



United States Department of State
and the Broadcasting Board of Governors

Office of Inspector General

SEP 19 2012

MEMORANDUM

TO: M – Mr. Patrick Kennedy

FROM: OIG – Harold W. Geisel 

SUBJECT: Memorandum Report, Improving Leadership at Posts and Bureaus (ISP-I-12-48)

On June 29, 2010, the Office of Inspector General (OIG) forwarded the attached memorandum report¹ to Executive Secretary Stephen Mull with a recommendation that the Department of State (Department) devise and implement a feedback system to regularly assess post and bureau managers and take appropriate measures to address and correct post and bureau leadership and management deficiencies.

The memorandum noted that OIG inspections had shown that “while a majority of posts and bureaus are well run, leadership in a small but significant minority needs to be strengthened” and that such leadership deficiencies resulted in reduced productivity, low morale, and stress-related curtailments.

The situation described in that memorandum persists. OIG’s FY 2012 inspections found that while 75 percent of ambassadors, deputy chiefs of mission, and principal officers are doing a good to excellent job, 25 percent have weaknesses that, in most cases, have a significant impact on the effectiveness and morale of their posts and certainly warrant intervention by the Department.

One reason for a high percentage of posts requiring leadership attention in the past year is that a number of posts were selected for inspection because OIG received specific indications of weak leadership. The 75 percent/25 percent figures apply to the posts OIG inspected and not necessarily to the Department as a whole.

Even leaders judged by OIG inspectors to be good to excellent could benefit from an assessment or feedback mechanism.

OIG therefore reiterates the importance it places on adopting an effective assessment and performance improvement system for ambassadors, deputy chiefs of mission, and principal officers. OIG continues to believe that a confidential survey of personnel at post is an essential element of such a system. While such a survey cannot yield precise rankings, our experience has

¹ Implementation of a Process to Assess and Improve Leadership and Management of Department of State Posts and Bureaus, Report Number ISP-I-10-68.

shown that it is an excellent diagnostic tool that can reveal serious problems as well as identify strong performances. Equally important is the followup conducted by the home bureau to provide training, coaching, and performance improvement plans, or in extreme cases, reassignment. By implementing such a system, the Department can intervene early to help leaders improve their performance while minimizing the damage to posts and sparing individuals and the Department possible embarrassment.

The Quadrennial Diplomacy and Development Review provides an opportunity for the Department to develop such a system. OIG stands ready to assist in this effort.

Recommendation 1: The Bureau of Human Resources, in coordination with the Office of the Under Secretary for Political Affairs, should institute a system to assess the performance of leadership of posts that includes a confidential survey of staff focused on key elements of effective leadership and provision for the appropriate Assistant Secretary to follow up with corrective action where necessary. (Action: DGHR, in coordination with P)

Identifying Leadership Principles

Many OIG recommendations relate to basic leadership or management principles and the failure to observe basic principles that apply to organizations of every kind—government, business, or nonprofit. OIG has drafted a series of short papers outlining such principles, with statements by leading authorities on management, for inspectors to use in formulating recommendations and providing counseling.

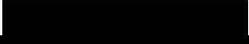
The *Foreign Affairs Manual* (FAM) and *Foreign Affairs Handbook* do not provide a comprehensive set of leadership and management principles to guide Department employees, particularly those in managerial positions. They address a few of these principles but not comprehensively. For example, 3 FAM 1214 provides:

Supervisors and program managers at all levels are expected to provide leadership by example and to acquire and practice those supervisory and managerial skills which are designed to foster the highest attainable degree of employee morale and productivity.

Except for a handbook for supervisors of Foreign Service nationals, neither the *Foreign Affairs Manual* nor *Foreign Affairs Handbook* state what those “supervisory and managerial skills” are.

A new *Foreign Affairs Handbook* on leadership and management principles could serve as a reference for managers at all levels and supplement the training from the Foreign Service Institute. The handbook would provide criteria and a basis for senior Department leadership to monitor and evaluate the effectiveness of leadership and management in posts and bureaus and to address shortcomings. The Quadrennial Diplomacy and Development Review working group on evaluating leadership would be a good organization to guide efforts to revise the *Foreign Affairs Handbook*.

Recommendation 2: The Office of the Under Secretary for Management should develop a *Foreign Affairs Handbook* on leadership and management principles. (Action: M/PRI)

I would be happy to meet with you to discuss this matter further. 



Attachment:

OIG Memorandum to S/ES

cc: DGHR – Linda Thomas-Greenfield
S/ES – Stephen Mull



United States Department of State
and the Broadcasting Board of Governors

Office of Inspector General

JUN 29 2010

MEMORANDUM

TO: S/ES – Mr. Stephen D. Mull

FROM: OIG - Harold W. Geisel, Deputy Inspector General 

SUBJECT: Implementation of a Process to Assess and Improve Leadership and Management of Department of State Posts and Bureaus, ISP-I-10-68

Office of Inspector General (OIG) inspections over the past 4 years have shown that while a majority of posts and bureaus are well run, leadership in a small but significant minority needs to be improved. In a recent OIG survey of employees who are serving or have served in high stress/high threat posts, 45 percent of the respondents cited post leadership as a cause of stress for them or their colleagues. An inspection of the Bureau of African Affairs identified leadership as a problem in certain posts overseas as well as in the bureau itself under its previous management. OIG has found problems in posts in every region, under both career and political ambassadors. The results of poor leadership include reduced productivity and effectiveness, low morale, stress, and curtailments.

OIG assesses post and bureau performance including leadership approximately every five to eight years. That interval is far too long to ensure that posts and bureaus are consistently managed effectively. OIG believes that it is the responsibility of the Department to conduct its own assessments, based in part on input from staff and to do so every year, especially at one-year-tour posts. In many cases, the knowledge that the leaders would be assessed annually would cause them to be more sensitive to how they lead staff. The annual assessment would allow for the early identification of problems and for remedial action in time to have an effect on the management and operations of a post or bureau under each leadership team. In some cases, leaders and mid-level managers will be unable or unwilling to change. In more cases, OIG believes that leaders would be receptive to counseling and training to help them become more effective. These assessments would also provide better support for annual evaluations and help the chief of mission and deputy chief of mission selection committees make better informed recommendations and decisions.

OIG offers the following suggestions for ways to identify post and bureau leadership and management issues. The first stage of these assessments can be conducted through online surveys of employees to identify which posts have problems. The credibility and effectiveness of these surveys will depend on the Department's ability to guarantee confidentiality, to take remedial action, and to protect against retaliation. Based on the surveys, a small team comprised, for example, of representatives of the Bureau of Human Resources and the regional bureau, with possible participation of the Foreign Service Institute or the Office of Medical Services, could

visit a problem post to conduct interviews and provide counseling and training where appropriate. (The Foreign Service Institute has leadership coaches who can be used for this purpose.) Ideally, the regional Assistant Secretary would take a strong role in this process, ensuring that ambassadors, deputy chiefs of mission, and principal officers place a high priority on leadership and management, that their employee evaluation reports reflect their performance in these areas and that counseling occurs whether in person or through letters. The approach of the current Assistant Secretary for the Bureau of African Affairs can serve as a good example; however, a consistent Department-wide approach would require that the Bureau of Human Resources be heavily involved, including coordinating or leading this process.

Recommendation 1: The Department of State should devise and implement a feedback system to regularly assess post and bureau managers and take appropriate measures to address and correct post and bureau leadership and management deficiencies. (Action: S/ES)

OIG would be happy to provide advice and suggestions based on our experience in conducting such assessments, and I would be pleased to discuss this issue further with you or whomever you wish to designate.

Enclosures:

Compliance Sheet
OIG Resolution Procedures

cc: P - Mr. Burns
HR - Ms. Powell
MED - Mr. Yun
DS - Mr. Boswell
FSI - Ms. Whiteside