

**STATEMENT  
OF  
AMBASSADOR HARRY K. THOMAS**

**DIRECTOR GENERAL OF THE FOREIGN SERVICE AND  
DIRECTOR OF HUMAN RESOURCES  
DEPARTMENT OF STATE**

**BEFORE**

**SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT  
MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT  
OF COLUMBIA**

**SENATE COMMITTEE ON HOMELAND SECURITY  
AND GOVERNMENTAL AFFAIRS**

**HEARING  
ON  
HUMAN CAPITAL ISSUES AT THE DEPARTMENT OF STATE**

**JULY 16, 2008**

Chairman Akaka, Ranking Member Voinovich, and Members of the Subcommittee, thank you for this opportunity to testify before you today to address the Department of State's efforts to hire, develop, position, and support our dedicated corps of Foreign Service, Civil Service and Locally Employed staff to effectively meet the challenges of our worldwide mission. The Bureau of Human Resources (HR) has the critical responsibility to manage the Department of State's greatest asset – our personnel. Our principal task is ensuring that we have the right people in the right place at the right time with the right skills.

Maintaining the highest standards of operational readiness worldwide is an increasingly challenging undertaking, as the number of positions at the most difficult and dangerous posts continues to rise without a concomitant increase in resources, and the Department faces the potential loss of expertise and experience through impending Civil Service and Foreign Service retirements. The Department's foreign policy objectives have led to a proliferation of much-needed language-designated positions, many of which require lengthy training to gain proficiency in "superhard" languages such as Arabic and Chinese. Our personnel need these language skills to conduct outreach to foreign audiences, negotiate and consult with other governments, and effectively assist American citizens at our embassies and consulates around the world.

State Department employees are serving in more remote, isolated and dangerous locations than ever before. There are over 900 positions overseas that are designated "unaccompanied" or "limited accompanied" for reasons of hardship or danger. Considering the modest size of the Foreign Service, that means that approximately one out of every thirteen Foreign Service Generalists or Specialists

is serving in a location that is too dangerous for families to accompany. This is a dramatic change from even ten years ago when there were less than 200 unaccompanied positions. The HR Bureau is committed to ensuring that these employees, and the rest of our personnel around the world, receive the support and training they need to succeed in their current posts and when they move on to their next assignments – whether abroad or here at home.

In meeting the Department's personnel needs, our goal is to work smart, reward innovation, increase transparency, and gain customer satisfaction. Let me share just a few of the initiatives the HR Bureau has undertaken to meet that goal. We have adapted and streamlined our recruiting, hiring, and assignments processes in line with the Department's policy priorities and increased our support to employees and families experiencing unaccompanied tours. Nearly 8,000 candidates have taken the redesigned, web-based Foreign Service Officer Test since it was introduced in September 2007. The written test is the first critical step in seeking entry as a Foreign Service Officer. Over three years, we have effectively repositioned many of our political, economic and public diplomacy officers overseas to the posts where they are needed most. Where we have vacancies, we have drawn on qualified Civil Service employees and Eligible Family members to fill positions in Iraq, Afghanistan, and other hardship posts around the world. We are pursuing ways to take care of the dedicated Locally Employed staff who play a critical role in supporting our missions overseas, sometimes at great personal risk, and are maintaining a strong and positive relationship with State retirees after their careers have ended.

In Washington, we have introduced a career-enhancing rotational program for midlevel Civil Service employees and rolled out a new performance evaluation

form for Civil Service personnel that links work requirements to the Department's strategic goals. The HR Bureau has also reinvented the way personnel actions are initiated and processed by replacing paper forms with online, self-routing applications. We have automated the Foreign Service retirement process and captured thousands of personnel files electronically to allow us to serve our customers more quickly and efficiently. In seeking ways to improve the delivery of HR services throughout the Department, we are implementing a tiered services concept that consolidates human resource functions across bureaus and brings information straight to employees through an online HR database and central service center.

The initiatives that I have just mentioned, as well as many others that I have not covered today, addressed the vast majority of the recommendations made by the Department of State's Office of the Inspector General (OIG) based on their regularly-scheduled inspection of the HR Bureau in late 2006 and early 2007. Following the standard practice after an inspection, we maintain an ongoing dialogue with the Inspectors. To date, we have accepted or otherwise reached agreement on 51 of the 59 OIG recommendations. We will continue to work with the OIG and other bureaus within the Department of State to resolve the eight outstanding recommendations, with the aim of finding mutually satisfactory solutions that balance the needs of the Department with the needs of our employees.

Some of the issues raised by the OIG are related to the Department's requirements for additional personnel resources and cannot be remedied without increased funding for new positions. As Secretary Rice and other senior officials have testified repeatedly, the Department's staffing needs exceed our current

resources. The 2007 OIG reports on the HR Bureau, as well as recent reports done by the Government Accountability Office (GAO), the Foreign Affairs Council, the Center for Strategic and International Studies (CSIS), and other groups, point out that the Department needs additional resources to fully staff our more than 285 posts worldwide and to allow our employees to receive necessary language and professional training.

The Department is dealing with a deficit of mid-level Foreign Service Generalists due to hiring shortages in the 1990s. This deficit is declining as Foreign Service Officers hired in 2002-2004 under the Diplomatic Readiness Initiative gain experience and are promoted through the Foreign Service system, much as the military promotes through the ranks. Even as the midlevel deficit shrinks, however, we are starting to see gaps at the entry levels because the Department's requirements and responsibilities have increased without a commensurate increase in personnel. Since 2004, personnel resources have not kept pace with the number of entry level positions needed to deal with the burgeoning consular workload abroad, to conduct outreach, and to achieve other policy objectives.

For each of the past four years, the President's budget submission has included a request for new State Department positions. The Department of State's FY2009 budget requests around 1,100 new personnel for State and 300 new personnel for USAID, not including fee-funded positions. If approved by Congress, these new positions would go a long way toward addressing critical diplomatic needs overseas, building our training float, and increasing our capacity to engage in interagency efforts. We appreciate Congress' support of the State Department's Diplomatic and Consular Programs (D&CP) account in the FY2008

Supplemental and the FY2009 bridge funding, which allows the Department to take an initial step of being able to hire around 140 new personnel above attrition over two years. We hope the Congress will fully support and fund the remaining personnel request in the FY2009 budget.

The Department's FY2009 budget request also includes funding for Foreign Service Compensation Reform, one of our top legislative priorities. The Foreign Service Compensation Reform provisions in the Department's FY2008-2009 Authorization package, if passed and enacted, would eliminate the nearly 21 percent overseas pay gap in base salary faced by FS-01 members and below serving overseas and would introduce a pay-for-performance system for all Foreign Service members. We look forward to working with Congress to pass these crucial reforms to eliminate the growing financial disincentive to serve abroad and to introduce a performance based pay system.

The challenges of managing the State Department's human resources activities around the world are significant, but we are doing our best to meet those challenges. With the support of Congress and the enactment of the FY 2009 budget request, I am confident that we can continue to attract and retain a skilled workforce, to support our dedicated employees and their families, and to build the next generation of State Department leaders to ably represent the American people in pursuit of our nation's foreign policy interests.

Mr. Chairman, I thank you for the opportunity to address you today and I would be happy to answer your questions.