

Statement for the Record

by Director, National Reconnaissance Office

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**Before the House Permanent Select Committee on Intelligence
Building Capabilities: The Intelligence Community's National
Security Requirement for Diversity of Languages, Skills, and
Ethnic and Cultural Understanding Hearing**

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Mr. Chairman, Ranking Member, and distinguished Committee members, I am pleased to be here today to talk to you about "Building Capabilities: The Intelligence Community's National Security Requirement for Diversity of Languages, Skills, and Ethnic and Cultural Understanding".

The National Reconnaissance Office (NRO) workforce is the key to its success. Our mission is a complex and critical one and we are striving to attract, train, and retain the right people to perform this important work. In order to collect data and information from space, the NRO conducts space system research and development, manages acquisitions, conducts launches, and operates overhead systems. The NRO has an ongoing responsibility to provide pioneering technologies, systems, and operations methodologies to deliver unparalleled intelligence, surveillance, and reconnaissance capabilities to our Nation. To accomplish this mission, the NRO must acquire the nation's best scientists, engineers, and operators (from both government and industry) to work as a team focused on providing decisionmakers and warfighters the information advantage they require.

Today, the NRO workforce consists of a cadre of dedicated, talented, and innovative personnel committed to mission success and steadfast in their pursuit of excellence. It comprises a unique mix of government civilian, military, and industrial professionals who are managed under more than a dozen different sets of Human Resources policies and procedures from across the Department of Defense, Central Intelligence Agency (CIA), and other Intelligence Community Agencies. This complex workforce embraces a diversity of characteristics, backgrounds, experiences, and viewpoints that have converged within the NRO and have led to the superb technologies that we deploy.

Our objective is to continue implementation of our strategic human resource plan that fosters a challenging and productive work environment; encourages and supports individual career development; and builds a system that attracts, develops, and retains a talented and diverse team of professionals able to meet the future challenges of the NRO. Part of this process involves crafting new ways of hiring people into the organization. It also involves finding ways to motivate and satisfy employees at all levels and job classifications and provide the training and broadening opportunities necessary to develop our future space and intelligence leaders.

The ability of the NRO to maintain and improve this diverse work force is challenged by many factors. Skills, knowledge, and abilities required for the development and operation of space systems are the same skills, knowledge, and abilities in high demand throughout the space engineering sector, a demand unlikely to change for the foreseeable future. The NRO must

compete with industry as well as other government agencies for critical talent.

Recognizing these challenges, we are positioning ourselves to effectively compete within today's rapidly changing human resources environment. The NRO *Strategic Plan*, revised in Fiscal Year (FY) 2003, placed an increased emphasis on a number of strategic workforce initiatives undertaken following the creation of the NRO's Office of Human Resources (OHR) in 2001. Our strategic plan focuses on developing and maintaining a world-class workforce through three enabling objectives:

- Creating and maintaining a diverse world-class workforce,
- Mastering program management as an NRO core competency; and
- Developing a state-of-the-art systems engineering competency.

The NRO continues to work toward improving day-to-day personnel operations as well as fostering workforce transformation to meet future needs. OHR's Strategic Performance Analysis Group was chartered to develop HR performance measures and to conduct analytic studies in support of initiatives addressing workforce issues. We have increased the use of objective analyses to guide improvement activities and strategic workforce programs in FY 2003 and improved our ability to effectively manage our diverse workforce.

Requirements Definition and Management

In January 2003, the NRO completed mapping of all parent organization occupational classification systems into a standard series of NRO occupational categories. Parent organization variability in occupation definitions had precluded consistent, actionable analyses in the NRO for some time. The mapping overcame this impediment and provided the NRO with its first ever capability to analyze the entire organization in a consistent fashion along occupational lines.

The first application of the new occupational categories was an analysis of the NRO's positions to determine the "tooth-to-tail" mix of mission versus support activities. As a result of the analysis, the NRO was able to gauge the impact of recent reengineering and internal realignment efforts to free positions for reallocation to mission activities. These actions have resulted in a 3 percent reduction of the NRO's support tail in favor of mission elements.

In addition to recent reengineering and realignment activities, the NRO is initiating its first corporate attempt to project total position requirements and establish annual position occupation mix targets. These efforts are driven by

the development of the NRO's technical *Way Ahead*, which lays out a vision for future programs in accordance with the *NRO Strategic Plan*. We have begun to map the space system lifecycle to the *Way Ahead* schedules for each system and to determine the personnel complements that would be required in each phase of the life-cycle, thus painting an overall picture of future requirements. We have also begun to outline the concept of operations for a corporate decisionmaking body to oversee the reallocation of positions to meet these future needs.

To further support the shift toward a more mission-oriented occupational mix, a number of functional reviews are underway to streamline and/or reduce redundancies in capabilities. The largest of these efforts are an on-going review of positions within the Management Services and Operations (MS&O) Directorate and a cross-organizational position review of the NRO's information technology functions. Additionally, the NRO's newly created Deputy Director for Administration plans to conduct reviews of embedded support functions across the organization to assess the feasibility of shared support alternatives for improved efficiency and effectiveness of support activities.

Workforce Recruitment and Acquisition

Acquiring the personnel to meet the NRO's manpower requirements is a challenge. Reasons include rising retirement rates as "baby boomers" leave the government and increasing competitive pressure from both the private sector and the parent organizations for limited technical resources. During recent years, the NRO experienced increasing vacancy rates in its two most critical mission occupations: engineering and program management. To remedy these vacancy concerns, the NRO has placed added emphasis on targeted recruiting of engineers and program managers. The Office of Development and Engineering, for example, launched aggressive recruiting campaigns in partnership with the CIA's Recruitment Center. The NRO provided senior technical personnel for these recruiting campaigns at a number of universities, a strategy that has proven effective in garnering more interest among targeted populations. CIA technical hiring for the NRO doubled from 2002 to 2003. Coupled with the Air Force military element's efforts to improve assignment rates of technical personnel, the NRO saw a marked improvement in its engineering and program manager vacancy rates.

While the vacancy rates in the NRO's most critical mission occupations improved in FY 2003, the NRO's overall vacancy rate did not improve, and in fact, crept slightly higher to 14.4 percent of our total personnel allocation versus 13.5 percent for FY 2002. This happened for the following reasons: first, higher operational tempo of the parent organizations since September 11th has begun to affect the speed with which vacancies are filled in the space operations and intelligence occupations. Second, the NRO has seen

an increase in the vacancy rates for non-technical CIA personnel, primarily in the administration area. This is partly due to the lower priority to fill such positions in light of the CIA's focus on critical mission skill recruiting. The implementation of the CIA's Deployed Support concept also carries inherent delays in staffing support vacancies within the NRO. At this juncture, the vacancy trends in space operations, intelligence, and administration are not having a profound impact on mission accomplishment, but they warrant continued close observation.

Training and Career Development

We continue to expand our workforce development system by adding new guidance tools and learning opportunities. We have started to revise our competency models to better reflect the mission requirements of the 21st Century NRO. We piloted a new leadership development course, *Leadership Landscape*, which provides case studies and materials tailored to the complex operating environment of the NRO. Also, we have revised our annual training program call process to provide a more equitable environment in which employees may compete for placement in prestigious external training programs. In addition, the NRO continues to reap benefit from several well-established functional training centers that are chartered to provide NRO-unique, program-tailored material. The NRO's Acquisition Center for Excellence, for example, provides acquisition training and support for the NRO and its mission partners, ensuring common standards and best practices are effectively integrated into our programs. Furthermore, the NRO established a Corporate Learning and Development Group to deliver professional multi-disciplinary development training to improve the overall quality of management, promote continuous learning, and to acculturate employees to the NRO's distinctive environment. This element also offers career counseling services, manages the NRO's robust mentoring program, and provides other tools to facilitate lifelong workforce learning.

Succession Planning

In 2002 we began a succession planning program that will ensure continuity of NRO operations through development of a leadership cadre. This program identifies critical management positions and the competencies and experiences required to fill them and allows all personnel insight into the development required to successfully compete for these jobs. Individuals may assess themselves against published requirements and self-nominate for consideration for positions among other qualified applicants. The construct of this program affords opportunities for individuals who might not otherwise have been assessed in the selection process to be considered for our most critical jobs. In addition to offering new assurance that that NRO employees can fairly prepare and compete for critical jobs, this

program also holds promise for improving the representation of women and minorities in these key leadership posts.

The NRO and Diversity

The NRO continues to emphasize diversity and fairness throughout the ranks, embracing the characteristics and capabilities that comprise a multi-cultural workforce and leveraging them to strategic advantage. To those ends, our Office Of Equal Employment Opportunity and Military Equal Opportunity sponsors a robust Diversity program that includes:

- Special Emphasis employment programs required by Title VII 29 CFR 1614;

- 17 collateral duty Diversity Liaison Officers (DLO) at our sites around the world responsible for promoting cultural awareness within the workforce;

- 6 *Workforce Excellence* lectures for our Headquarters employees; and

- Quarterly diversity-centric meetings between the Director, NRO and our Unity Council, a group that is comprised of the chairpersons from each of the Special Emphasis Councils and chartered to raise management awareness of a breadth of diversity issues.

In January 2002, we published a new *Strategic Plan for Diversity* to augment our ongoing efforts in this area. We are partnered with other Intelligence Community agencies to evaluate recruitment and retention strategies, and participate in outreach programs to elementary, high school, and university students. In addition, we are also implementing an NRO Disabilities Internship Program with four slots identified for FY 2004. Although the overall representation of minorities within the NRO's administrative specialties is still below the Bureau of Labor Statistics benchmark for the U.S. population, the representation of women and minorities in our technical specialties now exceeds those benchmarks, as a result of the continued emphasis in this area. Because the NRO does not have its own workforce and is, therefore, limited in its ability to influence diversity demographics, it is critical that we continue to partner effectively with the parent agencies and to achieve acceptable representation in all NRO occupations.

Retention

In addition to improving its approach to acquiring personnel, the NRO has undertaken efforts to preserve as much NRO experience as possible within the workforce. With lifelong NRO careers largely a thing of the past, the NRO has attempted to increase the percentage of its workforce that has prior NRO

experience through deliberate efforts to bring personnel back following mandatory rotations to their parent element. The NRO maintains alumni and experience rosters and monitors the career progress of prior-NRO personnel with an eye to future return assignments. One NRO element, in fact, has established personnel practices that expedite hiring of military personnel back into the NRO following their retirement. These combined efforts paid modest dividends: We experienced a 3.5 percent increase in the average NRO years of experience in its workforce from 1999 to 2002 and we expect to see a continuing upward trend.

The NRO Climate Survey

We are committed to providing our workforce with an environment that promotes high productivity through tools and infrastructure as well as a supportive culture. Annually, we conduct a climate survey to gauge employee satisfaction across the full spectrum of work environment, diversity, and HR support programs. Since its implementation in 1998, the survey has been invaluable in helping to direct and focus workforce programs. Consequently, all factors measured by the survey now exceed the minimum satisfaction rating and most factors exhibit high levels of workforce satisfaction. In 2003, all human resources related factors (like quality of life, training, and performance recognition) showed a measurable increase in employee satisfaction.

The Future

The NRO continues to improve and transform its workforce to meet the needs of the future through implementation of several new initiatives:

First, the *Way Ahead*—which lays out our vision for future programs—defines the overarching demand for human resources to meet future needs. We will continue to assess the overall impacts of this vision on personnel and their development and drive our workforce planning and implementation activities commensurate with that vision and mission.

Second, the NRO Strategic Plan emphasizes mission-critical skills, particularly systems engineering and program management competencies, thus further dictating the development of focused plans for the growth and management of the workforce. While earlier efforts have garnered some improvements, we must continue to carry out targeted workforce planning to achieve further advancements. With assistance from our Deputy Director for Systems Engineering, we plan to conduct a deeper investigation into the health and dynamics of the engineering and program management populations, and to identify actions to strengthen these areas.

Finally, with the advent of the space professional cadre concept, the national security space community has initiated space-specific workforce planning activities in a number of the parent organizations that support the NRO. These activities will enhance the quality of the NRO's future workforce and will drive other initiatives in management, development, and utilization of the cadre. In addition, we have drafted our own strategy for managing space professionals during their NRO tours with an eye toward meeting our unique mission needs while ensuring compliance with parent organization standards.

In summary, the NRO is fully committed to creating and maintaining a world-class workforce to meet the needs of the NRO and of the Nation. Our people are the key to continuing our long record of unparalleled accomplishment, innovation, and service and our mission requires the full commitment and dedication of each and every member of the NRO team. We will continue to attract, train, motivate and retain the right people—the best people—to perform our critical work.