



SPEAKING OUT

Mid-Level Hiring and the War for Talent

BY KEVIN D. STRINGER

After reading various statements and letters regarding mid-level hiring for the Foreign Service generalist corps, dating back at least to the July 2007 issue of the *Foreign Service Journal*, I would like to fire a longer salvo into this discussion.

As numerous reports and a May AFSA statement note, since the 2003 invasion of Iraq staffing demands on the Foreign Service have soared: some 300 positions in Iraq, 150 positions in Afghanistan, 40 positions in the State Department's new office of the Coordinator for Reconstruction and Stabilization, more than 100 training positions to increase the number of Arabic-speakers, and 280 new positions in areas of emerging importance such as China and India. Despite these urgent staffing needs, Congress has not provided the necessary funding. As a result, hundreds of Foreign Service positions are vacant.

In addition, the State Department calculates that the Foreign Service is short 1,015 positions for overseas and domestic assignments and another 1,079 positions for training and temporary needs — this out of total staffing of just 11,500. FSO Mark Johnsen's December 2007 *Journal* article, "One Hand Clapping: The Sound of Staffing the Foreign Service," notes that the actual cumulative deficit may be as high as 3,500 personnel. This gap has an enormous impact on U.S. diplomacy and the ability of the Department of State to execute the transformational measures advocated by Secretary of State Condoleezza Rice.

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The gap is especially hard-felt in the mid-level generalist category; many such positions remain unfilled or are occupied by inexperienced officers. The March 25 issue of the *Federal Times* noted that about one-fifth of the State Department's mid-level Foreign Service positions are vacant, and the agency is coping with the vacancies by leaving open positions at lower-priority posts.

I understand that a recent State Department Office of the Inspector General report predicts the current mid-level staffing gap will be closed by October 2009. Not having access to this report, I cannot verify the accuracy of its methodology or the sustainability of this projection. In any case, if State truly aspires to expand to a size commensurate with its current and future tasks, and build a viable training float as well, its current intake process will, in all likelihood, result in another mid-level gap in the foreseeable future. Yet the obvious remedy, mid-level hiring, is highly contentious.

In a speech at Harvard University

in 1943, Winston Churchill observed that the "empires of the future will be empires of the mind." He might have added that the battles of the future will be battles for talent. In a 1997 study that led to publication of a book titled *The War for Talent* (Harvard University Press, 2001), the consulting firm McKinsey & Co. researched the subject. It compiled critical recommendations for the personnel management of any institution seeking excellence and, ultimately, success in its defined missions and tasks.

The lessons of that study are highly pertinent to the Foreign Service. As an organization operating in a globalized labor market, the State Department has begun to shift gears to meet the challenge of attracting, developing and retaining the best people — those with high potential, or scarce knowledge and skills, who can successfully lead transformation and change within an organization, adding direct value to a business's position. But the department will not be able to address its massive personnel shortfall and need for skills unless it begins offering opportunities for top performers to bypass the entry level and join the Foreign Service as middle managers.

Behind the Curve

Indeed, one of the biggest impediments to transforming the Foreign Service for the current global environment is its personnel policies, designed as they are for a different kind of world with its own threats and challenges. The department contin-



ues to operate in the “old economy” in terms of recruitment, retention and, more broadly, talent and skill management, ignoring the fact that there are numerous other international professional opportunities open to Americans.

As a February Strategic Studies Institute paper titled “Developing Strategic Leaders for the 21st Century” documents, opportunities to live abroad, learn a foreign language and develop negotiating skills — all of which have traditionally attracted young people to the Foreign Service — are now widely available in the private sector and at many nongovernmental organizations. These competitors offer higher salaries, often lack the level of austerity or danger faced by State Department employees, and impose fewer constraints on two-career families.

But this finding also means that there are seasoned private-sector managers in the market, with experience running international teams and engaging in negotiations and cross-cultural interactions, who could bring real benefit to the Foreign Service. But bringing them in at the entry level, as State currently does, would violate basic human resource management principles.

Ultimately, any civilian organization needs a portfolio of internally developed talent leavened with talent from the external world. As the McKinsey study notes, this recipe aligns well with the human resource industry’s best practices. Even where the dominant strategy is to spot talent early and train it within, companies should still consider regularly hiring executives from outside. Rather than seeing this as a failure of the internal development pipeline, they should view it as a way to accommodate rapid growth, refresh the gene pool, and calibrate the internal talent standard. Such outsiders bring broader skills and new insights to

the benefit of the organization, and can also reduce critical shortages.

As several Foreign Service officers have noted in letters to the *Foreign Service Journal* concerning mid-level hiring, many FSOs already bring a complete “backpack” when they enter the Service and could perform at a higher level, drawing on their skills, competencies and experience from the private or public sectors. My own A-100 experience mirrors these observations. My class contained colleagues whose level of experience would have allowed them to enter and perform admirably as mid-level officers. They already possessed the skills and competencies to operate in the diplomatic corps. This view was reinforced at my first post where, due to some mid-level staffing gaps and performance issues, a few junior officers were privileged to occupy mid-level positions on an interim basis. They performed exceedingly well.

The American Foreign Service Association and the State Department should not overestimate what the entry-level Foreign Service officer phase brings to career development. Participating in preparations for visits by congressional delegations, drafting cables, working the room at an embassy event, and integrating into the Foreign Service culture are all skills learnable at any level. Furthermore, there are plenty of individuals in the job market with experience and competencies that equate to those found among mid-level FSOs.

The previously mentioned SSI study argues that expanding international requirements and the pressing need to maintain a surge capacity require more flexibility for admission to the Foreign Service. For instance, horizontal entry and exit should be considered, whereby those with a particular background or linguistic skill could enter laterally at grades far above entry level. A multilingual

senior researcher at an international consulting firm or investment fund, a U.S. Army Special Forces officer, or a desk officer from another international organization are real examples of this “equivalency.”

Three Recommendations

In my view, three operating principles need to be kept in mind before State embarks on a mid-level hiring program. First, such an initiative should not be conceived or conducted as part of an affirmative-action or gender-balancing program. Such goals can be pursued through existing programs, awareness building and recruitment initiatives for candidates regardless of hiring rank. Rather, hiring should be based upon merit and the acquisition of those skills and competencies required to address current critical needs.

Second, the consular cone should be a key beneficiary of such a program. One group of advocates for mid-level hiring seem to see it as a way to attract prime candidates by promising them they will not have to serve in “visa mills” or perform other consular duties. This attitude misses the fact that consular diplomacy is a critical factor in foreign affairs; indeed, it is emerging as a major component of soft power. (The Netherlands Institute of International Relations has published several papers demonstrating the growing relevance of citizen services, consuls and visa diplomacy in the international environment.) Thus, this field is where the large majority of mid-level hires should be placed. Given increasing demand for consular services and rising visa application volumes, this would be a logical application for such a program.

Third, the senior leadership of the State Department must expect strong and vocal resistance, including lawsuits, to such a program and have the courage and resiliency to push through



such a decision. As Lee Hoskins and Phillip Kelly wrote in their seminal September 1988 article, “Lateral Entry into the Foreign Service: Opportunity Lost,” in the *American Review of Public Administration*, lateral entry is viewed by the Foreign Service officer corps as a threat to the very essence of their career system. Yet the Service’s failure to effectively assess and utilize lateral-entry techniques precludes the development of a personnel system designed to strengthen functional competence, perhaps lateral entry’s greatest forté.

How It Would Work

Naturally, the implementation of a mid-level hiring program raises practical difficulties that must be acknowledged. Yet there are specialists in both the public and private sectors who understand these challenges and could provide solutions, guided by the following general principles:

- Candidates would be selected based upon their professional experience and their performance on the FS oral exam. Certain skill components of professional experience could even be tested.

- Mid-level hires would fill existing vacancies and certain designated positions.

- Once hired, they would be fully integrated into the system and bid on assignments just like any other generalists. The evaluation and promotion of these mid-levels would also be identical, following best practices from the corporate and government worlds.

The war for talent has to be taken seriously. The competition for mid-level candidates may seem like a crisis, but like any crisis, it’s also an opportunity to seize — or squander. To conduct transformational diplomacy, the Department of State needs to transform its personnel system and practices for Foreign Service generalists. The original McKinsey study (among

others) refutes the idea that promoting from within is the only way to grow talent, and the modern labor market underscores the point.

Of course, opponents of this change will see threats, inequity and worse. But they have not laid out objective arguments against implementing such a program, given the current shortages and future challenges. Instead, they are focused on trying to defend an increasingly archaic system that does not fit into a modern and globalized labor market.

All stakeholders, particularly AFSA, would do well to evaluate this option objectively and transparently for the long-term health of the Foreign Service. This step could also position the FS for a more robust role in the nation’s foreign policy apparatus vis-

a-vis other agencies. With the application of a well-implemented mid-level hiring program, the Service would initiate steps to solving its current and future personnel problems, and be able to “show up” when needed.

In the end, superior talent will be tomorrow’s primary source of competitive advantage — whether in the corporate board room or in the Foreign Service generalist corps. ■

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