## Deputy Secretary of State for Management and Resources Brian P. McKeon Opening Statement

"Assessing Progress and Challenges in State Department Management, Operations, and Reforms"

U.S. House of Representatives Committee on Foreign Affairs Washington, D.C. Wednesday, November 3, 2021

Chairman Meeks, Ranking Member McCaul, members of the Committee—thank you for having me here today.

I know there is significant support on this Committee for the Department's mission and its personnel, so I welcome this discussion of our authorization priorities and hope we can build on the work you have already started.

I first want to take a moment to recognize the Department's remarkable public servants. It would be hard to overstate the unique challenges faced by a global workforce, including for those serving domestically, especially during the long pandemic.

They have also been serving through a transition that ushered in a significant shift in the Department's priorities and its role in interagency policy making, substantially increasing their workload as we seek to revitalize the Department to better serve the American people.

Their resilience through it all, the way they rise to the challenge every day, continues in the truest spirit of public service.

I also want to reflect on the months that have passed since I assumed this position in March.

In May, the President submitted his budget for Fiscal Year 2022. He requested a 10 percent increase for the Department of State and USAID, which included the largest personnel increase for the State Department in a decade. This budget request reflects the importance of investing in our people, processes, and technology. We appreciate the support demonstrated for these priorities to date in the appropriations process. We look forward to working with you and your colleagues on enacting the necessary funding and authorizations.

On our modernization process: President Biden has been clear from his first day in office about his commitment to put diplomacy at the center of our foreign policy. The President's first visit to a major cabinet department was to the Department of State, an intentional signal of the importance he places on diplomacy. Secretary Blinken and I are equally committed to taking the necessary steps to ensure that we can deliver today – and for many years to come.

We have listened to the workforce and heard from the Department's partners and advocates in and out of government, including the Congress. There is also considerable information and advice provided by recent studies, reports and commissions that make clear the work we need to do to modernize diplomacy. We are drawing from all of this work to inform our decisions.

Last week at an event at the State Department's Foreign Service Institute, Secretary Blinken outlined the Department's modernization agenda, which has five pillars:

- First, building the Department's capacity and expertise in areas that will be critical to our national security in the years ahead, particularly democratic governance, climate, global health, cybersecurity and emerging technologies, economics, and multilateral diplomacy. For example:
  - We have conducted a review of our priorities and structure on cybersecurity, digital policy, and emerging technologies. The Secretary proposes to establish a new bureau on cybersecurity and digital policy, and to create a position of Special Envoy for Critical and Emerging Technologies. We look forward to conversations with this Committee as we go through the congressional notification process.
  - We are undertaking a similar review on global health, to make sure we are able to defeat COVID-19 and build the global health security architecture to prevent and mitigate future pandemics.
  - We are taking steps to institutionalize and integrate our work on climate across our diplomacy, including by adding new climate-focused positions in every regional bureau and in critical posts overseas.
- Second, we will elevate new voices and foster a climate of initiative and innovation.
  - The Secretary is launching a new Policy Ideas Channel to allow employees, at any level in Washington and in the field, to share creative policy ideas and initiatives directly with Department leadership.
  - We are also revitalizing the Dissent Channel as a protected means of constructive, professional dissent and alternative perspectives.
  - o And we will seek to enhance and elevate our approach to partnerships with civil society, the private sector, and state and local governments.
- Third, we are determined to win the war for talent by continuing to build and retain a diverse, dynamic, and entrepreneurial workforce and empowering and equipping all employees to succeed. For example:
  - Officer, charged with developing and implementing a strategic plan to ensure the Department reflects the country's rich diversity from the entry-level to the senior ranks. We can and must do better.
  - We are investing in more professional training and development for both the Foreign and Civil Service, including opportunities for exchanges and rotations with the interagency, private sector, and the Congress that will enhance the Department's policy expertise. We want to finally realize Secretary Powell's vision, for a training float, which would provide a capacity to temporarily backfill positions—so that we don't shortcut training or sacrifice readiness.
  - We are working to address the issues that make it challenging to serve, from family member employment and workplace flexibilities to assignment restrictions and the unique challenges that LGBTQ+ employees and officers of color may face serving overseas.

- Fourth, we are modernizing our technology, communications, and analytical capabilities to work more flexibly, efficiently, and securely and better connect with global audiences. For example:
  - We are seeking investments across the Department's IT enterprise to expand mobile and secure communication capabilities, improve access to data, and enable us to succeed in the modern information environment while strengthening protections against malicious cyber threats.
  - And we are enhancing the Department's ability to utilize data and leverage technology to solve foreign policy challenges, including through the first-ever Enterprise Data Strategy released in September.
- The final pillar focuses on broadening and deepening our overseas engagement by working to ensure our diplomats can conduct the kind of on-the-ground, in-person diplomacy that is essential to advance U.S. foreign policy goals. We want to strengthen our processes for evaluating the risks and benefits of our overseas presence including the risks entailed when we are absent or less able to engage and to encourage a culture of being risk aware as opposed to risk averse.

I want to say a bit more on our efforts to win the war for talent. Early in his tenure, President Biden issued National Security Memorandum-3 – an initiative to revitalize our nation's foreign policy and national security workforce. We have already taken many steps to make systemic improvements to the way we recruit and retain employees. Let me highlight a few measures.

On recruitment, we have established a Volunteer Recruiter Corps with 500 Foreign Service and Civil Service employees who will assist our efforts to recruit a diverse workforce, and we have separately worked with the Partnership for Public Service to develop improved Civil Service hiring and recruitment training for our managers. We have also requested the necessary funds and authorization for a semester-length paid student internship program. And we are planning to advance an integrated Foreign and Civil Service recruitment strategy.

On retention, we increased the childcare subsidy total family income threshold, are enhancing telework and remote work opportunities, expanded the number of positions eligible for the Student Loan Repayment Program, and are conducting a comprehensive review of the Foreign and Civil Service performance management systems. Also, as part of a long-term effort to develop a career-long professional development curriculum, the Department of State will design and seek to pilot in FY22 core professional skills training for mid-level Foreign and Civil Service employees.

On advancing diversity, equity, inclusion, and accessibility (DEIA), Ambassador Abercrombie-Winstanley is fully engaged as a voting member on key personnel selection committees; we launched the Department's first DEIA Leadership Council, chaired by the Secretary and made up of Deputy Assistant Secretaries and DEIA advisors from each bureau; and we have built a one-stop shop for the Department for DEIA information to share best practices, link to contacts, and find DEIA-related resources such as executive orders, cables from the Department and posts, and

trainings from the Foreign Service Institute. We have also sought to advance diversity in our senior appointments, both at the Senate-confirmed level and in senior positions in the bureaus.

But this work is not just focused on the Department's workforce. I oversee the work of the Department's Agency Equity Team (AET) in response to President Biden's Executive Order 13985, "Advancing Racial Equity and Support for Underserved Communities Through the Federal Government." The AET focuses on how the Department can advance racial equity and support for underserved communities not only in our staffing but through our foreign policy and grants, contracts, public engagements and exchanges, and consular services.

These are just a few of many examples of initiatives that are vital for modernizing the Department to address the generational challenges we are confronting today.

While we have made considerable progress in some areas, there are also issues on which we're not yet where we hoped to be, despite our best efforts. For example, while we have cut down the lengthy hiring timeline and made security clearance processing more efficient, we need to do better. We also know that our processing of passports during the peak summer travel season was inadequate, but we have surged resources in recent months to reduce processing timelines.

I also know that several members of the Committee are interested in the posture of our workforce. In September, the Department announced an updated framework for maintaining model safety principles and evaluating local risk indicators to determine our appropriate on-site workforce posture during the pandemic. OMB approved November 1, 2021 as our re-entry date when we can expand our on-site workforce presence, contingent upon local public health conditions. That date has already shifted to no earlier than November 15, given current COVID-19 data. Based on our current assessment of the risk indicators, we will continue to limit workplace presence in the National Capital Region and the on-site workforce posture will remain "mission critical functions only." We evaluate our posture every two weeks and anticipate a shift toward an increased presence soon, based on encouraging data trends. But it bears emphasis that we will continue to offer expanded telework opportunities and workplace flexibilities, incorporating the lessons learned since the start of the pandemic. For those overseas, our goal is to begin an increased return to the workplace, in accordance with each post's risk indicators, starting in January 2022.

Finally, I want to thank the Committee's members for the interest in ensuring our diplomatic corps has the most qualified people in strategic assignments. We have heard your concerns on the Department's assignment restrictions process loud and clear. As Secretary Blinken announced last week, we conducted a review of assignment restrictions. Following our review, we lifted more than half of those restrictions, opening up new possible assignments for hundreds of our talented personnel. We are also planning to revise the appeals process for anyone who believes they have been restricted unfairly.

With that, I look forward to your questions.