

**HELP WANTED AT DHS: IMPLICATIONS OF LEADERSHIP VACANCIES ON THE MISSION AND MORALE**

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**HEARING**

BEFORE THE

**COMMITTEE ON HOMELAND SECURITY  
HOUSE OF REPRESENTATIVES**

ONE HUNDRED THIRTEENTH CONGRESS

FIRST SESSION

DECEMBER 12, 2013

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## **HELP WANTED AT DHS: IMPLICATIONS OF LEADERSHIP VACANCIES ON THE MISSION AND MORALE**

**Thursday, December 12, 2013**

U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON HOMELAND SECURITY,  
*Washington, DC.*

The committee met, pursuant to call, at 9:41 a.m., in Room 311, Cannon House Office Building, Hon. Michael T. McCaul [Chairman of the committee] presiding.

Present: Representatives McCaul, King, Broun, Barletta, Brooks, Perry, Thompson, Jackson Lee, Clarke, Keating, Payne, O'Rourke, Gabbard, Vela, and Horsford.

Chairman MCCAUL. The Committee on Homeland Security will come to order. Committee is meeting today to examine the implications of leadership vacancies at the Department of Homeland Security and how those vacancies affect the mission of the Department's components and the morale of its employees.

I now recognize myself for an opening statement.

As we conclude the first session of the 113th Congress, the committee can look back at a year of active legislative and oversight activity. A portion of that oversight has focused on the management of DHS.

Unfortunately, over 40 percent of the Department's senior leadership positions are either vacant or have an acting placeholder. This means nearly half of the top positions at the third-largest department in the United States Government are not filled.

This is an issue of accountability, or put more simply: "Who is in charge?" Additionally, it is my judgment that this sends a signal that homeland security is not a priority for this administration.

As we all know, large organizations cannot be managed if they do not have managers. While DHS has thousands of dedicated career employees, it is suffering from a void of leadership because this administration has failed to appoint qualified individuals to advance DHS's many important responsibilities. From border security to internal investigations, top positions have remained vacant not for months, but years.

As I wrote in the *Wall Street Journal* editorial last month, the vacancy problem has snowballed as the Obama administration has failed to fill open spots. Customs and Border Protection—the DHS agency responsible for securing the border, regulating international trade and immigration—has not had a Senate-confirmed commissioner during the entire Obama presidency, and now it is on their

fourth acting leader in almost 5 years. Just this fall the Senate received the first CBP nomination in 3 years.

When the ICE director resigned this summer he was replaced temporarily by a political aide to Secretary Napolitano who has no law enforcement experience—a violation of the Homeland Security Act. He continues to lead ICE today.

While rogue nations and terrorist groups continue to plot against the United States, the under secretary for Intelligence and Analysis position has had acting leaders for nearly a year. I&A, the primary conduit for information sharing with State and local law enforcement, needs consistent leadership, especially after what we learned in the aftermath of the Boston bombings this year.

Only just last month the Senate received a nominee for inspector general, a vital watchdog position that identifies fraud, waste, and abuse. However, that position has been vacant since February 2011—almost 3 years.

At a recent DHS event thanking an employee on their last day, DHS employees mused, “Here comes the A-team—the acting team: Acting secretary, acting deputy secretary, and acting under secretary.” Undoubtedly, these vacancies have a negative impact on mission effectiveness and employees’ morale.

The result of the 2013 Office of Personnel Management Federal Employee Viewpoint Survey ranks DHS near the bottom of all large agencies in employee satisfaction, and that satisfaction is declining at a rate greater than the rest of the Government. In the 2012 Partnership for Public Service rankings, DHS ranked 19 out of 19 large agencies—dead last—in effective leadership categories related to empowerment, fairness, and senior leaders.

This is especially alarming as leadership vacancies increased in 2013 and because effective leadership is consistently found to be the No. 1 driver of employee satisfaction across the Government.

Admittedly, DHS has struggled with low employee morale during its entire existence. Filling vacancies will not by itself make the Department more effective with happy employees. But having quality, stable leadership will provide the direction and the vision the dedicated employees at DHS deserve.

Renowned business executive Jack Welch said, “When you are made a leader you aren’t given a crown, you are given the responsibility to bring out the best in others.” People are the Department’s greatest resource. We owe the personnel on the front lines of our—of protecting the homeland leadership with vision, experience, and commitment.

Secretary nominee Jeh Johnson told me that working with the White House to fill these vacancies will be the top priority if confirmed. I look forward to working with the next Secretary of Homeland Security on this shared priority to build that vision and ensure the critical mission of protecting this Nation.

After 9/11 President Bush declared: “We are fighting a new kind of war against determined enemies, and public servants long into the future will bear the responsibility to defend Americans against terror.”

Over a decade later, we now know those words remain true. The dedicated employees of the Department of Homeland Security and

this committee are some of the public servants the President spoke about.

DHS deserves good leaders to advance their mission. Anything less does homeland security a disservice and makes our Nation less safe.

[The statement of Chairman McCaul follows:]

STATEMENT OF CHAIRMAN MICHAEL T. MCCAUL

DECEMBER 12, 2013

As we conclude the first session of the 113th Congress, the committee can look back at a year of active legislative and oversight activity. A portion of that oversight has focused on the management of Department of Homeland Security (DHS).

Over 40% of the Department's senior leadership positions are either vacant or have an "acting" placeholder. This means nearly half of the top positions at the third-largest department in the U.S. Government are not filled. This is an issue of accountability, or put more simply: "Who is in charge?" Additionally, in my judgment, this sends a signal that homeland security is not a priority for this administration.

As we all know, large organizations cannot be managed if they do not have managers. While DHS has thousands of dedicated career employees, it is suffering from a void of leadership because this administration has failed to appoint qualified individuals to advance DHS' many important responsibilities. From border security to internal investigations, top positions have remained vacant not for months, but years.

As I wrote in a *Wall Street Journal* editorial last month, the vacancy problem has snowballed as the Obama administration has failed to fill open spots. Customs and Border Protection—the DHS agency responsible for securing the border, regulating international trade and immigration—has not had a Senate-confirmed commissioner during the entire Obama presidency and is now on their fourth acting leader in almost 5 years. Just this fall the Senate received the first CBP nomination in 3 years.

When the ICE director resigned this summer, he was replaced "temporarily" by a political aide to Secretary Napolitano who has no law enforcement experience—a violation of the Homeland Security Act. He continues to lead ICE today.

While rogue nations and terrorist groups continue to plot against the United States, the under secretary for Intelligence and Analysis (I&A) position has had acting leaders for nearly a year. I&A, the primary conduit for information sharing with State and local law enforcement, needs consistent leadership especially after what we have learned in the aftermath of the Boston bombings this year.

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working with the next Secretary of Homeland Security on this shared priority to build that vision and ensure the critical mission of protecting this Nation.

After 9/11 President Bush declared: "We're fighting a new kind of war against determined enemies. And public servants long into the future will bear the responsibility to defend Americans against terror."

Over a decade later, we now know those words remain true. The dedicated employees of the Department of Homeland Security and this committee are some of the "public servants" the President spoke about. DHS deserves good leaders to advance their mission. Anything less does homeland security a disservice and makes our Nation less safe.

Chairman MCCAUL. With that, the Chairman now recognizes the Ranking Minority Member, the gentleman from Mississippi, Mr. Thompson.

Mr. THOMPSON. Thank you, Mr. Chairman. Thank you for holding today's hearing.

I also want to thank the witnesses for appearing here today. I look forward to the testimony.

I asked former Secretary Ridge, "How is life on the other side?" and he said, "Just fine." So I am looking forward to hearing about it.

The Department of Homeland Security employs almost 240,000 employees located in every State of the Union and over 75 foreign countries. DHS employees are on the front lines each day. They secure our land, air, and maritime borders; enforce our immigration laws; safeguard critical infrastructure and cyberspace; and respond to natural disasters.

I understand that today's hearing is to consider whether vacancies in senior-level positions at the Department affect the morale and effectiveness of the Department's mission. Before I continue, allow me to provide some context for the hearing.

The Majority says that 40 percent of the leadership positions at DHS are vacant. According to statute, there are 28 positions within the Department that require Presidential appointment and Senate confirmation.

Of those 28 positions, about 15 are filled with an official who is serving in an acting capacity; only one position is listed as vacant. So as it turns out, that 40 percent represents very small numbers of people.

It is difficult to understand how the morale of almost 240,000 people would be adversely affected by whether 15 people at headquarters have the word "acting" listed in their titles. Those officials who are listed as "acting" are still empowered and expected to do their jobs, implement orders, and carry out the normal functions of the position.

As we consider the morale and mission effectiveness of these nearly 240,000 employees, we should consider the factors that have a real and direct effect on their day-to-day lives and therefore may affect morale and mission.

Furthermore, as we consider the morale of the Department's employees, we need to acknowledge that in every survey on workplace satisfaction conducted by every organization inside or outside of the Government, the Department has always ranked at or near the bottom. The Department has been at or near last place since the day it was established.

It was at or near last place in employee morale under Secretaries Ridge, Chertoff, and Napolitano. Consistent dysfunction is an indi-

cation of a structural issue, not an indication of a momentary problem.

Fortunately, this committee has a long history of oversight and management and administration of the Department. Our oversight has shown that DHS suffers from a disjointed organizational structure and that employee morale is adversely affected by the uncertainty that comes from that disjointed structure.

The Department's organizational structure leaves the officials at headquarters with little authority and leaves the employees in the field with little hope. Headquarters officials may issue management directives, but they do not have a mechanism to enforce those directives. Meanwhile, the employees have few places to turn.

Mr. Chairman, if we want to positively affect the morale and mission effectiveness of the employees at the Department, we should pay less attention to the acting status of particular officials and more attention to the power of the officials to act. The organizational structure of this Department, which only can change, prevents headquarter officials from requiring uniformity, transparency, and accountability in procurement, personnel practices, and disciplinary processes used in the components.

If we want to assure that morale and mission effectiveness improve, we should use our legislative authority to act by assuring uniformity in the rules, standards, and practices used by the Department. These rules, standards, and practices directly affect the everyday lives of nearly 240,000 people.

To that end, I would suggest that the Chairman press his leadership to assure floor action on the Homeland Security Authorization Act that this committee ordered reported in October. This measure has yet to be considered by the House.

It contains a Democratic-sponsored provision that would strengthen the authority of those officials in headquarters to require uniformity, transparency, and accountability in employment practices. This would be the kind of change that would help the morale of these employees.

I have a great respect for the employees of the Department. Day after day they go to work, fulfill their mission, and protect this Nation. They knowingly walk into a workplace where few people are happy.

Yet, the Office of Personnel Management found that over 87 percent of these employees believe that the work they do is important. These employees should be able to look to Congress for solutions and support.

Finally, Mr. Chairman, I wrote you requesting that we have a representative from the Department to discuss their efforts to improve workplace morale. Your response indicated that a witness from DHS would not be necessary because there is little connection to DHS as a source of the leadership vacancy problem.

I agree that the source of the vacancy problem at DHS is not within the Department. All indications are that the source of the vacancy problem at DHS and other Federal departments is the Republican Minority in the Senate who have used their Constitutional duty to advice and consent as an excuse to obstruct and deny. Clearly, with the removal of the filibuster weapon for certain

appointments, we are finally seeing movement on the President's nomination.

I hope you join me in looking forward to the approval of Mr. Johnson to lead the Department of Homeland Security. You have already indicated in your opening statement that Mr. Johnson has assured you that.

When Mr. Johnson becomes Secretary Johnson, I hope this committee will work with him to resolve the employee morale and vacancy issue at the Department. In the mean time, this House should use its power to give the Department the necessary resources and legislative authority to achieve the goal of improving employee morale at DHS.

With that, Mr. Chairman, I yield back.

[The statement of Ranking Member Thompson follows:]

STATEMENT OF RANKING MEMBER BENNIE G. THOMPSON

DECEMBER 12, 2013

The Department of Homeland Security employs almost 240,000 employees. Located in every State of the union and over 75 foreign countries, DHS employees are on the front lines each day. They secure our land, air, and maritime borders; enforce our immigration laws; safeguard critical infrastructure and cyberspace; and respond to natural disasters.

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It is difficult to understand how the morale of almost 240,000 people would be adversely affected by whether 15 people at headquarters have the word "acting" listed in their titles. Those officials who are listed as acting are still empowered and expected to do their jobs, implement orders, and carry out the normal functions of the position. As we consider the morale and mission effectiveness of these nearly 240,000 employees, we should consider the factors that have a real and direct effect on their day-to-day lives and, therefore, may affect morale and mission.

Further, as we consider the morale of the Department's employees, we need to acknowledge that in every survey on workplace satisfaction, conducted by every organization, inside or outside of the Government, the Department has always ranked at or near the bottom.

The Department has been at or near last place since the day it was established. It was at or near last place in employee morale under Secretaries Ridge, Chertoff, and Napolitano. Consistent dysfunction is an indication of a structural issue—not an indication of a momentary problem.

Fortunately, this committee has a long history of oversight of the management and administration of the Department. Our oversight has shown that the DHS suffers from a disjointed organizational structure and that employee morale is adversely affected by the uncertainty that comes from that disjointed structure. The Department's organizational structure leaves the officials at headquarters with little authority and leaves the employees in the field with little hope. Headquarters officials may issue management directives, but they do not have a mechanism to enforce those directives; meanwhile, the employees have few places to turn.

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Clearly, with the removal of the filibuster weapon for certain appointments, we are finally seeing movement on the President's nominations. I hope you join me in looking forward to the approval of Mr. Johnson to head the Department of Homeland Security. When Mr. Johnson becomes Secretary Johnson, I hope this committee will work with him to resolve the employee morale and vacancy issue at the Department. In the mean time, this House should use its power to give the Department the necessary resources and legislative authority to achieve the goal of improving employee morale at DHS.

Chairman McCAUL. I thank the Ranking Member.

Other Members are reminded they may submit opening statements for the record.

With respect to the nominee, I had a very—as you have—a very good phone conversation with him. I look forward to meeting him in person. We discussed this very issue of vacancies and I know he is personally committed to accomplishing that goal.

We are extremely pleased—very pleased to have a man who is very well-respected on both sides of the aisle. The Honorable Tom Ridge became the first assistant to the President for homeland security following the tragic events of September 11, 2001. On January 24, 2003 he became the first Secretary of the Department of Homeland Security.

Prior to serving as Secretary, Secretary Ridge served two terms as Governor of the State of Pennsylvania and five terms in the House of Representatives, representing the 21st district, and was an infantry staff sergeant in the Army during the Vietnam War.

We thank you so much for your service on all of those levels.

He is currently the president and CEO of Ridge Global.

I want to thank you for agreeing to appear here today, Secretary Ridge. Your full written statement will be included in the record, and you are now recognized for your opening statement.

**STATEMENT OF HON. TOM RIDGE, FORMER SECRETARY, U.S.  
DEPARTMENT OF HOMELAND SECURITY**

Mr. RIDGE. Thank you, Chairman McCaul, Ranking Member Thompson, and Members of the committee. I just want to express my personal appreciation for the opportunity to appear before you today as someone who was witness to the birth of this agency.

I am grateful for the opportunity to continue to work with you and your colleagues in this chamber and the other side of the— with the Senate to help us mature this organization and develop it into the robust, focused, committed organization that we all understand that it needs to be. So thank you for the opportunity to appear before you.

As the first Secretary, seeing DHS and its people succeed is certainly of great personal interest to me. But of greater importance is seeing DHS succeed on behalf of our Nation and its citizens.

I appreciate the opportunity to appear before you today to share my thoughts about what I believe to be a serious threat to the effectiveness of the Department of Homeland Security. In my judgment, that threat is the unacceptable—unacceptable number of senior-level vacancies that have existed in the Department's leadership structure for an extended period of time.

I was asked on September 11 of this year to testify before the Senate and to comment on challenges that remain for the Department 10 years after its founding. Frankly, at that time the issue of senior-level vacancies was one of the major concerns that I and others expressed that day to your colleagues in the other body. Three months later, the concerns remain the same.

Today our Nation finds itself in a threat environment that, frankly, I think is even more complex than it was on September 11, 2001. Tensions continue to be exacerbated in the Middle East. Al-Qaeda is resurging around the world. Other terrorist groups have expanded their organizations.

We are faced with both physical and ever-expanding cybersecurity threats. Congress is poised to resume that very important and critical debate over border security as it considers immigration reform.

In this tempest, DHS has, in recent months, had no permanent Secretary and no confirmed deputy secretary. We have seen extended vacancies for general counsel, commissioner of Customs and Border Protection, director of Immigration and Customs Enforcement, and under secretary for Intelligence and Analysis, just to name a few. A simple review of the leadership link to the DHS website shows, in my judgment, a disconcerting number of senior and critical posts designated as either acting or vacant.

While several key nominations were recently made, to include Mr. Jeh Johnson to become Secretary, some of these positions have had no nominees for months. This summer, as many as 15 senior DHS leadership positions were vacant—by the way, simultaneously. If I understand correctly, there has been no confirmed inspector general for nearly 2 years.

The Department should never be—never be—in such a position as it begs the question: “Just who is minding the store?”

The administration and Congress do not need a commission or super committee to solve this problem. The solutions are rather straightforward, but they do require leadership.

At the direction of the President—that is, at the direction of the Office of Presidential Personnel must better anticipate vacancies and make filling critical homeland security and National security positions a priority. Quality candidates must be vetted in a thorough but timely manner.

The failure to do so sends, in my judgment, a very troubling signal about the administration's level of commitment to the mission of the Department. I am afraid that recent history does not speak well of the current administration and its commitment to the Department, its employees, and over 300 million citizens they serve.

Once the nominations are made by the President, the United States Senate should likewise act in a timely manner to consider nominees and to schedule a vote in the exercise of its Constitutional advice and consent responsibilities.

Senators have every right to ask tough questions with regard to these nominees, but my judgment is, ask the tough questions, let each Senator follow his or her conscience, and vote. The confirmation process for homeland and National security positions should not be utilized for political gamesmanship.

In standing up DHS in 2003 we were working to create a unique and unified Department culture out of over 20 agencies.

Ranking Member Thompson, I remember we started with 180,000 employees. You talk about 240,000. Well, it was a daunting challenge then, and I suspect with the addition of 60,000 more people it is even more daunting.

This has remained a challenge, as both of you pointed out, in the Department's first decade. While Acting Secretary Rand Beers—and his head must be spinning because I think he has been acting in three or four different positions, and I know him well and he brings a tremendous amount of energy to every one of them, but I don't know how you go from acting to acting to acting—and other acting executives have worked diligently in recent months, you simply cannot build nor can you sustain a mission-focused culture with a high number of vacancies and leaders in non-permanent status.

At the end of the day, no organization can function effectively without trusted, respected, and consistent leadership. Without it, an organization, as my friend Senator Carper has said, is rudderless.

The employees of DHS are on the front lines protecting our homeland every day. They are accountable. They deserve to have those at the top of their chain of command in place and providing accountable leadership, as well.

In the early days of the Department, I was fortunate to—senior leadership team—a great senior leadership team that was mission-focused. By no means were we perfect, but we had a sense of mission; we had a sense of urgency. Today, that sense of urgency seems to be missing, and it—I believe it undermines mission and certainly morale.

Mr. Chairman, if you would indulge me just 1 more minute, I would like to address briefly one more issue impacting DHS morale. That is that Congress has not reorganized itself for homeland security oversight.

When I testified before the 9/11 Commission as Secretary in 2004, the commissioners were concerned that our DHS leadership team reported to approximately 88 combined Senate and House Homeland Security oversight committees. I think the number is now up in excess of 100.

Today, as we approach the 10th anniversary of the 9/11 Commission's report, I think the number is up to 108. The Department of Defense, with a far larger budget and more personnel, reports to less than 40.

The endless barrage of Hill inquiries and preparation for testimony drains from the Department leadership, whether they are permanent or acting, one of its most important resources: Time. It is certainly a morale issue for those whose primary mission is not to bounce from committee hearing to committee hearing, but to lead their agencies, their bureaus, and their programs.

The current number of Congressional committees with Homeland Security jurisdiction is not oversight, it is overkill.

While DHS has a leading role, homeland security is a National mission, and all the players must regularly and honestly evaluate their own rules and responsibility. I say with great respect to the institution within which I was very proud to serve for 12 years, the same standard applies to the Congress as well.

To take a hard look at what works and what doesn't work is not to challenge anyone's leadership. It is to demonstrate leadership, and leadership is something sorely needed at DHS and across the maturing Homeland Security enterprise.

Mr. Chairman, I thank you.

Ranking Member, I thank you.

I am happy to answer any questions you and your colleagues may have.

[The prepared statement of Hon. Ridge follows:]

PREPARED STATEMENT OF HONORABLE TOM RIDGE

DECEMBER 12, 2013

Chairman McCaul, Ranking Member Thompson, and Members of the committee: I am Tom Ridge, current CEO of Ridge Global. I was privileged to serve as the first Secretary of the U.S. Department of Homeland Security from 2003–2005. I am pleased to see many friends from both sides of the aisle with whom I have worked closely over the years.

As the first Secretary, seeing DHS and its people succeed is certainly of great personal interest to me. But of utmost importance, is seeing DHS succeed on behalf of our Nation and its citizens. I appreciate the opportunity to appear before you today to share my thoughts about what I believe to be a serious threat to the effectiveness of the Department of Homeland Security. That threat is the unacceptable number of senior-level vacancies that have existed in the Department's leadership structure for an extended period of time.

I was asked on September 11 of this year to testify before the Senate Homeland Security and Governmental Affairs Committee and to comment on challenges that remain for the Department of Homeland Security 10 years after its founding. The issue of senior-level vacancies was one of the major concerns that I and others expressed that day to your colleagues in the other body. Three months later, the concerns remain.

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This summer, as many as 15 senior DHS leadership positions were vacant simultaneously. If I understand correctly, there has been no confirmed inspector general for more than 2 years. The Department should never be in such a position as it begs the question, "Just who is minding the store?"

The administration and Congress do not need a commission or super committee to solve this problem. The solutions are rather straight-forward, but do require leadership:

1. At the direction of the President, the Office of Presidential Personnel must better anticipate vacancies and make filling critical Homeland Security and National security positions a priority. Quality candidates must be vetted in a thorough, but timely manner. The failure to do so sends a troubling signal about the administration's level of commitment to the mission. I am afraid that recent history does not speak well of the current administration and its commitment to the Department, its employees, and the citizens they serve.
2. Once nominations are made by the President, the United States Senate should, likewise, act in a timely manner to consider nominees and to schedule a vote in the exercise of its Constitutional advice and consent responsibilities. Senators have every right to ask tough questions in regard to nominees. But ask the tough questions, let each Senator follow her or his conscience, and vote. The confirmation process for Homeland and National Security positions should not be utilized for political gamesmanship.

In standing up DHS in 2003, we were working to create a unique and unified Department culture out of 22 agencies and more than 180,000 employees—a daunting challenge. This has remained a challenge in the Department's first decade. While Acting Secretary Beers and other acting executives have worked diligently in recent months, you simply cannot build nor can you sustain a mission-focused culture with a high number of vacancies and leaders in non-permanent status.

At the end of the day, no organization can function effectively without trusted, respected, and consistent leadership. Without it, an organization, as my friend Senator Carper has said, is "rudderless." The employees of DHS—such as Border Patrol and ICE agents, CBP officers and TSA personnel—are on the front lines protecting our homeland every day. They are accountable. They deserve to have those at the top of their chain of command in place and providing accountable leadership.

In the early days of the Department, I was fortunate to have a senior leadership team that was mission-focused. We were not perfect, but we had a sense of mission. We had a sense of urgency. Today, that sense of urgency seems to be missing and it undermines mission and morale.

Mr. Chairman, with my remaining time, I would like to briefly address one more issue impacting DHS morale. That is the Congress has not reorganized itself for Homeland Security oversight. When I testified before the 9/11 Commission as Secretary in 2004, the Commissioners were concerned that our DHS leadership team reported to approximately 88 combined Senate and House Homeland Security oversight committees. The Commission expressed this concern in their final report, including recommendations to adjust Congressional committee oversight.

Today, as we approach the 10th anniversary of the 9/11 Commission report, DHS reports to more than 100 Congressional committees. The Department of Defense, with a far larger budget and more personnel, reports to less than 40 committees.

The endless barrage of Hill inquiries and preparation for testimony drains from the Department's leadership (permanent or acting) one of its most important resources: Time. It is certainly a morale issue for those whose primary mission is, not to bounce from committee hearing to committee hearing, but, to lead their agencies, bureaus, and programs.

Let me be clear. Oversight is the duty of Congress. It is your responsibility and it is absolutely necessary. But the current number of Congressional committees with homeland security jurisdiction is not oversight, it is overkill.

While DHS has a leading role, homeland security is a National mission. All of the players—Federal, State, and local agency stakeholders and private-sector partners—must regularly and honestly evaluate their own roles and responsibilities. This must apply to the Congress as well. To take a hard look at what works and what does not work is not to challenge anyone's leadership. It is to demonstrate leadership. Leadership is something sorely needed at DHS and across the maturing Homeland Security enterprise.

Thank you, Mr. Chairman. I am happy to answer any questions you and your colleagues may have.

Chairman McCAUL. I thank the Secretary for your excellent testimony.

I recognize myself for questions.

Let me associate myself with your remarks with respect to jurisdiction. I have talked to yourself and many of those who were involved when this committee was first formed and it was a bit of a—sort of a compromise between Chairmen. It has never truly been rectified today and I believe that we need to do so.

I know the Ranking Member agrees with me on this. We are planning to have a hearing on jurisdiction in the beginning of next year.

I hope you can join us again to talk about that very important issue and talk to our both respective leadership about how important that issue is, because it does waste time. The Secretary needs to be involved with protecting the American people, not constantly testifying before all these different committees—as you said, over 100 now committees of jurisdiction when you add up the sub-committees.

I am committed to fixing this problem. I think some are surprised that, you know, this many years after 9/11 that it has not been fixed. I think if we can make the National security argument, I think we will ultimately prevail to finally fix this problem once and for all.

After all, House Armed Services has jurisdiction over the Department of Defense. Judiciary has, you know, jurisdiction over the Justice Department. This committee has to share jurisdiction over Homeland Security with over 100 different other committees.

Absolutely, it is bad policy and it is not good for the American people.

With that, I do want to walk back, you know, it is about leadership, and you talked about a sense of urgency back after 9/11 and, you know, I can't imagine a CEO of a corporation having 40 percent of his top positions vacant and being able to implement the mission and execute the mission. I think that is the issue with the Department of Homeland Security today.

I remember when this—right after 9/11—and I got elected to Congress, I got appointed to this committee when it became a permanent committee—it was a select—and it was a bit of a compromise at that time, but, you know, we had a strong leader at the top at DHS, and I have to say, someone who commanded respect, authority, someone who has served in the Army, somebody who has served as a colleague in the House, somebody who had the President's confidence and the American people's confidence. I think restoring that stature to this Department is so important.

What I am concerned about, I have no desire to dismantle this Department. My desire is to fix it the best that I can, because I do believe in its mission. It would be far more dysfunctional to dismantle it.

But there, to this day, are many problems. I served in the Justice Department, and there is a pride of, sort-of, fellowship, brotherhood that you were a Federal prosecutor, you know? The military has that sense of pride. FBI has that sense of pride.

When you look at the Department of Homeland Security, sometimes you see that lack of morale but that morale comes from the

top. That is why I think we need top leadership that has respect from the employees, you know, that serve the American people.

We have a No. 2 deputy nominee who is under investigation by an acting inspector general who is also under investigation; it hardly instills confidence not only with me, with this committee, but I think with the American people. It is all about leadership at the top and making this a priority.

So I will stop, you know, with my speech, but I feel very strongly about this. It can be fixed if we got the right people at the top to lead, because I remember when you were appointed and how—the commanding respect that you had. That permeates all the way down to the Border Patrol agent sitting there on the border at night time; you know, to the ICE agent that is every day trying to, you know, deal with, you know, bad guys; and to Secret Service and the Coast Guard and all the relevant agencies.

It does matter who is at the top and it does matter who is at the top leadership because that restores respect to the agency, which I am very concerned there is not that respect anymore that I saw within the Department when it was first created as a bold experiment under your leadership. With that, just let me just—I want to get your thoughts on what you think needs to be done to fix this department.

Mr. RIDGE. Well, first of all, I want to thank you for your kind words about my leadership team. I really think that you and Ranking Member Thompson have identified one of the real challenges. It is a team effort.

I had a wonderful conversation face-to-face with the President's designated—the nominee, Attorney Jeh Johnson. I told him that I think there are probably only three people in the entire universe that know how difficult his task will truly be, and that is the three previous Secretaries of Homeland Security. I pledged my personal effort to support him whatever way I can.

But the first thing we discussed, Mr. Chairman, was the priority of filling the vacancies and making acting—filling the vacancies and then doing whatever he can to make the acting appointees permanent.

If you took a look at DHS and you thought about it as a—perhaps as a holding company, like a big corporation, and you have got different units of Government—you have got Customs and Border Protection; you have got ICE; you have got the Coast Guard—every one requires a permanent leader. That permanency, I think, cannot be overestimated, because I just can't imagine someone in an acting capacity getting the kind of respect and commitment that someone who is there permanently would get from the rank-and-file.

It would be cautious in terms of initiatives, cautious in terms of their interaction. Quite frankly, if you are acting, you don't know how long you are going to be there and your troops don't know how long you are going to be there. So in addition to filling the vacancies, I think it is very important for the acting individuals to be designated as permanent.

I said to Mr. Johnson, I believe he has a close personal relationship with the President, "That is leverage. Use it. Get the Office of Personnel and Management moving."

I remember when we were dealing with the White House, obviously we were building that infrastructure, but we had a lot of cooperation and a lot of direction from the White House. Let's fill these vacancies, let's get these potential candidates before the Secretary and the team and build the team. We have got almost half the team missing, and it is tough to lead the troops when you look behind you, you don't have any leadership team that will follow your direction.

So I think Mr. Johnson, given the wealth of experience he has had at DOD—it is an interesting perspective that he has, but as good as he may prove to be—and I have every confidence he will prove to be a very effective leaders—he still needs a leadership team around him to convey the message, to inculcate the vision, and to build on the rather complex relationships that you have within the Department, not just with—at the Federal level, but down at the State and local level, the private sector, and everywhere else.

So we really need to fill these spots.

Chairman MCCAUL. I thank you for that response, and I look forward to working with the nominee. I do agree with you. I think his relationship with the President, because that gives you more authority and it makes it more of a priority mission if you have the President's ear, and you certainly did when you were Secretary.

Mr. RIDGE. That is correct.

Chairman MCCAUL. With that, I now recognize the Ranking Member.

Mr. THOMPSON. Thank you very much, Mr. Chairman.

Thank you, Secretary Ridge, for your testimony.

I think every Secretary we have had has suffered vacancies, acting positions. You were no different. I think a lot of the positions we have vacant now you actually had vacant at some point or another during your administration.

This notion of leadership at the top I think is important only because vacancies occur, but if you have the structure in place the policies and procedures speak for themselves, whether you are acting or whatever.

This whole notion of surveys and the morale for the Department—you were Secretary. Department was rated low. You had vacancies; you filled them. Yet, the Department was still rated at the bottom.

Now that you have had an opportunity in the afterlife, what would you have done, knowing what you know now, that could have improved employee morale at the Department?

Mr. RIDGE. Well, first of all, regardless of what the survey that you referred to may reflect, I never sensed anything other than a certain level of pride and commitment right after 9/11 among the men and women in Homeland Security. For the first time these men and women, whose positions by and large had been, I think, frankly, taken for granted by the general public, finally after that tragedy they had a sense of an appreciation for what they did, and I think they did it extremely well.

So whether or not the surveys said—that is—I guess that is open to discussion, but at the end of the day I would tell you, Congressman Thompson, while we did have vacancies—and they normally

occur in any agency—we never had this level of vacancies; we never had this number of acting members. Quite frankly, the hiatus between when we would—one senior leader would leave and a new one would be appointed was far shorter than what this Department and Secretary Napolitano experienced under her leadership.

I frankly think it is a reflection of—it reflects poorly on the men and women who serve. I probably respectfully disagree with you with regard to what is important for morale. There is a sense of mission that these men and women have in their DNA, so it is not the sense of mission that has eroded, but if they take a look around at their leadership structure and find vacancies that have lasted if not months, for years, and acting members if not months for years, it kind of reflects on—I think that impacts morale more severely than you think.

How unimportant are we that we could have so many vacancies and so many acting members for so long? There is a subtle signal there that I think is corrosive.

Mr. THOMPSON. Well, my point in my comments would say that same morale existed when you were Secretary, and prior to that. I understand that. The record reflects right now that prior to still that.

Mr. RIDGE. Yes.

Mr. THOMPSON. But now that you are outside reflecting back, what would you have done as Secretary to have improved the employee morale at the Department?

Mr. RIDGE. Well, there are certain things outside my jurisdiction that I could not have done, and one of the other things that I wish we could have done early on was to have, frankly, better and more refined and specific leadership oversight responsibility with the House and the Senate. You know, morale is like beauty, because it is tough to define, and you can have all the surveys that you want.

I am just speaking from my own personal experience not only as Secretary of Homeland Security, but as Governor, where we oversaw a rather large organization, and even as Congressman. You know, I think any organization that—where the rank-and-file are asked day in and day out to do very difficult tasks, and when they look up at the chain of command and they either see a vacancy there or somebody who is there in a less-than-permanent status, I do think it has a negative impact not so much on the morale, but on the energy and the focus of that group.

I just think that it is—in this day and age, in a world today that I think is more threatening than it was 10 years ago, for these vacancies to occur so long is just a reflection—it reflects poorly on what people think of the—their mission and the job—and I think they have done a great job in the past—and the job we have asked them to do. There can be no reason in this day and age, now that you have got—they have made some changes over in the Senate, by the way, to have any more vacancies. They need to be filled immediately.

Mr. THOMPSON. Well, and I agree with one of the things I said in my opening statement. Now that we have changed some of the rules for appointments we might get—

Mr. RIDGE. Yes.

Mr. THOMPSON [continuing]. Some things moved along, and I am convinced that that will happen.

But I was really trying to get after whether or not there was anything—

Mr. RIDGE. No.

Mr. THOMPSON [continuing]. At the Department—

Mr. RIDGE. I guess the answer is—the answer to that question is, as I look back with great pride on our leadership team—and I—listen, we used to get together a couple times a week, and one of these days you are going to cobble—you will have one place for all these leaders to congregate, rather than scattered all over Washington, DC, so I hope one of these days you give the money to build out Elizabeths, but I can take a look and I can close my eyes today and see the acting leaders of all these—no, the permanent leaders of all these units sitting down.

It is a lot different than having a couple vacant chairs and a couple of acting members and a couple permanent members. There is a different chemistry; there is a different focus. It does make a difference.

There is nothing else I would have done or could have done. We try to articulate a strong mission, a vision, which I think my successors have done. But at the end of the day, any complex organization like this lacking the kind of—and I think both you and the Chairman referred to it—quality and stable leadership, it does have a corrosive effect on the ability of the team to operate as effectively as we want them, as citizens, to operate.

Mr. THOMPSON. Yield.

Chairman MCCAUL. Chairman now recognizes the Chairman Emeritus, Pete King.

Mr. KING. Thank you, Mr. Chairman.

Secretary Ridge, great to see you again. I had the privilege of serving with you on the old Banking Committee when we were—

Mr. RIDGE. Right.

Mr. KING [continuing]. In the House over 20 years ago, and I remember after September 11, when President Bush named you the first Homeland Security Advisor, I guess the title was then, the universal support that that received from all of us who had served with you and all of those who have really had any experience with you in Government because of your dedication.

Also, as I recall, I think you are the only Harvard graduate who enlisted in the army during the Vietnam War, so it shows your sense of dedication.

Mr. RIDGE. There might have been a couple. I don't know.

Mr. KING. Well, anyway, you are one of the few. We will leave it at that. Again, to me it is an indication of your tremendous dedication to this country.

Let me just ask a question from the sense of employee morale. When you come in, obviously when the Department was set up in 2003, I guess it was, right, it actually came into being 2003—

Mr. RIDGE. March 1.

Mr. KING [continuing]. You had all these different departments and agencies, all of whom—each of whom had their own legacies, their own traditions, their own ways, and that, I know, was an ini-

tial problem, getting different components to be able to work together to somehow give up part of their own legacy and share a new one.

During the time you were there and now, do you see that—do you think people consider themselves Homeland Security employees, as opposed just to being in Customs, being in Immigration? Kind of when they came together—like when ICE came together it was two different units coming together. Do they consider themselves ICE employees?

Mr. RIDGE. That is a wonderful question. Let me give you two quick anecdotes, if I might.

I remember Sean O’Keefe calling me. At the time he was heading NASA—and NASA was cobbled together decades ago, multiple small organizations to create that agency—and he said even after 20-some years he saw the vestiges of the old culture.

So the whole integration of capabilities and appreciation of the interdependencies, that is still going on. That is going to take some time.

But one of the things we tried to do at the very outset was to, one, create an esprit around that broader homeland security mission, which I frankly think we were pretty successful in doing; others may disagree. But we also tried to—and I think Ranking Member Thompson referred to it I think very appropriately—tried to bring both transparency and some uniformity within the organization. I still think that is an on-going process.

I remember as we took the old Customs and ICE, and there were some law enforcement groups there, and there were some investigators, and we tried to, you know, harmonize work rules, harmonize uniforms. So it is still a maturation process, and that is why I think it is even—it is critically important for there to be a much stronger and focused partnership between the Hill—between the Congress of the United States and this Department that continues to mature.

As long as you have 100-and-some committees and subcommittees on both the House and the Senate side, you are never going to get the kind of, I think, very productive and important oversight and collaboration and communication with the agency. I think that is a huge challenge going forward, and I am very hopeful that under the leadership of Chairman McCaul and Congressman Thompson you can convince the leadership here and when you do so over in the Senate to bring that focus.

You have oversight responsibility but it is diluted, and that dilution of responsibility—of oversight responsibility I do think affects the operation of the agency.

Mr. KING. I agree with that fully, and that was certainly one of my frustrations as Chairman and Ranking Member.

Mr. RIDGE. Well, you know, I would say, we were involved in Iraq, we were involved in Afghanistan, and I spent more time on the Hill testifying than Secretary Rumsfeld. Now think about that for a minute.

Mr. KING. Right.

In your testimony you mentioned that you spoke to Jeh Johnson and you emphasized to him the importance of his close relationship with the President.

Mr. RIDGE. Yes.

Mr. KING. When I was Chairman and Ranking Member—and I think Chairman McCaul would say the same thing—we had a very good working relationship with Secretary Napolitano. This is in no way being critical of her.

But I do not feel that she had the entrée to the White House, if you will. For instance, I don't recall, when either you were Secretary or Secretary Chertoff was Secretary, that there was a terrorist incident or threat or whatever where you were not at the White House when the announcement was made or when it was being discussed.

Quite frankly, I would say from 2010 on, for really the last 3 or 4 years or last 3 years of Secretary Napolitano being Homeland Security Secretary, she seemed at least publicly to be out of the loop when it came to terror matters. She was there with immigration and other issues.

I would think that has an impact on the Department itself, not seeing the Secretary standing with the President. Yes, you know, the Homeland Security Advisor, as you know, has an important role to play, but the ones who implement that is the Department of Homeland Security. Again, I can't recall an incident where either you and then your successor, Secretary Chertoff, were not standing with the President when those decisions were announced or when the threat was being announced.

Mr. RIDGE. Well, you know, I think every President is going to bring their own leadership style; there are going to be their own priorities and how they deal with individual Cabinet members. But make no mistake about it, I think it is a much more powerful image, when you are dealing with a threat or crisis, to have the Secretary of Homeland Security, when it is in that individual's jurisdiction, being the spokesperson for the administration regarding that issue.

For whatever reason, on many, many occasions, when I thought Secretary Napolitano would be the one speaking on behalf of the administration, for whatever reason others were assigned that responsibility.

I am not here to second-guess the President. It was just a different experience than both Secretary Chertoff and I had with President Bush. I don't have an explanation for it.

I do think in my world it would be my preference, and I also think it does impact on the employees, to have your leader—your Secretary—speaking when an incident occurs that is within the jurisdiction within your responsibility. Ultimately you are accountable for it, so you should be speaking about it publicly.

Mr. KING. Thank you, Secretary. Appreciate it very much.

Chairman McCAUL. Chairman now recognizes the gentleman from New Jersey, Mr. Payne.

Mr. PAYNE. Thank you, Mr. Chairman, to the Ranking Member.

Secretary Ridge, thank you for your service to our country in every way.

Let me begin by stating that I think we can all agree that the number of vacancies at the Department of Homeland Security are alarming and preventing the Department from achieving its mis-

sion. But I think it is important to make very clear for the record the root of these prolonged vacancies.

If not for the hyper-partisan filibustering obstructionism that we have seen by Senate Republicans with no other purpose other than preventing the President from achieving anything, we would not be having this hearing today, period.

Throughout the entirety of this Nation's history, 168 political appointees have been filibustered. To date, 82 of those 168 that have been blocked were under President Obama's tenure. Let me repeat that in the more than 200 years of our Nation's history, 49 percent of the filibustered Presidential appointees have occurred in the last 5 years alone.

The obstruction that has occurred is downright shameful and the American people are tired of it. It is dishonest to say that you are working hard for the American people when, in fact, great lengths are taken to see that nothing gets done.

It is my hope that Mr. Jeh Johnson, who I am proud to say hails from Montclair, New Jersey, my district, will be confirmed swiftly so that we can get to the real business at hand, and that is protecting the American people and keeping our homeland safe. Just for the record, when Mr. Johnson is confirmed, 50 percent of the Secretaries from Homeland Security will have been from New Jersey.

Mr. RIDGE. Spoken with great pride, I gather.

Mr. PAYNE. Yes.

Mr. RIDGE. Okay.

Mr. PAYNE. With that, let me ask you, Secretary Ridge, do you believe that from your vast experience in management positions that having good morale in any working environment is a key and an element to productivity and success?

Mr. RIDGE. Unquestionably, of which there is no doubt. Absolutely essential.

Mr. PAYNE. Okay. In my experience, you know, many things contribute to low morale in the workplace, and some of those things are like employees feeling underappreciated, being undercompensated, or uncertainty with their job and the leadership above them. In fact, that is exactly what the director of the Office of Personnel Management found in the 2013 Federal Employee Viewpoint Survey, stating, "Factors such as unprecedented 3-year pay freeze, automatic reductions from the sequester that include furloughs for hundreds of thousands of employees, and reductions in training and other areas are clearly taking their toll on the Federal workforce."

So, Secretary Ridge, once again, let me ask you, in your management experience do you find that low pay, pay freezes, furloughs, automatic discriminate reductions across the board in salary are a formula for a happy and productive workforce?

Mr. RIDGE. Well, let me put it this way to you, Congressman: I think the question of salary and compensation is always a—should always be the concern of the leaders in any organization, whether it is corporate America or within Government. I also think that, knowing the men and women of Homeland Security I think as well as I do, if they were called upon to share the burden of dealing with the unconscionable deficit that the Federal Government con-

tinues to promote and understood that their—what we would ask of them was being borne by the broader public of some sorts, I think, again, I think they are patriots all, and I think they are willing to do whatever they need to do not only to advance the mission of the Department of Homeland Security, but the broader interest of the United States.

So it really depends on the circumstances and how and why you have asked them to do these things.

I certainly think I will happen to agree with you—and I am not saying to you anything before this hearing that I haven't said publicly—the notion—the very notion of trying to shut the Federal Government down because there is a disagreement of Obamacare was an absolute disconnect, from my point of view. I believe you bring passion and conviction to the promotion of ideas, but you ought to use that passion and that conviction to an outcome that you can achieve, and everybody in this town knew that regardless of any threats of shutting down the Government, there was not going to be a rescission of that particular piece of legislation.

So to that extent, not only were the employees of the Department of Homeland Security but there are some of those private citizens that saw the disconnect and thought it was inappropriate.

Mr. PAYNE. Well, let me thank you for that. You know, it sounds like—I wouldn't want you to take a demotion, but it sounds like we need you back here in the Congress.

But let me just end by saying I hope that we can continue to move forward in a bipartisan fashion for the American people in filling these vacancies, fixing the sequester, preventing something like the Government shutdown from happening again. All these are counterproductive and undercut the morale and productivity in our Federal workforce.

Mr. Chairman, I just feel that if there is any committee in the House of Representatives that needs to be bipartisan it is this one. We all care about this Nation's safety, and I don't feel that partisan politics has any room in this chamber.

So with that, I yield back the balance of my time. Thank you.

Mr. RIDGE. If the Congressman—I want to make just a quick observation. You know, now, in private life, I have occasion to run across many of the men and women who now serve. I run into air marshals, obviously TSA employees, others who have just voluntarily come up and say, "Hello, Mr. Secretary."

I must tell you, morale aside—and we can debate that—I think there is a great sense of pride among these men and women as to what they do and how they do it and why they are doing it. To that end, the notion that somehow, as proud as they are of what they are doing, that somehow these vacancies and acting members don't have some kind of negative impact on their day-to-day operation I think is difficult for me to accept. I just don't want you to think that these men and women aren't proud of the work they do, and I think all of us, regardless of which side of the political aisle you are on, we are very proud of what they do on our behalf.

Chairman MCCAUL. Let me associate myself with that remark. We are very proud of them.

Mr. Payne, thank you for your comments. As you know, this committee—I have conducted this committee in a very bipartisan way

and I am very proud of the fact that every bill we have passed has passed unanimously out of committee. We just followed a—we had a border security bill, as you know, that passed unanimously, and we just introduced—Mr. Thompson and I, in a bipartisan way—a cybersecurity bill yesterday. So I appreciate your remarks.

With that, I recognize the gentleman from Georgia, Mr. Broun—Dr. Broun, I should say.

Mr. BROUN. Thank you, Mr. Chairman.

Mr. Secretary, Governor, Soldier, Hero—

Mr. RIDGE. Can't hold a job.

[Laughter.]

Mr. BROUN. Mr. Secretary, you came to the position when the Department of Homeland Security was stood up. You brought some unique qualifications to that position that was lauded by people all across this country, by people of both parties.

I associate myself with your comments that you made in your opening statement and which you have made subsequently, and all of us are very concerned about these vacancies. But I am also concerned about the qualifications of people who are put in leadership roles here in our Government.

I don't think just being a Governor qualifies an individual to be the Secretary of the Department of Homeland Security. I don't think being a lawyer qualifies—even if they are a lawyer in the Department of Defense—qualifies somebody to be the Secretary of Homeland Security. I don't think being a buddy of the President or being a fundraiser for the President really qualifies anybody but being a friend or being a good fundraiser.

I think as we look at how people are nominated we need to focus on something that you yourself said, and that is quality, permanent leadership. You brought to the table, as a senior NCO in the Army, one who served with valor in the Army, won a Bronze Star—and I thank you for your service to the Nation.

I am a U.S. Marine, and I come at—and also, I believe in the Constitution of the United States as our founding fathers meant it, which means that National security and a strong National defense should be the major function of the Federal Government. That is the reason this committee is important; that is the reason the House Armed Services Committee and the appropriate committees over in the Senate are so important.

The thing that I am concerned about is that we need to appoint or nominate people who are qualified to lead, not just because they are buddies, just because they filled a certain political position. You had many other qualities as Secretary that you brought to the table besides being a Governor, and I think your military experience is a big part of those qualifications because being Secretary or being in senior leadership in the Department of Homeland Security is very similar to being in senior leadership in our U.S. military, I believe.

Would you agree with that, sir?

Mr. RIDGE. Well, I do think that those of us who have been privileged to wear the uniform of the country, when we leave the military most of us don't necessarily dwell on that experience but you certainly can draw from it no matter where you are and what you are doing. So I don't think it is necessary to make that a condition

precedent to any appointment, but I do think those of us who have been privileged to wear the uniform, frankly, do bring a different perspective than those who don't.

I don't think it is a *sine qua non* to be Secretary of Homeland Security. I think that, again, at the end of the day, I am a strong believer that the President, regardless of the political side of the aisle, makes those determinations with regard to qualifications. The Senate, with its advice and consent responsibility, should vet it, should ask the tough questions, and then you vote and you move on.

That is where the oversight responsibility of the Congress of the United States becomes even more important, because while there may be some questions as to someone's previous experience, it is their performance after they have been sworn in that counts, and if you are not satisfied with the performance then you have the opportunity to hopefully give better direction or support or constructive criticism once they have got the job.

But I think this whole question, not just for this administration but for future administrations—the competency of people in Government is something we don't talk about publicly, and I do think that, regardless of which side of the aisle you sit on, we ought to be a little bit more concerned about qualifications. I am not making—listen, I have—and this is not about the Secretary—the new designee for the Department of Homeland Security; that is across the board. I would love to come back and give you some views on that, as well, one of these days.

Mr. BROWN. Well, in fact, my time has run out. I agree with you, sir. All I can say is amen, brother.

Mr. RIDGE. Thank you. I will take that.

Mr. BROWN. We need to have people who have experience when they come to the table. You don't promote somebody from major to lieutenant colonel unless they are capable of leading the troops. You don't promote somebody from being a colonel to being a brigadier general or being a major general, lieutenant general, or general unless they have the qualifications and capability.

But we are putting in—and this is not a partisan issue. I think both party Presidents have—are guilty of putting people in office in multiple departments all across the whole Government—putting people in office that are rewarding political favors. They are putting people in office that have reached the pinnacle or gone above the Peter Principle.

We need to not only fill vacancies and have that permanent leadership, because an army is not going to work if the commanding officer is a temporary commanding officer. You have got to build that esprit de corps; you have got to build that confidence in the people who are following that leader. Having an acting individual in that capacity is just not sufficient.

But you also have to have a competent leader to build a morale for the troops that that leader is asking them to follow. I would like to see us have a greater focus not only on filling the leadership positions and having those permanent leaders who are competent—and I think there are many people in senior leadership in Government—in administrations by both parties who are really not competent to fulfill that position.

Mr. RIDGE. You know, I think—

Mr. BROUN. We need to have those kind of people who are competent and permanent leaders, so that is going to help build that type of morale and make that Department—whatever it is, whether it is Homeland Security or any others—to be a functioning, vibrant department to fulfill the purposes of which it is stood up.

Mr. RIDGE. Well, I share that point of view. I believe it is within the jurisdiction of the Congress of the United States to, you know, to even legislate—I mean, there are certain requirements within the originating legislation with the Department of Homeland Security is the minimal background requirements in order to proceed to that position.

I think it would behoove the Congress in a very bipartisan way across the board in all agencies to take a look at who serves and whether or not, in the ideal world, we can attract the best people. I have always felt that one of the challenges associated with trying to get the best people out of the private sector into the public sector is the fact that they have to surrender so much of—that there is—there is this notion, even in an advisory capacity, that somehow they will come into Government and try to feather their nest or that of the corporation they represent.

You know, Franklin Delano Roosevelt was served very, very well during World War II by dollar-a-year men who came into his Government and said, “This is a pretty complex and challenging time to our country. We are not going to worry about how you register. We are not going to be worried about the corporation for whom you are working. The country is in trouble. We need you.” They had a lot of people come in from the private sector to help.

I frankly think at some point in time the Congress needs to reconfigure and rethink how we can attract and retain for 2 to 4 years some of the best minds in the private sector without having them necessarily to disenfranchise themselves either from the entity for which they have worked or the fortune that they—the wealth that they may have created. I think it is about time we started thinking about that, and I think you raised a very important question with regard to competency.

There are a lot of talented people out there who I believe would love—that would—I mean, I saw it. I saw people who left really good-paying jobs—retired military people, people in the private sector—and said, “All right, I will take lower pay and not—because my country needs me.” I saw that over and over again.

Ten years later, complicated—the world is more complicated economically, monetarily, geopolitically. I think we really need to think about competency at all levels of Government and the ability to attract some people from the private sector to come into our Government for 2 or 4 years and help us work our way through the maze of challenges that we have.

So I would associate myself with the gentleman’s remarks.

Mr. BROUN. Well, thank you, Mr. Secretary.

My time has way run out, but I want to make one final comment if I may, Mr. Chairman.

Article 1, Section 1, sentence 1 of the U.S. Constitution says that all legislative authority is vested in the Congress of the United States. The President, through Executive Orders, has no Constitu-

tional authority whatsoever of creating law. A justice all the way up to the Federal Supreme Court has no Constitutional authority to create law. They do not have legislative authority to do so.

We in Congress have that authority. We in Congress only have that responsibility.

We cannot do our job to legislate when we have a President—and we have had Presidents of both parties that have legislated through Executive Orders. We have had Presidents of both parties who have taken away the responsibility that we have here in Congress. We have Federal justices, from the local district courts all the way up to the Supreme Court, who have legislated from the bench. That is unconstitutional and it is not right.

We need to have the jurisdiction. We need to have the ability to do what is necessary to create the laws of this country. When a President—and like I said, both parties' Presidents have been legislating from the Executive branch and justices are legislating from the bench, and it is not right.

We have got to return that power. We have to have competent people.

Thank you for your service.

Mr. RIDGE. Appreciate it. Thank you for your kind words. Thank you.

It reminded me of a time when I was in front of—privately having a conversation with the venerable senator from West Virginia, Senator Byrd, who reached into his pocket, pulled out the Constitution, and reminded me, “That is a Congressional responsibility, not yours of the Executive branch.”

Mr. BROUN. It is, sir.

Mr. RIDGE. That is exactly what you can do.

Chairman MCCAUL. That was an excellent discussion.

The Chairman now recognizes the gentleman from Texas, Mr. O'Rourke.

Mr. O'ROURKE. Thank you, Mr. Chairman.

I would also like to thank you, Mr. Secretary, for your service and your continued service today and sharing your experience and wisdom with the committee and helping us with our oversight responsibilities.

Several Members have asked you about the impact on morale in the Department of Homeland Security, and you likened it to trying to judge beauty. There is a subjective element to that.

Mr. RIDGE. Yes.

Mr. O'ROURKE. As well, with leadership it is hard to put a number on it or objectively define how we are doing. But I think all could agree we want confirmed, full-time, fully committed heads of the agencies within DHS.

I was hoping you could talk about two in particular. In El Paso, the community I have the honor of representing, about \$92 billion in U.S.-Mexico trade passes through our international ports of entry every year, and that trade is connected to millions of jobs throughout the United States, so a critical function those Customs and Border Protection officers are performing.

I wonder what it means—and I have the utmost respect for Commissioner Winkowski, have a good relationship with him. He has

been very responsive to issues and questions that we have raised with him.

But how limited is he or any acting commissioner in a job like that one in terms of fully implementing policy from the Congress, directives from the administration, when we look at not only the threats that we have at our borders with Mexico, but the opportunities we have when it comes to capitalizing on the trade and creating more jobs?

Mr. RIDGE. You know, it is a very appropriate question, particularly for purposes of this hearing. I have often wondered, and particularly sitting here listening to you and your colleagues, how comfortable would you be if you were the acting Congressman?

How aggressive would you be with regard to initiatives that you would want to pursue? How entrepreneurial would you be in terms of your thinking and to promote the interest of your constituents? How engaged would you be with other people?

So I think, you know, I understand the role of "acting." Republican and Democrat Presidents have had to use that mechanism to fill vacancies over a period of time.

I can never be dissuaded of the notion, however, that you are not fully accountable; you can't be the kind of leader that you want to be; you can't articulate, necessarily, your vision because you are not sure how long you will be there. I can't imagine—and I can only imagine that those men and women with whom you serve look to you, ultimately, for accountability but they are not so sure how long you are going to be there.

I mean, I just think it is very difficult for the individual to do his or her job and the means with the passion and the commitment they want to do it if they are just an acting member. Just like I don't think—it would be pretty difficult for you to be an acting Member of Congress, not sure you are going to be here 3 months, 6 months, you are going to move out.

Mr. O'ROURKE. Yes.

Mr. RIDGE. I think it does have a psychological impact on the people you serve, as well.

Mr. O'ROURKE. So you may not be limited statutorily in terms of what you can or cannot do as an acting commissioner or director, but you are limited in terms of your engagement and your ability to take the risk and—

Mr. RIDGE. I think that is right. I think that is a fair comment. I mean, if you have, particularly in the back of your mind or you decided that you have been given this responsibility but you have got to be a little bit cautious about it, if you decide there is something that you want to implement but you are uncertain as to how long you are going to be there in order to affect the change that you want to affect, will you be as bold and as aggressive and as strong a leader as you want to be if you are not sure you are going to be there, or how long you are going to be there?

So again, I think it is a very objective analysis, the impact on your leadership style. I think it is a subjective assessment as to whether or not the men and women that you are supposed to lead, whether that has an impact on them that is negative. My gut tells me that it does.

Mr. O'ROURKE. Yes. Makes a lot of common sense, and we think about CBP, we think about those officers, we think about the Border Patrol agents who have one of the toughest—

Mr. RIDGE. Absolutely.

Mr. O'ROURKE [continuing]. Jobs in domestic service for the Federal Government, along with those CBP officers.

We recently had an issue with the ICE detention center in El Paso brought to our attention about whether or not they are following certain administration directives, and I think more investigation needs to take place. But it does make me wonder what having an acting director in that position, whom I have no reason to question his ability or commitment to doing the right thing, but acting versus a fully-confirmed person who can do some of the things that you are talking about.

So to the Chairman's comments and my colleague's comments earlier about pursuing this in a bipartisan fashion, I don't know where the blame should rest for this, and I think there is probably blame enough on both sides, but I hope this hearing that you have called, you know, serves to galvanize all concerned to do the right thing so that we have some leadership, some continuity, and some predictability going forward because it helps communities like ours and, I think by extension, the rest of the country—

Mr. RIDGE. I have spent some time in that community, and you are right, the integration of the communities and the critical junction in terms of trade between us and our friends down south, all across the Southern Border, and I appreciate your comments.

Blame notwithstanding—there is too much of that going on around here anyhow—I mean, let's just fill these vacancies. As I said before, I think when a President, Republican or Democrat, puts forward a nominee in the Senate of the United States, when it is under the advice and consent provision, there ought to be timely debate, there ought to be—when it comes to homeland security, National security, some of these critical mission, get it out there, put that individual through the most rigorous examination as you possibly can, make a judgment, and vote and move on.

There are political games. We will never take politics out of how we govern. It is kind of endemic to how we play the game—the political game in the United States of America. But there are certain exigencies and certain positions, I think, that it is unworthy of the institution to play politics with critical appointments.

Mr. O'ROURKE. Agreed. Thank you.

Thank you, Mr. Chairman.

Chairman MCCAUL. I certainly agree with that comment, as well.

Chairman now recognizes the gentleman from Pennsylvania, so it will be a Pennsylvanian to Pennsylvanian, Mr. Barletta.

Mr. BARLETTA. Thank you, Mr. Chairman.

Good morning, Governor.

I just have to say, with Congress' approval rating so low the American people might like if we are only acting Members of Congress.

Mr. RIDGE. No comment.

Mr. BARLETTA. You know, having the privilege to serve as mayor during your time as Governor, I can remember the bittersweet feeling I had the evening that President Bush made his announcement

appointing the first Secretary of Homeland Security. It was bitter-sweet because I knew Pennsylvania was losing a great Governor; but I also knew that the country was gaining a great leader.

So I think it is fitting that you come here today and talk about leadership and the importance of that and what it means to have an effective organization. You talked a lot about and I agree that, you know, today's world is probably more dangerous than at any time in American history, whether it be here at home or around the world.

The Office of Intelligence and Analysis is the Federal Government lead for sharing information and intelligence with State, local, Tribal, and territorial governments and the private sector. It is these non-Federal partners who now lead the homeland security enterprise in preventing and responding to evolving threats to the homeland.

I&A serves as the information conduit and intelligence advocate for State, local, Tribal, and territorial governments. However, the under secretary for Intelligence and Analysis has been vacant for over a year.

How is our intelligence capability being negatively impacted with a vacancy at this very important position?

Mr. RIDGE. One of the challenges that any Secretary of the Department of Homeland Security has under any administration is an appreciation by the public generally that you don't—the Department itself does not have its own intelligence-gathering mechanism; it relies heavily upon the alphabet agencies.

The Department is a consumer of information. Doesn't generate much. Generates a little, but by and large you know what I am talking about.

But it provides a valuable, valuable function to the Secretary because even though the shop is a little slower than most, it does have a capability to do its own independent analysis on behalf of the Secretary.

I am personally familiar, based on my experience, where our little shop way back when differed from the intelligence assessment it got from some of the bigger, more muscular, and traditional agencies. Because of the respect of the individuals involved, they got together prior to my giving the President an assessment and basically reoriented the approach and really changed the assessment.

I don't want to say one responsibility or one position in upper management is more important than another within the Department of Homeland Security, but I can't imagine anything—any position being more important to the Secretary than someone who has the ability and the requirement and the resourcefulness to communicate with, on a daily basis, the intelligence agencies, to take that information and make it relevant to the Department but also to State and local governments.

So again, as you take a look at vacancies you say to yourself, if you think the threat is real, you understand the Department doesn't consume—is a consumer of intelligence, doesn't generate its own, and that position is vacant, what kind of information does the Secretary have? Who is communicating what to the locals?

You know, it is very interesting. Ranking Member Thompson said something very interesting and I find in his opening remarks, and I align myself with him: There has to be procedures—routine procedures. One of the most routine procedures in my experience—and I think Secretary Chertoff, and I can't speak to Secretary Napolitano—is sustained engagement with the State and local governments in terms of information sharing.

If you don't have that information flowing primarily through the Department of Homeland Security and then you have got a diffused organization, they are getting bits and pieces from everybody else, and that is just unacceptable, as far as I am concerned, in terms of furthering the mission of greater security for the United States of America. I think it is deplorable that that position has been vacant for over a year. It is unacceptable.

Mr. BARLETTA. I think we can see, you know, what happened up in Boston and why it is so important that that information sharing with Federal, State, and local authorities—

Mr. RIDGE. You know, one of the biggest challenges we had from 2003 forward—and I share with you just as a frame of reference—is that prior to the Department of Homeland Security being created, within the intelligence community there was a mindset and a notion that, "We will share the information when we think you need to know it," and we said, "No, no, no, no. It is a different time. Now it is need-to-share."

I need to share with the Governors; I need to share with the big-city mayors; I need to share with the big-city police chiefs and the like. That is, I think, an integral function of the Department of Homeland Security, and the person most responsible for giving guidance to the Secretary is the kind of information to be shared—not necessary actionable, but needs to be shared—is that individual.

I just hope that they will—for whatever reason, I am not going to talk about the delay, it is vacant. You do Jeh Johnson a great disservice if the Office of Personnel Management doesn't immediately send a qualified person to the Hill to get it confirmed to work with him hand-and-glove.

Mr. BARLETTA. Great seeing you, Governor.

Mr. RIDGE. Thank you. Thanks.

Chairman MCCAUL. Let me thank the gentleman for bringing up that very important point.

I just wanted to say that most recently under the intelligence authorization bill an attempt was made to basically gut the Intelligence and Analysis Department within Homeland Security—the office itself. I can't think of a bigger mistake after Boston than to gut an office that—whose primary mission, as you know, Secretary, is to communicate with State and locals.

It made absolutely no sense to me. We have letters from all police chiefs all across the country and all 50 Colonels of all 50 States and Governors objecting to this. I am proud to report that with the good work of the Ranking Member and myself, we were able to block that effort.

But I think it is important to note publicly that that attempt was made, and I can't think of a bigger mistake at this point in time.

So with that, the Chairman now recognizes my good friend from Massachusetts, Mr. Keating.

Mr. KEATING. Thank you, Mr. Chairman. Governor, thank you for being here.

Mr. RIDGE. Pleasure.

Mr. KEATING. Earlier this year the commissioner of the Boston Police was asked a question in front of this committee whether or not they had information that both the FBI and the CIA had regarding potential terrorists that were conveyed to them through the Russians, and he answered that he had no information. Would you comment on that?

Mr. RIDGE. What is interesting, I asked him the same question and got the same answer. Again, it goes back to the question that Congressman Barletta asked, and frankly, the concern that I have to make Secretary Johnson as effective as he possibly can be, and that is is that there continues to be the resistance within some of the law enforcement intelligence community to share that kind of information with the major groups and law enforcement leaders around the country—

Mr. KEATING. Let me ask you another question.

Mr. RIDGE [continuing]. And it is inexcusable.

Mr. KEATING. Thank you. Thank you, Governor.

Let me ask you another question about this committee—Homeland Security Committee.

Mr. RIDGE. Yes.

Mr. KEATING. Do you think in the aftermath of any major terrorist attack on this country that if this Congressional committee, this committee of the House, wants to look at the preparation that was done ahead of time, the actual implementation of investigation going forward, that it is appropriate that this committee—and you referenced in your comments still the on-going problem with jurisdictions—but don't you think this committee should be central in looking at that oversight, best practices, what works, what resources might have to be done, how the investigation was done, if there were any lapses? Don't you think we should be center to that here from a Congressional standpoint?

Mr. RIDGE. Unequivocally, yes.

Mr. KEATING. So if the FBI were to say that they couldn't come in front of this committee because they lack jurisdiction when they were invited two times to open testimony and one time to a Classified briefing, wouldn't you say that is a good example of the problem of jurisdictions when they can cite something like that in front of this committee when we are just trying to find out what the best practices are after an event like the Boston bombing and to move forward? Isn't that an example of what is wrong?

Mr. RIDGE. Well, I would tell you that I believe that one of the challenges that Ed Davis had, and I suspect one of the challenges that many major law enforcement officials have around this country in terms of providing a more secure community, is the reluctance of some of the intelligence-gathering agencies to share that information. If the chief of police, after the terrorist incident, publicly testifies that he did not have access to the kind of information other agencies had, then I think it certainly would be in this—I

mean, I would applaud the effort to secure that kind of briefing. If it has to be a closed session, so be it.

But as I said before, the Department of Homeland Security has the primary responsibility to communicate relevant intelligence to the State and the locals, and if there is a gap then the Department of Homeland Security will be held accountable, but in fact, they depend on these other agencies to share that information so they can pass it on down, and if it is not passed on down the Secretary and the Department will be held up to criticism. Frankly, it is not justified.

I am reminded of the time that I went on television to support Secretary Napolitano who was—somehow the Department was criticized for letting the bomber on the airline in Detroit on Christmas day for getting on the airplane, which I thought was totally not justified simply because the Department had not been—did not have the information from the State Department to keep him off the plane.

The Department of Homeland Security relies on other agencies to provide the intelligence and the law enforcement information, and if they don't get it they can't do their job. If they have failed, somebody ought to ask why.

One of the questions I have had for the longest time: If we cannot, as a Government, whether it is the FBI or any other agency, trust a fellow American in a critical position to provide law enforcement and security to a community with the kind of information, then who can we trust?

So it is a great concern of mine that we don't communicate on a more regular basis. Not that it may have been actionable, but perhaps there was something they could have done.

I think it is certainly within their purview, and I will let the Chairman and the Ranking Member duke it out with the other committee Chairmen. But I think it is certainly a responsibility on behalf of the Department of Homeland Security to determine why this very important law enforcement official was denied access to information that perhaps—perhaps—might have been used to prevent the attack.

Mr. KEATING. Well, I would hope that by extension that means Congress, as well.

Mr. RIDGE. Exactly.

Mr. KEATING. I hope the FBI views us as a trusted entity, whether it is Classified or not, to deal with these issues. So I agree with you wholeheartedly—

Mr. RIDGE. I am not sure we got that far, Congressman, but I do think—we used to—from—periodically, we used to pick up the phone and, based on information we had, talk to Governors, talk to law enforcement officials. It wasn't actionable intelligence. We weren't asking them to do anything based on the information we had.

But it was a precursor to the time when we may have had to pick up the phone and say, "Remember the information we have been feeding you over the past 3 to 6 months or a year? It has now come to fruition. Here is another element. We need you to act."

So that kind of sharing with limited people who you have to trust that it will not be leaked is something that I think, again, is—we

have gone from a need-to-know to need-to-share and we still don't have that need-to-share mentality in this town—

Mr. KEATING. Thanks—

Mr. RIDGE [continuing]. Particularly when it comes to the Department of Homeland Security.

Mr. KEATING. Thank you, Governor.

I know, if I could—other Members have been extended a little bit—I just want to touch on one interesting phenomenon along the lines of what we are talking today and maybe get your input. I think it is something that is helpful in this.

I have noticed in the last few years the curriculum of a lot of colleges and universities are now including homeland security courses and majors and degrees in that regard. I looked at that, I think, as a helpful sign in terms of having a ground for, you know, trying to get the participation of qualified people going forward that want to make a career out of this at mid-management or other management levels. Could you comment on the briefly?

Mr. RIDGE. Well, I think it is very helpful. I remember when we set up the advisory committee to the Department initially, that was one of the—one of our objectives was to see if we could work with some college and universities and actually recommend certain curricula that would be embedded in the program.

What I have found over the past couple of years is men and women who have left the Department of Homeland Security, brought tremendous amount of experience, have by and large been retained by these universities to help build that academic infrastructure. It is pretty gratifying to me to get so many young men and women who see this as an opportunity, whether it is to serve at the State Government, local government, private sector. But it is a new mindset and I think it is a great opportunity for a lot of our young people.

Mr. KEATING. Thank you, Governor.

Thank you, Mr. Chairman.

Mr. RIDGE. Welcome.

Chairman McCAUL. Let me just say on the Boston issue, I had the honor to join you, Congressman, walking down the streets of Boylston with Ed Davis and the FBI, SAC and the horrific scene there, and I think the State and locals are the eyes and ears. They know the streets pretty well. They are a force multiplier and we ought to be tapping into them as a resource.

As we had Ed Davis testify before this committee, he was very honest but I think almost a little bit embarrassed to have to say that he did not know that Tamerlan was under investigation by the FBI.

Having said that, we recently met with the new director, Mr. Comey, not to reflect on the prior one in any negative way, but I do believe that the FBI understands the lessons from Boston that perhaps the police chief can have an MOU with his own police officers and the FBI so that the Boston Police on that task force can actually talk to him about what is going on on the JTTFs. I know Director Comey is moving forward in that direction and that is a positive step, and I am pushing diligently to be able to forge a very good relationship with the FBI because, after all, they really are the domestic law enforcement agency in charge of counterterrorism,

and I think it is an integral part to this committee and what we do, as well.

So with that I recognize the gentlelady from Indiana, Mrs. Brooks.

Mrs. BROOKS. Thank you, Mr. Chairman. Thanks for holding this hearing. This gives me an incredible opportunity.

Speaking of Director Comey, he and I served—we were former U.S. attorneys together and so I was U.S. attorney in Southern District of Indiana from 2001 until 2007, and so it is an honor to have you here before us again because I was part of that group of U.S. attorneys, like Director Comey, that was a part of helping DHS stand up.

Under your leadership we were—and my question is what your thought is about what the U.S. attorneys' role should be today, because I know what it was in 2001 and it was to help bridge that gap between the FBI, between your new important agency—the Department of Homeland Security—and with State and locals. The U.S. attorneys are that—and I know a lot of people don't like to recognize it, but their chief Federal law enforcement officer in each district, and they are supposed to be the ones that are supposed to bring together the parties, bring together the different agencies and law enforcement—State, local, and the Federal agencies. I always viewed that it was our role to push and to make sure that cooperation and coordination happened.

We were part of standing up fusion centers, which I think those have very different degrees of effectiveness now—very different than what we thought they were supposed to be. I think the Boston bombing is a good example of that disconnect that was not supposed to happen.

I am curious to what your thoughts are as to what the U.S. attorneys' role should be now and, you know, what could we even be doing to remind them that Department of Homeland Security and that coordination we are talking about and that they rely upon is happening at the highest level? I think it was our duty then, and I am just not certain whether or not it is being viewed that way now. I am curious to your thoughts on that.

Mr. RIDGE. Well, I would probably, Madam Congresswoman, to defer to you because of your intimate experience with your role and its relationship to the Joint Terrorism Task Forces. But I will tell you that I think that the U.S. attorney is really the—as I understand it, probably should be the glue holding the entire entity together.

My experience, both when I served as Secretary but subsequent, talking to a lot of my friends around the country, is that much of this information sharing down to the local level, it is not—the notion of the sharing is not institutionalized. Too many occasions it depends on the personal relationship between the FBI agent and/or the U.S. attorney, and I think the role that U.S. attorneys can play hopefully, even though you operate out of the same agency under the Department of Justice, there still has to be an—and here we are talking 10 years after 9/11 we are talking about the relationship of the chief law enforcement counterterrorism entity within the United States had information about potential terrorists 10

years after 9/11 and that the commissioner of police of one of the largest metropolitan communities in the country was unaware.

Not that he would have done anything with it, but since his men and women are patrolling the streets, familiar with the neighborhoods, whether or not they could have been involved in what I think was a fairly cursory investigation of these individuals—I am not in a position to render judgment, but I think there remains a very critical role for the U.S. attorneys.

But I would like to see the role—it around the permanent change of mindset from need-to-know to need-to-share. I think you are probably—U.S. attorneys are in the best position to effect that change.

Mrs. BROOKS. Only thing I would add is—and certainly when we don't have political appointees in the leadership positions—back, in part, to the vacancies and the purpose in part of this hearing—would you agree that political appointees, whether you are Republican or Democrat appointees, are most in tune with the administration's views? The merit employees and the people who are there, they are going to get the job done; but when it comes to pushing the priorities of the administration, that is often handled really by the voice and the mouthpiece of the political appointees.

The merit folks and the line-to-line Government merit folks are going to get the job done, but yet, in my brief experience of 6 years, it was really the political appointees that were really stressing the priorities. Would you agree with that?

Mr. RIDGE. Ultimately, at the end of the day, in this monstrous organization called the Federal Government, the political appointees take their direction from the chain of command, and we all know where that begins and ends. So the notion that a political appointee would be reflecting the views and the priorities that their chain of command is should not be surprising.

It is done whether it is a Republican administration or a Democrat administration. That is just the way the system works. You may disagree with the priorities and the messaging, but it begins and ends at the other end of Pennsylvania Avenue.

Mrs. BROOKS. Thank you for your service. Thank you.

Mr. RIDGE. You are welcome.

Mrs. BROOKS. I yield back.

Chairman MCCAUL. I thank the gentlelady.

The Chairman now recognizes the gentlelady from New York, Ms. Clarke.

Ms. CLARKE. Thank you, Mr. Chairman.

Welcome—

Mr. RIDGE. Thank you.

Ms. CLARKE [continuing]. Governor Ridge. It is good to see you once again.

I would like to just acknowledge from the outset that notwithstanding the challenges of this Department, we have one of the best and dedicated Federal employees in this Department, and we need to acknowledge that. They are persevering despite numerous challenges, some of which have come at the expense of getting raises and being denigrated oftentimes. So I would like to thank them for their diligence, notwithstanding the challenges that are integral in such a huge agency.

Governor Ridge, it appears from the survey results that the main contributing factor to low employee morale are management challenges that continue to exist at the Department. One source of these challenges is the lack of line authority between component management leadership and their headquarter counterparts.

As the former head of the Department, I am certain that you saw first-hand the need for a strong headquarters with enforcement mechanisms in place to ensure operational success and build a cohesive structure. Would you agree that implementing a direct-line authority would improve Departmental management and eliminate some of its current challenges?

Mr. RIDGE. Well, you know, I certainly think that whether there is a direct legislative line of authority, there is certainly an implicit one—all the disparate hands of the various larger groups within the Department. We always felt, my Deputy Secretary Jim Loy, former commandant in the Coast Guard, and I felt that they were ultimately accountable to us because we were accountable to the President and the Congress of the United States.

So whether or not you can improve the interaction between the Secretary and the heads of the different units within the Department of Homeland Security by specific legislative language remains to be seen. But I think there is an implicit line of authority and accountability and responsibility right to the Secretary, and that goes right to the President of the United States.

Ms. CLARKE. When you have multiple vacancies in the way that we do, do you think that that clarification in terms of chain and line of command could be beneficial, given the fact that at this stage we have these vacancies?

Mr. RIDGE. Well, I would certainly welcome the opportunity to review any suggested changes to the legislative language that might create the line of authority. Again, I think it is just implicit that the—those men and women running the different units of Government within the Department are accountable to the new Secretary, pure and simple.

If he believes it needs a—I mean, I just—I am not quite sure I understand the need for legislative language to create that precise line of authority that is like a straight line, not a dotted line on an org chart. But if it was this committee's collective feeling that that would help the new Secretary then I would be all for it. I just think it is implicit, and—because I think the way you have that line of authority you have to hold people accountable.

But I will tell you, it would be a lot easier for this Secretary and future Secretaries if the jurisdiction of Congress was telescoped so that you can help this Secretary maintain that line of security, that line of accountability. It is too disparate.

I can just speak to a couple of occasions, without just going back—and I am not—it is not an accusatory thing, but when the agency was created there were different leaders who had different relationships with different committee Chairmen and different committees, and getting them—there were occasions when I felt that, right or wrong, there was a little more sympathy toward the committee Chairman's point of view—and I say this respectfully because I used to serve here—rather than to the Secretary's point of view.

I think when you can narrow that ledge of jurisdiction I would love to see this committee have primary jurisdiction over the Department, because I do think it would help make the Secretary under any administration much more effective.

Ms. CLARKE. Let me just ask, if you will indulge a moment, Mr. Chairman, we are talking about leadership and permanency, and I would say versus effectiveness. Even though serving in temporary capacity can engender leadership, knowledge, and acumen that is needed to accomplish and establish mission and be effective in getting the job done—would you agree with this or do you think that this permanency is a critical component to the effectiveness of the agency?

Mr. RIDGE. I would argue, and there are probably some people that would disagree, but I think in any leadership—within any leadership team within any organization, public or private, the chain of command has to be viewed as a permanent part of the infrastructure within which these men and women work, in terms of—I think it empowers them, and gives them a, I think frankly, it creates a notion of bidirectional accountability that doesn't necessarily exist with just an acting. I just think it is so very important to move from acting to permanent.

I take a look, and I have known Rand Beers for a long time. This is a man who, I think he has had three acting positions. So maybe Rand might disagree with me, but I—as hard as he would work—and I know he is committed to the mission—I would daresay I would like to think he would conclude he would have been a lot better in any of those three positions if he would have been permanent rather than acting.

As I said to the Congressman from Texas, I believe—I don't know how effective Congressmen would feel if they were acting Congressmen but you are not sure how long you are going to be acting in this position. I just think it has a psychological effect and an effect on your ability to lead.

Ms. CLARKE. To the personnel, as well. If you think that your boss could be gone in a blink of an eye it makes it very difficult to have any continuity of leadership and certainly viewing that person in terms of their leadership as someone that is going to maintain a culture that strengthens the agency.

Mr. RIDGE. It is about culture, and I think that is the appropriate word. I think, frankly, now that there have been some changes made in terms of the nomination and approval process over in the other body, maybe some of these acting can be permanent and some of the vacancies can be filled.

Ms. CLARKE. Mr. Chairman, I thank you.

I thank you, Governor, for all of your service.

Chairman McCAUL. Chairman now recognizes the gentlelady from Texas, Ms. Jackson Lee.

Ms. JACKSON LEE. Mr. Chairman, let me thank you very much.

Governor, it is a pleasure to see you again and thank you for your on-going service. There are many of us on this committee that started with you and before that time—and tragically, because obviously we had an infrastructure of security, but in the eye of 9/11 we saw the urgent need.

President Bush, Members of Congress, there was a select committee—committed to come together for a real infrastructure of security, and I thank you for taking the first challenge, the first plunge into what I consider an enormously crucial committee.

I would like to thank Chairman McCaul and Ranking Member Thompson for carrying on the bipartisan and nonpartisan commitment to the Nation's domestic security, and I might say security that reaches even beyond the borders as it reflects on the domestic security.

So I am going to pose a question that comes right out of your message and your opening page, which is that it is crucial that the Secretary nominee, Mr. Johnson, be approved expeditiously. Would you just expand on the rather direct comment you indicated that there is a need for these individuals to be approved because they hold a higher responsibility?

I would always like to think that there are committees of jurisdiction on a myriad of issues that are really important, but when you come to homeland security, maybe armed services, but homeland security are life-or-death matters on everyday peoples' lives as it relates to the goings and comings of Americans and their domestic security. So one of the points you said is that we really need to rid ourselves of political grandstanding and move the process forward. If these are competent nominees they should be approved.

Would you just comment on the uniqueness of homeland security and the importance of having people in place?

Mr. RIDGE. Well, we are all familiar with the language. It says we gather together as a country to provide for the common defense. Prior to 9/11 we may have thought of the common defense really related to the Department of Defense, but now we have, since the United States has become a battleground, the Department of Homeland Security and the critical appointments within that I believe should be considered in the same vein as critical positions within the Department of Defense.

As I commented before, Congresswoman—perhaps you weren't there, but apologize to be redundant—I mean, we will never take politics out of how we govern in this country. It is just the way things are. But in my judgment, there are certain times, certain responsibilities, and certain appointments around which the President makes the decision under the advice and consent, the Senate ought to move in a timely fashion, be as rigorous in your examination as possible, and then vote and move on.

That holds for, in my view, regardless of the administration, there are certain critical appointments that need to be dealt with expeditiously. We see what has happened over the past couple of years, and I don't believe all these vacancies have been held up by political gamesmanship. In fact, that is not accurate; but the fact of the matter is one is one too many.

Ms. JACKSON LEE. Let me—

Mr. RIDGE. We need to empower—you weren't here when I—excuse me, I don't mean to interrupt you, but I—

Ms. JACKSON LEE. Go ahead.

Mr. RIDGE. Attorney Johnson and I had a really good meeting a couple weeks ago, and we—and it was all private and confidential. I made some recommendations to him about, based on my experi-

ence, what I thought was really important. But the first thing we talked about was his ability—and I said quite candidly, “The personal relationship you have with the President—I had a pretty good one with President Bush—to expedite the process, get OPM, get those good names. Get them to the Hill. And if it is under the advice and consent responsibility of the Senate, get them out there.” Because it is pretty difficult for him to do the job we all want him to do—

Ms. JACKSON LEE. Without the infrastructure.

Mr. RIDGE [continuing]. Without his team. He needs the team.

Ms. JACKSON LEE. Well, let—

Mr. RIDGE. They can't be an acting team; they have got to be a permanent team.

Ms. JACKSON LEE. Let me thank you for your knowledge.

Let me first of all agree with that, and I would hope out of this hearing would come, No. 1, a creative approach to be able to fill the other line positions that are necessary to be part of the infrastructure; No. 2, that homeland security is set apart, No. 1, that we, again, reignite the idea of—I hope Speaker Boehner would listen—is that we consolidate the jurisdiction of the Homeland Security under the Homeland Security Committee once the team is in place. That also deals with morale. I am going to ask you to comment on that.

Then I would ask you to comment on the continuing sore point, which I think Mr. Keating highlighted, which I am concerned about, is the following of the dots, the connecting of the dots that is so crucial to the success of the Homeland Security Department even though it is not the singular entity for intelligence gathering. I can assure you, in spite of the NSA and others, you get asked, as a Member of this committee, about intelligence gathering.

The mindset of the American people is that Homeland Security, along with its very important responsibilities of Border Patrol and ICE and CBP and TSA, front liners that everybody sees, they consider it the home of the intelligence security, the going and coming security, comprehensive immigration reform. So if you would just comment on the connecting the dots and the idea of having initiatives that will allow appointments of leadership and Homeland Security to move quickly.

Mr. RIDGE. Well, first of all, to the first part of your questions, I would—not that I invite myself back up, but I have told your Chairman and the Ranking Member, if you want somebody to come up and testify about reducing the number of committees and making this committee—get this committee primary jurisdiction, I am happy to do it. Got to be careful what you volunteer for, but call.

Second, with regard to the intelligence-gathering capabilities of this country, they are enormous and the Department of Homeland Security relies primarily on them. When the Department is denied access from time to time to critical information it makes it literally impossible for the Secretary and the men and women at the Department to do their job, so anything that we could do, starting with filling the vacancy of the under secretary for Intelligence and Analysis, in addition to changing, again, 10 years after 9/11 and I look at Boston and I find out the chief of police didn't have access

to the information that I think he should have had, is still somewhat troubling.

Again, it is a—people think that Homeland Security somehow has unlimited access to the intelligence world and we don't. They selectively share with us when they think it is appropriate—I didn't mean with us, but, you know, once the Secretary always the Secretary, I guess—but they selectively share, and at the end of the day I don't think—it does not—it undermines the critical role the Department plays.

Ms. JACKSON LEE. The connecting of the dots—I know my time is—just if you just want to do a sentence on that, it has been an on-going problem.

Mr. RIDGE. Yes.

Ms. JACKSON LEE. As I yield back to you, if you just answer that one part of it. I just want to thank all of our homeland security employees for their service. But connecting of the dots?

Mr. RIDGE. Well, you know, it is an expression we use—been used since September 11, and one of the challenges the Department of Homeland Security has, if the broader intelligence community doesn't put the dots in front of them it is pretty difficult to connect. One of the challenges I have said—and I shared this and I don't think Mr. Johnson would mind, but I told him one of the mindsets to—as Secretary was you can't secure the country from inside the beltway, and you need relationships with the State and the local and the urban police and law enforcement community generally. That means you have to keep them as up-to-date on relevant information—not necessarily actionable intelligence, but relevant information—so when a time comes that you may ask them to move on behalf of the country they—you have built out that base—the knowledge, the rapport, but they understand what you are asking of them, and it is a lot easier for them to do it if they have been kept in the loop.

Ms. JACKSON LEE. I thank the Chairman and the Ranking Member.

Chairman MCCAUL. Let me thank the Secretary for—

Ms. JACKSON LEE. Thank you for your service.

Chairman MCCAUL [continuing]. Thank you for your outstanding testimony here today. It has been very helpful to the committee.

I would be remiss if I didn't ask just one last question of you. I think we have covered the vacancy issue fairly well, but you mentioned that the threat level, you believe, is greater today than it was 10 years ago, and I know there have been some efforts to sort of downplay the threat and say it is pre-9/11. I can't think of a better witness to ask this question in terms of, you know, the pre-9/11 threat versus what the threat is today.

Mr. RIDGE. Well, you know, obviously I don't have access to the kind of information I used to have, but if you just go into open-source intelligence gathering and see the extent that al-Qaeda has expanded its operations beyond Afghanistan and Pakistan and into Yemen, into Libya, into North Africa, and you see the more public reporting about other terrorist-related organizations, some wannabe, some connected, there are more of them and they are located in more diverse locations around the world, and that is just

terrorist organizations. You add on top of that the digital climate, the cybersecurity threats that we have.

So I think it is a more complex world. I think it is a more dangerous world because I think the threat of terrorism today is no longer just al-Qaeda but similar organizations. But let's not underestimate what al-Qaeda has done. It has expanded, and whether we are in Afghanistan or out, Iraq or out, they will continue to expand.

So I think one of the two conditions that the country and the rest of the world is going to have to deal with perhaps forevermore is the digital security and the threat of terrorism. That is the permanent conditions, unfortunately, within the world, and that is what is so troubling about so many vacancies within the Department.

Chairman MCCAUL. I couldn't agree with you more.

I think the Ranking Member wants to close.

Mr. THOMPSON. Well, since we don't want to shut this down, Mr. Secretary, one of the challenges is resources. If, in fact, the dangers are more based on open-source information and take our word for it, it might be right, would it not be incumbent upon Members of Congress to put the resources in a position to address those challenges?

Mr. RIDGE. Congressman, I would say you ask me to respond to a very general question which I am not comfortable in responding to. I would just simply say I am open to more resources, but where? I mean, I must tell you, when I see that we have gone from 180,000 to 240,000 people, I have got to tell you, I don't know where the other 60,000 people are. I mean, I know you need to put more people in ICE; I know you need to put more people on the borders. I get all that.

So in my judgment, resources doesn't necessarily mean more people. Let's assume you need every single one of them every single day.

I would answer your question that I am always prepared to accept more resources if they are targeted toward a specific purpose, and I think obviously that is not a conversation we are going to have publicly unless you want to. But I never turn my back on resources, but I will tell you, when the first year I was Secretary of Department of Homeland Security I said, "Before you give me more money let's see how we are spending the money we already have."

I mean, there may be no more resources, but I don't think more resources means more bodies. It probably means more and better technology. Perhaps it means more training.

There are a variety of things where you could probably convince me you needed more resources. I would just answer generally, sir, that I suspect even in my own mind there are some places you need more, but I would like to be more specific in my response.

Generally, just an increase in the budget doesn't mean anything to me.

Mr. THOMPSON. You know, we can always respond like you did, and you took the personnel route. But you know there is technology, there are a lot of things that we can address. But if the dangers are greater then either you have to improve technology and equipment, you will have to do some things rather than cut, cut, cut.

I think my challenge and comment to you is for this committee to look very seriously at what those dangers are and resist this notion to cut, cut, cut when we know in good conscience that things are not safe. That is my point to you, you know, since you said you had some open-source information. I am just saying to you that there are some issues on a fiscal side.

Mr. RIDGE. Well, I think, Congressman, if I might, I suspect there is always a need to upgrade the technology the men and women have at their disposal, training at their disposal. As I look at the construct of the Department now, it is tough for me to imagine you need more people, but more and better technology is certainly is always an appropriate investment in making America more secure. That is for certain.

But having said that, at the end of the day you can have more people and more technology but if you don't have the information in a timely way it is still going to be difficult for the Department and the men and women in the Department to do their job.

Mr. THOMPSON. I agree with you, but let me just say that only 37 percent of the people who are employed at DHS, based on information we have received, say that they have the sufficient resources to get the job done. So there are some issues out here that I think as Members of Congress we need to grapple with.

Mr. RIDGE. Well, it is interesting with resources we didn't talk personnel, and I think that is very appropriate discussion as to what those resources need to be. I remember talking to Customs and Border Protection years gone by and you and your Congress very appropriately I think there are another 15,000 or 20,000 down there, but they said, "We could still use more and better technology to help us do our jobs," and there is a lot of it out there almost off the shelf that you could put in.

If that is what you are talking about then I think you and I would probably be in agreement. Better technology empowering these men and women to do a more effective job is always a good investment.

Chairman McCAUL. If I could just associate myself with that, I know, particularly with respect to the border, I know that technology is really going to be the answer down there. With any luck, we are going to pass a budget today that, as we look at sequestration, some of the impacts it has had, particularly on our readiness and our National security issues—I know the Navy has had to pull out of interdiction, the Coast Guard has had to scale back on interdiction efforts. We try to push the border out but it may come closer.

There may be some relief, I think, for some of these National security issues with this vote that we have today.

So I see we have a Member that just arrived.

Mr. Horsford, you are recognized.

Mr. HORSFORD. Thank you, Mr. Chairman, to you and to the Ranking Member, Mr. Thompson.

Obviously this is a very timely hearing and a very important one, and I want thank Secretary Ridge for being here.

I am a new Member and still learning the ropes, but what I have learned so far is obviously the Department of Homeland Security is the third-largest Federal agency with critical mission and secu-

urity of our National interests as their primary focus. We need to do everything we can to make sure they are structured properly, they are resourced properly, that the coordination between various departments and agencies—divisions and agencies within the Department are working effectively.

So I guess my question to you, Mr. Ridge, is kind of the lack of unification among the Department headquarters and its components is often cited as a contributing factor to low morale because many of the legacy employees tend to cling to some of the old ways of doing things before the Department was restructured. As the first Secretary, you were responsible for transforming the newly-created agency into one unified Department.

So what were the challenges you faced in this process at that time and what do you think or how do you think bringing together 22 separate and distinct agencies impacted employee morale then, and what are your observations of it now?

Mr. RIDGE. Well first of all, I thank you for your question. The consolidation of some of these headquarters ultimately at Saint Elizabeth's I think would serve the country and the new Secretary down the road very well. It would be very difficult—it is manageable but it is more than logistics.

When you have got Secret Service one place, and you have got Coast Guard another, and you have got Border Patrol here, and so the Secretary does not have the opportunity to interact with the leaders of his—these different entities except on an ad hoc basis. We had to schedule time for each other, and I don't think that is necessarily a good thing.

So I look forward to the consolidation of headquarters with some of the leadership of the critical agencies there.

Second, I always felt that the men and women of Homeland Security—people said, "How difficult was it to get this started?" I said, right after 9/11 these men and women had a sense of mission and purposefulness that I would daresay they probably didn't quite feel the same way on September 10.

But finally, the broader community—Congress and the rest of the world—realized how important Customs is, how important Immigration is, and how important the Coast Guard is. So I think there was a sense of mission that I don't think they have lost.

I don't know if you were here when your Congressman Thompson talked about resources. I think the men and women there can always use additional training and more equipment to do their job, so I don't doubt their commitment to the mission. I just think it is easier for the Secretary—he can be much more effective if all these vacancies are filled, and the actings become permanent, and that way the leadership team is accountable but also the organization knows they are going to be accountable to permanent leadership within the organization, as well.

So I think everything this committee has done to date in concert and encouraging the folks on the other side of this building to do their job and do it expeditiously is a very positive thing for the Department and for Secretary Johnson. He needs help.

There are only three people who know how complex his job is. He could use a full team. I mean, I wouldn't want to be playing—as bad as the Redskins are this year, I am not sure I would want

to be playing them with only 8 people on each side of the line against 11. You just need a full team.

Mr. HORSFORD. If I could follow up, Mr. Chairman, one thing that we have heard, and it may have come up earlier, is the suggestion, even from those in the Department, of kind of a chief operating officer role—someone who can handle more of the day-to-day management coordination and to allow the Secretary and the other agency heads to, you know, work on bigger policy or implementation objectives. Do you agree with that recommendation?

Mr. RIDGE. Well, that is a title. I think you can make that assignment. I had a great relationship with Admiral Loy, who was my deputy, and there was a division of labor, and I would say informally if you talk to my team, many of them saw him as the COO. I mean, I would meet with the agencies' heads on individual initiatives, occasionally meet together as a group, but in terms of overseeing much of the day-to-day operation, my deputy did that.

Whether or not you would add, in addition to the deputy, a COO, I am not sure—I guess I could be convinced, but I really think that that is a very appropriate role for the No. 2. That is why the No. 2 position is so critically important, as some of these others are, to a complete and effective and functioning office.

By designation might help, but I think that is—in my—during my tenure that is what Admiral Loy did.

Chairman MCCAUL. Well, thank you.

Mr. Secretary, let me just say thank you, again, for being here today. Thank you for your service, and we look forward to having you back.

Mr. RIDGE. Mr. Chairman, Ranking Member, let me thank you very much.

Mr. Thompson, upon reflection, I cannot miss the opportunity to say there is one group of people within the Department of Homeland Security that are multi-tasked and underfunded on an annual basis. It is the United States Coast Guard. So if you are looking to me to make a specific recommendation where they probably could use more personnel, they could certainly use more and better and newer equipment, it is a grossly underfunded, over-achieving, incredible group of men and women in our United States Coast Guard.

Mr. THOMPSON. Couldn't agree with you more. It is on the record. We will have some budget conversations.

Mr. RIDGE. Good. Thank you, sir.

Thank you very much. It has been a privilege to serve before—to testify before you and I look forward to future opportunities. Thank you very much.

Chairman MCCAUL. Privilege to have you here.

This panel is dismissed.

The committee will come back to order. I am pleased to announce the second panel of today's hearing. I appreciate your patience. I know it is lunchtime; we all have plans that we are missing right now.

But with that, let me introduce the witnesses. First, David Maurer became a director in the Government Accountability Office homeland security and justice team in 2009. He leads the GAO's work reviewing DHS and DOG management issues. His recent

work covers DHS management integration, nuclear smuggling, research, and development at DHS, DOJ grant management, crowding in the Federal prison system, and counterterrorism staffing vacancies at the FBI. That is quite a resume.

Next we have Mr. Max Stier is the president and CEO of the Partnership for Public Service. Partnership is a nonprofit, non-partisan, mission-driven organization working to revitalize our Federal Government by transforming the way Government works. Mr. Stier has worked previously in all three branches of Government, including as an aide to Congressman Jim Leach, a clerk for Justice David Souter at the U.S. Supreme Court, and deputy general counsel for the Department of Housing and Urban Development.

Thank you for being here today.

Last but not least, Ms. Colleen Kelley is the National president of the National Treasury Employee Union, or NTEU, the Nation's largest independent Federal sector union. It represents 150,000 employees and 31 separate Government agencies, including over 24,000 Customs and Border Protection employees stationed at 329 ports of entry.

The full statements of the witnesses will appear in the record.

The Chairman now recognizes Mr. Maurer for 5 minutes.

**STATEMENT OF DAVID C. MAURER, DIRECTOR, HOMELAND SECURITY AND JUSTICE ISSUES, GOVERNMENT ACCOUNTABILITY OFFICE**

Mr. MAURER. Great. Thank you, Chairman McCaul and Representative Clarke. It is a pleasure to be here this morning to discuss employee morale and senior-level vacancies at the Department of Homeland Security.

Over the past year GAO has issued reports on DHS's efforts to improve its morale and fill vacant positions. I would like to briefly highlight and update some of the key findings from that work.

As you well know, morale has been a long-standing problem at DHS. Our report last year drew on 2011 survey results, and at that time DHS was 33rd out of 37 large agencies in job satisfaction.

The encouraging news then was that DHS's scores had slowly but steadily improved from 2006 to 2011. However, since our report, DHS morale scores have declined. This year DHS ranked next-to-last among 37 large agencies in employees' view of leadership.

Of particular concern, DHS employee satisfaction scores dropped 7 percentage points since 2011, and that is more than the Government-wide decrease of 4 percent. In other words, the gap between DHS and the rest of the Government is growing.

DHS-wide results mask significant differences across the components. Coast Guard and the U.S. Citizen and Immigration Service have higher job satisfaction than Government-wide averages while TSA, ICE, and the Science & Technology Directorate were all at least 10 points lower than the Government-wide figures.

The wide variation in morale across and within components demonstrates a key challenge. Across such a large, diverse department there is no single morale problem and there is no single fix.

In fact, keep this idea in mind: Morale is a symptom of other problems. To improve morale you need to look behind the numbers. Survey scores don't tell you why people responded the way they did; they don't tell you the underlying problems, and they don't tell you what you need to do to fix those problems.

DHS, to its credit, has been working for years to get behind their morale scores. They have done focus groups, detailed analysis, and created senior-level groups to identify and then address the root causes behind low morale.

But last year we found these measures didn't go far enough, so we recommended and DHS agreed to implement more robust root cause analysis of what is contributing to low morale scores. Since our report, DHS has taken action but still has more work ahead before we can close our recommendations as implemented.

I will now briefly turn to the issue of senior-level vacancies. DHS used to have a significant problem in vacancies for SES positions. Our report last year found that 25 percent of SES positions were vacant in 2006.

There were a variety of efforts. By the end of 2011 DHS was able to bring that vacancy rate down to 10 percent, which is comparable to Government-wide averages. In preparing for today's hearing, we obtained updated numbers from DHS which show SES vacancies are now about 11 percent.

For politically-appointed positions the story is different. The number of vacant political positions at DHS has doubled since last year. Some of these vacancies are currently filled by someone in an acting capacity, including the Secretary, deputy secretary, and three under secretaries.

So what impact do senior-level vacancies have? Well, when you compare the analysis from our two reports you find something interesting—namely, those components with the highest levels of SES vacancy rates were also the components with the lowest morale scores.

Now, the relationships between these two factors isn't clear. Maybe low morale contributes to higher vacancies; maybe it is the other way around. Or maybe there are some other factors that somehow explain both of these problems.

But here is the point: Low morale and high vacancies are symptoms. A robust root cause analysis would help DHS understand the underlying problems and better position the Department to address them.

This won't be easy. There are likely many different underlying reasons within and across DHS components. It will take time, resources, continued senior leadership commitment, and recognition there will not be a one-size-fits-all solution.

Only DHS can determine the root causes of its morale problems and identify and implement the necessary fixes. My hope is that today's hearing and our work provides useful insights and helps DHS become an even better place to work for its Department—for its employees.

Mr. Chairman, thank you for the opportunity to testify. I look forward to your questions.

[The prepared statement of Mr. Maurer follows:]

## PREPARED STATEMENT OF DAVID C. MAURER

DECEMBER 12, 2013

DEPARTMENT OF HOMELAND SECURITY.—DHS'S EFFORTS TO IMPROVE EMPLOYEE  
MORALE AND FILL SENIOR LEADERSHIP VACANCIES

GAO-14-228T

Chairman McCaul, Ranking Member Thompson, and Members of the committee: I appreciate the opportunity to discuss our work on morale and senior leadership vacancy rates at the Department of Homeland Security (DHS).

DHS is the third-largest Cabinet-level department in the Federal Government, employing more than 240,000 staff in a broad range of jobs, including aviation and border security, emergency response, cybersecurity, and critical infrastructure protection. The DHS workforce is situated throughout the Nation, carrying out activities in support of DHS's missions to: (1) Prevent terrorism and enhance security, (2) secure and manage the Nation's borders, (3) enforce and administer immigration laws, (4) safeguard and secure cyberspace, and (5) ensure resilience to disasters.

Since it began operations in 2003, DHS has faced challenges in implementing its human capital functions, and Federal surveys have consistently found that DHS employees are less satisfied with their jobs than the Government-wide average of Federal employees. For example, DHS's scores on the 2012 and 2013 Office of Personnel Management (OPM) Federal Employee Viewpoint Survey (FEVS)—a tool that measures employees' perceptions of whether and to what extent conditions characterizing successful organizations are present in their agency—and the Partnership for Public Service's 2012 rankings of the *Best Places to Work in the Federal Government*, were lower than Government-wide averages. For example, DHS ranked 36th of the 37 agencies that participated in the 2013 FEVS when it came to both the Leadership and Knowledge Management Index, which indicates the extent employees hold their leadership in high regard, both overall and on specific facets of leadership, and the Job Satisfaction Index, which indicates the extent employees are satisfied with their jobs and various aspects thereof. In particular, DHS's percentage of positive responses for the Leadership and Knowledge Management Index was 9 percentage points below the Government-wide average and 7 percentage points below the Government-wide average for the Job Satisfaction Index.<sup>1</sup> We have previously reported that successful organizations empower and involve their employees to gain insights about operations from a front-line perspective, increase their understanding and acceptance of organizational goals and objectives, and improve motivation and morale.<sup>2</sup>

In addition, Congress has raised questions about DHS's ability to hire and retain senior executives. For example, a May 2013 report from the House Committee on Appropriations raised concerns about the number of vacant senior leadership positions at DHS.<sup>3</sup> DHS has also, in its human capital strategic plan, reported on facing challenges in recruiting and hiring qualified individuals to fill vacancies at the senior executive level. As we reported in March 2003, high-performing organizations understand that they need senior leaders who are accountable for results, drive continuous improvement, and stimulate and support efforts to integrate human capital approaches with organizational goals and related transformation.<sup>4</sup>

Within DHS, the Office of the Chief Human Capital Officer (OCHCO) is responsible for implementing policies and programs to recruit, hire, train, and retain DHS's workforce. As the Department-wide unit responsible for human capital issues within DHS, OCHCO also provides guidance and oversight related to morale issues to the DHS components. In addition, OCHCO provides OPM with a DHS-wide action plan every other year and provides a survey analysis and action planning tool to components that they are to use in response to FEVS results to develop action plans for improving employees' positive scores.

<sup>1</sup> In the 2013 FEVS, 50 percent of DHS's employees gave positive responses on the Leadership and Knowledge Management Index whereas 59 percent of employees Government-wide gave positive responses. Similarly, 57 percent of DHS employees gave positive responses on the Job Satisfaction Index, compared with the Government-wide average of 64 percent.

<sup>2</sup> GAO, *High-Risk Series: Strategic Human Capital Management*, GAO-03-120 (Washington, DC: Jan. 2003).

<sup>3</sup> See H.R. Rep. No. 113-91, at 14-15 (May 29, 2013) (Dep't of Homeland Security Appropriations Bill, 2014, H.R. 2217, 113th Cong. (2d Sess. 2013)).

<sup>4</sup> GAO, *Results-Oriented Cultures: Creating a Clear Linkage between Individual Performance and Organizational Success*, GAO-03-488 (Washington, DC: Mar. 14, 2003).

My testimony today focuses on key findings of our prior work related to morale and leadership vacancies at DHS, and addresses: (1) How DHS's employees' workforce satisfaction compares with that of other Federal Government employees and the extent to which DHS is taking steps to improve employee morale, and (2) vacancies in DHS senior leadership positions. This statement is based on our February 2012 and September 2012 reports and selected updates conducted in December 2013 related to DHS efforts to address recommendations we made in our prior work.<sup>5</sup> For our February 2012 and September 2012 reports, among other methodologies, we analyzed survey evaluations for the 2011 FEVS, reviewed senior leadership vacancy and attrition information for DHS and selected DHS components, and interviewed DHS officials. We further reviewed DHS and component 2011 action planning documents from U.S. Immigration and Customs Enforcement (ICE), the Transportation Security Administration (TSA), the Coast Guard, and U.S. Customs and Border Protection (CBP). To determine Senior Executive Service (SES) vacancy rates from fiscal years 2006 through 2011, we analyzed Departmental and component information on senior-level allocations from OPM and on-board data by pay period from the National Finance Center. More detailed information on the scope and methodology appears in our February 2012 and September 2012 reports. For the selected updates, we analyzed results for the 2012 and 2013 FEVS and DHS leadership vacancy data, and interviewed agency officials on the reliability of these data and DHS's progress in implementing our recommendations. We provided information in this statement to DHS for review to ensure its accuracy. The Department provided technical comments, which we incorporated, as appropriate. We conducted the work on which this statement is based in accordance with generally accepted Government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

FULLY IMPLEMENTING GAO'S PRIOR RECOMMENDATIONS FOR BETTER DETERMINING CAUSES OF MORALE PROBLEMS WOULD ASSIST IN TARGETING ACTION PLANS

In September 2012, we found that DHS employees reported having lower average morale than the average for the rest of the Federal Government, but morale varied across components and employee groups within the Department.<sup>6</sup> Specifically, we found that DHS employees as a whole reported lower satisfaction and engagement—the extent to which employees are immersed in their work and spending extra effort on job performance—than the rest of the Federal Government according to several measures. In particular, the 2011 FEVS showed that DHS employees had 4.5 percentage points lower job satisfaction and 7.0 percentage points lower engagement. Although DHS employees generally reported improvements in Job Satisfaction Index levels from 2006 to 2011 that narrowed the gap between DHS and the Government average, employees continued to indicate less satisfaction than the Government-wide average.<sup>7</sup> For example, DHS employees reported satisfaction increased by 5 percentage points, from 59 percent in 2006 to 64 percent in 2011, but scores in both years were below the Government-wide averages of 66 percent and 68 percent, respectively. As we reported in September 2012, the Partnership for Public Service analysis of FEVS data also indicated consistent levels of low employee satisfaction for DHS relative to those of other Federal agencies. As with DHS's 2011 ranking, 31st of 33 large Federal agencies, the Partnership for Public Service ranked DHS 28th of 32 in 2010, 28th of 30 in 2009, and 29th of 30 in 2007 in the *Best Places to Work* ranking on overall scores for employee satisfaction and commitment.<sup>8</sup>

As we reported in September 2012, our analyses of 2011 FEVS results further indicated that average DHS-wide employee satisfaction and engagement scores were consistently lower when compared with average non-DHS employee scores in the same demographic groups, including supervisory status, pay, and agency tenure

<sup>5</sup> GAO, *Department of Homeland Security: Taking Further Action to Better Determine Causes of Morale Problems Would Assist in Targeting Action Plans*, GAO-12-940 (Washington, DC: Sept. 28, 2012) and *DHS Human Capital: Senior Leadership Vacancy Rates Generally Declined, but Components' Rates Varied*, GAO-12-264 (Washington, DC: Feb. 10, 2012).

<sup>6</sup> GAO-12-940.

<sup>7</sup> Two thousand six is the first year in which Job Satisfaction Index data were made available and can be compared between DHS and the rest of the Federal Government.

<sup>8</sup> Partnership for Public Service and the Institute for the Study of Public Policy Implementation at the American University School of Public Affairs, *The Best Places to Work in the Federal Government*. The Partnership for Public Service's ranking cited here is composed of rankings of large agencies, defined as agencies with more than 2,000 full-time permanent employees. The Partnership for Public Service did not publish Best Places to Work rankings in 2008.

groups. For example, within most pay categories, DHS employees reported lower satisfaction and engagement than non-DHS employees in the same pay groups. In addition, we reported that DHS was not more likely than other agencies to employ the types of staff who tended to have lower morale across all agencies. Instead, employees in the various groups we analyzed had lower morale at DHS than the same types of employees at other agencies. We concluded that the gap between DHS and Government-wide scores may be explained by factors unique to DHS, such as management practices and the nature of the agency's work, or by differences among employees we could not analyze.

In September 2012, we also found that levels of satisfaction and engagement varied across components, with some components reporting scores above the non-DHS averages. For example, employees from CBP and the Coast Guard were 1 and 1.5 percentage points more satisfied than the rest of the Government, respectively, according to the 2011 FEVS Job Satisfaction Index. We further reported that several components with lower morale, such as TSA and ICE, made up a substantial share of FEVS respondents at DHS, and accounted for a significant portion of the overall difference between the Department and other agencies. For example, survey respondents representing the approximately 55,000 employees at TSA and approximately 20,000 employees at ICE were on average 11.6 and 7.9 percentage points less satisfied than the rest of the Government, respectively.<sup>9</sup> Job satisfaction and engagement varied within components as well. For example, employees in TSA's Federal Security Director staff reported higher satisfaction (by 13 percentage points) and engagement (by 14 percentage points) than TSA's airport security screeners. Within CBP, Border Patrol employees were 8 percentage points more satisfied and 12 percentage points more engaged than CBP field operations employees.<sup>10</sup> On the basis of our findings we concluded that given this variation across and within components, it was imperative that DHS understand and address employee morale problems through targeted actions that address employees' underlying concerns.

In our September 2012 report, we also found that DHS and the selected components had taken steps to determine the root causes of employee morale problems and implemented corrective actions, but that the Department could strengthen its survey analyses and metrics for action plan success. To understand morale problems, DHS and selected components took steps, such as implementing an exit survey and routinely analyzing FEVS results. Components GAO selected for review—ICE, TSA, the Coast Guard, and CBP—conducted varying levels of analyses regarding the root causes of morale to understand leading issues that may relate to morale. DHS and the selected components planned actions to improve FEVS scores based on analyses of survey results, but we found that these efforts could be enhanced. Specifically, 2011 DHS-wide survey analyses did not include evaluations of demographic group differences on morale-related issues, the Coast Guard did not perform benchmarking analyses, and it was not evident from documentation the extent to which DHS and its components used root cause analyses in their action planning to address morale problems. As we reported in September 2012, without these elements, DHS risked not being able to address the underlying concerns of its varied employee population. We therefore recommended that DHS's OCHCO and component human capital officials examine their root cause analysis efforts and, where absent, add the following: Comparisons of demographic groups, benchmarking against similar organizations, and linkage of root cause findings to action plans.

In addition, in September 2012, we found that despite having broad performance metrics in place to track and assess DHS employee morale on an agency-wide level, DHS did not have specific metrics within the action plans that were consistently clear and measurable. For example, one way the Coast Guard intended to address low-scoring FEVS topics was through improving employee training options, which it sought to measure by whether it developed e-learning courses for new employees. However, we found that this measure lacked key information that would make it more clear—namely, the course content or the specific training being provided—and did not list quantifiable or other measure values to determine when the goal had been reached, such as a target number of new employees who would receive training. As a result, we concluded that DHS's ability to assess its efforts to address employee morale problems and determine if changes should be made to ensure progress toward achieving its goals was limited. To help address this concern, we recommended that DHS components establish metrics of success within their action plans that are clear and measurable.

<sup>9</sup> Estimates of job satisfaction have a 95 percent margin of error of no more than plus or minus 6.3 percentage points.

<sup>10</sup> All the differences within components discussed here are distinguishable from zero at the 0.05 level.

DHS concurred with our two recommendations and has taken steps since September 2012 to address them. However, as of December 2013, DHS has not yet fully implemented these recommendations.

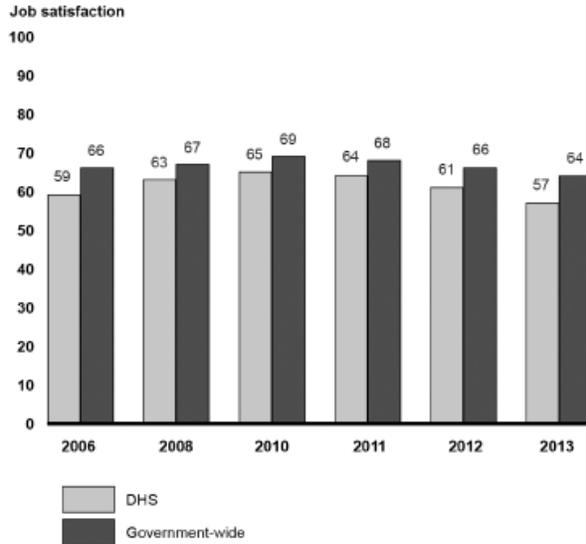
- *Enhancing root cause analysis.*—As of December 2013, DHS OCHCO had created a checklist for components to consult when creating action plans to address employee survey results. The checklist includes instructions to clearly identify the root cause associated with each action item and to indicate whether the action addresses the root cause. In addition, according to DHS OCHCO officials, OCHCO, CBP, ICE, and TSA completed demographic analysis of the 2012 FEVS results, but were not certain of the extent to which other components had completed analyses. However, according to these officials, difficulties in identifying comparable organizations limited components' benchmarking efforts. For example, while CBP identified a Canadian border security organization with which CBP officials intend to benchmark employee survey results, other DHS components did not find organizations, such as airport security organizations, against which to benchmark. OCHCO officials did not elaborate, however, on why it was difficult to find organizations against which to benchmark. We recognize that there can be some challenges associated with identifying organizations against which to benchmark. However, we continue to believe that DHS components could benefit from doing so as, according to the Partnership for Public Service, benchmarking agency survey results against those of similar organizations can provide a point of reference for improvements. DHS components and DHS-wide efforts have not yet fully examined their root cause analysis efforts and, where absent, added comparisons of demographic groups, benchmarking against similar organizations, and linkage of root cause findings to action plans, as we recommended in September 2012.
- *Establishing metrics of success.*—OCHCO officials stated that, as of December 2013, they had directed component human capital officials to reevaluate their action plans to ensure that metrics of success were clear and measurable. However, in December 2013 we reviewed the 2013 action plans produced by the four DHS components we selected for our September 2012 report—ICE, CBP, TSA, and the Coast Guard—and found that their measures of success did not contain clear and measurable targets. Of the 53 measures of success reviewed across the four components, 16 were unclear and 35 lacked measurable targets.<sup>11</sup> For example, one action item, to create a clear and compelling direction for ICE, is to be implemented by creating a work group consisting of the top six leaders in the agency together with the heads of ICE's policy and public affairs offices to create a clear and compelling mission and priorities to drive the agency's efforts. To determine whether ICE succeeds in implementing this action item, ICE's measures of success include: (1) Agency creates a mission statement and priority that guide employee focus and behaviors; (2) ICE's first several layers of leadership indicate full support for the hard choices the direction-setting causes; (3) test focus group results; and (4) pulse survey. However, it is not clear, for example, what the "test focus group results" and "pulse survey" measures of success are measuring, and there are no measurable targets against which to assess success. By ensuring that DHS and component action plans contain measures of success that are clear and include measurable targets, DHS can better position itself to determine if its action plans are effective.

Despite DHS's efforts, since publication of our September 2012 report, DHS employee morale has declined, and the gap between DHS and Government-wide scores has widened in key areas. Specifically, FEVS fiscal year 2012 and 2013 survey results released since our 2012 report indicate that DHS employees continue to report lower average satisfaction than the average for the rest of the Federal Government. For example, as shown in figure 1, 2013 FEVS data show that DHS employee satisfaction decreased 7 percentage points since 2011, which is more than the Government-wide decrease of 4 percentage points over that same period of time. As a re-

<sup>11</sup>In November 2002, we identified nine attributes of successful metrics that allow agencies to better determine whether they are meeting their goals while holding agency staff accountable for improving performance. Of these nine attributes, we determined three—linkage, clarity, and measurable targets—are relevant to our September 2012 evaluation. The six attributes that we did not evaluate were objectivity, reliability, core program activities, balance, Government-wide priorities, and limited overlap. We did not include these six attributes because they were not relevant to employee morale action planning efforts. The two attributes evaluated here are defined as follows: *Clarity.*—Determines whether the performance measures are clearly stated; and *Measurable target.*—Determines whether performance measures have quantifiable, numerical targets or other measurable values, where appropriate. See GAO, *Tax Administration: IRS Needs to Further Refine Its Tax Filing Season Performance Measures*, GAO-03-143 (Washington, DC: Nov. 22, 2002).

sult, DHS employee satisfaction in 2013 is 7 percentage points lower than the Government-wide average, a difference not seen since 2006.

**Figure 1 Department of Homeland Security (DHS) Employee Job Satisfaction Index Scores Compared with Government-wide Averages, 2006, 2008, 2010, 2011, 2012, and 2013**



Source: U.S. Office of Personnel Management.

Moreover, consistent with our reporting in September 2012, morale varied across components, as shown in Table 1. For example, while the Federal Law Enforcement Training Center and U.S. Citizenship and Immigration Service scored above the Government-wide average with respect to employee satisfaction, the TSA and the National Protection and Programs Directorate scored below the Government-wide average.

TABLE 1.—DEPARTMENT OF HOMELAND SECURITY (DHS) COMPONENT JOB SATISFACTION AND ENGAGEMENT SCORES, 2013,  
SORTED BY JOB SATISFACTION INDEX SCORE

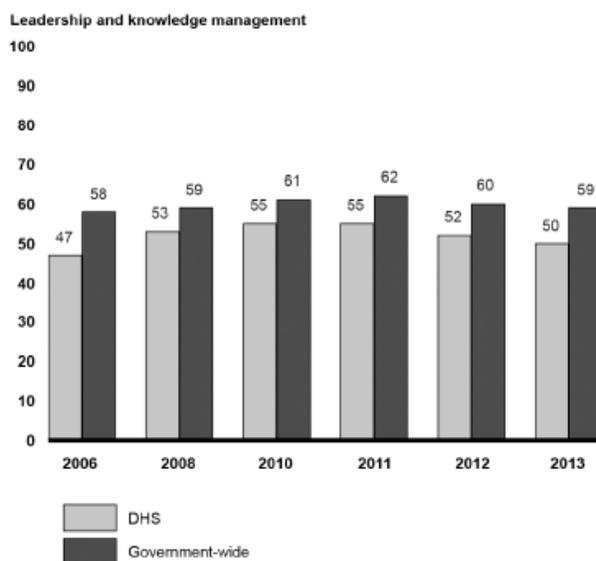
Component	Employee Satisfac- tion Index (percent- age points)	Difference From Government-wide Average (percentage points)	Employee Engage- ment Index (per- centage points)	Difference From Government-wide Average (percentage points)
Federal Law Enforcement Training Center .....	72	8	68	4
U.S. Citizenship and Immigration Service .....	69	5	67	3
U.S. Coast Guard .....	66	2	70	6
Inspector General .....	65	1	64	0
U.S. Secret Service .....	62	-2	62	-2
Federal Emergency Management Agency .....	60	-4	57	-7
Office of the Secretary .....	59	-5	62	-2
U.S. Customs and Border Protection .....	58	-6	54	-10
Under Secretary for Management .....	56	-8	59	-5
Office of Intelligence and Analysis .....	56	-8	55	-9
U.S. Immigration and Customs Enforcement .....	54	-10	52	-12
Transportation Security Administration .....	54	-10	54	-10
National Protection and Programs Directorate .....	54	-10	51	-13
Science and Technology Directorate .....	52	-12	49	-15
DHS-wide .....	57	-7	56	-8

Source.—GAO analysis of DHS data.

Note.—Estimates are based on the U.S. Office of Personnel Management Federal Employee Viewpoint Surveys of Federal employees. Because the surveys inter-  
viewed a sample of employees, the estimates have a margin of sampling error equal to plus or minus 1 percentage point for the population of all permanent, non-  
seasonal Federal employees. The surveys prior to 2012 included these employees only if they worked full-time, whereas the 2012 and 2013 surveys included part-  
time employees. The estimates in this table apply to smaller subpopulations of employees within DHS, and generally will have larger sampling errors than esti-  
mates for the entire population targeted by the survey. As a result, some of the differences we report between DHS and non-DHS employees may not be statis-  
tically distinguishable from zero.

In addition, DHS has also consistently scored lower than the Government-wide average on the FEVS Leadership and Knowledge Management Index, which indicates the extent to which employees hold their leadership in high regard, both overall and on specific facets of leadership. For example, the index includes questions such as whether leaders generate high levels of motivation and commitment in the workforce, and whether employees have a high level of respect for their organization's senior leaders. From fiscal years 2006 through 2013, DHS scored lower than the Government-wide average each year for which survey data are available.<sup>12</sup> While Government-wide scores for this index have declined 3 percentage points since 2011, DHS's scores have decreased 5 percentage points, widening the gap between DHS and the Government-wide average to 9 percentage points. See figure 2 for additional detail.

**Figure 2: Department of Homeland Security (DHS) Employee Leadership and Knowledge Management Index Scores Compared with Government-wide Averages, 2006, 2008, 2010, 2011, 2012, and 2013**



Source: U.S. Office of Personnel Management.

Note: Estimates are based on the U.S. Office of Personnel Management Federal Employee Viewpoint Surveys of federal employees. Because the surveys interviewed a sample of employees, the estimates have a margin of sampling error equal to plus or minus 1 percentage point for the population of all permanent, non-seasonal federal employees. The surveys prior to 2012 included these employees if they worked full-time, whereas the 2012 and 2013 surveys included part-time employees. Because the FEVS was not administered each year, the job Leadership and Knowledge Management Index and DHS versus government-wide averages are available only for 2006, 2008, 2010, 2011, 2012, and 2013.

In December 2013, DHS senior officials provided a recent analysis they performed of 2012 FEVS results that indicated DHS low morale issues may persist because of employee concerns about senior leadership and supervisors, among other things, such as whether their talents are being well-used. DHS's analysis of the 2012 FEVS results identified survey questions that correlated most strongly with index measures, such as the Job Satisfaction and Employee Engagement indexes. As noted in DHS's analysis, the evaluation assessed the correlations among survey items, but did not attempt to identify the root cause for the survey results. For example, DHS

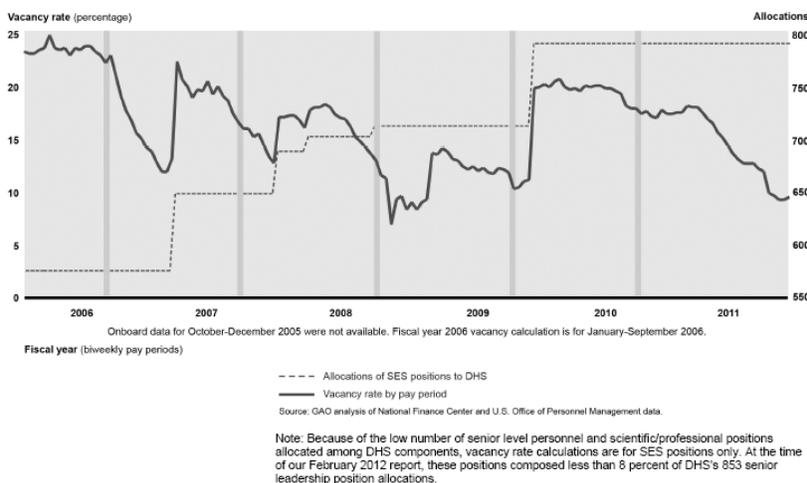
<sup>12</sup>Because the FEVS was not administered each year, the job Leadership and Knowledge Management Index and DHS versus Government-wide averages are available only for 2006, 2008, 2010, 2011, 2012, and 2013.

found that the survey question, “How satisfied are you with the policies and practices of your senior leaders?” was more strongly correlated with the Job Satisfaction Index. However, DHS did not do further research to determine the specific senior leader policies and practices that affected satisfaction or explain why this effect occurred. According to DHS senior officials, on the basis of the results of this analysis and the Acting Secretary of Homeland Security’s review of the 2013 FEVS results, the Department plans to launch additional employee surveys to probe perspectives on Departmental leadership. As we have previously reported, given the critical nature of DHS’s mission to protect the security and economy of our Nation, it is important that DHS employees be satisfied with their jobs so that DHS can retain and attract the talent required to complete its work. Accordingly, it is important for DHS to continue efforts to understand the root causes behind employee survey results.

SENIOR LEADERSHIP VACANCY RATES GENERALLY DECLINED, BUT COMPONENTS’ RATES VARIED

In February 2012, we reported that DHS SES vacancy rates, while reaching a peak of 25 percent in 2006, had generally declined since that time—from 25 percent in fiscal year 2006 to 10 percent at the end of fiscal year 2011, as shown in figure 3.<sup>13</sup>

Figure 3: Department of Homeland Security (DHS) Senior Executive Service (SES) Vacancy Rates, Fiscal Years 2006 through 2011



Since February 2012, DHS data indicate that SES vacancy percentages have remained relatively stable. In particular, according to DHS data, at the end of fiscal year 2012 the SES vacancy rate was approximately 9 percent, and approximately 11 percent at the end of fiscal year 2013.<sup>14</sup>

<sup>13</sup> GAO-12-264. DHS relies on four types of senior leadership positions to operate and oversee nearly every activity in the Department: (1) Presidential appointments (with or without Senate confirmation); (2) SES personnel who carry out managerial, supervisory, and policy advisory responsibilities; (3) senior-level personnel who provide expertise in complex areas that generally do not have a managerial focus; and (4) scientific/professional personnel who are specialized professionals who generally have fundamental research and development responsibilities. The senior leadership vacancies and attrition examined in our February 2012 report focus on SES personnel and do not include Presidential appointments.

<sup>14</sup> The 2006–2011 data that we reported in February 2012 presented vacancy rates by pay period as reported by the National Finance Center and OPM. The data for vacancy percentages at the end of the fiscal years 2012 and 2013 were reported to us by DHS. To determine the reliability of the fiscal years 2012 and 2013 data, we interviewed DHS officials responsible for maintaining the data. DHS officials stated that they have controls in place to ensure the accuracy of these data. For example, officials stated that they compare vacancy data in DHS’s database, which is electronically populated by the National Finance Center’s database, with personnel data they collect from across the Department and track manually. When they identify a discrepancy, they research and correct it, if necessary. On the basis of controls in place as

Although there is no generally agreed-upon standard for acceptable vacancy rates, to provide perspective, in our February 2012 report we compared DHS's rates with those of other agencies subject to the Chief Financial Officers (CFO) Act of 1990, as amended.<sup>15</sup> From fiscal years 2006 through 2010—the most recent year for which Federal-wide vacancy-rate data were available at the time of our February 2012 report—DHS vacancy rates were at times statistically higher than those at other CFO Act agencies.<sup>16</sup> For example, in fiscal year 2010, the DHS SES vacancy rate at the end of the year was 17 percent and ranged from a low of 8.4 percent to a high of 20.7 percent during the course of the year. This compares with an average vacancy rate across other CFO agencies of 9.0 percent at the end of fiscal year 2010. Further, as we reported in February 2012, vacancy rates varied widely across DHS components. For example, at the end of fiscal year 2011, 20 percent of SES positions at the Federal Emergency Management Agency (FEMA) and 19.5 percent of SES equivalent position at TSA were vacant, compared with 5 percent at the Coast Guard and zero percent at the U.S. Secret Service. Vacancy rates at components generally declined from 2006 through 2011.

In February 2012, we reported that component officials identified a number of different factors that may have contributed to component SES vacancy rates during that time period, including increases in allocations, events like Presidential transitions, and organizational factors such as reorganizations. We also found that in fiscal year 2010, DHS's senior leadership attrition rate was 11.4 percent, and that from fiscal years 2006 through 2010, the most frequent separation types were retirements and resignations.<sup>17</sup> DHS's attrition rates were statistically higher than the average of other CFO agencies in 2006, 2007, and 2009, but not statistically different in 2008 and 2010. OCHCO officials told us in December 2013 that while they no longer identify increases in allocations or organizational factors as significant to SES vacancy rates, budgetary constraints can present challenges. For example, these officials stated that budgetary constraints make it difficult for the Department to fund allocated positions.

In addition, DHS data provided in December 2013 indicate that the number of vacant DHS political positions, including positions that do and do not require Senate confirmation, doubled from 13 in fiscal year 2012 to 26 in fiscal year 2013.<sup>18</sup> From fiscal year 2012 to 2013, the total number of filled political positions decreased from 73 to 56.<sup>19</sup> In addition, some political positions were filled temporarily through employees serving in "acting" positions. In particular, DHS data provided in December 2013 indicate that 3 of 13 vacated positions were filled with personnel in acting positions at the end of fiscal year 2012 and 10 of 26 positions were filled in this manner at the end of fiscal year 2013.

DHS has efforts under way to enhance senior leadership training and hiring, but it is too early to assess their effectiveness at reducing vacancy rates. In February 2012, we reported that DHS had: (1) Implemented a simplified pilot hiring process aimed at attracting additional qualified applicants and planned to expand the method for all SES, and (2) implemented a centralized SES candidate development program aimed at providing a consistent approach to leadership training. According to DHS officials, as of December 2013, the pilot hiring process had been made available to all DHS components, but the Department had not performed analysis to assess the process' impact on hiring. In addition, officials stated that in 2013, the first class of SES candidates had completed the candidate development program; however, the program's impact on leadership training could not yet be determined.

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described by DHS, we determined that these data are sufficiently reliable for the purposes of illustrating changes in vacancy rates since 2011.

<sup>15</sup> See 31 U.S.C. §901 (identifying 24 agencies subject to requirements of the CFO Act). As of 2009, CFO Act agencies employed 98 percent of all Federal employees.

<sup>16</sup> GAO-12-264.

<sup>17</sup> Vacancies are created primarily in two circumstances. First, vacancies are created when employees separate from the organization, leaving a position unfilled. Second, vacancies are created when positions are created but not yet filled—such as when agencies receive additional allocations of senior leadership positions for which employee have yet to be hired.

<sup>18</sup> DHS officials explained that the data they provided represent political positions that have been filled in the recent past, but were vacant at the end of fiscal years 2012 and 2013. According to these officials, when political positions that are not established by statute are vacated, they may be filled by career incumbents, reallocated, or not backfilled.

<sup>19</sup> According to DHS data, 4 positions were eliminated between the end of fiscal year 2012 and the end of fiscal year 2013. According to DHS, these positions were non-career Senior Executive Service positions that were not backfilled. This included one position in the Office of General Council, one position in the Office of the Secretary, one position at the Federal Emergency Management Agency, and one position at U.S. Citizenship and Immigration Services.

Chairman McCaul, Ranking Member Thompson, and Members of the committee, this completes my prepared statement. I would be happy to respond to any questions you may have at this time.

Chairman MCCAUL. Thank you, Mr. Maurer. It is good to see you again.

The Chairman now recognizes Mr. Stier for his testimony.

**STATEMENT OF MAX STIER, PRESIDENT AND CEO,  
PARTNERSHIP FOR PUBLIC SERVICE**

Mr. STIER. Thank you, Chairman McCaul, Congresswoman Clarke. It is a pleasure to be here. Kudos to you for holding this hearing. It is a really important issue and this kind of focus on management issues you don't see all the time, so it is fabulous to be here to be able to talk about some of these issues.

I have two observations and then four recommendations that I would like to present. The first observation is the one that you started with here, which is, you know, the many leadership vacancies are a major problem and need to be addressed.

Just to take a step further and ask: Why are they there? Clearly there has been conversation around the Senate confirmation process.

I would like to also focus on two other issues, one of which is the second-term transition preparation process. We have done a lot of work at the Partnership for Public Service around transition planning.

It has now become accepted wisdom that coming in, a challenger is going to prepare a full team to get ready to govern if the candidate actually wins. There has been a lot less work done on what a second-term transition should look like, and frankly, I think there has been a lot less preparation in getting ready for this second-term transition, and that is the root cause of why you see so many vacancies not only at DHS but other agencies, as well.

So that is a point of which I think the committee could focus on: What should—this will come back again. It may not be for, you know, 8 years or whatever it may be, but this problem will come back again if there is not more attention paid to it.

You do need stable, sustained, and superlative leadership for any organization to work right, and certainly one as complex and important as DHS.

Second observation is that there is a really tight connection between leadership and the morale of any organization. What we see in our research through the Employee Viewpoint Survey and our Best Places to Work rankings is that the No. 1 cause—the No. 1 factor in—that influences the engagement of employees is a perspective around the senior leadership team. Therefore, investing and making sure you have your leadership in place, that they are working together as a team, and that they are actually the right folks is critically important to the organization's success, whether it is the Department of Homeland Security, again, anywhere.

So four recommendations that I would offer up for this committee: No. 1, obviously we need to strengthen the leadership capacity here. We have got to fill key vacancies, and there has been conversation about how that might happen better, the Senate.

One other proposition I would place towards you is that—what about trying to convert some of these leadership positions to career or term appointments rather than Senate-confirmed positions? So there was conversation around the COO. This is not an issue of whether you just give the title to somebody, but in the Partnership's perspective, we think that the COO ought to be a career or term-appointed position so that they can actually have continuous attention to management issues that, frankly, ought not to change from administration to administration, and they are not going to get fixed unless you have that long-term horizon.

GAO—great organization—they have a—their leader there has a 15-year term. I think that translates into better management in the organization. So you might consider whether there are some spots—the under secretary for Management, a COO, certainly the CFO, the other management positions—as, again, career or term appointments.

Second, you need to build a cohesive team that is focused both on political and career, and that is something that DHS needs to, I think, fundamentally view as a whole organization priority.

Third on the leadership side is holding senior leadership accountable for the employee engagement. Ray LaHood had a huge transformation effort at the Department of Transportation. One of the things he did is he baked into the performance plans of his career and non-career executives a requirement that they focus on employee engagement.

That is something that you can focus on in oversight or legislate, but again, that has real value. That says not just what you should be doing, but that this has to be a real priority for the leadership team, and that can have consequence.

Second, we need to invest more in leadership training and development. You heard from Governor Secretary Ridge that was a place he could imagine the need for more investment.

Frankly, the military model is a much better model. There is an investment in people. There is a sense that—there is a commitment to the growth of the top leadership and the mid-level and the entry leadership, as well.

You don't see that so much on the civilian side of Government. We need to see more of that at DHS. We need to see more of that, in particular, as a centralized function at the agency level and not just within the components, and that would have real consequence.

Third, we need to look at best practice. I mentioned Ray LaHood at Department of Transportation, where they had huge change.

We have a report that we did that outlines the big changes that were made in six different agencies. They have done a lot of different things that could be replicated at DHS.

There are great things that are happening within DHS—Coast Guard was mentioned as a model. We need to look at the bright spots and we need to build off those bright spots and then evaluate what works. It needs to be not a 1-year proposition where these numbers are looked at every year, but rather as a multi-year plan where the numbers are simply check-in points.

Then finally—and this is something that, at No. 4, comes out of this report, as well; you are going to hear next from Colleen Kelley. All of these organizations worked with Labor very effectively to ef-

fectuate the changes that they made in their organizations, and that is a critical ingredient to success.

So I hope to have an opportunity to answer questions, but thank you very much for the time.

[The prepared statement of Mr. Stier follows:]

PREPARED STATEMENT OF MAX STIER

DECEMBER 12, 2013

Chairman McCaul, Ranking Member Thompson, and Members of the subcommittee, thank you for the opportunity to appear before you today. I am Max Stier, president and CEO of the Partnership for Public Service, a nonpartisan, non-profit organization dedicated to revitalizing the Federal civil service and to transforming the way the Federal Government works. It is an honor to be here today to discuss an issue of critical importance: The impact of leadership vacancies at the Department of Homeland Security (DHS) on employee morale and ultimately the mission of the agency.

I have had the pleasure of testifying before this committee in the past about the workforce challenges facing the Department. Those challenges remain and we reiterate the recommendations we have previously made around strengthening leadership, improving management, and holding agency leaders accountable. I hope in my testimony today to offer some insight into the impact that leadership vacancies have on management and morale, and suggest actions leaders at DHS can take to improve employee engagement and ways in which Congress can support these efforts.

LEADERSHIP VACANCIES

For a number of years, DHS has been plagued by high turnover in key leadership positions and many positions remain vacant or with leaders designated in an “acting” position for several months or even years. The consequences are a lack of sustained leadership attention to management issues at the agency, a diminished ability to drive change, and a sense among employees that the organization in which they are working is not a priority.

The Partnership has been tracking a number of key leadership positions across all Cabinet agencies, and has found that among those positions we are tracking, DHS has one of the highest leadership vacancies (defined as positions that are unfilled or filled by an individual serving in an acting capacity) across Government. In the course of our research, a few positions stood out because of the length of time it has taken to fill them. At the Transportation Security Administration (TSA), for example, it took more than 500 days since the beginning of first Obama administration before an administrator for Transportation Security was confirmed in June 2010.

One especially egregious example is the Customs and Border Protection Agency. Since President Obama took office in 2009, five people have filled in as Commissioner of CBP—one as a political appointee from the Bush administration and four in an acting capacity or as a recess appointment—but the agency has not had a Senate-confirmed commissioner. This agency is charged with a critical role in securing our National borders, protecting the homeland and managing a workforce of over 60,000 people; it is inconceivable to me that the current administration would not move quickly and decisively to secure Senate confirmation of a permanent commissioner for CBP.

In addition, there has been significant turnover in other critical leadership positions. In 2012 alone, three separate individuals served as the under secretary for Intelligence and Analysis. A look at the DHS leadership organizational chart in just the last week reveals a startling number of positions that are either vacant or being filled by leaders in an acting capacity, including the Secretary and deputy secretary, under secretary for National Protection and Programs, under secretary for Science and Technology, under secretary for Intelligence and Analysis, director of U.S. Immigration and Customs Enforcement, DHS chief financial officer and inspector general—among others. These vacancies at the top have a domino effect on the rest of the agency. For example, the under secretary for Management is currently serving as the acting deputy secretary, causing the under secretary for Management position to be filled by someone in an acting role.

The history of chronic and lengthy vacancies at the Department, and the high number of critical positions without a Senate-confirmed leader today, raise important questions about the preparation, or lack of preparation, that the current administration devoted to second-term planning. The Partnership for Public Service has

done extensive research on Presidential transitions and transition planning. Transitions to a new administration are usually subject to thoughtful, comprehensive planning, and the selection of key personnel to serve the new President is a high priority that requires time and resources. In contrast, transitions from a first to a second term are usually an afterthought. A second term should be treated as an opportunity to hit “reset,” reevaluate objectives, and rethink the talent the administration has and the talent it needs. Vacancies in a second term are inevitable, and some may even be desirable—but the failure to prepare for them and to identify successors well in advance is both unfortunate and short-sighted.

Further, these vacancies send a discouraging signal to employees that the organizations in which they serve are not a priority. No matter how effectively an individual may be leading the workforce as an acting agency head—and the Department has had some outstanding individuals serve in acting capacities, including the current acting Secretary and acting deputy secretary—there is no substitute for stable, sustained leadership. The Partnership believes that frequent turnover or lengthy vacancies in senior political positions diminish needed focus on employee satisfaction and performance issues and are likely contributing factors to low morale at DHS today.

#### MORALE AT DHS TODAY

The Partnership for Public Service, with support from Deloitte and the Hay Group, produce the annual *Best Places to Work in the Federal Government*® rankings. The rankings are based on the results of the Federal Employee Viewpoint Survey (FEVS) administered by the Office of Personnel Management and provide a detailed view of employee satisfaction and commitment across Federal agencies and subcomponents. Employee satisfaction and commitment are two necessary ingredients in developing high-performing organizations and attracting top talent. The rankings are also an important tool for Congressional oversight and for ensuring that employee satisfaction is a top priority for Government managers and leaders. They provide a mechanism for holding agency leaders accountable for the health of their organizations, serve as an early warning sign for agencies in trouble, offer a roadmap for improvement and give job seekers insights into how Federal employees view their agencies.

The Partnership will be releasing the 2013 *Best Places* rankings on December 18, so we do not have the latest numbers to share with you today. We can, however, share some general trends we are observing and also point to some specific responses from the 2013 Federal Employee Viewpoint Survey, which was released on November 8, 2013.

#### *Highlights from the 2012 Best Places rankings*

DHS consistently ranks among the lowest scoring agencies in *Best Places to Work*, with the DHS employee satisfaction score in decline for 2 years (2010–2012). The overall index score in 2012 was 5.7 points lower than it was in 2010. This mirrors Government-wide trends, but DHS has declined by a greater amount than the Federal Government overall during that same period. Of particular note, DHS has very low scores for effective leadership compared to other large agencies. For example, in the 2012 rankings, DHS ranked 19 out of 19 large agencies—dead last—in effective leadership categories related to empowerment, fairness, and senior leaders. This is troubling because effective leadership is consistently found to be the No. 1 driver of employee satisfaction across Government and at DHS.

Also concerning is the fact that in the 2012 rankings DHS ranked last—18 out of 18 large agencies—among employees under 40 as well as employees over 40. This indicates that DHS may have difficulty recruiting the next generation of talent and also retaining mid-level and senior leaders.

Several of DHS’s subcomponents, including the Office of the Under Secretary of Science and Technology Policy (ranked 292 out of 292), Intelligence and Analysis (ranked 290 out of 292), National Protection and Programs Directorate (ranked 288 of 292), Transportation Security Administration (ranked 283 out of 292) and Immigration and Customs Enforcement (ranked 279 out of 292) ranked at the very bottom of subcomponents Government-wide. All of them had very low effective leadership scores, and most of them have experienced the churn in leadership discussed earlier in my testimony.

We did see some bright spots, however. The Coast Guard is a consistently high performer in the *Best Places* rankings, and was ranked 36 out of 292 subcomponents in 2012. Their scores for effective leadership were significantly higher than those for the Department overall, as were scores related to performance-based rewards and advancement, support for diversity, employee skills/mission match, teamwork, and work/life balance.

*Results from 2013 FEVS*

Employee views have changed little in 2013. Based on a combination of OPM's publicly available data on DHS overall and preliminary findings from the *Best Places to Work* data, we anticipate that the 2013 *Best Places to Work* rankings for DHS and its subcomponents will remain low. On questions in the Federal Employee Viewpoint Survey related to leadership, again the No. 1 driver of employee satisfaction and commitment across Government and at DHS, only 29.9 percent believe their leaders generate high levels of motivation and commitment in the workforce, down 6.7 points since 2011. Roughly 42 percent say they have a high level of respect for their organization's senior leaders, a significant drop from 49.5 percent 2 years ago.

There are several additional areas that should be of concern to leaders at DHS. On key FEVS questions about innovation, communication, and merit promotion, not only are the scores very low, but they are trending downward over time. For example, only 26 percent of employees believe that creativity and innovation are rewarded, which has dropped 6.2 percent since 2011. In addition, just 39.8 percent believe their managers promote communication among different work units (for example, about projects, goals, needed resources), down from 45.4 percent in 2011. Only 21.6 percent of respondents believe promotions in their work unit are based on merit. This number has also declined from 26.4 percent in 2011. Finally, when asked whether employees believe the results of the survey will be used to make their agency a better place to work, only 36 percent of respondents at DHS answered favorably. This number has dropped 9.2 percent in just 2 years and may be an indicator that their change efforts are not having success.

A department where most people do not believe innovative work is rewarded, do not believe promotions are earned and do not believe current leaders inspire or motivate their people is an agency in trouble. It calls on Congress and the administration to devote greater attention to management of the Department and its workforce, and on choosing leaders who can lead organizational change and reverse this very troubling trend. A dramatic turnaround in employee satisfaction and engagement has been accomplished in other departments and agencies, and with the right leaders, it can be done in DHS.

WHAT DHS CAN DO TO IMPROVE EMPLOYEE ENGAGEMENT—AND HOW CONGRESS CAN HELP

Clearly, DHS and its subcomponents are facing challenges in a number of areas. However, with sustained leadership commitment and support from Congress, we firmly believe it is possible for DHS to improve morale. The Partnership would like to offer four key recommendations:

*1. Strengthen leadership capacity*

- *Fill key vacancies.*—The administration must make it a priority to fill the leadership vacancies at DHS, and should pay special attention to ensure incoming executives have experience leading and managing people. In addition, Congress could make it easier for agencies to fill positions by converting certain political appointments to career positions with fixed terms and performance contracts. This will ensure there is greater continuity across administrations, promote long-term solutions to chronic management problems, help retain institutional knowledge and relieve some of the burden on the complex and time-consuming political appointments process. The under secretary for Management and CFO, for example, could be converted to career positions with term appointments and performance contracts.
- *Build a cohesive senior leadership team.*—In order for the agency to operate as “One DHS,” the next Secretary must make it a priority to build a cohesive leadership team and bring together political and career executives from across the Department. This executive leadership team should have an enterprise-wide view of the agency as well as broad leadership and management skills. To help build cohesion among this executive leadership team, executives could be oriented and developed together and given opportunities for mobility assignments.
- *Hold senior executives accountable.*—We encourage DHS to modify senior leader performance plans to ensure that senior leaders are held accountable in their plans for improving employee engagement. Efforts to improve engagement and satisfaction might include reducing communication barriers, building employee trust and confidence through open communication, holding employee listening sessions, improving internal communication and implementing “quick-wins”. Several agencies, including the U.S. Patent and Trademark Office, Department of Transportation, and Nuclear Regulatory Commission, have created incentives

for senior leaders by incorporating employee survey targets or goals in their executive performance plans.<sup>1</sup> Congress should consider passing legislation requiring that all departments, including DHS, hold their leaders accountable for addressing employee satisfaction and engagement.

2. *Invest in leadership training and development, especially in the areas of workforce management*

- *Provide continuous developmental opportunities.*—DHS should make leadership development a priority and invest in cultivating the next generation of leaders. This is particularly important given that 28 percent of career executives at DHS are eligible to retire, and by 2017 that number increases to 59 percent.<sup>2</sup> Congress can support better training and preparation for managers by authorizing centralized funding and a statutory requirement for continuous professional development. For example, Congress should mandate training for all new supervisors and managers and ensure that opportunities for further development, including mobility assignments, are provided throughout their tenures, including at the executive level. In addition, all leaders and supervisors should receive training on the importance of employee engagement and the link to agency performance.

*Evaluate current efforts to improve morale and take necessary steps to improve results*

- *Measure progress.*—While DHS has implemented efforts to improve morale, the Federal employee viewpoint survey and *Best Places to Work* rankings suggest efforts to date have not resulted in the desired improvement. A comprehensive review of current action plans, communication strategies, implementation efforts, and impact within individual subcomponents should be completed and adjustments made to focus on key areas of opportunity most likely to produce significant change. DHS should conduct regular “pulse” surveys of employees to track the progress of the various action plans and initiatives and ensure that employees are seeing and responding positively to the Department’s efforts.
- *Leverage best practices.*—DHS should share internal success stories with leaders at other subcomponents, where they have occurred, and benchmark with other agencies that have higher levels of employee satisfaction and commitment. The Partnership recently published a set of case studies highlighting six Federal agencies (Patent and Trademark Office, National Aeronautics and Space Administration, Department of State, Department of Transportation, the United States Mint, and the Nuclear Regulatory Commission) that have successfully improved employee satisfaction and engagement.<sup>3</sup> Leaders at DHS should consider inviting executives from these agencies to spend time at DHS as a rotational assignment, with the goal of helping DHS understand and implement similar initiatives. Conversely, DHS should consider sending key executives on a rotation assignment to these agencies to learn from their efforts and bring that experience to bear in DHS.

4. *Work in partnership with the labor unions to improve employee morale*

- *Solicit feedback and enlist support.*—The new Secretary should reach out to the unions and solicit their support and ideas to improve employee morale in the agency. Unions can serve as a voice for employee views regarding survey results. Fostering effective working relationships with unions can help agency leaders better identify, understand, and respond to employee perspectives.

CONCLUSION

Chairman McCaul, Ranking Member Thompson, and Members of the committee, thank you again for the opportunity to share the Partnership’s views on the personnel challenges facing the Department of Homeland Security and our recommendations for the best way forward. We look forward to being of assistance to this committee and to Congress as you consider the future of the Department.

<sup>1</sup> Partnership for Public Service and Deloitte, *Ten Years of the Best Places to Work in the Federal Government Rankings: How Six Federal Agencies Improved Employee Satisfaction and Commitment*, September 2013, <http://ourpublicservice.org/OPS/publications/viewcontentdetails.php?id=231>.

<sup>2</sup> Office of Personnel Management analysis of the Central Personnel Data File, June 30, 2012.

<sup>3</sup> Partnership for Public Service and Deloitte, *Ten Years of the Best Places to Work in the Federal Government Rankings: How Six Federal Agencies Improved Employee Satisfaction and Commitment*, September 2013, <http://ourpublicservice.org/OPS/publications/viewcontentdetails.php?id=231>.

Chairman MCCAUL. Thank you, Mr. Stier. Without objection, I would like to enter your report into the record.\*

Mr. STIER. Thank you so much.

Chairman MCCAUL. Chairman now recognizes Ms. Kelley.

**STATEMENT OF COLLEEN M. KELLEY, NATIONAL PRESIDENT,  
THE NATIONAL TREASURY EMPLOYEES UNION**

Ms. KELLEY. Thank you very much, Chairman McCaul, Representative Clarke. I appreciate the opportunity to testify here today on the impact of leadership vacancies on DHS's mission as well as employee morale.

As president of NTEU I have the honor of leading a union that represents over 24,000 DHS Customs and Border Protection officers, agriculture specialists, trade enforcement, and mission support specialists who are stationed at over 330 air, sea, and land ports of entry across the country. I have worked with all three DHS Secretaries since the agency stood up in 2003, including Tom Ridge, and I know the importance of having leaders in place at agencies.

The top job at DHS has been vacant for over 3 months, but the President has nominated a strong leader for this position and I look forward to working with Jeh Johnson after he is confirmed by the Senate.

At CBP there has not been a Senate-confirmed commissioner since 2009. I have worked with all four of the people who have filled the commissioner position at CBP during this time, and the President, of course, has nominated a highly-qualified leader as CBP commissioner, and I look forward to working with Gil Kerlikowske after he, too, is confirmed by the Senate.

Unfortunately, leadership vacancies have been on-going at DHS, but leadership vacancies are not the primary source of years of low morale at DHS and CBP. I talk to front-line port security workers every day and this is what they tell me: Congress' actions, including cutting their agencies' funding, eliminating jobs, freezing their pay, and attacking their benefits, are demoralizing them and making them question Congress' commitment to their mission.

This is the real morale-killer, not just at DHS but Government-wide.

The Federal workforce has endured a 3-year pay freeze. Many employees have also suffered days of unpaid furloughs due to sequestration. Because there has been virtually no hiring, workloads are increasing dramatically. Some DHS employees were forced to stay home from their jobs while many others were forced to work without getting paid on time because of a Government shutdown that did not need to happen.

Every year since 2001, the Office of Personnel Management has administered the Federal Employee Viewpoint Survey that so many have talked about already, and this provides a snapshot of Federal employees' views on their work, on their agencies, and on their leaders. Since 2010, when the pay freeze first went into effect and Federal agency funding and workers' benefits came under at-

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\*The information has been retained in committee files and is also available at [http://bestplacetoework.org/BPTW/assets/BestPlacestoWork13\\_CaseStudiesReport.pdf](http://bestplacetoework.org/BPTW/assets/BestPlacestoWork13_CaseStudiesReport.pdf).

tack, survey scores have dropped on every index, both at DHS and Government-wide.

While there may be factors such as leadership vacancies affecting these results, certainly the \$114 billion contribution Federal employees have made toward deficit reduction through a 3-year pay freeze and increased pension contributions leads the list. The stress associated with constant threats of Government shutdowns and unpaid furloughs are additional major factors contributing to low Federal employee morale.

Congress is now considering a new budget deal that cuts \$6 billion in Federal retirement benefits for new Federal hires, and that would replace a portion of the sequester cuts. This will bring the total contribution by Federal employees to deficit reduction to \$120 billion.

Between delayed and reduced appropriations and the sequester, Government services are increasingly degraded. The cuts to CBP have already resulted in long wait times at airports and land border crossings. Wait times at the border cost the U.S. economy private-sector jobs, economic output, and tariff, user fee, and tax revenue.

Shortly before sequestration took effect on March 1, NTEU surveyed our members about the impact of the pay freeze. In just 3 days, over 2,200 Federal employees answered our electronic survey.

Our survey also asked how their agencies were responding to the current budget situation. Seventy-nine percent of them said their agencies were not replacing workers who leave; 67 percent said there was a hiring freeze at their agencies and they lacked the resources to do their jobs properly; and 48 percent said that critical work was not getting done.

The Federal employees who I represent are frustrated, angry, and scared, and their morale is, indeed, low. They know current agency funding runs out on January 15 and they know another debt ceiling debate and the possibility of a Government default is coming in February.

These employees work very hard and they care about their jobs. They know that budgets are tight but they also see the waste that comes from the lack of timely Congressional action. They see contingency planning for sequesters and shutdowns and short-term patch-up solutions that cost more in the long term. They are dedicated and they perform difficult jobs every day, despite hits to their pay from freezes, unpaid furloughs, and increased pension contributions.

While there are many reasons that morale is low at DHS, Congress could greatly mitigate that problem by providing the agency with adequate and timely funding and providing its employees with competitive compensation and fair treatment.

Thank you again, and I am happy to answer any questions that you have.

[The prepared statement of Ms. Kelley follows:]

PREPARED STATEMENT OF COLLEEN M. KELLEY

DECEMBER 12, 2013

Chairman McCaul, Democratic Member Thompson, distinguished Members of the committee; thank you for the opportunity to testify before you today on mission and

morale issues at the Department of Homeland Security (DHS). As president of the National Treasury Employees Union (NTEU), I have the honor of leading a union that represents over 24,000 DHS Customs and Border Protection (CBP) Officers and trade enforcement specialists in the Office of Field Operations (OFO) who are stationed at 331 land, sea, and air ports of entry (POEs) across the United States. CBP employees' mission is to protect the Nation's borders at the ports of entry from all threats while facilitating legitimate travel and trade. At POEs, CBP Officers arrested more than 7,700 people wanted for crimes, including murder, rape, assault, and robbery. CBP Officers also denied entry to nearly 145,000 people attempting to enter the United States through an air, land, or sea POEs who were found inadmissible for immigration, customs, health, criminal, or National security reasons.

CBP trade compliance personnel enforce over 400 U.S. trade and tariff laws and regulations in order to ensure a fair and competitive trade environment pursuant to existing international agreements and treaties, as well as stemming the flow of illegal contraband such as child pornography, illegal arms, weapons of mass destruction, and laundered money. CBP is also a revenue collection agency, processing nearly \$2.38 trillion in trade and 25 million cargo containers through the Nation's ports of entry in fiscal year 2012, up about 4 percent from the previous year. In addition, CBP Officers conducted nearly 23,000 seizures of goods that violate intellectual property rights, with a total retail value of \$1.2 billion, representing a 14 percent increase in value over fiscal year 2011.

I have worked with all three DHS secretaries since the agency stood up in 2003 and know the importance of having leaders in place at agencies. The top spot at DHS has been vacant since September 1, but the President has nominated a strong leader for this position and I look forward to working with Jeh Johnson after he is confirmed by the Senate, hopefully, in the next few days. Leadership vacancies at DHS have been on-going, but are not the primary source of years of low morale ratings at DHS and other Federal agencies. As recently as March 2012, I submitted testimony to the committee about issues that contribute to low morale at DHS. (See NTEU's March 22, 2012 testimony before the House Committee on Homeland Security Subcommittee on Oversight and Management Efficiency on "Why is Employee Morale Low?")

Factors that contribute to low morale at DHS that I spoke to in previous testimony are echoed in the 2013 Office of Personnel Management (OPM) Federal Employee Viewpoint Survey (FEVS) released on November 8, 2013. The OPM survey shows a significant decline in employee satisfaction across Government—and this survey was completed before the 16-day Government shutdown that threw Federal workers' ability to pay their bills in a timely manner and support their families into turmoil.

OPM survey results show that fewer than half believe they have sufficient resources to do their jobs and slightly more than half (53 percent) expressed satisfaction with their pay. Less than two-thirds would recommend their organization as a good place to work.

The first of these—insufficient resources and staffing—is a particular issue at CBP. A significant cause of low morale at CBP is the on-going staffing shortages at the ports of entry. Sufficient staffing should be provided to maintain expertise, ensure security, and promote trade and travel by reducing wait times at our Nation's air, sea, and land ports of entry.

For years, NTEU has argued that CBP is understaffed, in both security and trade-related functions, at land, air, and sea ports of entry results in delays at the ports and in real losses to the U.S. economy. According to the U.S. Department of the Treasury, more than 50 million Americans work for companies that engage in international trade and, according to a recent University of Southern California study, "The Impact on the Economy of Changes in Wait Times at the Ports of Entry", dated April 4, 2013, for every 1,000 CBP Officers added, the United States can increase its gross domestic product by \$2 billion. If Congress is serious about job creation, then Congress should support enhancing U.S. trade and travel by mitigating wait times at the ports and enhancing trade enforcement by increasing CBP security and commercial operations staffing at the air, sea, and land ports of entry.

While both House and Senate fiscal year 2014 appropriations proposals would boost CBP Officer staffing—the House by 1,600 and the Senate by 1,850 CBP Officer new hires—the proposed increase is less than the number stipulated in CBP's 8/13/13 revised Workforce Staffing Model that shows fiscal year 2013 and fiscal year 2014 CBP Officer new hire need of 3,811. Because of the on-going budget stalemate, CBP Officer staffing increases included in both the House and Senate DHS appropriations bill are in jeopardy and the sequester cuts that went into effect on March 1, 2013 have further exacerbated staffing shortages at the ports of entry.

## IMPACT OF SEQUESTRATION ON CBP EMPLOYEE MORALE

On April 12, 2013, I submitted testimony to the House Committee on Homeland Security Subcommittee on Oversight and Management Efficiency on the "Impact of Sequestration." Under the Budget Control Act, sequestration required CBP to reduce its Salaries and Expenses (S&E) discretionary and mandatory account by \$512 million.

This number included a cut of \$75 million in CBP user fee accounts. User fees will continue to be collected from industry to provide travel and trade security, immigration and agriculture inspection services, but CBP will be prohibited from using a portion of these user fees. User fees are not a tax, by law they pay for specific services provided by the Government. Sequestration limits the use of these collected fees to pay for CBP inspectional services.

Under sequestration, the cut to the CBP S&E account included a reduction of \$37.5 million for inspectional overtime at the POEs. Overtime is essential when staffing levels are insufficient to ensure that inspectional duties can be fulfilled, that CBP Officers have sufficient back-up and that wait times are mitigated. In CBP's own words, "Overtime allows CBP Office of Field Operations to schedule its personnel to cover key shifts with a smaller total personnel number."

On March 26, the President signed a Continuing Resolution (CR) to fund the Government through the end of the fiscal year. The CR did not cancel the sequester. Congress did provide some additional funding for the CBP S&E account in the CR, but also required CBP to maintain the current CBP Officer staffing level.

Prior to enactment of the CR, the CBP sequester plan required all CBP employees to be furloughed up to 14 days during the remainder of fiscal year 2013 or 1 day per pay period beginning early to mid-April through September 30, resulting in a 10% pay cut for all CBP employees. The initially-proposed furloughs would have exacerbated an already unsustainable shortage of CBP inspection and enforcement personnel at international air, sea, and land ports of entry.

NTEU worked with CBP to find ways to avoid the initially-planned 14 furlough days for front-line employees and promptly called on Congress to approve the agency's reprogramming plan once it was submitted. No employee should face the loss of nearly 3 weeks' pay—as would have been the case for CBP employees.

As welcome as this development was, however, it deals only with fiscal 2013; sequestration, which is the underpinning for all manner of problems for Federal agencies, is scheduled to continue until 2021. Even with the decision not to furlough employees, CBP remains particularly hard-hit by the sequester. CBP had to continue a hiring freeze for non-front-line personnel and maintain limited reductions in overtime even as it recognizes the adverse impact these actions will have on its vital missions of helping secure our Nation's borders and facilitating vital trade.

NTEU is continuing its efforts not only to secure an end to sequestration, but to ensure that CBP has sufficient resources to perform its jobs. Again, the on-going budget stand-off, however, has blocked enactment of a fiscal year 2014 DHS appropriations bill that includes funding to significantly increase the number of CBP Officers.

According to the Partnership for Public Service's (PPS) December 2012 *Best Places to Work in the Federal Government* "Overall Index Scores for Employee Satisfaction and Commitment," DHS came in 31st out of the 33 large Federal agencies surveyed and CBP, ranked 145 of 228 Federal agency subcomponents surveyed, and continues to rank near the bottom for strategic management, teamwork, effective leadership (all categories), support for diversity and family-friendly culture and benefits. It is my understanding that PPS is expected to release its latest Index Scores in the next few days.

The 2013 OPM survey results also show a decline at DHS across the board in all four Human Capital Assessment and Accountability indices from 2008 through 2013 and the survey's four Employee Engagement Index trends from 2010 through 2013 (see FEVS Appendix E-1 through E-4 and Appendix F-1 through F-4.) Overall, DHS respondents reported an 11% decrease in Global Satisfaction Index Trends from 62% in 2010 to 51% in 2013 (see FEVS Appendix G.) Global Satisfaction is a combination of employees' satisfaction with their job, their pay, and their organization, plus the willingness to recommend their organization as a good place to work.

Even though these management deficiencies, as noted in the 2013 FEVS and the PPS's 2012 report, do contribute to low morale among Federal workers, NTEU believes that Government-wide morale problems can be traced directly to the 3-year pay freeze, the continuing impact of sequestration and the furloughs it spawned, and the 16-day Government shutdown. While CBP employees continue to exhibit extraordinary commitment to the mission of the agency, it is clear that the failure of

Congress to do its job and the resulting budget uncertainties are taking a serious toll on the Federal workforce.

FEDERAL EMPLOYEES HAVE CONTRIBUTED DISPROPORTIONATELY TO DEFICIT  
REDUCTION

Since 2010, Federal employees have contributed \$114 billion to deficit reduction and economic recovery—an amount far greater than any other group in our society has been asked to sacrifice for these efforts (see attachment.) They include:

- A 3-year pay freeze, at a cost to Federal workers of \$99 billion;
- Higher pension contributions from new Federal hires, at a cost to them of \$15 billion;
- Unpaid furlough days for hundreds of thousands of Federal workers due to sequestration;
- An unnecessary 16-day Government shutdown, resulting in delayed paychecks that forced thousands of Federal employees to take hardship withdrawals from their Federal Thrift Savings Plan (TSP) accounts. A hardship withdrawal means an account holder cannot make any TSP contributions for 6 months—during which time they also lose the Government match;
- Agencies straining to meet their missions while short-staffed and underfunded, resulting in significantly higher employee workloads, greater pressure, and more stress and anxiety.

Despite these sacrifices by Federal workers, press reports of the looming budget deal indicate that Congress is contemplating further cuts to Federal employee compensation. A budget conference committee is considering giving agencies some relief from sequestration. According to some reports, cuts to Federal and postal employees could account for between 25 and 50 percent of the entire amount of spending cuts under consideration to replace sequestration. One proposal involves hiking Federal employees' share of their pension contributions by 1.2 percentage points over 3 years.

This is unconscionable. Like Social Security, Federal and other employer-sponsored pensions are earned benefits, not gifts or handouts. They are part of a compensation package, often explicitly negotiated for in exchange for reduced current pay. Requiring employees to pay more for the same benefits, like furlough days, is another pay cut for the Federal worker.

These proposed cuts to Federal employee pay and benefits are particularly galling in light of the recent announcement that, pursuant to statute, the Office of Management and Budget has increased the reimbursement cap for Federal contractors for the salaries of their top executives by 24%—from \$763,029 to \$952,308. This statute does not set limits on the yearly salary paid to these executives by their company—just sets the cap on taxpayer reimbursement for their salary. Contractors can, and do, provide compensation to their employees that exceed the amount that is reimbursed by the Federal Government. This cap does not apply to all employees of these contractors, so taxpayers could pay some contract employees an unlimited amount in salary reimbursement.

Not only is this amount more than double what the President makes, but this 24% executive pay hike makes a mockery of the 1% pay raise that Federal workers are scheduled to get next year after a 3-year freeze on their basic pay rates. The effect on rank-and-file Federal employee morale of this Federal contract executive pay hike is incalculable. This is just one factor that is contributing to undermining employee morale throughout the Federal work force.

Federal workers have endured the effect of sequester—in furlough days, deferred training, elimination of performance awards, and other cuts this past year—that has greatly contributed to low employee morale. As a new year dawns, the sequester is likely to continue to severely limit the American people's access to Government services. At CBP, multi-day furloughs that were averted due to one-time budget restructuring in 2013 may be necessary. Already, CBP employees have been notified of additional sequester-related cuts that management will be imposing in the next few weeks such as a huge reduction in funding for the Foreign Language Awards Program (FLAP).

FLAP provides employees who speak and use foreign language skills on the job with a cash award if they use the language for at least 10 percent of their duties and have passed the competence test. FLAP is fully funded by customs user fees and Congress made FLAP funding a priority because not only do language barriers delay processing of trade and travel at the ports, for these law enforcement officers, communication breakdowns can be dangerous. Confusion arises when a non-English speaking person does not understand the commands of a law enforcement officer. These situations can escalate quite rapidly if that person keeps moving forward or

does not take their hands out of their pockets when requested. Now FLAP is proposed to be all but eliminated because of on-going budget cuts.

As noted in my testimony, filling leadership vacancies at DHS is a contributing factor to low employee morale at DHS. A key nomination at CBP—that of CBP commissioner—is currently pending before the Senate Finance Committee. I look forward to working with Gil Kerlikowske, upon his confirmation as the next CBP commissioner, to resolve workplace issues and address employee morale.

But Congress is responsible for much larger problems that have served to undermine employee morale. For too long, CBP at the POEs has been underfunded and understaffed. After more than 2 years of constant attacks on Federal employees—pay and benefit cuts, furloughs, and a shutdown—it is time for the voices of front-line workers to be heard and for Congress to treat them and all Federal workers with the dignity and respect they earn and deserve.

The more than 24,000 CBP employees represented by the NTEU are capable and committed to the varied missions of DHS from border control to the facilitation of legitimate trade and travel. They are proud of their part in keeping our country free from terrorism, our neighborhoods safe from drugs, and our economy safe from illegal trade. These men and women need more resources and technology to perform their jobs better and more efficiently and are deserving of fair pay and benefits. They have not been receiving either. Those are the main reasons their morale is low.

Thank you for the opportunity to testify before the committee on their behalf.

### High Anxiety and Low Morale for Our Nation's Federal Workers

**Federal Employee Viewpoint:**

*"How has this economic mess become federal workers' burden to fix? Don't we pay more daily as gas prices go up? Don't we pay more for healthcare... How about food prices? Last I checked federal workers eat the same as any other person in this country... So tell me why are we, Federal Workers, the fix to this problem?"*

<b>Three-Year Pay Freeze</b>	\$99 Billion sacrificed
<b>Increase in Pension Contributions for New Hires</b>	\$15 Billion
<b>Rising Health Care Costs</b>	3.7 % in 2014 3.4 % in 2013 3.8 % in 2012 7.2 % in 2011
<b>Unpaid Furlough Days Due to Sequestration</b>	1 day per pay period = 10% pay cut
<b>16-Day Government Shutdown</b>	850,000 furloughed employees per day or 6.6 million days out of work.
<b>Sequester cuts</b>	\$1.2 trillion over 10 years
<b>Withdrawals from TSP in Oct. 2013</b>	Record-setting 14,000+ federal employees withdrew from retirement investments for cash

**Federal Employee Viewpoint:**

*"I served the military as a Florida resident honorably for 20 years. When I retired from the military I joined federal service so I could continue to honorably serve my country... Why are we singled out?"*

**What impacted federal employees have to say:**

*"I've worked for the federal government for over 31 years... Why are federal employees being punished for providing needed services for the people of our country?"*

*"We are hard-working, honorable employees who take pride in working for America. Treat us with the respect we deserve."*



Chairman MCCAUL. Thank you, Ms. Kelley, and certainly I served in the Justice Department for over a decade as a career prosecutor, so I appreciate your testimony.

I just want to start out—we heard from Secretary Ridge some powerful testimony, and again, I think if you look at a—the CEO of a business, if 40 percent of his top leadership was vacant that sends, I think, the wrong message to any organization.

Now, I understand some of these appointments—held up in the Senate, may be part of the problem. The fact is, this has been going on for years, and I am not quite sure I understand why.

Usually President political appointees are a bit of a plum assignment that they like to reward people with, and yet when you have—whether it is the Secretary, the deputy secretary, the director of ICE, the director of—commissioner of CBP, all these vacancies, and acting I.G. who is now under investigation who is investigating the deputy secretary nominee who is under investigation by the I.G., it is—it does present a problem.

I guess, Mr. Maurer, you have looked at this sort of, you know, auditing from the outside in, and I do think that impacts morale when you don't have effective leadership at the top. I think it depends, you know, who the leader is at the top.

I know when Secretary Ridge came in there was a lot of pride in being with the Department. I know in the military there is a lot of pride in being in the military, and certainly when I was a Federal prosecutor I was proud to say I worked for the Justice Department.

I want the Department to get there, but I don't think they are there right now, and I think this lack of leadership at the top and vacancies and vacuums is not helping. Do you have any idea why these positions have not been filled or—and why these acting positions have been around for so long?

Mr. MAURER. You know, we haven't looked at that specific issue. It is a great question and I also share your concern about the number of acting positions at such a senior level in the Department.

I think one of the challenges that the Department would face in trying to implement some of the substantive changes it would need to address its fundamental morale problems is that when you are in an acting capacity at such a senior level it is different—difficult to change the direction of the ship, right? You are there in largely a caretaker capacity, so when—you need to have someone in a confirmed, final, approved position to be able to move things in a different direction, and that is something we think is fundamentally important for DHS to do to take on its morale issues.

I think on a more broad level, there definitely are some areas where DHS needs to improve on leadership, you know, and last year's survey scores, it is very concerning that only about 30 percent of the DHS workforce feel motivated by their leadership and only 31 percent are satisfied with their leaders. That is at all levels of the organization.

DHS is taking action to try to address this, but clearly they have a long way to go in terms of improving how the rank-and-file view their leadership, and that is whether that is someone who is in a confirmed position or someone who is in an acting—

Chairman MCCAUL. You know, the captain of the ship is the face of the organization, and for whatever reason I think it has suffered in recent years, and when I—when people say, “You are the Chairman of Homeland Security,” and they send a—refer to DHS in a negative context I remind them who we are talking about: Do you know that is Customs and Border Patrol? Do you know that is ICE? Do you know that is Secret Service? Do you know that is the Coast Guard?

Then then they start to think, “Well, okay, maybe I should see it in a different light.”

I think, Mr. Stier, you mentioned an interesting point, and that is something we have been looking at for a while, and that is the Department of Defense is not perfect, but I think it is a model that DHS should be looking at. I have talked to Under Secretary Borrás about this issue, and what do you see as the advantages of applying that DOD model, and certainly in a management style, to the Department of Homeland Security?

Mr. STIER. So I think, again, under secretary—excuse me—Under Secretary Borrás has done a really terrific job and I hope he stays. Again, that is one of the reasons why I think having someone in a career or term appointment to have longevity would be really critical.

But I think the Defense Department offers a lot of positive role model opportunities—not perfect in all respects, but in some, and in particular, in the way they view their talent. They view their talent as an asset rather than as a cost, and they understand that if they invest in their people and grow them that that means that they are going to have, you know, higher return in terms of achieving their mission.

So something along the lines of leadership, they have a very concerted investment in their folks to make sure that they are getting the skills that they need to be able to achieve more and more for the public. That means, again, a long-term view of them. There are individuals, there are people inside DOD that manage, in effect, the careers of their leadership that identify top talent, make sure that they have opportunities to work in multiple contexts.

There is a joint duty requirement at DOD, which I think is really quite important. If you want to create One DHS, ensuring that people have experience across the whole organization is a way of achieving that, and I think, frankly, vital with respect to the senior leadership.

If I could, just on the Employee Viewpoint Survey data itself, I think it really is quite stunning when you look at the numbers. So if you look across the board it says, “In my organization leaders generate high levels of motivation and commitment in the workforce,” and only a little over a quarter of the Federal employees at DHS say yes to that—27.4 percent. Then, you know, “I have a high level of respect for my organization’s senior leaders,” there it is only 38.5 percent.

Even more damning, 80 percent of the DHS employees say promotions are not based on merit. Then equally important, 80 percent of the management say promotions are based on merit. So you have a perspective from the line employee quite a bit different from those that are managing them.

So I think these numbers are very powerful and indicate that, you know, a serious effort and investment needs to be made to change these things.

Chairman MCCAUL. Well, it is disturbing. It is the third-largest department in the Federal Government, and yet the employees within the organization don't—I won't say believe in it, but they have a low morale.

Mr. STIER. They believe in their mission; they don't believe they are being well-managed.

Chairman MCCAUL. I think, again, that is where Secretary Ridge talked about the team. The team being in place at the top is so important.

I hope that this new nominee, Jeh Johnson, because he is closer to the President, will have his ear and will be seen more with the President of the United States. I think part of the problem—and I had respect for Secretary Napolitano, but I always get the sense, as Peter King mentions, that she was sort of distanced from the White House. She wasn't a part of important operations like the bin Laden—the hunt for bin Laden, for instance.

I don't think that would have happened with Bush and Secretary Ridge. So I think that does impact the morale.

One final question: You mentioned this idea of, you know—if you are acting you aren't official, right, so you are a caretaker, and so the idea that maybe some of these political appointees positions, we could actually put permanent career slots in some of those positions. I think management, possibly, I think, some of the, like, maybe under I&A, some of the more sensitive National security type positions would maybe make more sense to do that. Then you would have more longevity and continuity with the organization.

What do you think about that?

Mr. STIER. I think that would be a terrific idea. There are 4,000 political appointees. You don't need 4,000 to make sure the Government responds to the electoral wishes that are represented by the President, and certainly not in the management positions.

I would say that probably the most significant challenge on the Executive branch to good management is the rapid velocity of turnover leadership. So again, there are two choices here. You can try to accelerate the process of getting the political appointees in, and that is useful; or you can reduce the number of Senate-confirmed political appointees.

We know this has worked already. There was legislation that got 169 positions moved from Senate confirmation just to political appointees, including the assistant secretaries for Management in a number of departments.

There is no diminution of the quality of the work that is being done but these people are getting in place a lot faster so you have, as you said, that leadership team there.

So I think it would be, you know, a very good idea to look at DHS and say, "Where do we really need political folk? Where might we use career people? Where might we adopt a term appointment?" The FBI director is a good example of that, where, again, there is a longer runway that you know you have somebody. To ensure, again, that you have got the people in place who need to be focusing, you know, on the management of the organization.

Chairman MCCAUL. That is an interesting idea. Do you know if the Department of Defense—compare and contrast DOD versus DHS in terms of political appointees and percentages.

Mr. STIER. Oh, there is no question there are more at DHS than at DOD. Obviously it is a different model with the armed services, but there are clearly more political appointees at DHS, and some of the best for organizations. You have fewer political appointees that are responsive to the President but they understand—the political appointees understand that they can't get their job done without actually engaging the career workforce.

When you get too many political appointees there is a sense that you can recreate a command-and-control structure with those new folks coming in. It doesn't work.

Chairman MCCAUL. I think particularly within what is considered to be a National security—

Mr. STIER. Absolutely.

Chairman MCCAUL [continuing]. Department.

Mr. STIER. Absolutely.

Chairman MCCAUL. Just final thoughts for Mr. Maurer. How do we fix this? I know there is no silver bullet here, but—

Mr. MAURER. You are right, there is no silver bullet. A good start would be to implement our recommendations from our report from last year, which was to go in depth—the Department should look in depth, not just at the Department level but dig into the individual components to figure out what is behind these low morale scores.

Like I mentioned in my opening statement, those are just symptoms. They need to figure out what are the root causes and then take actions to address those causes.

In a related vein, make sure that they have measures and accountability from the very top to ensure those actions are being taken. I mean, that is a key part of this, as well, is that, you know, the most senior leadership of the Department needs to hold component heads and organization heads within components accountable for addressing this important problem.

Chairman MCCAUL. Well, to all three of you, if you have any legislative ideas for this committee we are very open and receptive to those ideas.

With that, Chairman now recognizes the Ranking Member, Ms. Clarke.

Ms. CLARKE. Thank you, Mr. Chairman.

I want to thank our panelists for bringing their knowledge to bear on this subject matter, as well.

Ms. Kelley, your organization represents over 24,000 Department employees, almost all of whom were affected by this year's 16-day shutdown, sequestration, and agency-wide budget cuts. How have these occurrences affected morale, and what should the Department do to maintain employee satisfaction when situations such as these, which are out of its control, affect its employees?

Ms. KELLEY. Well, I would say every employee at CBP was negatively affected by sequestration, by the shutdown. In Homeland Security it was a little different than most other agencies during the shutdown in that most of those employees were ordered to work without pay until the shutdown was over.

But one of the things that was talked about earlier by many today is the belief in the mission of the agency. So these employees do what they do and they do an outstanding job in spite of their low morale. We are pretty lucky as a country that they do that, they just so believe in the mission.

There are surely things within CBP at the local workplace issues, and that are really very far away from the leadership issues being discussed here. They are more, rather than at the 20,000-foot level, it is down here on the ground. Those are things that NTEU works with CBP and with its structure of leaders.

But they are limited in what they can do because they don't have the funds to do what they need to do. Under the sequester their overtime was cut. That resulted in the long lines I talked about in my testimony. If you don't have the people, if you don't have the staffing, you need to keep the ports open to keep the trade moving to keep the border safe, then you have to order employees to work overtime and then they cut the overtime money.

So it has been very frustrating because they don't feel like that they have the resources to be able to do the jobs that they are trying to do for our country. So we work nonstop and tirelessly with CBP and will continue to do that, but what they really need are the funding to be enacted by Congress to recognize what it is that they are trying to do and then to ensure that they have the funding to do it for our country.

Ms. CLARKE. It is my understanding that we are almost cutting off our nose to spite our face, particularly with CBP, which is actually a revenue-generating—or could be a revenue-generating part of DHS. Can you speak more to that piece?

It is my understanding that when you are understaffed the types of customs that could be exacted somehow get lost in the shuffle. Can you talk a bit more to—

Ms. KELLEY. There are user fees that are generated by CBP based on the work that they do, both by visiting travelers as well as on the trade side. When the work has to be compressed, when there aren't enough staff to make sure that they are doing a 100 percent quality job, that will suffer.

You are absolutely right that CBP is a revenue-generator for our country. They are second only to the IRS in the revenue that they bring in that actually funds the rest of the Federal Government.

Part of the sequester cuts was to eliminate CBP's access to \$75 million of the fees that they collect, and those user fees are supposed to be used to fund the programs that they are directly attached to. So under the sequester they had their overtime cut and they had limitations and restrictions put on the user fees that they could collect as well as use, which is—makes no sense at all for all the obvious reasons.

Ms. CLARKE. A true example of cutting off your nose to spite your face.

Ms. Kelley, the Majority has contended that senior-level vacancies have impacted employee morale. Your organization represents Department employees that have been without a permanent commissioner for quite some time.

What would you attribute this vacancy—would you attribute this vacancy as a major source of lower morale? If not, what would you cite as the primary sources of employee satisfaction issues?

Ms. KELLEY. I am sure that some days on some issues maybe it is a factor. I think there are a lot of factors, as we have all said, in the low employee morale.

However, I travel a lot around the country and I meet with front-line employees at every port of entry—airport, seaport, land border crossings. I have never once had an employee say to me, “I wish we had a confirmed Secretary,” or, “Why don’t we have a confirmed commissioner?”

What they do say to me is, “Why won’t Congress provide me with a fair and appropriate pay raise instead of a freeze? Why won’t Congress provide my agency with the funding we need to be able to do the important work we are trying to do for our country? Why won’t Congress keep their hands off our pension and let us do our work and be bound by the agreement we had when we started our employment as to what our pension contributions would be and what our benefits would be?”

That is what employees say to me. I have never had one person say to me, you know, “When will we have a confirmed commissioner?” or, “I wish we did.”

Ms. CLARKE. There just seems to be some disconnect with respect to this subject matter. I mean, I understand the fundamentals of an organizational structure and what it means to have the full team in place, but there are just some basic things that are happening simultaneously or in tandem with this vacancy issue that we are seeming to just sort of skim over, which is what is actually happening on the ground with the employee and what we are doing, at the same time, as a legislative body that has made their lives more challenging, given the fact that they don’t have the leadership that we desire of them to have.

So, Mr. Maurer, you have had the unique opportunity to not only investigate and audit DHS’s management challenges, but you are also employed by one of the highest-ranking agencies in the Federal Government as it relates to workplace satisfaction. Given your knowledge of the Department’s management procedures and inner workings, including its success stories and shortfalls, what steps would you recommend the Department’s management directorate take to improve the agency’s overall scores?

Mr. MAURER. Sure, absolutely. I am proud to say that I work for the GAO. We were No. 2 last year, and new scores will come out next week, so looking to beat out FDIC but we will see.

But in terms of what we can do to help out DHS, I mean, first and foremost, obviously we are very different organizations, but I think there are some common themes that might be of use. First and foremost is, like GAO, DHS employees are devoted to the mission, and you can build from that strength.

So I think if DHS is going to get traction on the morale issue that is one starting point that is a very strongly-held view among many of their employees. They believe fervently in the mission, despite a number of the challenges they may face in their day-to-day work.

A second common issue—I think this is really important—is communication—the ability from those at the very top of the organization to clearly articulate priorities all the way down the organization chart, and at the same time, hear ideas and suggestions and concerns from the very bottom of the org chart and bring those up. That kind of flow of information, I think, is one of the strengths that we have at GAO, which helps enable us to get good scores, and I think it is something that DHS could do a better job of.

There is also the importance of sort of tying in the overall goals of the organization and working across organizational boundaries to get a sense of this “One DHS.” That is something the Department has really been struggling with for many, many years since it was created. It is one of the reasons why they are on our high-risk list for management is that there is not this integrated sense of unity yet at the Department.

Anything that they can do to sort of bridge some of those organizational boundaries would be useful. There has been talk of, you know, trying to rotate senior executives from one component to another, having training that covers multiple components—anything along those lines that would allow the rank-and-file at DHS to have a better understanding of where they fit within the broader context of the Department I think would be helpful.

Ms. CLARKE. Mr. Chairman, I know my time has run out. I have one question for Mr. Stier.

Mr. Stier, as you mentioned in your testimony, you called a 7.5-point percentage change a significant drop. In 2007 the Department’s overall index score was 49.8, whereas in 2010 it was 58.6 and in 2011 it was 56.6, and 8.8 and 6.8 increase, respectively.

Although it ranked lowest in these surveys, based on your assertion regarding score percentages, this appears to be significant increases. What internal changes did the Department implement under Secretary Napolitano’s administration that caused the significant rises in scores?

Mr. STIER. So the scores themselves since 2010 have actually gone down consistently, and the 2010 scores are actually collected, in essence, you know, 8, 9 months before-hand. So the reality is that what you have seen were increases in total, the Secretary Napolitano arrived and then, frankly—and this is true Government-wide—you saw decreases.

There are multiple reasons, I believe, that that is the case, some of them that are general to the whole environment that Federal workers are having to work in, and Colleen mentioned a number of those things, from the 3-year pay freeze. I think, frankly, the budget reductions and sequestration are equally important because in essence you are telling people who are mission-driven, “You are not going to have the resources,” or even more importantly, “You have no certainty about what those resources are.”

So the lack of a budget, the lack of knowing exactly what is going to happen is incredibly debilitating. Then frankly, nothing worse than the furloughs.

The numbers we have today don’t even capture the damage that was done to our Government from the shutdown. So there is more bad stuff to come.

All that said, DHS has done worse than the average across Government, and I think the right benchmark is to look at the average, and there are some agencies that have done, actually, affirmatively better—absolutely better, like NASA, and there are real lessons to be learned.

So I think there are a lot of things that are not happening at DHS that ought to happen, and I think David described a number of them that are really important. I believe, and I think that the data we have shows a very strong correlation between, again, views of leadership and what employees think about the organization. That, to me, is the place where you can make the most significant change.

As an example that I think is really quite critical, the information-sharing across Government is problematic.

Benchmarking against the private sector, there is a 15.2-point gap—15.2-point gap on the question, “How satisfied are you with the information your receive from management on what is going on in your organization?” So I think what you see, again, are employees that don’t know what their budgets are, they are not getting critical information from their management about how to operate within this incredible challenging environment.

In a world in which things are more challenging you, in fact, need to empower those employees even more, and that is not happening right now.

So if you ask me, the focus should be on the leadership development, growth, making sure that they have a commitment at both the political and career leadership to this building it into their performance evaluations. You see that at the Department of Transportation, Department of Treasury, and that results in people paying attention to it in a much more significant way.

Ms. CLARKE. I thank you all for your testimony.

I yield back, Mr. Chairman.

Chairman MCCAUL. Thank you.

I just have one kind of closing comment. I remember when I worked at, you know, at main Justice and then U.S. attorney, we had—that was called the Attorney Generals Award Program, and we would have a ceremony at the Great Hall and the attorney general would be there, and he would, one by one, deliver, you know, it is a certificate but it is a big deal. It is a sign of appreciation for your work.

Usually tied with that was a bonus to some extent. May not have been as much as I wanted, but it was a bonus.

I know that Secretary Ridge had started a similar program to that but that it has been discontinued, for whatever reason. Do you think that that would be something that would be helpful towards the morale of DHS employees?

I guess I will ask that question of all three of you.

Mr. MAURER. I think any kind of—anything that you put into place that allows senior leadership to recognize the good, hard, dedicated work of the rank-and-file within the Department would be something that would be welcomed and is a good idea.

Chairman MCCAUL. Mr. Stier.

Mr. STIER. You mentioned the big gap on information that employees are not getting. The biggest gap that we have been able to

benchmark against the private sector is on the question, “How satisfied are you with the recognition you receive for doing a good job?” There is a 21.4-point gap between a reasonable private sector benchmark and all of Government.

So my answer is: Absolutely. Recognition really matters. It is something that we do really poorly in Government.

There is a lot of investment in finding what is wrong and not a lot of investment in finding what is right, and I don’t think you get any organization to perform at its best if all you do is find things that are wrong. You have got to build on the bright spots.

So we need a lot more of that. I am a former DOJ employee, too, and that is one of the things I think they do real well there.

Chairman MCCAUL. I agree with that.

Ms. KELLEY.

Ms. KELLEY. I think recognition of any kind is important, of course, to—just as a human being, you appreciate being recognized and appreciated for what you do. What I tend to see is that a lot of the recognition kind-of events that you described, Mr. Chairman, are done for very high-level employees rather than those on the front line, and so I think that that would be well-received.

Now, I will put a caveat with that, is that you talked about the bonus, even though it might not have been the size that you wanted. The award systems that are in place in Customs and Border Protection, for example, are also important to employees.

Right now, as I sit here, CBP is proposing to tear in half the current award system that we have for front-line employees and to eliminate a foreign language incentive program for these front-line CBP officers who use their foreign language skills every day to facilitate visitors coming in and out of the country and trade. They have always been—by statute, they have always been recognized for that.

There is even a set of these user fees that are supposed to be used to fund FLAP, and I actually have a team right now in another office sitting across from CBP telling us—with CBP telling us they want to take the FLAP incentive to zero. They want to pay not one dime for these employees to use these skills that this country needs and depends on every day.

So to your general question, I think any kind of recognition, of course, is appreciated for a job well done. But I think at the—when it is being—if that were to happen and they take away—they rip the awards in half and take away FLAP, then no, the recognition really would not mean very much.

Chairman MCCAUL. Well, I think that is something this committee should be looking into and something I look forward to talking to the nominee once he is confirmed. Honestly, you know, when I go on a Coast Guard cutter or go down to the border and talk with CBP, and even as we go through the airports with TSA, which that has got to be one of the toughest jobs, and talk about, you know, having to deal with people that are angry and that is a very, very tough job. I always go up and always just say, “Thank you for the job you are doing,” because, you know, hopefully that means something to them.

I want to take, actually, this opportunity at this hearing to all DHS employees out there who may be watching this. As the Chair-

man on this committee, and I know the Ranking Member—thank you for your service, for what you do. We believe in your mission. I know they do, as well, and we want to continue to move forward to fix this and to help improve morale.

I hope that the Ranking Member will work with me, as well, to possibly establish an appreciation awards program from this committee to members—employees of the Department, as well.

So with that, let me just thank all three witnesses for being here. I know it has gone way into the lunch hour. I appreciate your patience.

This hearing is now adjourned.

[Whereupon, at 12:40 p.m., the committee was adjourned.]



## APPENDIX

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### QUESTION FROM HONORABLE JEFF DUNCAN FOR TOM RIDGE

*Question.* From the failures of the Obamacare website to the revelations about the operations at the National Security Agency, Americans are increasingly losing confidence in their Government. DHS also plays a role in this. During a July hearing in the Oversight and Management Efficiency Subcommittee that I chair, we discussed how TSA routinely breaks its trust with the public with screeners that nap, steal, and are disrespectful. We also examined this as it relates to how DHS responds to Americans' concerns in a June hearing. One of the witnesses testified that high levels of public distrust hamper the Government from operating effectively. One of the issues contributing to this distrust is a lack of transparency. We saw this in DHS's silence on its ammunition purchases, ICE detainee releases, and civil liberties issues at the border. As I look around at the number of acting senior leadership positions, I think the lack of permanent leadership has certainly contributed to the Department's lack of transparency and communication issues with the American people. However, that's not to say that officials nominated by this administration would improve transparency and communication.

In the aftermath of 9/11 and creation of DHS, you commanded great respect from the American people. Could you share your insights on how DHS might improve its transparency and communication and as a result restore some of the trust that's been lost in recent years?

*Answer.* Representative Duncan, I appreciate you continuing this important dialogue. As I stated at the outset of my testimony, our Nation faces a complex and challenging threat environment, one that requires a great deal of leadership. Our Federal Government agencies, including DHS, cannot function properly, and to their full level of potential without strong and consistent leadership.

Capable leaders manage and hold others accountable. This translates to a more efficient, transparent, and respected agency.

It is incumbent upon the administration to vet and then nominate leaders of the utmost quality in a timely manner. Congress should, likewise, act in a timely manner when it comes to confirming nominees. That is not to say that Congress should not seriously exercise its advice and consent responsibilities. But for National and homeland security positions, the process should be prioritized and consideration given with attention commensurate to the importance of the leadership roles at issue.

Consistent and qualified leadership is a key first step in restoring morale at DHS. The confirmation of Secretary Jeh Johnson was certainly an important first step to restoring accountability. Remaining vacant or temporarily-filled positions should be a top priority for Secretary Johnson, the President and his administration, and Congress. This includes such high-level positions as the director of U.S. Immigration and Customs Enforcement (acting), the under secretary of the Office of Intelligence and Analysis (vacant), among others.

I particularly note that DHS has been without a permanent inspector general for more than 2 years. I simply cannot understand why a role with such great importance to agency accountability across its verticals and all levels of its leadership has not been filled.

At the end of the day, consistent leadership is critical to the DHS mission. A sense of urgency and accountability as well as pride in the accomplishments of DHS employees must come from the top down. It is essential in restoring the trust that the American people have in DHS.

### QUESTIONS FROM HONORABLE JEFF DUNCAN FOR DAVID C. MAURER

*Question 1.* In the Oversight Subcommittee's June hearing on DHS communications, Douglas Pinkham, the president of the Public Affairs Council testified that

one of the best practices for leading companies is to focus on employee communications. In his written testimony he stated, “. . . leading companies have come to realize that their own employees are often the most important audience.” As a former small business owner in South Carolina, I know first-hand the importance of employee buy-in for successful businesses and organizations. In the Partnership for Public Service’s analysis of the Federal Employee Viewpoint Survey, DHS has consistently ranked below 50% in Effective Leadership, which can likely be in part attributed to poor communication between DHS leadership and DHS rank-and-file employees. For example, earlier this year, TSA lifted the rule to allow small knives onto airplanes, although the AFGE National President stated “Transportation Security Officers and flight attendants stand together against this dangerous new rule.” With TSA’s 2012 Effective Leadership score around 40%, it does not seem that employees’ concerns are often taken into account. Do you believe DHS leadership is effective in “employee buy-in”?

What impact does this have on effectively implementing DHS’s mission?

Answer. Results of the U.S. Office of Personnel Management’s (OPM) Federal Employee Viewpoint Survey (FEVS)—a tool that measures employees’ perceptions of whether and to what extent conditions characterizing successful organizations are present in their agency—indicate that there is wide-spread support for DHS’s mission among Department employees.<sup>1</sup> In particular, the 2013 FEVS DHS agency management report indicated that 88 percent of DHS employees believe that the work they do is important, and 80 percent of DHS employees like the work they do.<sup>2</sup> Our prior work has indicated that DHS employees’ shared support for the Department’s mission may positively affect employee morale. In particular, in September 2012, we reported that Coast Guard civilian officials who participated in a focus group we held described a Coast Guard culture of mission focus that has led to high morale among civilian Coast Guard employees and employees feeling satisfied with their jobs.<sup>3</sup>

In spite of DHS employee commitment to the DHS mission, DHS FEVS responses continue to indicate that DHS employees are less satisfied with their jobs than the Government-wide average of Federal employees, particularly with respect to their involvement or empowerment. For example, as we reported in December 2013, DHS ranked 36th of the 37 agencies that participated in the 2013 FEVS on the Leadership and Knowledge Management Index, which indicates the extent to which employees hold their leadership in high regard, both overall and on specific facets of leadership. DHS also ranked second-to-last in the 2013 FEVS Job Satisfaction Index, which indicates the extent to which employees are satisfied with their jobs and various aspects thereof.<sup>4</sup> In addition, with respect to employee involvement and empowerment, DHS’s scores ranked in the bottom 10th percentile for agencies it was benchmarked against according to the 2013 FEVS DHS agency management report.<sup>5</sup> More specifically, 39 percent of DHS employees provided a positive response when asked how satisfied they were with their involvement in decisions that affect their work, the lowest percentage across benchmark agencies. In regard to employee empowerment, DHS ranked in the bottom 10th percentile, wherein 33 percent of DHS employees provided a positive response when asked if they have a feeling of personal empowerment with respect to work processes.

We have reported that successful organizations empower and involve their employees to gain insights about operations from a front-line perspective, increase their understanding and acceptance of organizational goals and objectives, and improve motivation and morale.<sup>6</sup> We have also reported that a lack of trust in leader-

<sup>1</sup>We have previously validated, analyzed data from, and reported on the results of the FEVS. See GAO, *Department of Homeland Security: DHS’s Efforts to Improve Employee Morale and Fill Senior Leadership Vacancies*, GAO-14-228T (Washington, DC: Dec. 12, 2013); GAO, *Department of Homeland Security: Taking Further Action to Better Determine Causes of Morale Problems Would Assist in Targeting Action Plans*, GAO-12-940 (Washington, DC: Sept. 28, 2012); and GAO, *Department of Homeland Security: Preliminary Observations on DHS’s Efforts to Improve Employee Morale*, GAO-12-509T (Washington, DC: March 22, 2012).

<sup>2</sup>OPM, *2013 Federal Employee Viewpoint Survey Results, Employees Influencing Change, Department of Homeland Security, Agency Management Report*. (Washington, DC). FEVS agency management reports are intended to enable agency leaders to identify strengths and challenges by looking for patterns and themes in FEVS results for their respective agencies.

<sup>3</sup>GAO-12-940.

<sup>4</sup>GAO-14-228T.

<sup>5</sup>OPM, *2013 Federal Employee Viewpoint Survey Results, Employees Influencing Change, Department of Homeland Security, Agency Management Report*. (Washington, DC). In this report, OPM benchmarked DHS against agencies with 800 or more employees.

<sup>6</sup>GAO, *High-Risk Series: Strategic Human Capital Management*, GAO-03-120 (Washington, DC: January 2003).

ship can lead to morale problems.<sup>7</sup> In December 2013, we reported on a recent analysis DHS officials performed of 2012 FEVS results that indicated DHS low morale issues may persist because of employee concerns about senior leadership and supervisors, among other things, such as whether employee talents are being well-used.<sup>8</sup> While we have not assessed the impact of DHS employee satisfaction on the implementation of DHS's mission, we have previously reported that, given the critical nature of DHS's mission to protect the security and economy of our Nation, it is important that DHS employees are satisfied with their jobs so that DHS can retain and attract the talent required to complete its work.<sup>9</sup>

*Question 2.* What steps can be taken to improve employee engagement aside from more working groups, steering committees, etc.?

Answer. DHS could strengthen its efforts to address the Department's low employee morale, including low employee engagement, by implementing GAO's prior recommendations. In March 2012, DHS's Chief Human Capital Officer testified that DHS was employing a three-pronged strategy to improve employee morale consisting of: (1) Mandating that component heads prioritize employee engagement; (2) supporting a unified, One DHS through improved employee communication, training, emphasis on diversity and inclusion, and employee recognition; and (3) strengthening the leadership and capacity of all supervisors and employees.<sup>10</sup> In spite of these efforts, DHS morale has since declined, indicating that much work in this area remains. In particular, we reported in December 2013 that FEVS data show that DHS employee job satisfaction declined 7 percentage points from 2011 through 2013, a decrease that is more than the Government-wide decrease of 4 percentage points over the same time period. As a result, the gap between average DHS job satisfaction and the Government-wide average widened to 7 percentage points.<sup>11</sup> In addition, the 2012 and 2013 FEVS results indicate that employee engagement has decreased slightly since March 2012. Specifically, DHS's positive response score on the Employee Engagement Index, which assesses the critical conditions conducive for employee engagement, decreased from 58 percent in 2012 (7 percentage points below the Government-wide average) to 56 percent in 2013 (8 percentage points below the Government-wide average).

DHS can better position itself to improve employee morale by implementing our two prior recommendations focused on strengthening root cause analysis and metrics of success. Specifically, in September 2012, we recommended that DHS's Office of the Chief Human Capital Officer and component human capital officials strengthen their evaluation and planning process for addressing employee morale by: (1) Examining their root cause analysis efforts and, where absent, adding comparisons of demographic groups, benchmarking against similar organizations, and linking root cause findings to action plans; and (2) establishing metrics of success within their action plans for improving employees' positive scores that are clear and measurable.<sup>12</sup>

As we concluded in March 2012, the variation in potential issues that can result in morale problems underscores the importance of looking beyond survey scores to understand where problems, such as low job satisfaction, are taking place within the organization, along with the root causes of those problems.<sup>13</sup> Further, in September 2012, we concluded that without these elements DHS risks not being able to address the underlying concerns of its varied employee population.<sup>14</sup>

In December 2013, we reported that DHS senior officials stated that the Department planned to launch employee surveys to probe perspectives on Departmental leadership.<sup>15</sup> According to these officials, the surveys are to inform the Department's root cause analysis. Engaging directly with employees as planned through surveys could help DHS better ascertain the root causes of morale issues, although it is too

<sup>7</sup> GAO, *Small Business Administration: Opportunities Exist to Build on Leadership's Efforts to Improve Agency Performance and Employee Morale*, GAO-08-995 (Washington, DC: Sept. 24, 2008).

<sup>8</sup> DHS, *Federal Employee Viewpoint Survey (FEVS): Action Informed by Research*; and GAO-14-228T.

<sup>9</sup> See GAO-14-228T and GAO-12-940.

<sup>10</sup> Catherine V. Emerson, Chief Human Capital Officer, DHS, *Building One DHS: Why is Employee Morale Low?*, testimony before the House Committee on Homeland Security, Subcommittee on Oversight, Investigations, and Management, 112th Cong., 2nd sess., March 22, 2012.

<sup>11</sup> GAO-14-228T.

<sup>12</sup> DHS's Office of the Chief Human Capital Officer and component root cause analysis efforts consisted of holding focus groups, implementing an exit survey, and routinely analyzing FEVS results, among other things. See GAO-12-940.

<sup>13</sup> GAO-12-509T.

<sup>14</sup> GAO-12-940.

<sup>15</sup> GAO-14-228T.

early to assess its impact. In addition, based on our prior work focusing on DHS morale issues, component-level demographic group comparisons could help DHS by providing clear indicators of which employee groups have greater morale-related concerns than others. This information could then allow component leadership to target solutions toward employee groups most affected by morale problems. Furthermore, benchmarking against similar organizations could help DHS by providing a point of reference for improvements. For example, benchmarking could help DHS components learn how similar organizations have effectively improved their morale scores.

QUESTIONS FROM HONORABLE JEFF DUNCAN FOR MAX STIER

*Question 1.* In the Oversight Subcommittee's June hearing on DHS communications, Douglas Pinkham, the president of the Public Affairs Council testified that one of the best practices for leading companies is to focus on employee communications. In his written testimony he stated, ". . . leading companies have come to realize that their own employees are often the most important audience." As a former small business owner in South Carolina, I know first-hand the importance of employee buy-in for successful businesses and organizations. In the Partnership for Public Service's analysis of the Federal Employee Viewpoint Survey, DHS has consistently ranked below 50% in Effective Leadership, which can likely be in part attributed to poor communication between DHS leadership and DHS rank-and-file employees. For example, earlier this year, TSA lifted the rule to allow small knives onto airplanes, although the AFGE National President stated "Transportation Security Officers and flight attendants stand together against this dangerous new rule." With TSA's 2012 Effective Leadership score around 40%, it does not seem that employees concerns are often taken into account. Do you believe DHS Leadership is effective in "employee buy-in?"

What impact does this have on effectively implementing DHS's mission?

Answer. Response was not received at the time of publication.

*Question 2.* What steps can be taken to improve employee engagement aside from more working groups, steering committees, etc.?

Answer. Response was not received at the time of publication.

