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United States Department of State
and the Broadcasting Board of Governors
Office of Inspector General

Report of Inspection

Compliance Follow-up Review of U.S. Mission to International Organizations in Vienna

Report Number ISP-C-08-08, November 2007

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PREFACE

Compliance follow-up reviews (CFR) by the Office of Inspector General (OIG) are intended to provide senior managers of the Department of State (Department) with progress reports on the status of recommendations resulting from inspections.

The review took place in Washington, DC, between August 10 and August 17, 2007, and in Vienna, Austria between August 20 and 24, 2007. Ambassador Fernando E. Rondon (team leader) and Senior Inspector Alan Berenson conducted the review.

Based on reports from the embassy and the Bureau of European Affairs, on May 14, 2007, OIG closed the report of the inspection of the U.S. Mission to International Organizations in Vienna (UNVIE) (ISP-I-07-20A) conducted between October 13 and 29, 2006. There was compliance with the five formal recommendations in the report, and the report should remain closed. However, additional efforts are needed to enhance compliance in both the front office and public affairs. Therefore, the CFR team is making four recommendations.

Although the inspection report is closed, offices to which recommendations were addressed are not relieved of the responsibility to complete implementation or to report to OIG changed circumstances substantially affecting agreed upon methods of implementation.

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CONTEXT

UNVIE was established in 1983 in order to provide on-site representation of U.S. interests in a variety of UN organizations located in Vienna, including the International Atomic Energy Agency (IAEA). The mission's work became even more central after September 11, 2001, as the United States sought to contain escalating global violence. UNVIE was inspected in October 2006, and this report represents a follow up to that work.

UNVIE is tasked with managing a broad range of important and often highly technical issues. They include:

- Preventing the spread of dangerous weapons and technologies;
- Combating terrorism, narcotics trafficking, and international crime and corruption; and
- Promoting free trade and investment, sustainable development, and the peaceful use of nuclear power.

UNVIE represents the United States in seven major Vienna-based international organizations: the IAEA; UN Office on Drugs and Crime; UN Office of Outer Space Affairs; UN Commission on International Trade Law; UN Industrial Development Organization; Preparatory Commission for the Comprehensive Nuclear Test Ban Treaty Organization (CTBTO); and the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies (Wassenaar Arrangement).

In the summer of 2005, UNVIE's agenda moved to the top of U.S. international priorities when Iran disregarded its Nuclear Nonproliferation Treaty obligations and began enriching uranium. Working intensely to develop maximum international support, UNVIE succeeded in having Iran declared noncompliant with the treaty and, in February 2006, obtained IAEA approval to send the Iran nuclear issue to the full UN Security Council, furthering a major U.S. foreign policy goal. UNVIE now plays a central role in the U.S. effort to deal with the growing threat of nuclear terrorism.

In 2002, UNVIE relocated to a facility that is within walking distance of most of the organizations with which UNVIE works. It employs 28 officers and six locally employed staff, supported by a FY 2007 operating budget of \$1.6 million. UNVIE also monitors the use of approximately \$170 million in U.S. contributions to international organizations in Vienna.

EVALUATION OF COMPLIANCE

The report of the inspection of UNVIE (ISP/I-07-20A) contained five recommendations. These were closed through the regular compliance process. The CFR team reviewed and confirmed compliance with all recommendations and concurred with the mission's responses to the three informal recommendations. The team issued four new recommendations that stemmed logically from the work initiated by the earlier inspection.

EXECUTIVE DIRECTION

The inspection report stated that the current Ambassador, who arrived in Vienna in July 2005, was providing strong policy leadership to the mission, which is accredited to the IAEA, the UN Organization Vienna; and CTBTO, and deals with a wide range of diverse and often technical issues. UNVIE management was, and is, focused intensively on preventing the spread of nuclear and other dangerous weapons and technologies, particularly by Iran and North Korea.

The inspection report commented favorably on the Ambassador's intensive public diplomacy work, the preparation of the Mission Strategic Plan, and the integration of several agencies from outside the Department. Major concern was expressed, however, over executive management's failure to prioritize and manage personnel effectively. The Ambassador's personal style of management was characterized as intimidating and unprofessional. While a tough report, the CFR team found descriptions of executive management to be well-documented.

The report contained three recommendations addressing executive direction. Following are the three recommendations and the actions reported by the addressees to OIG.

(1) The Bureau of International Organization Affairs, in coordination with the Offices of the Under Secretaries for Political Affairs and for Management and the U.S. Mission to International Organizations in Vienna, should develop a plan for the senior management of the U.S. Mission to International Organizations in Vienna to ensure that all staff members are dealt with properly and professionally. (Action: IO, in coordination with P, M, and UNVIE)

The Bureau of International Organization Affairs reported that such a plan had been developed and was being implemented with the concurrence of the Director General's Office and the cooperation of the Office of Medical Services and the UNVIE Ambassador. The Office of the Under Secretary for Political Affairs and the Office of the Under Secretary for Management staff has been briefed, and the Bureau of International Organization Affairs continues to monitor implementation.

(2) The Bureau of International Organization Affairs should request that the Ambassador to the U.S. Mission to International Organizations in Vienna return to Washington for consultations on implementing the above plan, including talks on establishing mechanisms to monitor its effectiveness. (Action: IO)

The Bureau of International Organization Affairs reported that the Ambassador returned to Washington in December 2006 for consultations about the plan and has been actively involved in its implementation.

(3) The U.S. Mission to International Organizations in Vienna, in coordination with the Bureau of International Organization Affairs, should design and implement a strategy to delegate responsibilities to mission staff, including securing their collective input on setting mission priorities. (Action: UNVIE, in coordination with IO)

UNVIE reported that the Ambassador worked with the deputy chief of mission and counselors to develop mission priorities for 2007. These priorities were discussed with the Bureau of International Organization Affairs and the Undersecretary for Arms Control and International Security, and distributed to UNVIE staff. Individual sections were asked to develop strategies and action plans to advance priorities in their areas. "To send a clear signal of delegation," the Ambassador asked counselors in specified areas to organize and host strategy sessions for upcoming meetings, in lieu of taking that role himself. Finally, the Ambassador asked his senior staff to use the ongoing development of the UNVIE Mission Strategic plan to review and update priorities.

OIG concluded that the reported actions constituted compliance with the recommendations and closed the recommendations.

The OIG CFR team found that the post complied with all three recommendations, although documentation was not always available. The Ambassador certainly exceeded the terms of the first recommendation, shouldering personal responsibility for changing his management style. He described his five-part plan to the CFR inspectors, which aimed, in part, to ease work pressure felt by his staff. The staff itself reported that there had been major improvements since the inspection, although they expressed a need for continued monitoring of morale issues. As recommended under the second recommendation, the Department was paying more attention to the UNVIE mission, although there were no formal mechanisms. Compliance under Recommendation 3 addressed strategic goals but required follow-through on day-to-day work. In discussions with the CFR team, the Ambassador concurred with the new or recast recommendations of the CFR report, confident that both he and a new front office team would effectuate needed change.

MORALE AND WORKLOAD

UNVIE morale improved after the last inspection and should be on the threshold of new gains thanks to executive management's interest. The Ambassador specifically wished to measure the impact of his heavy requirements as well as changes in front office staffing on the workload of the mission and consequent morale. The CFR team underlined the importance that an assessment be made by qualified personnel who are not specifically assigned to UNVIE. Several independent sources of feedback are available. These include the regional medical officer/psychiatrist and the tri-mission community liaison office.

Recommendation CFR 1: The U.S. Mission to International Organizations in Vienna should seek an independent review of morale, possibly using the services of the regional medical officer/psychiatrist. (Action: UNVIE)

Recommendation CFR 2: The U.S. Mission to International Organizations in Vienna should establish a scheduled monthly meeting between the community liaison office coordinator and the deputy chief of mission in order to share perceptions of well being at the U.S. Mission to International Organizations in Vienna. (Action: UNVIE)

The front office appears disorganized, and tasking is haphazard. A lack of clarity can engender angry exchanges among affected parties, and personnel are not sure who should do what. There are no documented standing operating procedures. This situation does not serve the Ambassador well, creates unnecessary confusion and stress, and adversely impacts morale. This condition was exactly what the Ambassador sought to alleviate by adding an executive assistant. The addition of an executive assistant as well as the arrival of a new deputy chief of mission and experienced office management specialist staff should improve executive management operations.

Recommendation CFR 3: The U.S. Mission to International Organizations in Vienna should establish and circulate standing operating procedures for the front office, spelling out the duties of the deputy chief of mission, executive assistant, and office management specialists as they relate to the management of the mission, including their tasking responsibilities. (Action: UNVIE)

PUBLIC AFFAIRS

The inspection report stated that public diplomacy had become a central element of UNVIE's effort to explain and build international support for U.S. positions on the critical issues that drive this mission. The report detailed the Ambassador's enormous public diplomacy workload, as well as premature plans to eliminate UNVIE's public affairs officer position. Two recommendations were made:

- The OIG team supported the mission's request that the public affairs officer position be immediately reinstated and recommended (Recommendation 4) that the U.S. Mission to International Organizations in Vienna, in coordination with the Office of the Undersecretary for Public Diplomacy and Public Affairs and the Bureau of International Organizations, reestablish the public affairs officer position and assign an experienced mid-level officer from the public diplomacy cone to the position. (Action: UNVIE, in cooperation with R and IO).
- OIG recommended (recommendation 5) that the U.S. Mission to International Organizations in Vienna remove the public diplomacy function from its current placement as part of a section and create a separate public diplomacy section that supports the entire mission, with the public affairs officer reporting to the Ambassador through the deputy chief of mission. (Action: UNVIE)

These recommendations were complied with fully.

The Ambassador's appetite for public diplomacy has continued to be strong, contributing to sometimes difficult relationships with Embassy Vienna's public affairs section and overwhelming the abilities of either UNVIE's public affairs officer or the new executive assistant to meet the Ambassador's demands. It will be incumbent upon a new public affairs officer to improve communication and coordination

with Embassy Vienna's public affairs section. A realignment of front office responsibilities accompanied by the new deputy chief of mission's intention of reviewing who can do what best at UNVIE will assist both a new public affairs officer and the executive assistant.

The inspection report had noted correctly that there were problems in coordination between the UNVIE public affairs officer and Embassy Vienna's public affairs officer. The report found "instances when Embassy Vienna was unaware of UNVIE programs and encountered confusion within the Austrian institutions themselves. Although the public affairs officers of both missions meet informally on occasion, the OIG team believes closer program coordination is needed, and the team provided an informal recommendation on this matter." In response, UNVIE stated that "once the public affairs officers for both the mission and the embassy arrive at post, the Executive Office will ensure that the new officers maintain this regular contact." With a turnover in personnel, the CFR team believes that the moment is ripe for the newly assigned embassy and UNVIE public affairs officers to establish mutually beneficial ground rules.

Recommendation CFR 4: The U.S. Mission to International Organizations in Vienna should work with Embassy Vienna to prepare and coordinate written standard operating procedures for public diplomacy cooperation between Embassy Vienna and U.S. Mission to International Organizations in Vienna. (UNVIE)

COMPLIANCE FOLLOW-UP REVIEW RECOMMENDATIONS

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Recommendation CFR 4: The U.S. Mission to International Organizations in Vienna should work with Embassy Vienna to prepare and coordinate written standard operating procedures for public diplomacy cooperation between Embassy Vienna and U.S. Mission to International Organizations in Vienna. (UNVIE)

PRINCIPAL OFFICIALS

	Name	Arrival Date
Ambassador	Gregory L. Schulte	07/05
Deputy Chief of Mission	Geoffrey R. Pyatt	08/07
Chiefs of Sections:		
International Atomic Energy Agency	David Noble	08/04
UN Affairs	Vacant	
Public Affairs	Vacant	
Nuclear Terrorism and Export Controls	Eric Sandberg	02/07
Other Agencies:		
Department of Energy	Lisa G. Hilliard	06/93
Nuclear Regulatory Commission	Heather Astwood	08/06
Brookhaven National Laboratory	Barbara Hoffheins	07/05

ABBREVIATIONS

CFR	Compliance Follow-up Review
CTBTO	Comprehensive Nuclear Test Ban Treaty Organization
Department	Department of State
IAEA	International Atomic Energy Agency
OIG	Office of Inspector General
UNVIE	U.S. Mission to International Organizations in Vienna
Wassenaar Arrangement	The Wassenaar Arrangement is a nontreaty agreement through which member nations license the sale of agreed-upon military items, including agreed nonmilitary items that have the potential for dual use.

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