

Highlights of GAO-09-874, a report to the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Committee on Homeland Security and Governmental Affairs, U.S. Senate

Why GAO Did This Study

The Department of State (State) has designated about two-thirds of its 268 overseas posts as hardship posts. Staff working at such posts often encounter harsh conditions, including inadequate medical facilities and high crime. Many of these posts are vital to U.S. foreign policy objectives and need a full complement of staff with the right skills to carry out the department's priorities. As such, State offers staff at these posts a hardship differential—an additional adjustment to basic pay—to compensate officers for the conditions they encounter and as a recruitment and retention incentive.

GAO was asked to assess (1) State's progress in addressing staffing gaps at hardship posts since 2006 and the effect of any remaining gaps, and (2) the extent to which State has used incentives to address staffing gaps at hardship posts. GAO analyzed State data; reviewed relevant documents; met with officials in Washington, D.C.; and conducted fieldwork in five hardship posts.

What GAO Recommends

GAO recommends the Secretary of State (1) take steps to minimize the experience gap at hardship posts by making the assignment of experienced officers to such posts an explicit priority consideration, and (2) develop and implement a plan to evaluate incentives for hardship post assignments. State generally agreed with our findings and recommendations.

View GAO-09-874 or key components. For more information, contact Jess T. Ford at (202) 512-4268 or fordj@gao.gov.

DEPARTMENT OF STATE

Additional Steps Needed to Address Continuing Staffing and Experience Gaps at Hardship Posts

What GAO Found

Despite some progress in addressing staffing shortfalls since 2006, State's diplomatic readiness remains at risk due to persistent staffing and experience gaps at key hardship posts. Several factors contribute to these gaps. First, State continues to have fewer officers than positions, a shortage compounded by the personnel demands of Iraq and Afghanistan. Second, while State has reduced its mid-level experience gap, the department does not anticipate eliminating this gap until 2012 and continues to face difficulties attracting experienced applicants to hardship posts—especially posts of greatest hardship. Third, although State's assignment system has prioritized the staffing of hardship posts, it does not explicitly address the continuing experience gap at such posts, many of which are strategically important, yet are often staffed with less experienced officers. Staffing and experience gaps can diminish diplomatic readiness in several ways, according to State officials. For example, gaps can lead to decreased reporting coverage, loss of institutional knowledge, and increased supervisory requirements for senior staff, detracting from other critical diplomatic responsibilities.

Examples of Overseas Posts with Various Hardship Differentials, as of September 2008

Posts	Hardship differential (percentage of base pay)	Hardship	Greatest hardship
Buenos Aires, Osaka, Paris	0		
Amman, Bogotá, Windhoek	5		
Istanbul, Kuala Lumpur, Sao Paulo	10		
Lima, Mexico City, Moscow	15	•	
Jeddah, Manila, Sofia	20	•	
Beirut, Kathmandu, Lagos	25	•	•
Monrovia, Nairobi, Shenyang	30	•	•
Baghdad, Dushanbe, Kabul	35	•	•

Source: State.

State uses a range of incentives to staff hardship posts, but their effectiveness remains unclear due to a lack of evaluation. Incentives to serve in hardship posts range from monetary benefits to changes in service and bidding requirements, such as reduced tour lengths at posts where dangerous conditions prevent some family members from accompanying officers. In a 2006 report on staffing gaps, GAO recommended that State evaluate the effectiveness of its incentive programs for hardship post assignments. In response, State added a question about hardship incentives to a recent employee survey. However, the survey does not fully meet GAO's recommendation for several reasons, including that State did not include several incentives in the survey. State also did not comply with a legal requirement to assess the effectiveness of increasing danger and hardship pay in filling certain posts. Recent legislation increasing Foreign Service Officers' basic pay will increase the cost of existing incentives, thereby heightening the importance that State evaluate its incentives for hardship post assignments to ensure resources are effectively targeted and not wasted.