applicable programs and regulations and the skill to weave everything together to make a compelling case.”

CASE STUDY

Policy Analysis

Developing a Multi-Agency Approach to Rebuilding New York City

“How can we develop a 21st-century replacement for a 19th-century system?”

The World Trade Center disaster on 9/11 devastated lower Manhattan. The attacks and subsequent tower collapses occurred at the nexus of multiple transportation systems—subways, railroads, roadways, and bridges—that moved thousands of New Yorkers in, out, and around the city every day. The crippled transportation system was repeatedly mentioned as the top concern for companies located in lower Manhattan, and the disaster jeopardized New York City’s standing as the world’s financial services hub.

New York City appealed to the federal government for help in rebuilding its transportation infrastructure. President George W. Bush responded by publicly pledging \$20 billion for the city’s recovery. Federal recovery programs aimed to restore the transportation infrastructure to its pre-disaster design. To New York City, however, restoring an outdated system made no sense. Instead, the city had grand visions for rebuilding the transportation system to meet the new realities of the 21st century. A new system would require redesign of some roads and systems not damaged by the attacks and relocation and upgrades of additional transportation infrastructure.

FEMA asked Hagerty professionals to prepare a white paper explaining how FEMA could pay for New York City’s ambitious transportation recovery plans yet comply with the existing laws and regulations that applied to FEMA. The Hagerty team, comprised of professionals from the private and public sectors, examined the laws governing FEMA programs, researched past projects for precedents, and delved into New York City’s preliminary plans to restore transportation.

The Turning Point.

The Hagerty team realized that FEMA’s traditional approach would view each damaged section of infrastructure independently and fund the restoration of each discrete portion of the infrastructure to its pre-disaster design and function. Based on projections for future growth and shifts caused by the disaster, simply rebuilding the current system would not be sufficient to meet New York City’s transportation needs in the post-9/11, 21st-century environment.

The breakthrough to innovation came when the leader of Hagerty’s team realized that the entire lower Manhattan transportation infrastructure could be viewed as a single interconnected, intermodal system. The attacks had irrevocably damaged the entire system, and thus FEMA, in accordance with its policies and regulations, could fund restoration of the system’s pre-disaster function, if not its pre-disaster design. The Hagerty team’s second innovative idea was to suggest transferring federal dollars for eligible transportation projects to the U.S. Department of Transportation, which had the most expertise in managing grants for large, complex transportation projects. The proposal was bold, unprecedented—and fully compliant with FEMA’s laws and regulations.

A Successful Journey. A Welcome Destination.

The Hagerty team documented its findings, analysis, and recommendations in a white paper which was delivered to the lead federal official for the 9/11 recovery. The federal government accepted the white paper and used it as a blueprint for the transfer of funds to the Department of Transportation. The result? The sum of \$2.75 billion for the development of a new intermodal transportation hub in lower Manhattan and an important step in showing the world that New York City would not only come back, but be stronger than ever.



“Hagerty made order out of the chaos. Information that was previously unavailable or misunderstood was now available and clearly presented to decision makers throughout the federal government. As a result, more informed decisions were made.”

CASE STUDY

Program and Project Management

Creating a New Unit to Support FEMA's Response to Hurricane Katrina

“We've never seen this before. Has anyone seen anything like this before?”

Hurricanes Katrina and Rita devastated the Gulf Coast, overwhelming local and state governments' ability to respond and recover and severely stretching the federal government's capacity to provide assistance to individuals. One of the biggest challenges FEMA faced was managing information. The raw volume of data overwhelmed FEMA's systems and personnel. Data related to storm damage, applications for assistance, financial assistance, housing inspection reports, availability of trailers—this data and more had to be collected, analyzed, and packaged for use by policy makers, case workers, inspectors, logistics professionals, Congress, and the public.

Because FEMA needed help managing the unprecedented volume of data, it turned to Hagerty, which has a track record of success managing complex projects and analyzing data. FEMA had confidence in Hagerty because its professionals had successfully managed the delivery of \$7.4 billion in disaster assistance after 9/11. Hagerty had also developed a data tracking and reporting system that helped FEMA deliver more trailers than ever before following four consecutive Florida hurricanes.

The Turning Point.

FEMA asked Hagerty professionals to step forward and manage a new unit to coordinate all of FEMA's data needs related to hurricane victim assistance, particularly temporary housing. FEMA placed Hagerty professionals in key management positions and charged them with training other FEMA consultants and employees in their new responsibilities. The Hagerty team included veterans of the Florida hurricane response effort and other disasters; among them were database programmers, business process consultants, systems architects, and program experts. Once it was fully staffed, the FEMA/Hagerty information management unit consisted of approximately 35 professionals who managed the distribution of tens of thousands of housing units and billions of dollars in housing assistance in Louisiana.

The Hagerty team built on the systems, processes, and lessons learned from its work during earlier Florida hurricanes. However, the scale of Hurricane Katrina dwarfed anything Hagerty—or FEMA—had ever seen. To respond to a catastrophe of this magnitude, Hagerty needed to modify, adapt, and expand its systems and processes. The Hagerty team learned on the fly and proved their ability to provide reliable, actionable data to policymakers and implementers.

A Successful Journey. A Welcome Destination.

During the Hurricane Katrina crisis, Hagerty delivered again and again, and FEMA asked the team to take on a larger role. In addition to managing information and creating reports, FEMA asked the new unit to create new data modules; analyze and improve business processes; and conduct long-term planning and analysis, including spending projections, staffing needs assessments, and housing demand analysis. To reflect its expanded role, the unit was given a new name—Program Analysis and Information Systems.

A specific Hagerty contribution was the development of data modules, interview guides, and reporting tools that helped FEMA improve its success in housing disabled victims according to Federal Uniform Accessibility Standards. Following Hurricane Katrina, with Hagerty on board to help, FEMA processed over one million applications for assistance and provided temporary housing to more than 85,000 families. Never before had federal disaster assistance efforts even approached these numbers.



“Hagerty was able to develop a sound and comprehensive assessment tool due to its technical knowledge and experience in disaster housing. The on-line database used by housing manufacturers was the result of innovative thinking.”

CASE STUDY

Preparedness and Crisis Recovery

Assessing Housing Options in a Disaster Situation

“Can we do any better than an expensive short-term solution, which doesn’t always work?”

In the past few years, several major hurricanes displaced tens of thousands of households in the southeastern United States. The U.S. government responded by providing these families with temporary housing in the form of trailers and mobile homes. Trailers were a welcome temporary solution, but came with issues. For one, the need for trailers exceeded manufacturers’ production capacity, resulting in long waiting times for units. In addition, trailers were expensive to produce and difficult to transport and install—and, it wasn’t completely clear that they were a viable solution in the first place. Even if production and availability had not been issues, travel trailers were not a suitable housing solution for some hurricane areas. Finally, after the time and expense of providing trailers immediately after a hurricane, trailers did not address the long-term needs of most families who had lost their homes.

To develop solutions to the disaster housing problem, the U.S. government established the Joint Housing Solutions Group (JHSG), a multi-agency organization developed to address the challenge of providing direct housing assistance. The JHSG determined that a range of housing options should be identified and assessed during a period of normalcy, so that suitable housing options could be mobilized quickly after a disaster. The JHSG turned to Hagerty to lead its housing assessment project.

Hagerty provided a multidisciplinary team to create a housing solutions assessment tool. The team, led by a former FEMA regional administrator and recipient of the Hammer Award, included veterans of hurricanes in Florida and the Gulf Coast. The Hagerty team leveraged its combined knowledge of disaster response and recovery to develop a comprehensive assessment tool that evaluated temporary housing options on the basis of cost, timeliness, livability, and range of use. The tool Hagerty developed gave the JHSG a method of selecting an appropriate housing option for each community after a disaster.

Hagerty’s assessment tool met all of the JHSG’s requirements. However, it was unclear whether it could be implemented in a cost-effective manner, particularly since it was initially envisioned that FEMA or its counterparts would assess each housing option using a paper survey tool.

The Turning Point.

The Hagerty team determined that there was a better way. Hagerty database programmers built a Web-based tool that would allow housing providers anywhere in the country to enter information remotely. Their solutions would be assessed, and promising solutions would then receive further scrutiny and possible consideration. This solution had the potential to save the federal government time and money. It was no longer necessary for a team of consultants to travel across the country to assess housing solutions that might turn out to be completely unrealistic. In addition, the JHSG could assess a significantly larger pool of potential solutions.

A Successful Journey. A Welcome Destination.

In the future, Hagerty’s Web-based Housing Assessment Tool (HAT) makes it possible for the JHSG to assess a range of viable temporary housing options that can be deployed immediately following a catastrophic event. Because HAT examines a variety of factors including the type of disaster, its location, and even the demographics of displaced families, local officials and agencies now have the ability to match optimal solutions with disaster needs. In a time of crisis, HAT will help bring a fast, effective, relevant and sustainable solution to people with urgent housing needs.



CASE STUDY

Strategic and Performance Management

Assuring Quality and Monitoring Performance for a Large Government Contractor

“Issues will arise. Can we catch them before they become problems?”

“To assure quality you need to ask the right questions of the right people... and take the right action with the answers you receive. The Hagerty solution proactively identifies and corrects problems quickly, making continuous improvement an everyday function.”

A Fortune 500 company won a five-year, \$100 million technical assistance contract with the government. As part of the contract, the company agreed to develop a contract-specific quality control plan to monitor the quality of its work products and the performance of its personnel and subcontractors. If the plan worked well, the company could apply it to other projects.

The company chose to outsource the development of the plan to a firm with a fresh perspective and a consistent reputation for excellent work—a firm that practiced what it preached when it came to quality and high performance. The company chose Hagerty.

The Turning Point.

After a quick assessment of the contract’s requirements, Hagerty professionals realized that they would need to develop a flexible and scalable system that had the ability to monitor the performance of individual project members as well as the project overall. As a company, Hagerty considers quality assurance, performance assessments, and mentoring to be top priorities; Hagerty senior executives, including the firm’s founder, were directly involved in establishing these internal firm processes.

However, Hagerty professionals realized that this hands-on, personal, intensive approach was not appropriate for the client’s culture and environment. Instead, Hagerty developed a solution that used standardized assessment tools, technology, and targeted senior-level involvement to assure quality for a project that involved hundreds of employees and potentially hundreds of client deliverables.

The Hagerty solution included:

- Standardized assessment forms and a template so that results could be compared and analyzed
- A risk-based approach that focused more attention on individuals, teams, and divisions that exhibited weakness on initial reviews
- Solicitation of input from clients and other contractors who worked directly with the staff
- Implementation of specific measures, from counseling and mentoring underperforming staff to process redesign, that would correct problems that had been identified during the assessment process

A Successful Journey. A Welcome Destination.

Hagerty developed a quality control plan that offered an efficient, holistic, and relatively cost-effective approach to monitoring performance and controlling quality. The government put renewal of the contract, now valued at \$200 million, up for bid a year after the client implemented the Hagerty quality control plan. In the bidding process, the client was rated number one technically among all contractors, including two other incumbents who were competing for renewal of the contract.