

GAO Accountability · Integrity · Reliability Highlights

Highlights of GAO-06-894, a report to the Chairman, Committee on Foreign Relations, U.S. Senate

DEPARTMENT OF STATE

Staffing and Foreign Language Shortfalls Persist Despite Initiatives to Address Gaps

Why GAO Did This Study

GAO has reported in recent years on a number of human capital issues that have hampered the Department of State's ability to carry out U.S. foreign policy priorities and objectives, particularly at posts central to the war on terror. In 2002, State implemented the Diplomatic Readiness Initiative (DRI) to address shortfalls in the number and skills of State employees. This report discusses State's progress in (1) addressing staffing shortfalls since the implementation of DRI and (2) filling gaps in the language proficiency of foreign service officers and other staff. To accomplish these objectives, GAO analyzed staffing and language data and met with State officials.

What GAO Recommends

To enhance staffing levels and skills at hardship posts as well as language proficiency of foreign service staff, GAO is making five recommendations to the Secretary of State in the areas of staffing and assignment of foreign service staff, including using directed assignments, as necessary, using a risk-based approach to fill critical positions with fully qualified officers who have the skills and experience necessary to effectively manage and supervise essential mission functions at hardship posts; and systematically evaluating the effectiveness of initiatives to reduce staffing and language gaps. State generally agreed with our findings and recommendations.

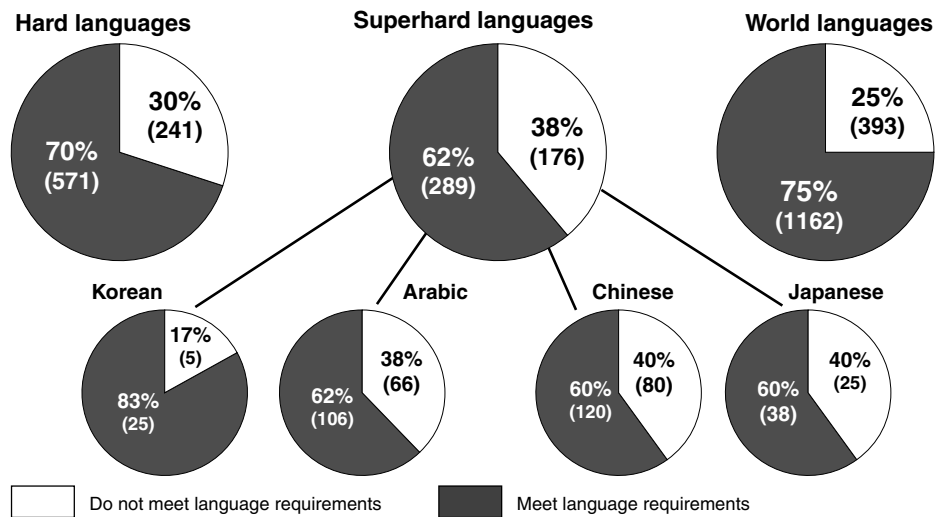
www.gao.gov/cgi-bin/getrpt?GAO-06-894.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Jess T. Ford, (202) 512-4128 or fordj@gao.gov.

What GAO Found

State has made progress in addressing staffing shortages since implementing the DRI. However, the initiative did not fully meet its goals, and mid-level vacancies remain a problem at many posts, including some critical to the war on terror. State implemented various incentives to attract more mid-level officers to these locations, including offering extra pay to officers who serve an additional year at certain posts. However, it has not evaluated the effectiveness of these incentives and continues to have difficulties attracting qualified applicants. Mid-level positions at many posts are staffed by junior officers who lack experience, have minimal guidance, and are not as well-equipped to handle crises as more seasoned officers. This experience gap can severely compromise the department's readiness to carry out foreign policy objectives and execute critical post-level duties.

State has made progress in increasing its foreign language capabilities, but serious language gaps remain. State initiated a number of efforts to improve its foreign language capabilities. However, it has not evaluated the effectiveness of these efforts, and it continues to experience difficulties filling its language-designated positions with language proficient staff. Almost one third of the staff in these positions do not meet the language requirements. The percentage is much higher at certain critical posts—for example, 60 percent in Sana'a, Yemen. Several factors—including the perception that spending too much time in one region may hinder officers' and specialists' promotion potential—may discourage employees from bidding on positions where they could enhance and maintain their language skills over time and limit State's ability to take advantage of those skills and the investment it makes in training. Gaps in language proficiency can adversely impact State's ability to communicate with foreign audiences and execute critical duties.



Source: GAO analysis of Department of State data.

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Abbreviations

DRI	Diplomatic Readiness Initiative
FSO	Foreign Service Officer
HR/CDA	Office of Career Development and Assignments
SND	Service Need Differential
FSI	Foreign Service Institute
GEMS	Global Employee Management System

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United States Government Accountability Office
Washington, DC 20548

August 4, 2006

The Honorable Richard G. Lugar
Chairman
Committee on Foreign Relations
United States Senate

Dear Mr. Chairman:

In recent years we have reported on a number of human capital issues that have hampered the Department of State's (State) ability to carry out the President's foreign policy priorities and objectives, particularly at posts central to the United States' war on terror. For example, we reported that State's permanent positions were understaffed and that the impact of staffing shortfalls was felt most at hardship posts,¹ including posts in Africa and the Middle East and others of strategic importance to the United States, such as China and Russia. In particular, we found that State's assignment system did not effectively meet the staffing needs of hardship posts and that State had difficulty filling positions there, particularly at the mid-levels. Where such staffing gaps existed, new or untenured officers worked well above their grade levels. We also reported that State had shortages in staff with critical foreign language skills, making it more difficult to combat international terrorism and resulting in less effective representation of U.S. interests overseas. To address shortfalls in the number and skills of foreign service officers (FSO), State implemented the Diplomatic Readiness Initiative (DRI), beginning in 2002, to hire, train, and deploy additional staff.

This report discusses State's progress in (1) addressing staffing shortfalls since the implementation of DRI, and (2) filling gaps in the language proficiency of FSOs and other staff.

To assess State's progress in eliminating staffing gaps, we examined documentation on State's recruitment efforts, and analyzed staffing, vacancy, and assignment data. To assess State's progress in filling gaps in the language proficiency of FSOs and other staff, we analyzed language

¹State defines hardship posts as those locations where the U.S. government provides differential pay incentives—an additional 5 to 35 percent of base salary, depending on the severity or difficulty of the conditions—to encourage employees to bid on assignments to these posts and to compensate them for the hardships they encounter.

proficiency data for specific posts, specialties, and grades. We also compared the language proficiency of staff in language-designated positions with the requirements for the positions. We met with officials at State's Bureau of Human Resources, Bureau of Consular Affairs, Foreign Service Institute, and six regional bureaus. To observe post staffing and language proficiency firsthand, we conducted fieldwork in Abuja and Lagos, Nigeria; Sana'a, Yemen; and Beijing, China. We selected the posts in (1) Nigeria because of the low number of staff applying for each position; (2) in Sana'a because of the low number of staff applying for each position, because it requires staff proficient in Arabic, which is a difficult to learn language, and because of Yemen's importance to the war on terrorism; and (3) in Beijing because it requires staff proficient in Chinese, which is also a difficult language to learn, and because of its strategic importance to the United States. We performed our work from August 2005 to May 2006 in accordance with generally accepted government auditing standards. Appendix I provides more information on our scope and methodology.

Results in Brief

State has made progress in addressing staffing shortages since implementing DRI; however, the initiative did not fully meet its goals, and mid-level vacancies remain a problem at critical posts. DRI was intended to hire enough additional staff to respond to emerging crises and to allow staff time for critical job training. From 2002 to 2004, DRI enabled State to hire more than 1,000 employees above attrition. However, according to State officials, most of this increase was absorbed by the demand for personnel in Iraq and Afghanistan, and thus the desired crises and training reserve was not achieved. Additionally, in an effort to address staffing shortfalls at historically hard to fill hardship posts, many of which are of significant strategic importance to the United States, State implemented various incentives, including offering extra pay to officers who serve an additional year at these posts and allowing employees to negotiate shorter tours of duty. More recently, State changed its promotion requirements to include service in a hardship post as a prerequisite for promotion to the senior foreign service. However, State has not evaluated the effectiveness of the incentives and hardship posts in Africa and the Middle East—including those in countries important to the war on terror, as well as those in other countries of strategic interest—and continues to have difficulty attracting qualified applicants at the mid-level. Currently, mid-level positions at many posts are staffed by junior officers who lack experience and have minimal guidance. For example, at the time of our review, the mid-level consular manager positions in Shenyang and Chengdu, China—two locations with high incidence of visa fraud—were

held by first tour junior officers. We observed similar shortages and employees above their grades in consular sections in China when we reported on staffing of hardship posts in 2002.² This experience gap at critical posts can severely compromise the department's diplomatic readiness and its ability to carry out its foreign policy objectives and execute critical post-level duties. We found that inexperienced officers are not as well-equipped to handle crises as more seasoned officers, and having inexperienced officers in key positions forces senior staff to devote more time to overseeing operational matters and less to advancing U.S. international interests. State does not assign its limited number of mid-level employees to particular posts because of risk and priorities; but rather, it generally assigns them to posts for which they have expressed an interest. State has recently launched a new initiative to reallocate positions from Europe and Washington, D.C., to critical emerging areas such as Africa, South Asia, and the Middle East. However, without directing employees, when necessary, to high priority assignments, it is unclear whether the reallocation of positions alone will ensure that they are filled.

State has made progress in increasing its foreign language capabilities, but significant language gaps remain. State has increased the number of worldwide positions requiring language proficiency by 27 percent since 2001. In addition, State has enhanced recruitment efforts to target individuals proficient in certain languages. However, State has not evaluated the effectiveness of these efforts, as we previously recommended.³ For example, during the time of our review, State had not systematically analyzed available data to demonstrate whether the percentage of new hires with foreign language skills has increased since 2003. State continues to have difficulties filling language-designated positions with language proficient staff. Almost 30 percent of the staff filling language-designated positions worldwide as of October 2005 did not meet the language proficiency requirements. The percentage was much higher at certain critical posts—for example, 59 percent in Cairo, Egypt; and 60 percent in Sana'a, Yemen. Moreover, some officers who did meet

²GAO, *State Department: Staffing Shortfalls and Ineffective Assignment System Compromise Diplomatic Readiness at Hardship Posts*, GAO-02-626 (Washington, D.C.: June 18, 2002).

³GAO, *State Department: Targets for Hiring, Filling Vacancies Overseas Being Met, but Gaps Remain in Hard-to-Learn Languages*, GAO-04-139, (Washington, D.C.: Nov. 19, 2003) and GAO, *Foreign Languages: Human Capital Approach Needed to Correct Staffing and Proficiency Shortfalls*, GAO-02-375 (Washington, D.C.: Jan. 31, 2002).

the proficiency requirements questioned whether the requirements are adequate. For example, embassy officials in Yemen and China stated that the speaking and reading proficiency levels designated for their positions were not high enough and that staff in these positions were not sufficiently fluent to effectively perform their jobs. Additionally, several factors—including the short length of some tours and the limitations on consecutive tours at the same post—may hinder FSOs’ ability to enhance and maintain their language skills over time, as well as State’s ability to take advantage of those skills and the investment it makes in training. There is also a perception among some officers that State’s current assignment and promotion systems discourage officers from specializing in any particular region, making the officers reluctant to apply to posts where they could utilize their language skills more frequently. State has not conducted the type of assessment that would prioritize the resources it devotes to specific languages based on risk and strategic interest in particular regions or countries. Nonetheless, gaps in language proficiency can adversely affect State’s diplomatic readiness and its ability to execute critical duties. For example, officials at one high visa fraud post stated that consular officers sometimes adjudicate visas without fully understanding everything the applicants tell them during the visa interview. Moreover, officers at some posts, including those in countries important to the war on terror, cannot communicate effectively with foreign audiences, hampering their ability to cultivate personal relationships and explain U.S. foreign policy.

To enhance staffing levels and skills at hardship posts as well as the language proficiency of FSOs and other staff, this report recommends that the Secretary of State (1) consider using directed assignments, as necessary, using a risk-based approach, to fill critical positions with fully qualified officers who have the skills and experience necessary to effectively manage and supervise essential mission functions at hardship posts; (2) systematically evaluate the effectiveness of its incentive programs for hardship post assignments, establishing specific indicators of progress and adjusting the use of the incentives based on this analysis; (3) consider an assignment system that allows for longer tours, consecutive assignments in certain countries, and more regional specialization in certain areas, in order to hone officers’ skills in certain superhard languages and better leverage the investment State makes in language training; (4) systematically evaluate the effectiveness of its efforts to improve the language proficiency of its FSOs and specialists, establishing specific indicators of progress in filling language gaps and adjusting its efforts accordingly; and (5) conduct a risk assessment of critical language needs in regions and countries of strategic importance, make realistic

projections of the staff time and related training float necessary to adequately train personnel to meet those needs, and target its limited resources for language training, as needed, to fill these critical gaps.

In commenting on a draft of this report, the Department of State generally concurred with the report's observations, conclusions, and recommendations and described several initiatives that it believes address the recommendations.

Background

The Department of State is the lead agency in formulating and implementing U.S. foreign policy. The department represents the United States in about 172 countries, operating approximately 266 embassies, consulates, and other posts. During several years in the 1990s, State lost more staff than it hired, and the resultant shortfalls of staff and skills endangered diplomatic readiness. To address these shortfalls, in 2002, State implemented DRI, a \$197 million effort designed to address a range of goals. In particular, the goals of DRI were to hire 1,158⁴ new foreign and civil service employees over a 3-year period, support training opportunities for staff, enhance the department's ability to respond to crises and emerging priorities overseas and at critical domestic locations, improve State's hiring processes to recruit personnel from more diverse experiences and cultural backgrounds, and fill critical skill gaps. Table 1 shows DRI hiring goals for fiscal year 2002 through fiscal 2004.

Table 1: DRI Hiring Goals for Fiscal Year 2002 through Fiscal Year 2004

Skill group	FY 2002	FY 2003	FY 2004	Total FY 2002-2004 goals
Foreign service generalist	204	206	138	548
Foreign service specialist	81	103	102	286
Total foreign service	285	309	240	834
Civil service	75	90	70	235
Total	360	399	310	1,069

Source: Department of State.

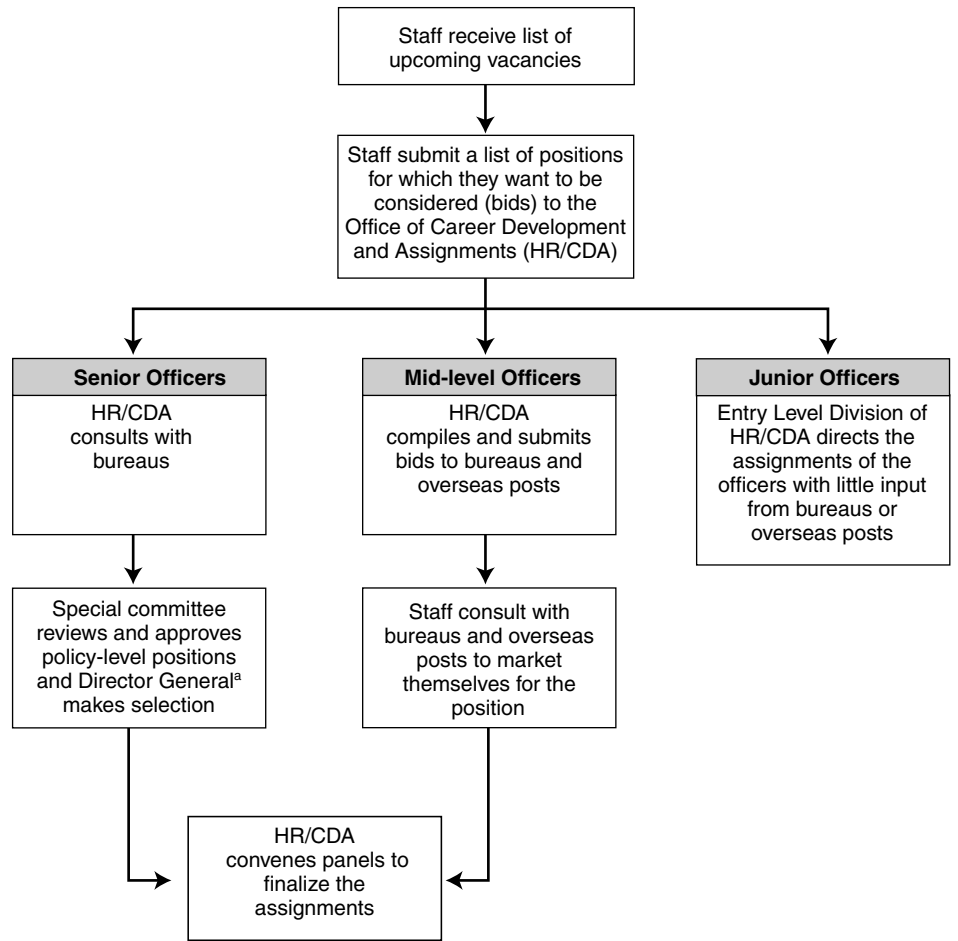
As of October 2005, State had about 19,000 American employees, including FSOs, also called generalists; foreign service specialists; and civil servants. FSO generalists help formulate and implement the foreign policy of the

⁴State received funding for 1,069 employees.

United States and are grouped into five career tracks: management, consular, economic, political, and public diplomacy. Foreign service specialists provide support services at overseas posts worldwide or in Washington, D.C., and are grouped into seven major categories: administration, construction engineering, information technology, international information and English language programs, medical and health, office management, and security. Civil service employees support the foreign policy mission from offices in Washington, D.C., and across the United States.

About 65 percent of Foreign Service employees serve overseas. State's policy is that foreign service employees are to be available for service worldwide. The process of assigning Foreign Service staff to their positions begins when the staff receive a list of upcoming vacancies for which they may compete. Staff then submit a list of positions for which they want to be considered, or "bids," and consult with their career development officer. The process varies, depending on an officer's grade and functional specialty. Figure 1 describes this process.

Figure 1: Assignment Process for FSOs



Source: GAO.

^aThe Director General is the official who heads State's Bureau of Human Resources.

About 64 percent of full-time FSOs serving overseas are assigned to hardship posts. State defines hardship posts as those locations where the U.S. government provides differential pay incentives—an additional 5 to 35 percent of base pay, depending on the severity or difficult of the conditions—to encourage employees to bid on assignments at these posts and to compensate them for the hardships they encounter there. A hardship differential is established for a location only when that location involves extraordinarily difficult living conditions, excessive physical hardship, or notably unhealthful conditions affecting the majority of

employees officially stationed or detailed there. Living costs are not considered in differential determination.⁵ Among the conditions that State considers in determining hardship pay are poor medical facilities, substandard schools for children, severe climate, high crime, political instability, physical isolation, and lack of spousal employment opportunities. Some hardship posts have greater difficulty in attracting qualified bidders than others. In response to severe staffing shortages at such posts, State established the Service Need Differential (SND) Program, which began with the 2001 summer assignments cycle. Under this program, an employee who accepts a 3-year assignment at a post designated for SND is eligible to receive an additional hardship differential over and above existing hardship differentials, equal to 15 percent of the employee's base salary. However, chiefs of mission, principal officers, and deputy chiefs of mission are not eligible to receive SND regardless of the length of their tours. Entry-level employees on 2-year tours directed by the Office of Career Development and Assignments (HR/CDA) are also ineligible for SND. State's geographic bureaus initially identified the posts designated to offer SND in 2001 and may add or remove posts once per year. The program included 38 posts the first year. Table 2 lists the fiscal year 2006 SND posts.

⁵State pays an additional 15 percent to 35 percent of salary for danger pay. The danger pay allowance is designed to provide additional compensation above basic compensation to all U.S. government civilian employees, including chiefs of mission, for service in foreign areas where there exist conditions—such as civil insurrection, civil war, terrorism, or war—that threaten physical harm or imminent danger to employees. These conditions do not include acts characterized chiefly as economic crime.

Table 2: Fiscal Year 2006 SND Posts

Geographic regions					
Africa	East Asia and the Pacific	Europe and Eurasia	Near East	South Asia	Western Hemisphere
Overseas posts					
Abuja	Chengdu	Almaty	Sana'a	Dhaka	Georgetown
Asmara	Guangzhou	Ashgabat			Paramaribo
Bamako	Port Moresby	Astana			Port au Prince
Bangui	Shenyang	Baku			
Brazzaville	Ulaanbaatar	Bishkek			
Conakry		Chisinau			
Cotonou		Dushanbe			
Djibouti		Kiev			
Freetown		Minsk			
Kigali		Tashkent			
Kinshasa		Tbilisi			
Lagos		Tirana			
Luanda		Vladivostok			
N'Djamena		Yekaterinburg			
Niamey		Yerevan			
Nouakchott					
Ouagadougou					
Yaoundé					

Source: Department of State.

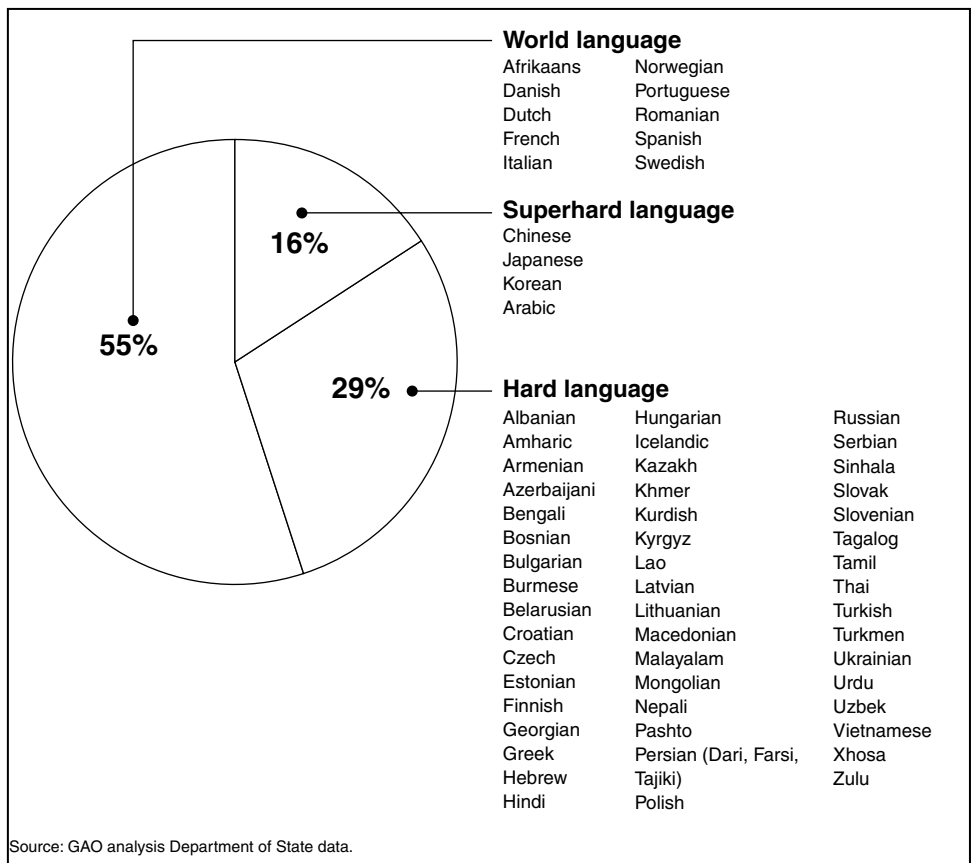
In addition, in 2002, State established a working group to examine incentives to encourage bidding on hardship posts. The working group evaluated over 80 suggestions and ideas, such as requiring hardship service for promotion to the senior foreign service and allowing employees to negotiate shorter tours of duty. State implemented about 25 of the suggestions.

State's Foreign Language Requirements

As of October 2005, State had 3,267 positions—43 percent of all foreign service positions overseas—designated as requiring some level of foreign language proficiency. These positions span about 69 languages. State places the required languages into three categories based on the amount of time it takes to learn them.

- *Category I languages* are world languages, such as Spanish and French, which relate closely to English. Fifty-five percent of the language-designated positions require proficiency in a world language.
- *Category II languages*, such as Albanian or Urdu, are languages with significant linguistic or cultural differences from English. State refers to such languages as “hard” languages. Twenty-nine percent of the language-designated positions require proficiency in a hard language.
- *Category III*, the “superhard” languages, include Arabic and Chinese, and are exceptionally difficult for native English speakers to learn. Sixteen percent of the language-designated positions require proficiency in a superhard language. Figure 2 shows the percentage of language-designated positions by category.

Figure 2: Percentage of Language-Designated Positions by Category



Note: Other languages include German, Indonesian, Malay, Swahili, and Tetum, which take longer to learn than category I languages, but less time than category II languages.

State's philosophy is to hire officers with a wide range of skills that it believes are predictors of success in the foreign service. It does not hire exclusively for skills that State can train, such as foreign languages. As a result, State's primary approach to meeting its language requirements is through language training, primarily through classes provided at its training arm, the Foreign Service Institute (FSI). FSI's School of Language Studies offers training in more than 60 languages. FSI also provides full-time advance training in superhard languages at FSI field schools and programs overseas. In addition, overseas posts offer part-time language training through post language programs funded by the regional bureaus and their posts. Although State's main emphasis is on enhancing its foreign language capability through training, it does have special mechanisms to recruit personnel with foreign language skills. For example, applicants who pass the oral assessment can raise their ranking by passing a language test in any foreign language used by State. Additional credit is given to candidates who pass a test in languages that State has deemed as critical needs languages, including Arabic; Chinese; Korean; Russian; Turkic languages (Azerbaijani, Kazakh, Kyrgyz, Turkish, Turkmen, and Uzbek); Indic languages (Urdu, Hindi, Nepali, Bengali, Punjabi); and Iranian languages (Farsi/Persian, Tajiki, Pashto). Officers hired under this initiative must serve in a post that requires the language for which they were recruited, for their first or second tour.

State Has Made Progress Addressing Staffing Shortfalls; but Critical Gaps Remain at Hardship Posts

Although DRI brought in a large number of new FSOs, it made minimal impact in addressing the staffing gaps at hardship posts, largely because of new staffing demands in Iraq and Afghanistan. The department has implemented new incentives to address the chronic mid-level shortfalls at hardship posts; however, since implementing these incentives, State has not yet evaluated their effectiveness. In our review, we found that mid-level staffing gaps persist; bids for mid-level positions at hardship posts have not increased significantly since we reported in 2002; and positions normally held by mid-level officers are typically staffed by junior officers, sometimes on their first assignment, with few mid-level officers to provide supervision or guidance. Recently, State launched the Global Repositioning Initiative, which will move positions from places like Europe and Washington D.C., to critical posts in areas such as Africa and the Middle East. However, it is too early to evaluate the effectiveness of this initiative, and State's reluctance to direct its employees to serve in locations where they have not bid on, means that these redirected positions may remain vacant.

State Has Made Progress in Decreasing Staffing Shortages but Has Not Fully Met Its Goals

Since 2002, under its DRI, State has increased its number of permanent positions and available staff worldwide for both the foreign and civil service, but these increases were largely offset by urgent staffing demands at critical posts in countries such as Iraq and Afghanistan. In 2002, State had more than 500 unstaffed foreign service positions; in 2005, there were fewer than 200 such openings. However, the deficit in civil service staffing has increased. In 2002, State had over 800 unfilled civil service positions; in 2005, there were over 1,700 such positions. State hired most of its new staff through DRI, bringing in more than 1,000 new employees above attrition, thus achieving its numerical hiring goals. These employees were hired primarily to allow staff time for critical job training—also referred to as a “training float”—to staff overseas posts, and to be available to respond to new emerging priorities. However, according to State’s Human Resources officials, DRI’s goals became quickly outdated as new pressures resulted from staffing demands for Iraq and Afghanistan. For example, the department has currently levied what it calls an “Iraq tax” on all its bureaus in order to support its operations in Iraq and Afghanistan. In the past 2 years, bureaus have had to give up a total of 280 mid-level generalist and specialist positions for Iraq, and it is anticipated that another such tax will be imposed for 2007.

Effectiveness of Hardship Incentives Has Not Been Measured

Beginning in 2001, in an effort to address the growing number of mid-level vacancies at hardship posts, State created a series of incentives—including extra pay and negotiated tour lengths—to attract mid-level employees to hardship posts around the world. For example, the SND Program offers employees an extra 15 percent pay for an additional year of service at the most difficult to staff posts. While State has information on the number of officers actually enrolled in the program, it was not able to provide data on the number of eligible officers who did not. State’s Director General and officials from its HR/CDA said that State has not completed any formal evaluations of the incentives; instead, officials from the HR/CDA meet informally to discuss how well the incentives are working. Without formal evaluations, the department has not been able to systematically measure whether the extra hardship pay incentive has had a significant impact on staffing at hardship posts. Senior officials with whom we spoke in Washington, D.C., and FSOs at hardship posts had mixed views on whether the SND program has been effective. Some officers stated that the pay differential was indeed a factor in their decision to bid on the post. However, several former ambassadors and the Executive Director of the Bureau of African Affairs said they believe the program has not attracted additional bidders to African posts. These officials stated that the incentive has had limited impact at posts that were already offering a 25

percent pay differential because the additional incentive is offset by the harsh conditions at such posts.

While it may be too early to assess the effectiveness of more recently implemented initiatives, such as negotiated tour lengths, former and current ambassadors with whom we spoke stated that this initiative may not benefit posts. In particular, they noted that although negotiating a shorter tour length might initially attract bidders to hardship posts, such frequent rotations negatively affect a post's ability to carry out the United States' foreign policy goals. For example, according to State, the average length of tours at posts in the Muslim world is about 22 percent shorter than those elsewhere. Noting the prevalence of 1-year tours in the Muslim world,⁶ a senior official at State said that officers with shorter tours tend to produce less effective work than those with longer ones.

In addition to incentives, State has implemented a new career development program—the Generalist Career Development Program—that stipulates service at a hardship post as a requirement for consideration of promotion to the senior foreign service. The new requirements include a mandatory tour at a 15 percent differential or greater hardship post. Officials from HR/CDA stated that it was too early to tell whether this new requirement for promotion to the senior foreign service will be effective in attracting mid-level officers to hardship posts.

Staffing Gaps for Key Mid-Level Positions Persist; Positions Filled by Junior Officers in Stretch Positions

State's largest staffing gaps continue to be at mid-level. These and other gaps are exacerbated by continued low bidding for positions at hardship posts. Furthermore, many mid-level vacancies are filled by junior officers. Staff have cited family issues and the lack of locality pay comparable with what they would receive in Washington, D.C., as being among the key disincentives to bidding for hardship positions.

Staffing Gaps at the Mid-Level Persist

As of December 2005, State had a combined deficit of 154 officers,⁷ with the largest staffing deficits continuing to affect mid-level positions across

⁶According to State, the Muslim world is comprised of 58 countries and territories with significant Muslim populations, many of which are members of the Organization of the Islamic Conference. These countries have a combined population of 1.5 billion people and are located in Africa, Asia, and Europe.

⁷The total deficit decreases to 82 when junior grade levels 05 and 06 positions are included. We did not include them in this calculation because we were told that these grades were training positions that are not counted against the deficit.

all career tracks. Table 3 shows staffing surpluses and deficits by career track for foreign service generalists as of December 31, 2005.

Table 3: Foreign Service Generalists' Surplus/(Deficit) across Career Tracks as of December 31, 2005

Grade level		Management	Consular	Economic	Political	Public diplomacy	Surplus/Deficit by grade level	Total Surplus/Deficit
Senior level	MC	(10)	10	0	21	(8)		13
	OC	(16)	(3)	18	29	(20)		8
							21	
Mid level	1	(19)	34	32	71	(93)		25
	2	(58)	31	17	36	(186)		(160)
	3	16	(143)	(26)	(56)	28		(181)
							(316)	
Junior level	4	232	(580)	124	166	199	141	141
Total		145.0	(651.0)	165.0	267.0	(80)		(154.0)

Source: GAO analysis of Department of State data.

Note: Senior foreign service grades include minister counselor (MC) and counselor (OC).

In 2003, State officials told us that it would take about 9 to 10 years to eliminate the mid-level gap.⁸ Officials whom we met with more recently said it would take several years for DRI hiring to begin addressing the mid-level staffing shortages because the earliest DRI hires are just now being promoted to the mid-level. On average, it takes approximately 4.3 years for a junior officer to receive a promotion to the mid-level. According to State's comments on this report, the department expects to eliminate mid-level deficits by 2010.

Mid-Level and Other Staffing Gaps Exacerbated by Low Bidding for Positions at Hardship Posts

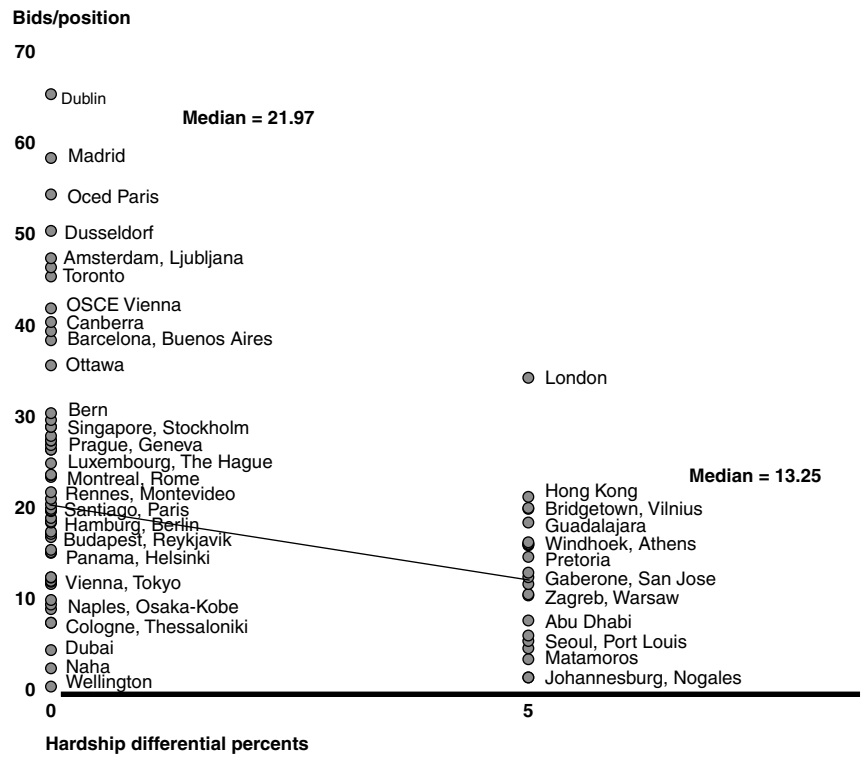
Although bidding for hardship posts with the smallest pay differentials has increased slightly since we last reported on this issue in 2002,⁹ it remained about the same for posts with the highest differentials, such as those with 20 and 25 percent. Figure 3 shows the average number of bids on FS-02, FS-03, and tenured FS-04 mid-level positions at overseas posts by differential rate for the 2005 summer assignments cycle. Overall, posts in Africa, the Middle East, and South Asia continue to receive the lowest

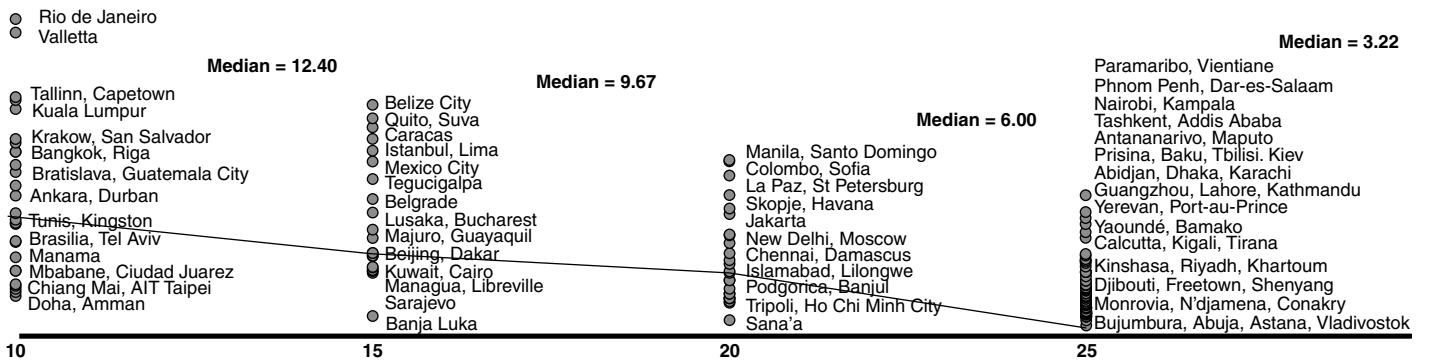
⁸GAO-04-139.

⁹GAO-02-626.

number of bids, averaging about 4 or 5 bids per position, while posts in Europe and the Western Hemisphere receive the highest bids, averaging 15 and 17, respectively. For example, in 2005, posts in Bujumbura, Burundi; Lagos and Abuja, Nigeria; Riyadh, Saudi Arabia; and Calcutta, India; received, on average, between zero and two bids per mid-level officer position. In addition, we found that in the 2005 assignments cycle, 104 mid-level positions had no bidders at all, including 67 positions in Africa and the Middle East.

Figure 3: Average Number of Bids by Hardship Differential for Grades 2, 3, and 4



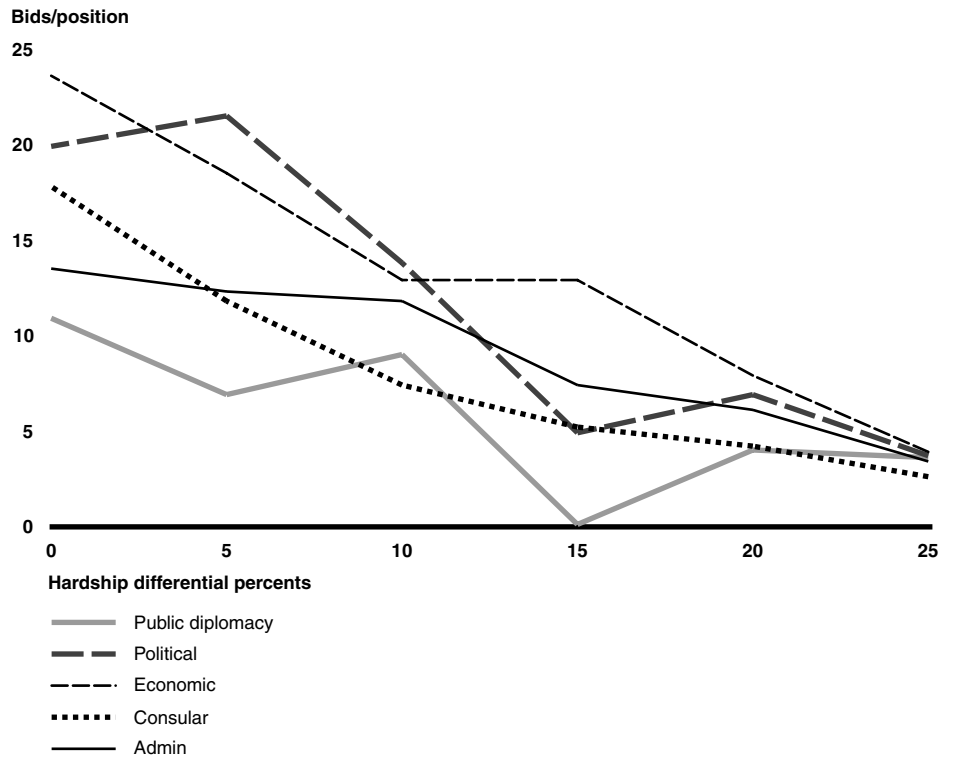


Source: GAO analysis of Department of State data.

Note: The line in the graph shows the median of the average number of bids for each differential rate. Also, only selected posts are named.

Consular positions in the posts with the highest hardship differential (25 percent) continued to receive some of the lowest number of bids in 2005. As shown in figure 4, consular positions at 25 percent differential posts received, on average, only 2.5 bids per position compared with 18 for nonhardship posts. Low numbers of bids at hardship posts have resulted in positions remaining vacant for long periods of time. For example, a senior consular position in Lagos, Nigeria, has been vacant since July 2001, and a consular chief position in Shenyang was vacant from December 2003 until August 2004. Such gaps negatively impact a post's ability to carry out its mission.

Figure 4: Average Bids per Career Track by Hardship Differential for 2005



Source: GAO analysis of Department of State data.

In 2005 consular and public diplomacy positions were the hardest to fill, with 91 percent of the vacancies in these two tracks at the mid-level. Although the department has seen an increase in spending on U.S. public diplomacy programs, several embassy officials stated that they do not have the capacity to effectively utilize increased funds. Moreover, these staffing gaps also limit the amount of training public diplomacy officers receive, because many officers are sent to fill a position quickly and never benefit from full training, ultimately limiting the success of their public diplomacy outreach efforts. Further, due to staffing shortages in consular sections around the world, there are fewer staff to implement the new interview requirements and screening procedures for visas, resulting in extensive wait times for applicants for visa interviews at consular posts overseas. From November 2004 through May 2005, there were 63 posts reporting wait times of 30 or more days on a given month, signaling a significant resource problem for State.

Many Mid-Level Positions Are Staffed by Junior Officers

In order to fill vacancies, primarily at hardship posts, State sometimes allows stretch assignments, which enable staff to bid for a position at either a higher grade than their current grade level (called an “upstretch”) or a lower grade (a “downstretch”). Often, upstretch assignments are offered as a reward and career-enhancing opportunity for staff who have demonstrated outstanding performance, and many officers successfully fulfill the duties requested of the higher grade level.¹⁰ However, a 2004 report by State’s Inspector General¹¹ found that in many African posts, for example, there were significant deficiencies in the ability, training, and experience of FSOs serving in upstretch assignments.

At posts we visited in early 2006, we found staffing conditions similar to those we reported on in 2002, when we found experience gaps and other staffing shortfalls at hardship posts.¹² For example, in 2002, we reported that, in the 10-officer consular section in Lagos, only the consul had more than one tour of consular experience. In addition, we reported that the office had many unfilled mid-level positions, many of which were at the time being staffed by first-tour junior officers and civil service employees who had never served overseas. In our most recent visit, we found that the consulate in Lagos was staffed by a mix of officers, including numerous junior officers in stretch positions.

Moreover, many officers in stretch positions at hardship posts continue to lack the managerial experience or supervisory guidance needed to effectively perform their job-duties. Junior officers in consular sections at hardship posts consistently reported that they lack management guidance. In addition, junior officers in stretch assignments at the various posts we visited stated that, without mid-level officers to guide them, many times they can only turn to senior management, including the ambassador, for assistance. According to a 2004 State Inspector General report, more time is spent by senior staff, including ambassadors, on operational matters, and less time is devoted to overall planning, policy, and coordination than

¹⁰According to State the rationale for stretch assignments (upstretches and downstretches) is both system- and employee-driven. Upstretches can be career enhancing, or accommodate family needs or staffing gaps. Downstretches may happen to accommodate family needs or be the end result after an employee is promoted when in an at-grade position.

¹¹*Strengthening Leadership and Staffing at African Hardship Posts*, U.S. Department of State, Office of Inspector General, Memorandum Report ISP-I-04-54, July 2004.

¹²GAO-02-626.

should be the case.¹³ Many junior officers also stated that, although they were filling stretch positions at the mid-level, they were not allowed to receive management training from State due to their lower grade status. According to one officer, she requested management training to help her manage staff in accordance with her role as acting chief of a key section of the embassy, but was denied the opportunity because, despite her current assignment, she was not a tenured mid-level officer.

Senior management at posts we visited shared some of these concerns. A former Deputy Chief of Mission in Nigeria stated that it is extremely difficult for junior officers to work in stretch assignments when there are few mid-level officers to guide them. Ambassadors at these posts also stated that, although many junior officers entering the foreign service are highly qualified, they did not have sufficient training to handle some of the high stress situations they encounter and often end up making mistakes. For example, according to the U.S. Ambassador to Nigeria—the third largest mission in Africa with nearly 800 employees—the embassy presently had only three senior officers at the time of our visit, and public affairs were handled entirely by first tour junior officers. Also, according to U.S. officials in Beijing, the mid-level consular manager positions in Shenyang and Chengdu, China—two locations with high incidence of visa fraud—were held by first tour junior officers at the time of our visit. We observed similar shortages and employees staffed above their grades in consular sections in Africa and China when we reported on staffing of hardship posts in 2002. Consular chiefs in Beijing raised concerns about the lack of management guidance and supervision available to junior officers due to the lack of mid-level officers at constituent posts in China. One consular chief stated that the lack of adequate supervision at constituent posts requires that he or his deputy frequently travel to the posts outside of Beijing to provide guidance to the junior officers. Another was concerned that her caseload limited the amount of guidance she was able to give to her constituent posts.

Other areas, such as regional security, are also compromised as a result of mid-level vacancies. Security officers at one hardship post told us that, without mid-level staff, they sometimes lack the resources to adequately perform basic duties, such as accompanying the ambassador on diplomatic travel or, as was the case during a recent visit by the First Lady, providing adequate personnel to accompany her staff. Former

¹³ISP-I-04-54.

ambassadors with whom we spoke expressed serious concerns about the department's diplomatic readiness and conveyed their belief that a post's ability to carry out critical duties is significantly compromised when the proper staffing levels, and particularly well-trained officers, are not in place.

Family Issues and Locality Pay Discourage Bidding at Hardship Posts

Many of the overseas staff we whom we met cited family considerations—child-related and spousal employment concerns, in particular—as the greatest obstacle to attracting mid-level officers to hardship posts. The spouses and other household members of FSOs who responded to a State internet survey¹⁴ listed spousal employment as the primary reason why officers do not bid for hardship posts. In many hardship posts, it is extremely difficult for spouses to find employment, particularly in China and most of South Asia, where bilateral work agreements are not in place. State officials told us that the department has recently initiated new programs to mitigate this problem, such as providing fellowships for spouses to continue their professional development, offering online courses or entrepreneurial workshops to encourage small business development, or training spouses to find employment in the local economy. The department plans to expand these programs in the future with a particular emphasis on spouses in hardship locations.

The survey respondents also listed child-related issues as a major factor in the officers not bidding for positions. A particular concern is that many hardship posts do not have appropriate schooling for American children, thus limiting options for employees with families. In Sana'a, Yemen, for example, post positions are only available to staff with children under age 5 or over 21 due to a lack of schools. This has been an outstanding concern for the Sana'a post, and post officials told us that post management is heavily engaged in trying to find a solution to the problem. In addition, the number of unaccompanied posts¹⁵ has increased in recent years, making it difficult for employees with families to bid on them. As of April 2006, there were 21 unaccompanied and limited accompanied posts and more than 700 positions at such posts. Moreover, State officials said

¹⁴State conducted an internet survey of foreign service spouses and members of household from January 30 to February 21, 2006. The survey has a 35 percent response rate (3,258 responses) and thus cannot be generalized.

¹⁵Unaccompanied posts are posts where family members may not accompany an officer. Limited accompanied posts are posts that are restricted to adult dependents and minors less than 5 years of age.

that this number will probably increase due to increasing security concerns around the world.

Lastly, officers and State personnel we interviewed both, at hardship posts and in Washington, D.C., consistently cited the lack of locality pay¹⁶ as a deterrent to bidding at hardship positions. In 2002, we reported that the differences in the statutes governing domestic locality pay and differential pay for overseas service had created a gap in compensation penalizing overseas employees.¹⁷ This gap grows every year, as domestic locality pay rates increase, creating an ever-increasing financial disincentive for overseas employees to bid on hardship posts. After accounting for domestic locality pay for Washington, D.C., a 25 percent hardship post differential is eroded to approximately 8 percent. As estimated in our 2002 report, differential pay incentives for the 15 percent differential hardship posts are now less than the locality pay for Washington, D.C., which is currently 17 percent and can be expected to soon surpass the 20 percent differential hardship posts. Currently, there is legislation pending in Congress to alleviate the locality pay disparity by providing FSOs stationed outside the United States with locality-based pay equal to that of Washington, D.C.¹⁸ However, there has been no final action in Congress regarding this legislation since 2005.

State Reluctant to Use Directed Assignments

Despite chronic staffing shortages at hardship posts, especially at the mid-level, State is reluctant to use its authority to direct assignments based on risk and priorities at particular posts; rather, it assigns employees to posts for which they have expressed interest. According to State officials, State has rarely directed FSOs to serve in locations for which they have not bid on a position, including hardship posts or locations of strategic importance to the United States, due to concerns of an increase in poor morale or lower productivity. With continuing budgetary limitations, it will be increasingly difficult for the department to increase financial incentives for hardship posts; moreover, given the lack of an increase in bidders, the effectiveness of such incentives is questionable. State's Global

¹⁶Locality pay is a salary comparability benefit to attract workers in the continental United States to the federal government versus the private sector. Currently locality pay for Washington, D.C., is 17 percent.

¹⁷GAO-02-626.

¹⁸Section 305, H.R. 2601 (109th Cong., 1st Sess.), "Foreign Relations Authorization Act, Fiscal Years 2006 and 2007."

Repositioning Initiative, announced in January 2006, will move positions from Washington and Europe to critical posts in Africa, South Asia, and the Middle East. However, there is no guarantee that these positions will be filled because bidding will continue to be on a voluntary basis. Throughout the past decade, some State officials have urged the department to employ a more aggressive strategy to ensure that employees serve where their skills are needed most. Additionally, despite concerns of an increase in low morale, several officials whom we spoke with at hardship posts believe that in order to effectively address these persistent staffing gaps, State needs to direct assignments more often, particularly to hard-to-fill posts.

State Has Made Progress in Increasing Its Foreign Language Capabilities, but Significant Language Gaps Remain

State has made several efforts in recent years to enhance its foreign language capabilities, in particular by increasing the number of its language-designated positions and its efforts to recruit and hire staff with foreign language skills, as well as by creating additional language requirements and incentives for staff. However, significant foreign language gaps remain, and State has not assessed the effectiveness of its efforts to increase its language capabilities.

State Has Increased the Number of Language-Designated Positions and Made Efforts to Enhance Foreign Language Capabilities

State has made several efforts to improve its foreign language capabilities, including creating additional language-designated positions and enhancing recruiting efforts. State has increased the number of language-designated positions by 27 percent. In 2001, there were 2,581 (29 percent) of all foreign service positions that required some level of foreign language proficiency. As of October 2005, there were 3,267 positions (43 percent) that required some level of foreign language proficiency. These positions span about 69 languages. State has also enhanced its efforts to recruit and hire FSOs with language skills. For example, State's Office of Recruitment has targeted its recruiting outreach efforts to universities with strong language programs and conferences of language professionals, as well as associations and professional organizations, such as the Arab American Institute, that have members already fluent in critical needs languages. In addition, State offers bonus points on the foreign service exam to candidates who demonstrate proficiency in critical needs languages. State then requires these officers to serve in positions that will employ their language skills during their first or second assignment. As of April, 2006, almost 80 percent of entry level officers who received additional exam points for their critical language skills were assigned to locations that could utilize their language within their first or second tour.

State has also implemented career development criteria, effective January 1, 2005, that require, among other things, foreign language proficiency as a prerequisite for consideration for promotion. Specifically, in order to become eligible for promotion to the senior foreign service, generalists must demonstrate the ability to read and write a foreign language at a general professional level. State's career development criteria for some specialists also contain language proficiency requirements. In addition to these requirements, State has developed financial incentives for officers with certain proficiency levels in critical languages. Moreover, State has enhanced its overseas language programs through various initiatives, including expanded use of overseas language schools and post language programs, as well as by increasing the number of weeks of training offered in certain critical languages and by providing language immersion courses for officers transitioning to new posts.

State Continues to Have Shortages of Staff Proficient in Foreign Languages

Despite its efforts to enhance the language capabilities of its staff, State continues to fill language-designated positions with staff who do not meet the proficiency requirements. Even some officers who met the requirements told us their language ability was not adequate for them to effectively perform their job-related responsibilities. Furthermore, some officers believe that State's assignment and promotion system hindered their ability to maintain their language skills over time. Officials whom we met with at several posts described a number of situations in which the posts' operations were adversely effected by their lack of language proficiency. State has not assessed the effectiveness of its efforts to increase its language capabilities or conducted a risk assessment to prioritize the allocation of foreign language resources.

Some Staff Do Not Meet the Language Requirements for Their Positions

State assesses language proficiency based on a scale established by the federal Interagency Language Roundtable. The scale has six levels—0 to 5—with 5 being the most proficient (see table 4). Proficiency requirements for language-designated positions at State tend to congregate at the second and third levels of the scale. When proficiency substantially exceeds one base skill level yet does not fully meet the criteria for the next base level, a plus sign (+) designation may be added.

Table 4: Proficiency and Language Capability Requirements

Proficiency level	Language capability requirements
0 – None	No practical capability in the language.
1 – Elementary	Sufficient capability to satisfy basic survival needs and minimum courtesy and travel requirements.
2 – Limited working	Sufficient capability to meet routine social demands and limited job requirements. Can deal with concrete topics in past, present, and future tense.
3 – General professional	Able to use the language with sufficient ability to participate in most formal and informal discussion on practical, social, and professional topics. Can conceptualize and hypothesize.
4 – Advanced professional	Able to use the language fluently and accurately in all levels normally pertinent to professional needs. Has range of language skills necessary for persuasion, negotiation, and counseling.
5 – Functionally native	Able to use the language at a functional level equivalent to a highly articulate, well-educated native speaker.

Source: Compiled by GAO from Interagency Language Roundtable documents.

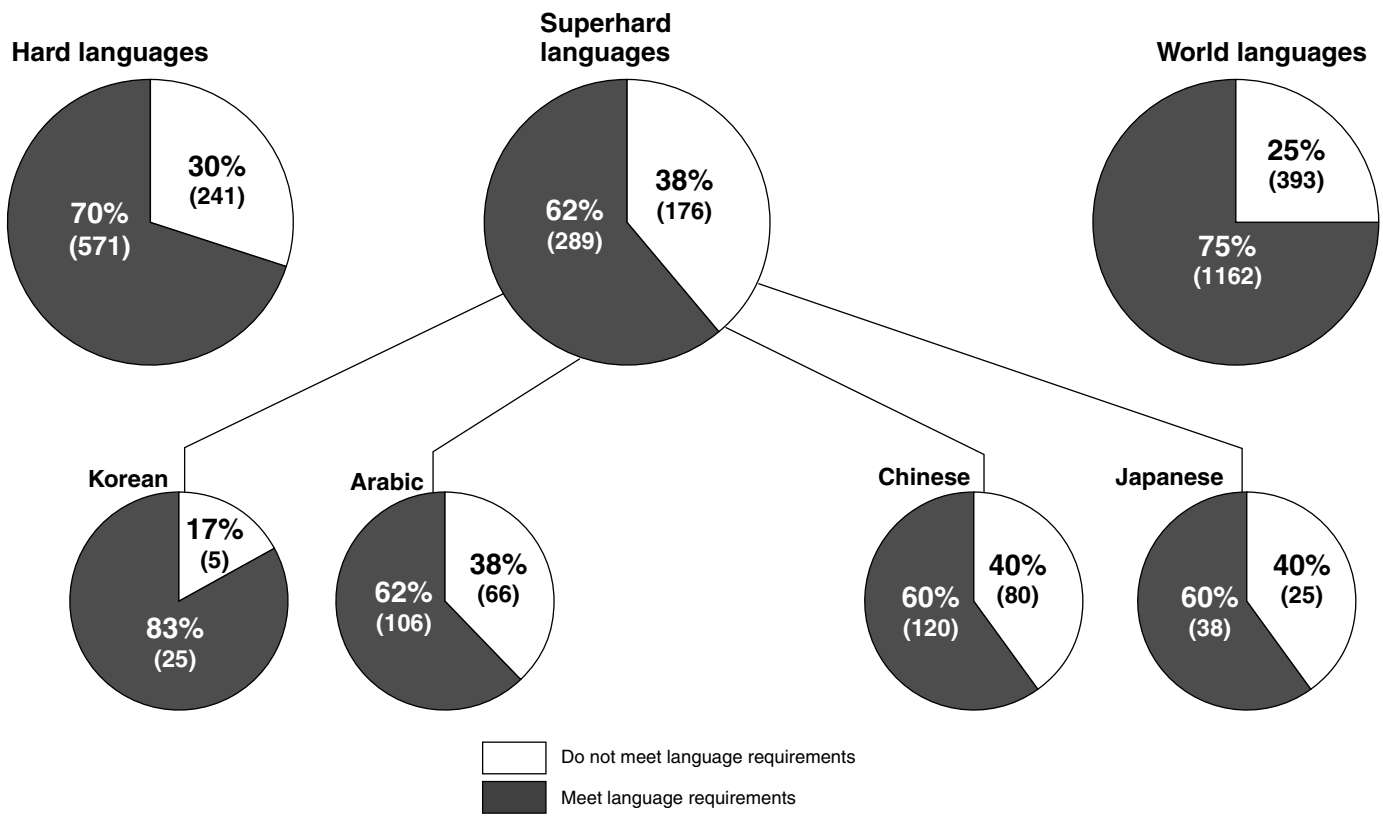
We compared the language proficiency of staff in all language-designated positions as of October 2005 with the requirements for the positions, and our analysis showed that 71 percent of all worldwide language-designated positions were filled by individuals who met the position’s proficiency requirements, while 29 percent of the positions were not.¹⁹ Language deficiencies exist world-wide, but were among the greatest in the Middle East, a region of great importance to the war on terror, where 37 percent of all language-designated positions were filled by staff without the language skills required of their positions. The skills gap was even greater at some critical posts; for example, 59 percent in Cairo, Egypt; and 60 percent in Sana’a, Yemen. See appendix III for the worldwide percentages of staff filling language-designated positions that did not meet the language speaking and reading requirements of their positions.

To further illustrate how skill gaps differ among languages of varying levels of difficulty, we analyzed data on superhard, hard, and world

¹⁹The percentages are for officers and specialists who met both the speaking and writing requirement for their positions. The percentage increases to 74 percent if individuals who met either the speaking or the reading requirement, but not both, are included. This analysis combined the language proficiency scores of FSO generalists and specialists. If the specialists are excluded, 78 percent of generalists met the requirement.

language-designated positions. Our analysis showed that the greatest deficiencies existed for positions requiring superhard languages, such as Arabic, compared with hard and world languages. Almost 40 percent of superhard language-designated positions worldwide (465 positions) were filled by individuals who did not meet the language requirements of their position; this figure was 30 and 25 percent for hard and world language designated positions, respectively. Further, the highest percentage—almost 40 percent—of superhard positions filled by officers that did not meet the speaking and reading language requirements were among positions requiring Arabic, Chinese, and Japanese. (See fig. 5).

Figure 5: Percentage of Staff Who Meet Requirements for World, Hard, and Superhard Languages as of October 2005



Source: GAO analysis of Department of State data.

Note: Several posts had dual language positions. For example, Tunis had positions that could either be filled by an Arabic or French speaker. See appendix I for more details on how we treated these positions.

Further analysis of Arabic and Chinese, two languages spoken in regions of strategic interest to the United States, showed that the percentage of

staff that did not meet language requirements for their positions varied by career tracks. For example, 100 percent of the staff filling positions in the management career track requiring Arabic and 88 percent of the staff filling positions in the management career track requiring Chinese did not meet the language requirements of their positions.

Foreign service specialists—staff who perform security, technical, and other support functions—also had high percentages of staff that did not meet the Chinese or Arabic language requirements of their positions. In particular, 72 and 75 percent of specialist positions requiring Chinese and Arabic, respectively, were filled by staff who did not meet the language requirement. (See table 5). Six of the specialists we met with in Beijing said they did not receive sufficient language training before arriving at post. State officials have acknowledged that foreign service specialists have not received the required amount of training, and FSI officials attributed this situation to time constraints. Most specialists only have enough time to participate in FSI’s Familiarization and Short-term Training language courses designed for beginners with 2 months or less time to devote to training. State’s Director General, in a cable issued in January 2006, stated that the department has been shortsighted in not providing training to specialists, especially office management specialists, and stated that required training would be available for specialists in the future.

Table 5: Percentage of Staff Filling Chinese and Arabic Language-Designated Positions Who Do Not Meet Proficiency Requirements, by Type of Position

Staff	Filled language-designated positions	Staff filling positions who do not meet language requirements	Percent
Chinese language			
Generalists	147	40	27%
Consular	57	12	21%
Management	8	7	88%
Economic	29	10	34%
Political	24	5	21%
Public diplomacy	18	6	33%
Multifunctional	11	0	0%
Specialists	53	38	72%
Arabic language			
Generalists	140	49	35%
Consular	41	12	29%

Some Question the Adequacy of the Language Proficiency Requirements of Their Positions

Staff	Filled language-designated positions	Staff filling positions who do not meet language requirements	Percent
Management	5	5	100%
Economic	11	6	55%
Political	31	7	23%
Public diplomacy	40	14	35%
Multifunctional	12	5	42%
Specialists	20	15	75%

Source: GAO analysis of Department of State data.

Some officers whom we met with who attained the proficiency requirements for their assignments stated that they were not sufficiently fluent to effectively perform their jobs. For example, the 50 language-designated, junior officer consular positions at posts requiring Chinese require proficiency at a speaking level of 2 and reading level of 0. Consular officers we met with in China who tested at that level said they could ask appropriate questions during consular interviews, but could not always understand the answers. They pointed out that Spanish or French language-designated consular positions require a level-3 speaking and reading language proficiency. Moreover, a survey of junior officers currently serving in China revealed that most of the officers not interested in serving in China again cited language issues as the primary reason. According to the Deputy Chief of Mission in Sana'a, the level-3 Arabic speaking and reading proficiency requirements for senior officers do not provide staff with the proficiency needed to participate in debates about U.S. foreign policy. He described an instance when he was asked to appear as an embassy spokesperson on an Arabic language media program. The program, which involved a debate format and addressed U.S. politics, lasted 1 hour and was conducted entirely in Arabic. The official said that, given his 4+ proficiency in Arabic, he was the only official at the embassy capable of engaging in such a debate.

According to a State Inspector General report on Embassy Tel Aviv, the duties inherent in consular positions require staff to have better speaking and reading Hebrew language skills than the required level 2.²⁰ Therefore, the Office of the Inspector General recommended that entry-level officers be given the opportunity to study Hebrew for 4 weeks in Tel Aviv before

²⁰ISP-I-05-13A.

State's Assignment and Promotion System May Hinder Efforts to Improve Its Foreign Language Capability

they begin work at the embassy. Another Inspector General report said that staff in Cairo who speak Arabic below the required level-3 would prefer to be able to speak at a more advanced level to conduct effective public outreach.²¹ Officials from the Foreign Service Institute agreed that a level-3 speaking and reading language proficiency in Arabic and Chinese was more appropriate for junior officers assigned to consular positions, but they explained that language-designated position requirements are set at a level officers can realistically achieve in the limited amount of time available to obtain training.

Several FSOs we met with said they believe State's current assignment and promotion system may hinder officers' ability to enhance and maintain their language skills over time, as well as State's ability to take advantage of those skills and the investment it makes in training. For example, State's requirements for tenure stipulate that junior officers work in a variety of regions and jobs to prepare them for careers as generalists, while State's assignment regulations do not allow junior officers and specialists to serve consecutive tours at the same post. As a result, junior officers are often assigned to second tours that do not utilize the language skills they acquired for their first tour. For example, according to FSI, assignments to Russian-speaking posts would be complemented by assignments elsewhere in the world or Washington, D.C., to provide the broader experience required at the senior level. There is also a perception among some officers that spending too much time in one region can lead to being labeled as too narrowly specialized, which could adversely impact the officers' career. However, a senior State official asserted that the belief that regional specialization hurts an officer's career is untrue, and, further, that State's new career development plan supports regional specialization.

In addition, the short length of some tours, such as 1-year unaccompanied assignments, may not give an officer sufficient time to master a language. According to State's Inspector General, as long as unaccompanied assignments are restricted to 1 year, there is little incentive for officers to seek extensive language training.²² In an effort to make better use of the department's training investment, the FSI has encouraged officers and specialists to take FSI courses to refine their language skills and achieve greater facility when dealing with the local community. But officers in both Yemen and China stated that State's assignment system does not

²¹ISP-I-05-04A.

²²Employees assigned to one-year unaccompanied posts may extend their tours.

Lack of Foreign Language
Capability May Adversely
Effect State's Operations

allow for sufficient time between assignments to utilize FSI's continued language training. Compounding this problem, officers stated that their language skills often diminish when a new assignment takes them to a region requiring different language skills. According to FSI, the need to fill gaps at posts, the lack of a training float, and other circumstances particular to individual staff—such as family issues, learning difficulties and aptitude, and application—hinder FSI's language training efforts.

State's foreign language gaps may negatively impact posts' operations. According to the Assistant Secretaries of State for Education and Cultural Affairs and Democracy, Human Rights and Labor, deficits in foreign language education negatively affect our national security, diplomacy, law enforcement, intelligence gathering efforts, and cultural understanding by preventing effective communication in foreign media environments, impeding counter-terrorism efforts, and limiting our capacity to work with people and governments in post conflict zones. We found examples of this negative impact involving a variety of officers and specialists serving in language-designated positions without the required foreign language skills.

- *Consular officers:* Officials at one high visa fraud post that we visited stated that, due to language skill deficiencies, consular officers sometimes adjudicate visas without fully understanding everything the applicants tell them during visa interviews. In Jakarta, where almost all visa interviews are conducted in Indonesian, the consul general position was filled, at the time of our review, by an officer with a language waiver,²³ making supervision and monitoring of the six first tour junior consular officers problematic.
- *Economic and political officers:* An economic officer in a superhard language-speaking country had been conducting several important negotiations in English with foreign government officials over a number of months with little results. When the officials began discussing the same issue in the host country language, the whole tenure of the negotiations changed. According to the officer, one of the foreign government officials who did not understand English, and was therefore silent throughout the initial meetings, had actually been the most valuable source of information all along, yet could only convey that information when the meeting was

²³ A language waiver is granted to officers who do not comply with the position's required language proficiency levels. A language waiver is requested by a post or bureau and granted by the Bureau of Human Resources under some circumstances, usually because of an urgent need for the assignee to proceed to post.

conducted in his own language. Additionally, according to senior officials in two of the countries we visited, officers without fluent language skills who accompany them to high-level meetings often produce inaccurate notes. Since these notes provide a basis for the embassy's reporting, the officials spend a great deal of time correcting notes rather than addressing more pressing concerns. Furthermore, in Beirut, State's Inspector General reported that most of the political and economic officers did not receive the Arabic-language training needed to work professionally in Lebanon, limiting opportunities to expand their contacts to the less sophisticated urban areas and into the countryside.

- *Public diplomacy officers:* Officers at many posts cannot communicate effectively with foreign audiences in local languages, hampering their ability to cultivate personal relationships and explain U.S. foreign policy. According to a recent GAO report²⁴ many public diplomacy officers in the Muslim world cannot communicate with local audiences as well as their positions require. For example, an information officer in Cairo stated that his office does not have enough Arabic speaking staff to engage the Egyptian media effectively. According to a State Inspector General inspection report on the U.S. embassy in Damascus, public affairs officers need Arabic language skills to maintain and expand contacts with nongovernmental, human rights, and civil society groups, but the language training offered in Damascus fails to prepare them for the idiomatic Arabic spoken in the country.
- *Management officers:* According to one ambassador we met with, a senior level embassy official, who did not have sufficient speaking and reading language requirements for his position, met with a prime minister, but was unable to participate fully in the top-secret discussion without an outside translator present. However, because the prime minister would not speak freely with the translator present, the meeting was not productive.
- *Foreign service specialists:* A regional security officer stated that lack of foreign language capability may hinder intelligence gathering because local informants are reluctant to speak through locally hired interpreters.

State Has Not Evaluated the Effectiveness of Its Efforts

State has yet to evaluate the effectiveness of its efforts to improve its foreign language capabilities. In 2002, we reported that State did not know whether its language incentives had helped to close skill gaps for certain

²⁴GAO, *U.S. Public Diplomacy: State Department Efforts to Engage Muslim Audiences Lack Certain Communication Elements and Face Significant Challenges*, GAO-06-535 (Washington, D.C.: May 3, 2006).

languages. We recommended that State adopt a strategic, results-oriented approach to its human capital management and workforce planning. We recommended an approach that included setting strategic direction, assessing agency gaps in foreign language skills, developing an action plan, and monitoring its implementation and level of success. In response, State described a number of activities it was undertaking as examples of how it had addressed many of the elements of workforce planning. However, we noted that State still needed to develop an action plan for correcting foreign language shortfalls and institute a monitoring process to assess the action plan's implementation and performance.²⁵

In 2003, we reported that State had not established numerical targets for the number of individuals with hard-to-learn language skills it aimed to hire. We also reported that State could not provide current or historical data showing the number of individuals it hired as a direct result of its targeted outreach efforts. We further recommended that State collect and maintain data on the effectiveness of its efforts to address language gaps.²⁶ At the time of that review, State said that it maintains data on its recruitment efforts. More recently, State's Director of Recruitment, Examination, and Employment told us that State has made greater use of technology to track the results of its outreach efforts. However, State was not using these data to routinely and systematically evaluate the effectiveness of its efforts. For example, when we asked for data to demonstrate whether the percentage of new hires with foreign language skills had increased since our last review, State initially told us that such data were not available.²⁷ State also told us that it still could not link the results of its hiring to its targeted outreach efforts. In its comments on this report, State provided a skills gap analysis, which it submitted to the Office of Management and Budget under the President's Management Agenda, as an example of how it evaluates the effectiveness of its efforts to increase the language proficiency of its FSO generalists and specialists. This submission included targets for increasing the number of officers who speak and read a language at a level 3 or above in fiscal year 2007. However, these targets were not linked to individual languages.

²⁵GAO-02-375.

²⁶GAO-04-139.

²⁷State later compiled the data from FSI records.

GAO's internal control standards²⁸ instruct agencies to identify risks that could impede the efficient and effective achievement of their objectives and assess their impact. State has not conducted an assessment that would prioritize the resources it devotes to specific languages based on risk. However, a number of potential risks are associated with not having staff with the right language skills at critical posts, including the risks of (1) adjudicating visas to the wrong applicants, thereby jeopardizing U.S. national security; (2) missing opportunities to advance U.S. foreign policy positions due to ineffective communication with foreign media environments; and (3) compromising U.S. intelligence gathering as a result of lost information from potential informants. State's Director General has said that State has not conducted the type of risk assessment that would potentially reallocate resources from one area to another based on strategic importance. Instead, State refines its critical needs languages list on a yearly basis.

Conclusions

Despite the progress made under the DRI, critical gaps in staffing at hardship posts and shortages of staff with foreign language proficiency in critical languages continue to impact State's diplomatic readiness. State has provided a variety of incentives and taken a number of other actions to attract staff to hardship posts and to improve its foreign language capabilities since we last reported on this issue in 2003; however, State has not evaluated these efforts. Further, some mid-level positions at hardship posts continue to remain vacant for years, and we found that bids for such positions have not increased significantly. Moreover, State has resisted using its authority to direct staff to hardship posts to fill critical vacancies. Similarly, State has not conducted the type of risk assessment of its critical language needs that would allow it to reallocate limited staffing, training, and other resources to fill critical language gaps in areas of high priority. Because State does not currently have a sufficient level and mix of staffing and language resources to immediately fill all of its gaps in these areas, choices must be made about diplomatic readiness priorities, given the risk and strategic interests in particular regions and countries. Without taking a risk-based approach to the allocation of these limited resources, these gaps will continue to compromise State's ability to carry out its foreign policy objectives and execute critical mission functions,

²⁸GAO, *Internal Control: Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1 (Washington, D.C.: September 1999).

including reaching out to foreign audiences in regions of critical importance to the war on terror.

Recommendations for Executive Action

To enhance staffing levels and skills at hardship posts as well as the language proficiency of FSOs and other staff, this report recommends that the Secretary of State take the following five actions:

- Consider using directed assignments, as necessary, using a risk-based approach, to fill critical positions with fully qualified officers who have the skills and experience necessary to effectively manage and supervise essential mission functions at hardship posts;
- Systematically evaluate the effectiveness of the department's incentive programs for hardship post assignments, establishing specific indicators of progress and adjusting the use of the incentives based on this analysis;
- Consider an assignment system that allows for longer tours, consecutive assignments in certain countries, and more regional specialization in certain areas, in order to hone officers' skills in certain superhard languages and better leverage the investment State makes in language training;
- Systematically evaluate the effectiveness of its efforts to improve the language proficiency of its FSOs and specialists, establishing specific indicators of progress in filling language gaps and adjusting its efforts, accordingly; and
- Conduct a risk assessment of critical language needs in regions and countries of strategic importance, make realistic projections of the staff time and related training float necessary to adequately train personnel to meet those needs, and target its limited resources for language training, as needed, to fill these critical gaps.

Agency Comments and Our Evaluation

State provided written comments on a draft of this report. The comments and our responses to specific points are reprinted in appendix IV. State generally concurred with the report's observations, conclusions, and recommendations. For example, State said it would consider using directed assignments when necessary and evaluate the effectiveness of its incentives programs. The department also stated that it is examining its assignment system and expects to make significant changes that will address many of the concerns noted in this report. State described a

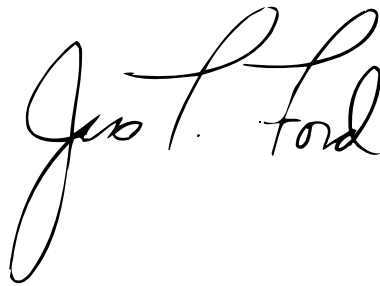
number of programs that it has initiated to address staffing and foreign language shortfalls. State cited the Generalist Career Development Program and its Global Repositioning Initiative as examples of efforts to encourage service at hardship posts and enhance foreign language proficiency.

State commented that it is evaluating the effectiveness of its efforts to improve the language capabilities of its staff. However, while State is evaluating some components of its efforts to enhance language capabilities, it is not doing so routinely and systematically. For example, it did not compile data to determine whether the percentage of new hires with language skills had increased until we requested it, and State acknowledged that the department still could not link the results of its hiring to its targeted outreach efforts. In addition, State commented that it conducts a risk assessment when the department reassesses its language needs when realigning positions to support administration priorities, conducts annual reviews of language designations of positions, and modifies its critical language requirements to align with its diplomatic strategies. However, State does not conduct the type of assessment that we are recommending, which would allocate language resources based on the strategic importance of a country or region and the risks associated with not having language-proficient staff at posts in those locations.

We are sending this report to other interested Members of Congress and to the Secretary of State. We will also make copies available to others upon request. In addition, the report will be available at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-4128 or fordj@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributions to this report are listed in appendix V.

Sincerely yours,

A handwritten signature in black ink that reads "Jess T. Ford". The signature is written in a cursive style with a large, looping initial "J" and a distinct "T" and "F".

Jess T. Ford
Director, International Affairs and Trade

Appendix I: Scope and Methodology

To assess the Department of State's (State) progress in eliminating staffing gaps, we

- reviewed GAO and State Office of Inspector General reports,
- reviewed documentation on the goals and results of the Diplomatic Readiness Initiative (DRI) and reports on incentives to attract bidders to hardship posts,
- analyzed staffing and vacancy data, including State surplus/deficit reports,
- analyzed 2004 and 2005 bidding data to determine the average number of bids per posts by hardship differential and by career track, and
- interviewed officials in State's Bureau of Human Resources and Bureau of Consular Affairs and six regional bureaus regarding vacancy and staffing issues.

To determine the total staff surplus/deficit at the Department of State, we analyzed State staffing data and compared the number of positions in each career track with the number of FSOs in each track. To calculate the deficit for the mid-level officers, we used data for FS-01, FS-02, and FS-03. For example, if the total number of employees in the consular career track is 1,055 and the total number of consular positions is 1,866, the deficit in officers would be 811. We analyzed data for each career track to determine the surplus/deficit for each.

We analyzed bidding data to determine the average number of position bids by posts, the median average bid for each differential rate, and the areas of specialization that are difficult to staff.¹ For these analyses, we used the mid-level bidding data for the 2005 summer assignments cycle. In order to compare 2005 data with 2002 data from our previous report and remain consistent, we used FS-04 tenured, FS-03, and FS-02 bid data. To obtain the average number of bids for each post, we took the total number of bids received on all positions at each post and divided it by the total number of positions to be filled at the post. For example, in the 2002 summer assignments cycle, Lagos had eight positions to be filled and received a total of 11 bids, resulting in an average of 1.38 bids for this post.

¹The bidding and assignment data that we reviewed were for tenured FS-04, FS-03, and FS-02 mid-level positions. In terms of the foreign service grade structure, mid-level positions are equivalent to the civil service GS-12, GS-13, and GS-14, respectively.

To obtain the median bid at each differential rate, as represented in the line in figure 3, we arranged in ascending order the average bid for each post at the corresponding differential rate and used the middle average bid. For example, assuming there are only five posts at the 25 differential rate and their average bids are 3, 5, 7, 9, and 16, the median of the average bids is 7. The bidding data include the number of positions to be filled at each post and the number of bids received for each position. We used the mid-level bidding data because mid-level positions comprised 56 percent of the total foreign service workforce. We also used the bidding data for the summer assignments cycle because, according to State officials, most employees are transferred during this cycle, compared to the winter cycle. Although we analyzed data for the two cycles, we provided information for only the 2005 cycle because the results for 2004 were similar.

To assess State's progress in filling gaps in the language proficiency of foreign service officers and other staff, we performed the following:

- reviewed GAO and State Office of Inspector General reports;
- analyzed data on the foreign language requirements of State and its efforts to enhance its foreign language capability;
- analyzed worldwide data on language-designated positions by post, languages, career track, specialty, and grade;
- analyzed data on the language proficiency of staff at specific posts by career track, specialty, and grade; and
- interviewed officials of the Office of Recruitment and the Office of Resource Management and Organizational Analysis of the Bureau of Human Resources, State's Office of Inspector General, and the Foreign Service Institute (FSI) regarding the hiring and training of language proficient staff.

We compared the number of language designated positions in fiscal year 2001 with the number in 2005 to determine whether the number of language-designated positions had increased, decreased, or remained the same. We also compared staff's language proficiency skills with their position's language requirements to determine whether they met the requirements for the positions. For this analysis we considered language-designated generalist and specialist positions that were filled as of October, 2005. We compared the positions' speaking and reading requirements against their occupants' tested scores in the designated

languages. In cases where the occupants of language-designated positions had no tested score, we deemed that they had failed to meet the requirements. Several posts had “dual-language” positions; for example, Tunis had a number of positions that could either be filled by an Arabic or a French speaking officer. For some dual-language positions, the occupants tested for both languages, and in those instances we selected either the designated primary language, according to State’s records, or the secondary language if the occupant failed to meet the primary language’s requirements but met the second language’s requirements. In our tabulations, we classified those dual language positions according to the ones we selected, which were usually, but not always, the designated primary languages. There were a number of dual language positions whose occupants met the requirements for both languages. As our analysis was designed to test whether the positions’ requirements were being met, not to estimate the number of occupants with language abilities at each post or for each language, we did not include those secondary languages. For a few positions, State had created two sets of language requirements; when that occurred, we compared the higher of the requirements against the tested scores.

We obtained bidding, assignment, and foreign language data from State’s Global Employee Management System (GEMS) database, which tracks State personnel actions. The data in GEMS are compiled from a variety of sources. For example, the Office of Career Development and Assignments (HR/CDA) in State’s Bureau of Human Resources enters data in GEMS on the results of the bidding and the assignment of employees to overseas posts. FSI provides the data on the language proficiency of FSOs and specialists. We reviewed the data for reasonableness and interviewed officials from the Office of Resource Management and Organizational Analysis and HR/CDA, and officials of the Foreign Service Institute concerning the reliability of the data. The officials stated that all employees are knowledgeable about their data, which serves as a reliability check on the system. Based on our analysis of the data and discussions with the officials, we determined the data are sufficiently reliable for our purposes.

We conducted fieldwork in Abuja and Lagos, Nigeria; Sana’a, Yemen; and Beijing, China, to study the impact of staffing and language gaps at selected posts.² We developed a matrix containing information on staffing

²The results of the fieldwork cannot be generalized to posts worldwide.

vacancies, number of bids per position, officers in stretch positions, foreign language requirement, and the foreign language capabilities of staff in language-designated positions to identify potential fieldwork locations. We selected the posts in Nigeria because of the low number of staff applying for each position. We selected Sana'a because of the low number of staff applying for each position, because it requires staff proficient in Arabic, which is a difficult language to learn, and because of Yemen's importance to the war on terrorism. We selected Beijing because it requires staff proficient in Chinese, which is also a difficult language to learn, and because of its strategic importance to the United States. We performed our work from August 2005 to May 2006 in accordance with generally accepted government auditing standards.

Appendix II: Department of State Staffing

As of September 30, 2005, the Department of State (State) had about 19,000 full-time American employees, including foreign service generalists, foreign service specialists, and civil servants. Table 6 illustrates State's staffing by position type, as of September 30, 2005.

Table 6: State Department Worldwide Staffing by Position Type as of September 30, 2005

	Full-time permanent positions	Full-time Staff available	Staff surplus (deficit)	Political appointees
Total Department of State staffing	21,180	19,255	(1,925)	75
Total foreign service staffing	11,387	11,189	(198)	49
Foreign service generalist-overseas	4,457	4,232	(225)	45
Foreign service specialist-overseas	3,403	3,150	(253)	4
Foreign service generalist-domestic	1,890	2,123	233	
Foreign service specialist-domestic	1,637	1,684	47	
Total civil service staffing	9,793	8,066	(1,727)	26

Source: Department of State.

Appendix: III: Foreign Language Proficiency at Language-Designated Positions

Table 7: Location, Number of Language-Designated Positions, and Percent of Staff Filling the Positions Who Do Not Meet the Speaking and Reading Language Requirements

Location	Number of language-designated positions	Percent of staff who do not meet language requirements
Abidjan	22	47
Abu Dhabi	10	25
Abuja	1	100
Adana	3	67
Addis Ababa	2	100
Algiers	10	11
Almaty	14	30
Amman	18	18
Amsterdam	3	0
Ankara	31	36
Antananarivo	12	55
Ashgabat	11	20
Astana	6	25
Asuncion	20	22
Athens	27	36
Baghdad	6	67
Baku	18	44
Bamako	14	77
Bangkok	41	37
Bangui	3	0
Banja Luka	1	100
Barcelona	4	0
Beijing	104	38
Beirut	9	12
Belgrade	23	38
Belize City	1	100
Berlin	37	30
Bern	15	46
Bishkek	9	11
Bogotá	97	20
Bordeaux	1	0
Brasilia	43	47
Bratislava	14	29

**Appendix III: Foreign Language Proficiency
at Language-Designated Positions**

Location	Number of language-designated positions	Percent of staff who do not meet language requirements
Bridgetown	2	100
Brussels	16	20
Brussels NATO	16	47
Brussels USE	11	40
Bucharest	28	33
Budapest	28	48
Buenos Aires	41	24
Bujumbura	10	33
Cairo	32	59
Caracas	45	27
Casablanca	12	56
Chengdu	16	54
Chennai	1	0
Chiang Mai	6	0
Chisinau	11	33
Ciudad Juarez	18	33
Cologne	1	100
Colombo	4	0
Conakry	12	36
Copenhagen	8	12
Cotonou	9	25
Curacao	1	0
Dakar	29	33
Damascus	19	41
Dar-es-Salaam	3	67
Dhahran	3	33
Dhaka	11	18
Dili	2	50
Djibouti	7	75
Doha	4	25
Douala	1	100
Dubai	6	17
Dushanbe	8	62
Düsseldorf	2	0
Florence	3	0
Frankfurt	32	39

**Appendix: III: Foreign Language Proficiency
at Language-Designated Positions**

Location	Number of language-designated positions	Percent of staff who do not meet language requirements
Fukuoka	4	50
Geneva	10	22
Georgetown	1	100
Guadalajara	20	10
Guangzhou	35	31
Guatemala	36	26
Guayaquil	12	0
Hamburg	4	0
Hanoi	19	24
Havana	27	36
Helsinki	7	14
Hermosillo	8	0
Ho Chi Minh City	26	16
Hong Kong	18	44
Islamabad	6	0
Istanbul	19	25
Jakarta	35	21
Jeddah	8	14
Jerusalem	14	29
Kabul	16	67
Kathmandu	8	40
Kiev	40	9
Kigali	13	30
Kinshasa	22	24
Krakow	12	18
Kuala Lumpur	5	40
Kuwait	13	50
La Paz	29	19
Lagos	1	0
Leipzig	3	33
Libreville	7	17
Lima	50	21
Lisbon	20	25
Ljubljana	9	12
Lome	9	29
London	1	0

**Appendix III: Foreign Language Proficiency
at Language-Designated Positions**

Location	Number of language-designated positions	Percent of staff who do not meet language requirements
Luanda	11	33
Luxembourg	8	37
Lyon	1	0
Madrid	35	13
Managua	30	15
Manama	7	17
Manila	6	17
Maputo	15	15
Marseille	2	50
Matamoros	6	0
Medan	2	0
Merida	5	0
Mexico City	1	0
Mexico DF	96	16
Milan	13	18
Minsk	12	9
Monterrey	26	0
Montevideo	16	20
Montreal	13	30
Moscow	95	29
Mumbai	2	0
Munich	8	29
Muscat	6	60
Nagoya	2	50
Naha	5	50
Nairobi	4	100
Naples	8	29
N'Djamena	8	57
New Delhi	15	38
Niamey	10	10
Nicosia	2	0
Nogales	4	67
Nouakchott	6	20
Nuevo Laredo	5	20
OECD Paris	5	20
Osaka-Kobe	10	30

**Appendix III: Foreign Language Proficiency
at Language-Designated Positions**

Location	Number of language-designated positions	Percent of staff who do not meet language requirements
Oslo	10	25
Ottawa	7	17
Ouagadougou	10	43
Panama	31	19
Paramaribo	3	0
Paris	64	22
Paris UNESCO	5	40
Peshawar	3	0
Phnom Penh	10	50
Podgorica	3	33
Punta Delgado	2	50
Port Louis	6	25
Prague	23	12
Praia	3	50
Pristina, KO	8	100
Port-Au-Prince	30	15
Quebec	2	0
Quito	28	17
Rabat	20	42
Rangoon	8	37
Recife	4	0
Reykjavik	4	50
Riga	11	25
Rio de Janeiro	18	24
Riyadh	19	31
Rome	43	38
San Jose	28	16
San Salvador	38	21
Sana'a	19	60
Santiago	29	22
Santo Domingo	50	7
Sao Paulo	30	28
Sapporo	2	100
Sarajevo	20	47
Seoul	33	17
Shanghai	32	37

**Appendix III: Foreign Language Proficiency
at Language-Designated Positions**

Location	Number of language-designated positions	Percent of staff who do not meet language requirements
Shenyang	16	60
Singapore	2	50
Skopje	14	27
Sofia	17	19
St. Petersburg	10	12
Stockholm	11	44
Strasbourg	1	0
Surabaya	7	17
Suva	1	0
Tallinn	9	25
Tashkent	22	29
Tbilisi	14	70
Tegucigalpa	33	19
Tel Aviv	22	28
The Hague	8	14
Thessaloniki	2	0
Tijuana	14	14
Tirana	15	33
Tokyo	45	39
Tokyo RLS	1	0
Toulouse	1	0
Tripoli	6	60
Tunis	26	35
Tunis RLS	1	0
Ulaanbaatar	4	50
Vatican	5	75
Vienna	16	33
Vienna OSCE	1	100
Vientiane	11	27
Vilnius	11	11
Vladivostok	5	40
Warsaw	42	21
Yaoundé	18	33
Yekaterinburg	6	20
Yerevan	17	50
Zagreb	17	0

Source: GAO analysis of Department of State Data.

Appendix IV: Comments from the Department of State

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



United States Department of State

*Assistant Secretary for Resource Management
and Chief Financial Officer*

Washington, D.C. 20520

Ms. Jacquelyn Williams-Bridgers
Managing Director
International Affairs and Trade
Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548-0001

JUL 17 2008

Dear Ms. Williams-Bridgers:

We appreciate the opportunity to review your draft report, "STATE DEPARTMENT: Staffing and Foreign Language Shortfalls Persist Despite Initiatives to Address Gaps," GAO Job Code 320357.

The enclosed Department of State comments are provided for incorporation with this letter as an appendix to the final report.

If you have any questions concerning this response, please contact Cynthia Nelson, Program Analyst, Bureau of Human Resources, at (202) 647-2655.

Sincerely,

A handwritten signature in black ink, appearing to read "Bradford R. Higgins".

Bradford R. Higgins

cc: GAO – Laverne Tharpes
DGHR – George M. Staples
State/OIG – Mark Duda

Department of State Comments on GAO Draft Report

**STATE DEPARTMENT: Staffing and Foreign Language Shortfalls
Persist Despite Initiatives to Address Gaps
(GAO-06-894, GAO Job Code 320357)**

The Department of State appreciates the opportunity to comment on the draft report, which we believe is generally helpful in identifying the challenges we face in staffing hardship posts around the world and in ensuring that our officers have the language proficiency necessary to perform their jobs. Since the last reports in 2002 and 2003, the diplomatic challenges that we must address have significantly changed and the Department has instituted new programs aimed at meeting the opportunities of transformational diplomacy.

In January 2005, the Department launched a Generalist Career Development Program (CDP), which addresses the issues of staffing hardship posts and increasing the language proficiency of Generalist officers that GAO discussed in the report. The CDP requires officers to spend a minimum of three tours in a geographic region, developing a “major” in the region in the mid-level years of an officer’s career. The CDP also requires that officers spend a minimum of two tours in a second geographic region or a functional specialization, such as political-military affairs or consular work. This second area of expertise has been labeled an officer’s “minor.” Taken together, the major and minor require each officer to serve five tours (typically ten to 15 years) acquiring regional and/or functional expertise in preparation for increasingly senior positions abroad or in Washington. The CDP obliges officers to serve at a 15 percent or greater post (hardship) differential/danger pay post after tenure and to have a language proficiency of 3/3, tested within seven years, before applying to compete for promotion into the Senior Foreign Service. The CDP also requires that officers fulfill a specific number of “electives,” depending on their grade (class) on the program implementation date. Three of the electives are proficiency in an additional language and service in an officially designated critical needs position after tenure and/or in an unaccompanied post from entry. In addition to encouraging employees to gain the breadth of experience and training required to excel as senior officers, the CDP provides the Department with a means for staffing hardship posts, unaccompanied tours, and critical needs posts, as well as encouraging officers to increase their language proficiency.

In January 2006, we launched Career Development Programs for the 18 Specialist groups, each tailored to the needs of the Department for the particular specialty.

This year we have implemented Phase I of Global Repositioning (GRP), an initiative to reorient our staffing on a worldwide basis to focus on the issues that present some of the most significant challenges to the safeguarding and promotion of U.S. national interests today. This entailed establishing one hundred new positions, the majority of which are located in East Asia, South and Central Asia and the Near East, to focus on transformational diplomatic priorities. To offset these increases, we eliminated one hundred positions around the world, mostly in Europe and in the U.S., which had been involved in the management of outdated or lower priority activities. We are in the process of determining the positions that will be shifted as part of Phase II of what is expect to be a multi-year process. Senior management in the regional bureaus submitted recommendations to the Secretary about where to establish the new positions and identified the positions to eliminate based on their expert knowledge of diplomatic issues in each country and their strategic importance in implementing transformational diplomacy. The Secretary made the final decisions.

We appreciate GAO's acknowledgement of a major challenge - the lack of locality pay for our mid-level and junior employees serving overseas - that the Department has been addressing over the last couple years. As the report indicates, the lack of locality pay for employees serving overseas is a disincentive for employees to bid on hardship posts because the various differentials provided to compensate employees for harsh and/or dangerous conditions are offset by the lack of locality pay, which is currently 18 percent in Washington, D.C. In the last year, and for the first time, we have secured Administration support for budget and legal solutions to the pay gap in combination with the institution of pay-for-performance for FS-01s below. The Department continues to work with Congressional members and staff to ensure passage of the legislation and full funding of the President's related budget request.

As the report indicates the Department received funding to hire over 1,000 employees above attrition under the Diplomatic Readiness Initiative (DRI), between 2002 and 2004. These additional positions and employees were intended to build our staffing levels, which had been greatly reduced in the government downsizing of the mid 1990's, and provide for a training "float", which would have given us the ability to increase long-term language opportunities for our employees without imposing significant staffing gaps on our overseas posts. However, the increased demands for staffing in Iraq, Afghanistan, and Libya, as well as to monitor Iran and North Korea - all of which are Administration priorities - offset much of the increases in employees and positions we received

under the DRI, especially the extra funding we had intended to use for long-term language training positions.

The report affirms the challenge of the mid-level deficit of Generalist officers that we have been addressing for the last few years. The Foreign Service is a closed system in which employees enter at the junior level and are reviewed for promotion annually when they meet the time-in-class requirements (two years for mid-level officers). The first employees hired under DRI began competing for promotion from FS04 to FS03 in 2005. Employees must be tenured, which requires that they have at least three years in the Foreign Service, before they first compete for promotion to FS03. We anticipate eliminating the deficits at the FS03 and FS02 (mid-level) levels by 2010. Once the deficits are eliminated, we will be able to reduce the number of stretch assignments (i.e., assigning employees to positions above their grade level). [As the report indicates some employees seek up-stretch assignments for career enhancing challenges. Employees bid on both up-stretch and down-stretch assignments for personal and family reasons (e.g., being assigned to a post with their spouse, education opportunities for children, and elder care responsibilities)].

We would like to mention that when junior officers are considered for stretch assignments, their prior work experience is often a factor. A number of our junior officers are on their second or third career and bring a wealth of management and leadership skills

We are concerned about the statements in the report that Lagos and two consulates in China, Chendu and Shenyang, are staffed mainly by first-tour officers and Civil Service employees on excursion tours. Lagos is staffed by a mix of officers: most are mid-level or entry-level officers; however, three senior officers are assigned to post. The Consular Section Chief position in Lagos was vacant for two years; however, it is currently staffed by a newly-arrived senior officer. Two FS02 officers (one serving in a FS03 position) as well as numerous junior officers work in the consular section. In Chendu, the consulate is staffed by a FS03 officer serving in a FS02 position and two FS04 officers. Currently, in Consulate Shenyang, the FS02 position is vacant because the former incumbent (an FS02 officer) was medivaced about four months ago; however, a FS02 officer has been assigned to the position and is due to arrive in August. As indicated in the report, the consulate currently has three FS04 officers/positions; however, one position was recently upgraded to FS03.

See comment 1.

The report discusses the assignment process, focusing primarily on bidding on hardship posts. We agree that employees' preferences are a factor in the assignments on which employees bid; however, employees are required to submit bids that meet several criteria. For example, employees must bid on hardship assignments at differential posts if they have not served at least 18 months in a differential post (10 months if the tour of duty was only one year at the time of your service) during the eight years prior to their upcoming transfer. Moreover, employees must submit six "core" bids that include bids for assignments in at least two geographic areas or bureaus. "Core" bids must be for positions in the employee's cone/skill code, at the employees grade level, and require a language proficiency that the employee already has or has time to acquire between their transfer eligibility date and that of the incumbent.

Employees bid on positions that will become available during the bidding cycle: established positions that are or will become vacant during the bidding period. Thus, employees are bidding on the 100 new positions established in the GRP initiative and the positions that were eliminated will not be staffed. In fact, because the GRP initiative was implemented during the bidding cycle, several employees who had been assigned to positions that were eliminated were required to bid on other positions. (The Department worked with these employees individually to ensure that they found appropriate assignments.) Staffing these new positions is receiving high priority because they are essential to implementing the Administration's and the Secretary's transformational diplomacy initiative.

As discussed above, the new Career Development Program for Generalists, as well as those for Specialists, is expected to encourage employees to bid on hardship, unaccompanied, and critical needs assignments.

The analysis of bids at hardship posts is troubling because it is based on two snapshots of data that are constantly changing until each officer is assigned. A snapshot taken of bids in the fall is not an accurate reflection of the number of bids a given post/position eventually receives. For example, seventy people may bid on a Paris position, but only one will be assigned, and the rest will bid elsewhere. We are still assigning people to positions for this summer. The process does not end when a bidder submits the first list. During the assignment process, additional bidding, bureau recruitment, counter-offers and pressure to accept jobs occur. Employees are required to maintain active bid lists; thus if employees don't receive a job from their first lists, they must bid on more jobs out of the remaining unassigned positions, maintaining an active list of at least six bids until they are assigned.

See comment 2.

Moreover, snapshots of bidding data may be deceiving because they don't take into account how the bidding process is structured. Employees are required to bid on a minimum of six positions at-grade and in-cone; thus, many bid one or two positions seriously then fill their core with "throwaway" bids in order to focus their attention on the few positions in which they are actively interested. A "throwaway" bid is usually placed on a job in a very popular place (Paris, etc.) that the employee has no real intention of pursuing. Thus, the bid snapshot is not an accurate reflection of where bidders really want to go or where people will end up being assigned.

As the report indicates, we have also established the Service Need Differential (SND) Program to encourage employees to bid on hardship posts that are often difficult to staff. GAO correctly reports that we can provide the number of eligible employees who have received SND payments over the last four years; however, we do not have corresponding data for people who declined SND. The count of employees who received SND payments came from our payroll system. We do maintain assignment records of employees who declined and accepted SND when first paneled, as well as people who accepted SND after arriving at post; however, because of the nature of the program and the need to regularize our recording of SND information, the data may contain errors. It is important to note that employees frequently decline SND initially, choosing to wait to decide if they want to extend their assignments to three years and opt for SND until they have lived at post for a while. [Under the current SND program, tour lengths at SND posts must be at least three years.] We agree that we need to review our method for recording SND information to ensure that we are capturing the information necessary to track and evaluate the program's effectiveness.

It is important to note, however, that the full impact of an incentive cannot be measured by decisions recorded in a database: there are many factors that affect employees' bidding and decision to accept and/or decline SND. In addition to considering the job content of the position and location, employees must factor in family-related aspects (e.g., schools, medical facilities, family member employment opportunities, etc.).

We are pleased that GAO's examination of our foreign language capability affirmed that we have made several major efforts to improve our foreign language proficiency, including providing recruitment incentives for those entering the Foreign Service with specific language capabilities and instituting new language proficiency requirements for officers competing for promotion into the Senior

See comment 3.

Foreign Service. Moreover, GAO notes that we have increased the number of language-designated positions (LDPs).

We are concerned by GAO's assertion that we have not conducted an assessment that would prioritize the resources we devote to specific languages based on risk and strategic interest in particular regions or countries. Our language requirements are based on the language designation of positions. As we align positions with the Department's transformational diplomacy strategy, our language requirements and corresponding resources are realigned. Each year, the regional bureaus, with input from posts, and the Bureau of Human Resources review the language designation of all positions to determine if the designations are correct based on the requirements of the position and the current diplomatic issues in each country. For example, we have realigned our language requirements and languages resources to take into account the changes triggered by the GRP initiative. As noted in the discussion of the GRP initiative, 100 new positions were established, most of which are language designated for Asian and Near Eastern languages, and 100 positions were eliminated, many of which were language designated for world languages.

See comment 4.

We would like to note that the Department has reported its language competency gaps in the quarterly submissions to the Office of Personnel Management (OPM) and the Office of Management and Budget (OMB) since September 2005 as part of our accountability under the President's Management Agenda (PMA). We have reported the total number of officers with general professional (3/3) and advanced professional and/or native speaker (4/4 or higher) proficiencies in critical needs languages, as well as the corresponding ratios of officers with language proficiency to LDPs. Moreover, our submissions have included out-year targets and analyses of the data. It is important to note that we anticipate that the ratio of officers to LDPs will decrease in the short term as more positions become language designated, an initiative stemming from the implementation of the CDP and aligning with the Department's transformational diplomacy strategy.

See comment 5.

We must take exception with the methodology GAO used in analyzing the language proficiency of officers encumbering LDPs. First, GAO presents information on both Generalists and Specialists combined, rather than as separate groups. Because the Department has emphasized in the past language proficiency and training for Generalists (commissioned Foreign Service Officers), the report would present a more comprehensive picture if it focused only on Generalists or provided separate analyses of each workforce.

The table below contrasts the data presented by GAO with totals when limiting the analysis to the generalist position subset:

	GAO Report	Generalist Pos Only
Meet Superhard Requirement	61%	70%
Arabic	62%	70%
Chinese	60%	76%
Meet World Lang. Requirement	75%	83%
Meet Hard Lang. Requirement	70%	75%

As noted above, we launched CDPs for all 18 specialist groups in January of this year. For several of the specialist groups, proficiency in a language is required; for others, it is optional.

Moreover, the GAO report does not present the complete picture regarding language-qualified officers in LDPs. The report does not differentiate between incumbents who have the language but do not meet BOTH the speaking and reading requirement and those who do not have the language at all. For example, the GAO report considers a 3/3 Chinese LDP filled with an officer with a 3/2+ in Chinese equivalent to staffing same position with a person who has no Chinese whatsoever. Approximately 77 percent of the incumbents of super-hard generalist LDPs and 94 percent of those filling generalist world language LDPs have at least a 1/1 in the required language.

We are pleased that the report identifies some of the challenges we face in trying to ensure that officers receive the language training they need for their onward assignment. The Department often must balance the need for language training with the requirement to reduce the amount of time a post must endure a gap while the officer is in training. In some instances, the Department decides that it is more important for the post to have an employee at post with a lower language proficiency level than to do without the employee for the training period. As the GAO reported, the “training float” for which we had planned under DRI has been consumed with priority staffing requirements. For this reason, we often must make tradeoffs between language training and reducing staffing gaps.

Another challenge that GAO mentioned pertains to junior officers needing language proficiencies higher than a 2/0 in Chinese to effectively communicate. We agree; however, the Foreign Service Act of 1980 restricts junior officers to limited, non-career appointments of five years. If a junior officer spends a full two years learning a language (required for a 3 in Chinese) and the better part of

See comment 6.

See comment 7.

another year getting orientation and training, then we will have to base a tenure decision on a single overseas tour, which is not fair to the employee or the Department. Junior officers need to be judged in how they perform in a variety of posts and jobs in order to be meaningfully evaluated as to their potential to serve over a full career.

The GAO report states that the short length of some tours, such as one-year unaccompanied assignments, may not give an officer sufficient time to master a language. We would like to clarify the assertion that one-year unaccompanied assignments are restricted to one year. They are made for one year; however, employees can and do extend for additional years. This is an example of the Department balancing the needs of the Department with the needs of our employees and their families. Unaccompanied tours do not just affect the employee: many spouses and children are placed in stressful situations and make significant sacrifices during the assignment.

We appreciate the opportunity to comment on the draft report. Our comments are based on the original draft report after some informal discussions with GAO.

Our responses to GAO's five recommendations follow:

Recommendation 1: The Secretary of State consider using directed assignments, as necessary, using a risk-based approach, to fill critical positions with fully qualified officers who have the skills and experience necessary to effectively manage and supervise essential mission functions at hardship posts.

The Director General of the Foreign Service is prepared to use directed assignments if and when it becomes necessary in order to staff hardship assignments.

Recommendation 2: The Secretary of State systematically evaluate the effectiveness of its incentive programs for hardship post assignments, establishing specific indicators of progress and adjusting the use of the incentives based on this analysis.

The Department will evaluate, within its means, the effectiveness of our incentive programs for hardship posts assignments and develop appropriate indicators of progress.

Recommendation 3: The Secretary of State consider an assignment system that allows for longer tours, consecutive assignments in certain countries, and more regional specialization in certain areas, in order to hone officers' skills in certain super-hard languages and better leverage the investment State makes in language training.

We are currently examining our assignments system and expect to make significant changes that will address many of the concerns noted in this report.

Recommendation 4: The Secretary of State systematically evaluate the effectiveness of its efforts to improve the language proficiency of its Foreign Service officers and specialists, establishing specific indicators of progress in filling language gaps and adjusting its efforts accordingly.

We currently evaluate the effectiveness of our efforts to improve the language proficiency of our Foreign Service Generalists and Specialists in our skills gap analysis, which is one of our quarterly submissions to OMB under the President's Management Agenda; and we will continue to monitor our recruitment initiatives and the results of the Career Development Programs (CDPs). As detailed earlier in our formal comments, our CDPs for Generalists and some Specialists require language proficiency for employees to compete into the Senior Foreign Service.

Recommendation 5: The Secretary of State conduct a risk assessment of critical language needs in regions and countries of strategic importance, make realistic projections of the staff time and related training float necessary to adequately train personnel to meet those needs, and target its limited resources for language training, as needed, to fill these critical gaps.

We will continue to conduct risk assessments of our critical language needs in regions or countries of strategic importance and make realistic projections of resources required to meet our needs. As explained above, we reassess our language needs when we realign positions to support Administration priorities. Furthermore, each year as we review the language designations of positions, we modify our critical language requirements to align with our diplomatic strategies.

The following are GAO's comments on the Department of State's letter dated July 17, 2006.

GAO Comments

1. We have modified our discussion of staffing at posts in Nigeria and China to show that there is a mix of officers.
2. Any analysis of bidding data will necessarily involve "snapshots" in time. Our analysis of the 2005 bidding data was intended to demonstrate whether posts with higher hardship differentials have difficulty attracting applicants compared to posts with low or no differentials. Our approach was identical to the one we used in 2002, and State raised no such concerns then. Our analysis shows that State has not made much progress since 2002 in attracting employees to bid on hardship posts.
3. We acknowledge that State has a system for identifying its language requirements. However, State continues to fill language-designated positions with staff who do not meet the language requirement. As noted in this report, foreign language gaps may negatively impact posts' operations. For example, consular officers at one post told us they sometimes adjudicate visas without fully understanding everything the applicants tell them during visa interviews. A risk-based approach will allow State to make choices given its current mix of staffing and language resources.
4. State did not provide these reports to us until after our report was drafted, and we did not have sufficient time to assess them. The language competency assessment State provided shows the total number of officers with certain levels of proficiency in critical needs languages and corresponding ratios of officers with language proficiency to language designated positions. The assessment also establishes out-year targets for increasing the number of officers with level-3 language proficiency. However, it does not break out the data and targets by individual language. Thus, State's overall targets could be achieved, even if serious proficiency gaps remained for some languages but not for others. We also note that the report does not include targets for specialists. Further, State has acknowledged that it has not collected data to link its recruitment efforts to the number of people it hires with foreign language skills.
5. Our analysis of the language proficiency of officers in language designated positions is based on State's own established requirements for these positions, whether for generalists or specialists. We provided

information on the language proficiency of the two different groups for Arabic and Chinese, and we noted that specialists had some of the highest percentages of staff that did not meet their position's requirements. We further noted that State's Director General had stated, in a cable issued in January 2006 that the department had been shortsighted in not providing sufficient language training to specialists. We have included additional information on the overall percentages of officers meeting language requirements for the two different groups.

6. We have included additional information on the percentages of officers meeting either the speaking or reading requirement, but not both requirements. We note that the differences are only 3 percentage points.
7. We added a statement to the discussion of 1-year tours noting that employees may extend their tours.

Appendix V: GAO Contact and Staff Acknowledgments

GAO Contact

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Staff Acknowledgment

In addition to the individual named above, Michael Courts, Assistant Director; Joseph Carney, Martin de Alteriis, Gloria Hernandez-Saunders, Julia Roberts, Josie Sigl, and La Verne Tharpes made key contributions to the report.

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