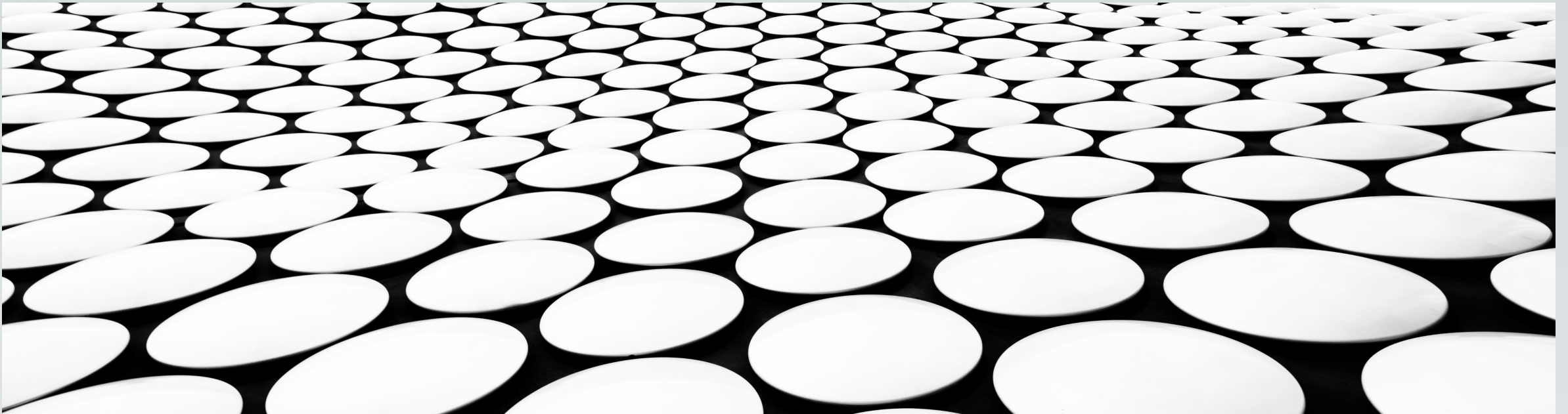

TAKING RISKS IN DIPLOMACY: FINDING THE RIGHT BALANCE

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TAKING RISKS IN DIPLOMACY

Is the U.S. Department of State taking an appropriate level of risk in the conduct of diplomatic engagement in order to achieve its foreign policy goals?

WHY LOOK AT RISK IN DIPLOMACY

- Increasing concern that the State Department is falling behind other foreign governments and other USG agencies in diplomatic engagement.

- Risk mitigation policies may affect day-to-day diplomatic engagement, especially in expeditionary diplomacy/high threat environments.

- Risk tolerance attitudes and risk management strategies can affect how and when the State Department can achieve foreign policy goals.

RESEARCH METHODOLOGY

- Survey of active Foreign Service employees
 - Five point scale (Strongly Agree-Strongly Disagree)
 - **492** completed the survey
- Structured Interviews with Senior Department Leaders (Active or Retired)
 - 15 Ambassadors and Deputy Chiefs of Mission
 - 18 Regional Security Officers
- Review of State Department Risk Mitigation and Security Requirements
 - Legislation, Policies
 - 1985, 1998 and 2012 attacks on U.S. diplomatic facilities
 - ARB Recommendations (1999 and 2013)



DEFINING RISK IN THE DEPARTMENT



Risk

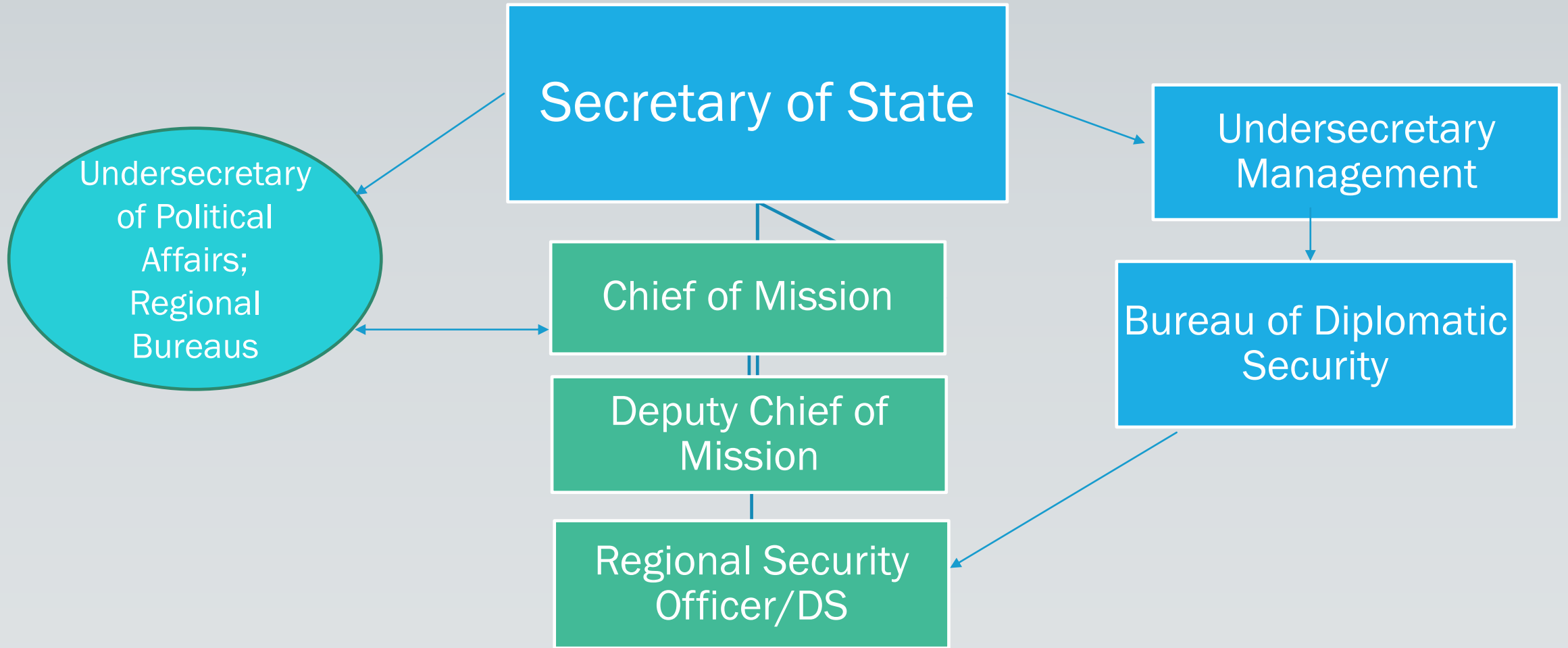
Risk Tolerance

Risk Appetite

Risk Mitigation: The process of developing options and actions to enhance opportunities and reduce threats to project objectives. This includes risk response, which is the action taken to manage the risk through acceptance, reduction, sharing and/or avoidance.

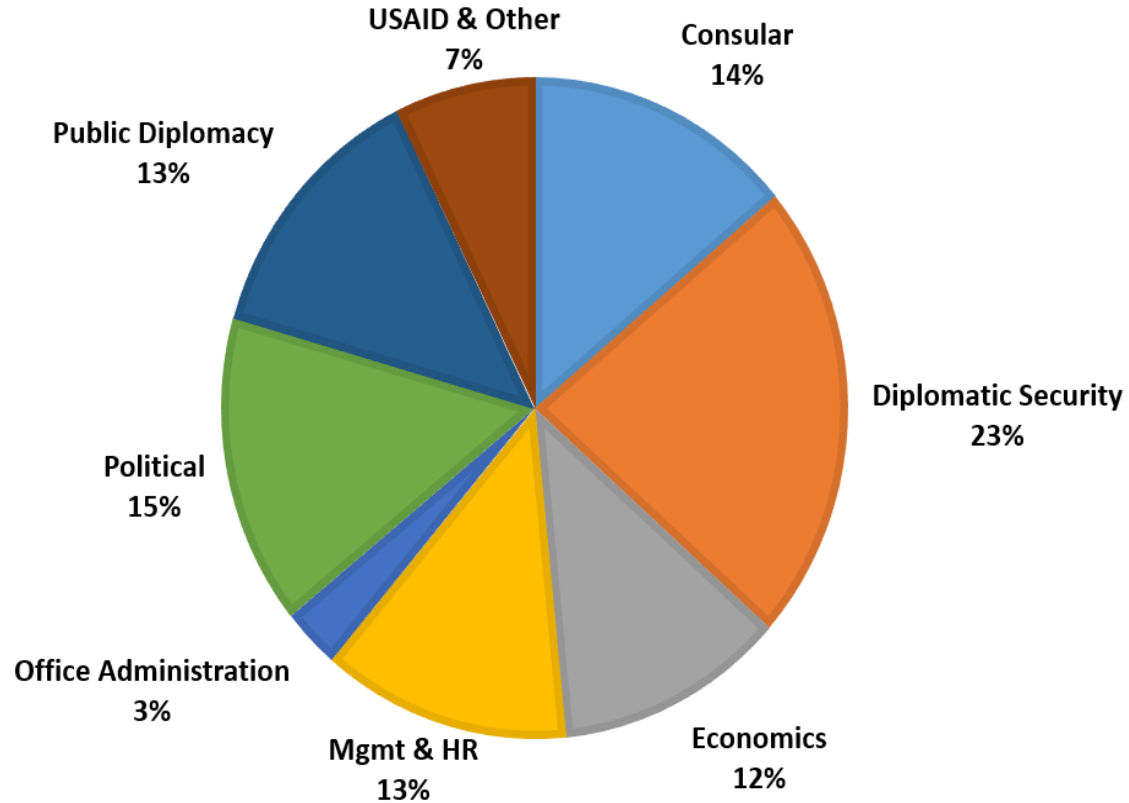


RISK MANAGEMENT IN THE STATE DEPARTMENT



SURVEY DEMOGRAPHICS

FOREIGN SERVICE SPECIALTY/CONE



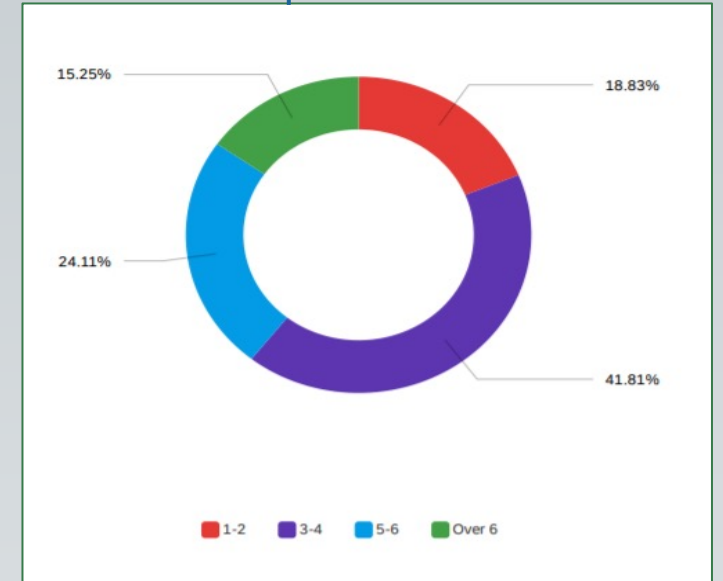
- 64% Female

- 81% Caucasian

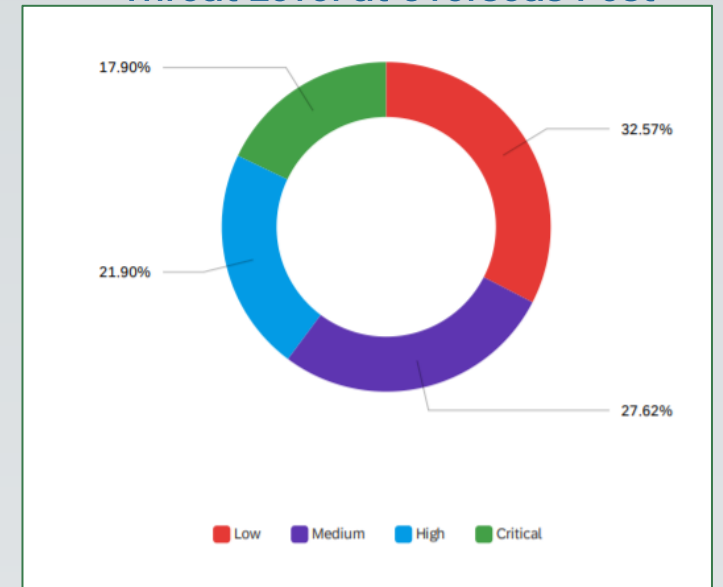
- Average Age: 43 years

- Average Time in Service: 13.5 years

Number of Overseas Posts Per Respondent



Threat Level at Overseas Post



STRUCTURED INTERVIEW DEMOGRAPHICS

- **15** AMB/DCMs and **18** RSOs
- **36%** Female; **64%** male
- **91%** Caucasian
- **22 years** =Average Time of Service
- **50**=Average age

- **6**=Average number of overseas assignments
- **60%** of AMB/DCM served in High Threat High Risk (HTHR) posts
- **88%** RSOs served in HTHR posts
- **78%** victim of crime or security incident while posted overseas

SURVEY AND INTERVIEW THEMES

There are areas of consensus and areas of division among Foreign Service employees on:

Value of risk mitigation policies

How well the Department mitigates risk

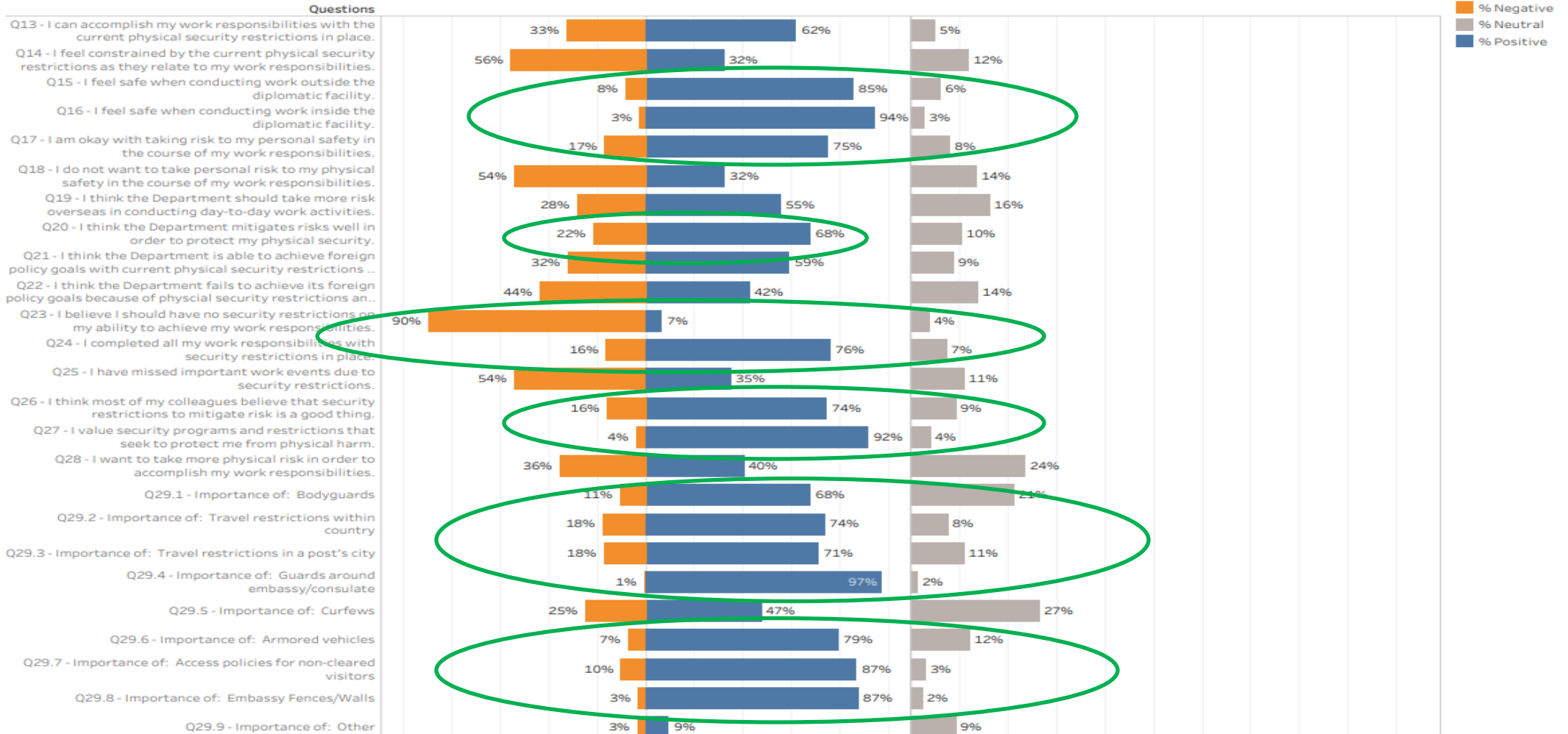
Risk tolerance attitudes

Ability to achieve day-to-day work responsibilities with current security restrictions.

Belief the State Department can accomplish its strategic goals with current risk mitigation policies.

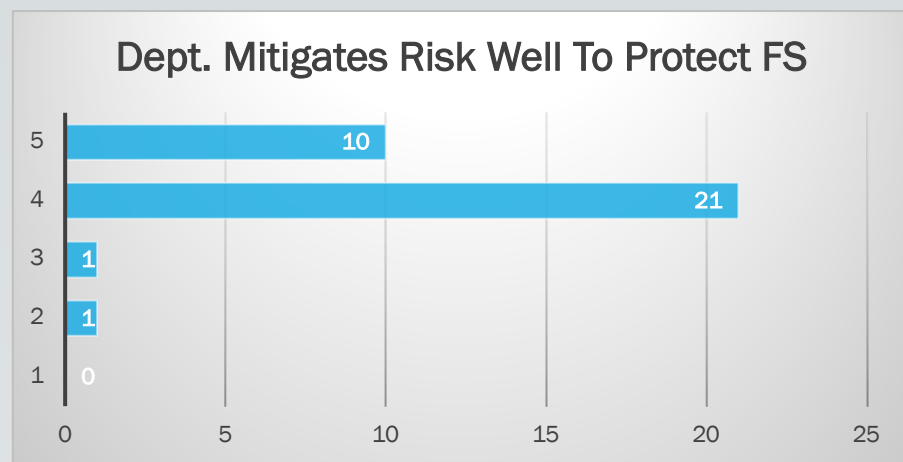
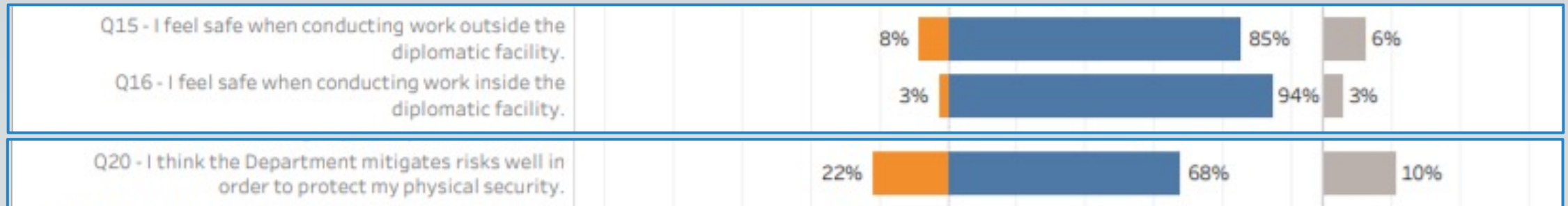
SURVEY RESULTS: AREAS OF CONSENSUS

Divergent Bars

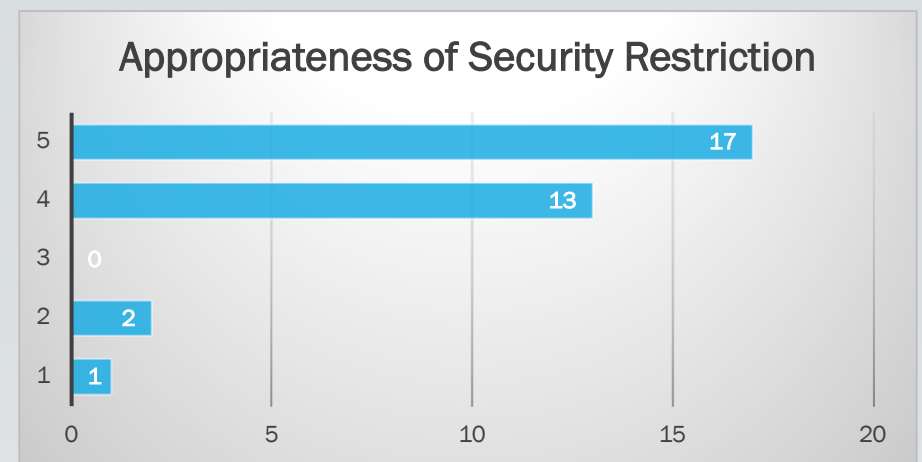


SURVEY AND STRUCTURED INTERVIEW CONCLUSIONS: AREAS OF STRONG CONSENSUS

The Department mitigates risk well in providing a safe work environment inside and outside diplomatic facilities.



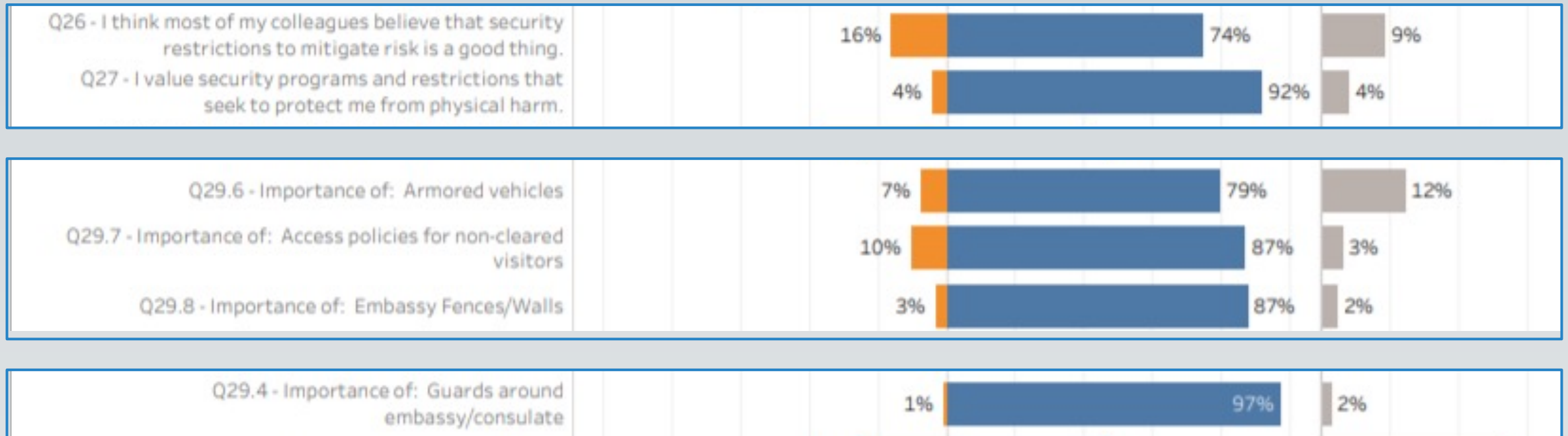
Number of Respondents: 33



Number of Respondents: 33

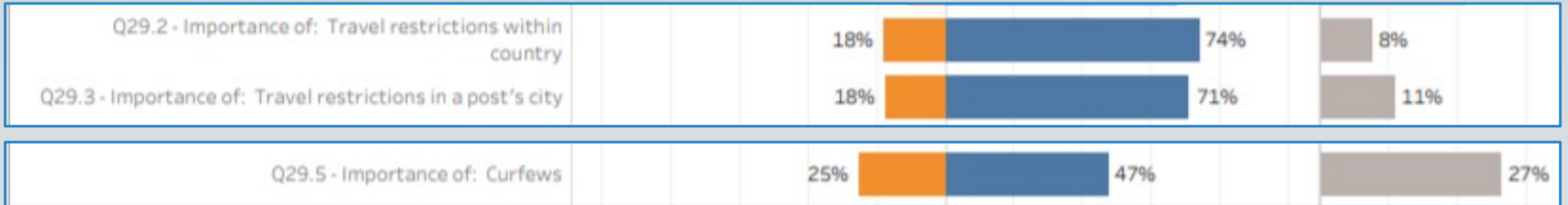
SURVEY AND STRUCTURED INTERVIEW CONCLUSIONS: AREAS OF STRONG CONSENSUS

Generally, FS employees value risk mitigation strategies and the policies that provide added protection.



SURVEY AND INTERVIEWS CONCLUSIONS: AREAS OF MODERATE CONSENSUS

- While a strong majority of FS employees support risk mitigation policies, there is a sizeable minority that do not believe curfews or travel restrictions are an important risk mitigation tool.



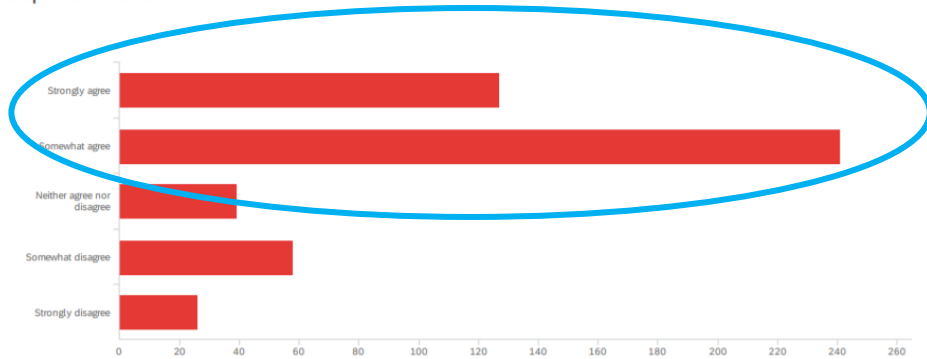
- From Interviews:
 - Most complaints from FS employees were regarding travel restrictions and those policies that received wide FS approval.
 - Strong support for all risk mitigation policies but these policies often lack flexibility and become entrenched.
 - Need for more timely risk assessments to allow risk mitigation policies to quickly adapt to changes in threat environment.

SURVEY CONCLUSIONS: AREAS OF MODERATE CONSENSUS

A majority of FS employees are okay with taking risk during their day-to-day work responsibilities and also believe the Department should take more risk in conducting diplomatic engagement.

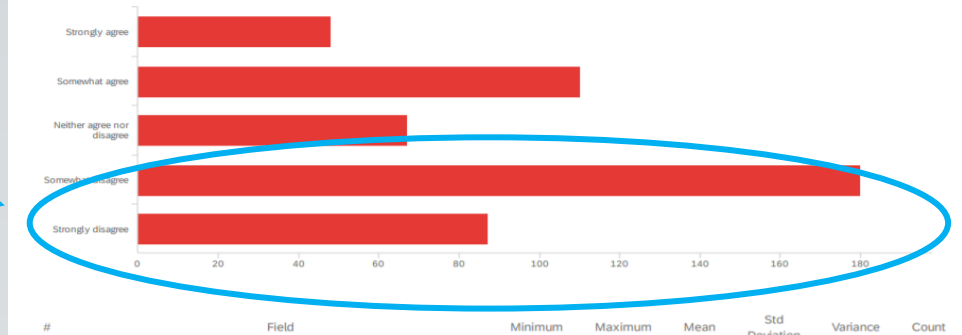
Q17 - I am okay with taking risk to my personal safety in the course of my work

responsibilities.



Q18 - I do not want to take personal risk to my physical safety in the course of my work

responsibilities.

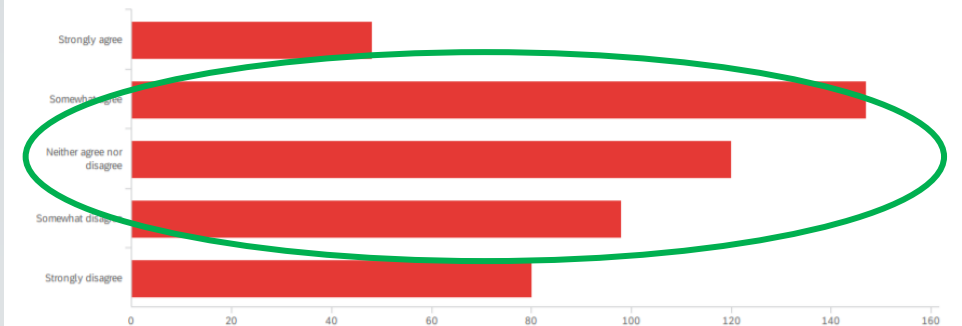


Q19 - I think the Department should take more risk overseas in conducting day-to-day

work activities.

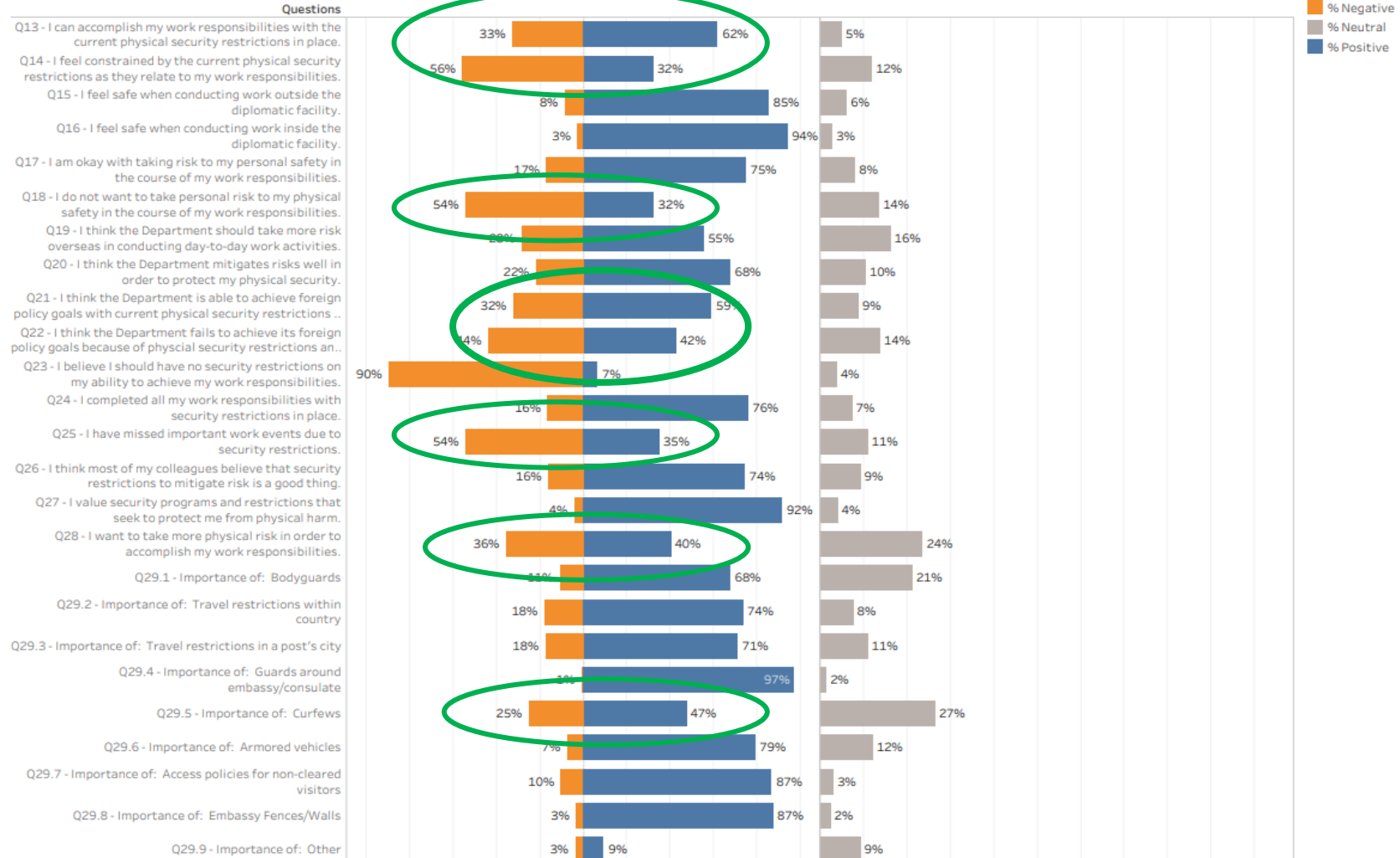


Q28 - I want to take more physical risk in order to accomplish my work responsibilities.



SURVEY RESULTS: AREAS OF DIVISION

Divergent Bars



SURVEY CONCLUSIONS: AREAS OF DIVISION

- While a majority of FS employees believe they get their work done with current risk mitigation policies, a significant minority believes that current risk mitigation policies prohibits them from accomplishing daily work responsibilities.

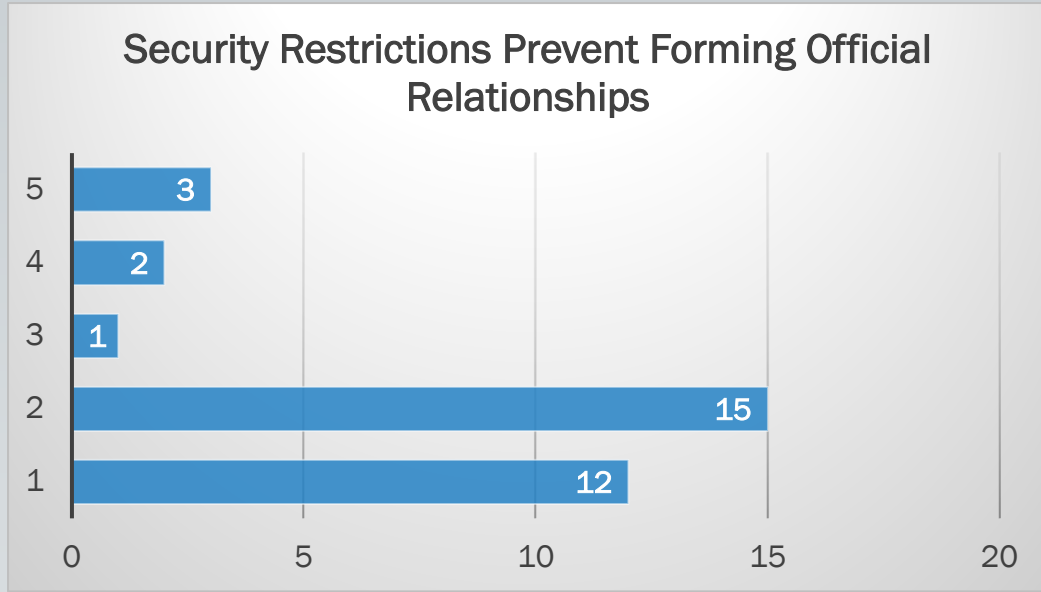
Survey Findings

- 32% do not believe that they accomplish their work responsibilities due to risk mitigation policies.
- 31% feel constrained by risk mitigation policies as it relates to work responsibilities.
- 34% agreed that they missed work events due to security restrictions.

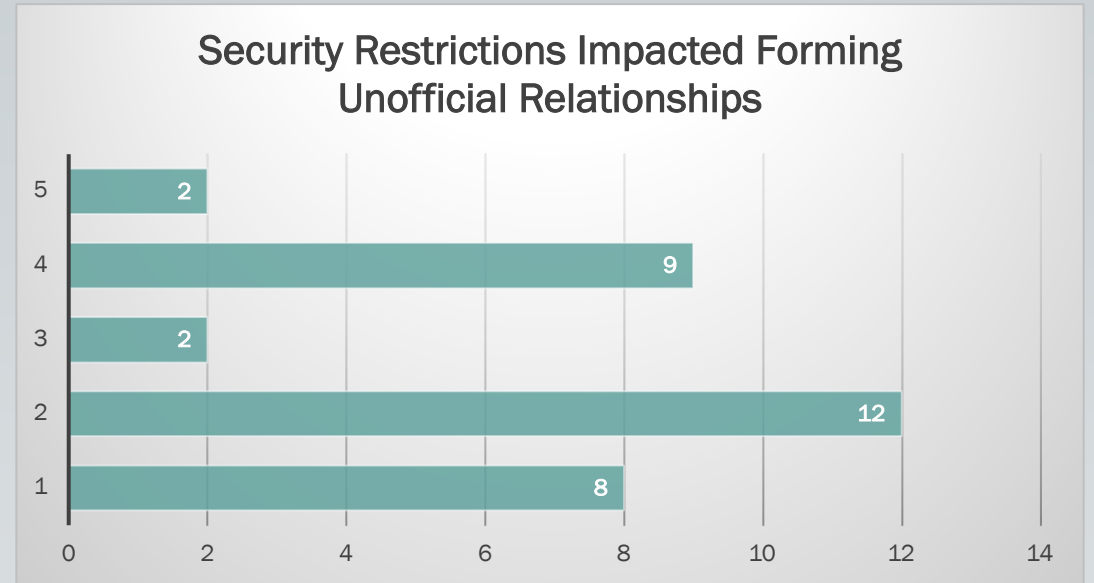
Interview Findings

- About 20% of interviewees also felt that security restrictions limited ability to accomplish daily work.
- Interviewees waived security restrictions for higher risk activity in order to achieve mission strategic goals.
- Lack of consensus whether FS employees properly weighed the risk of an activity with achieving strategic goals.

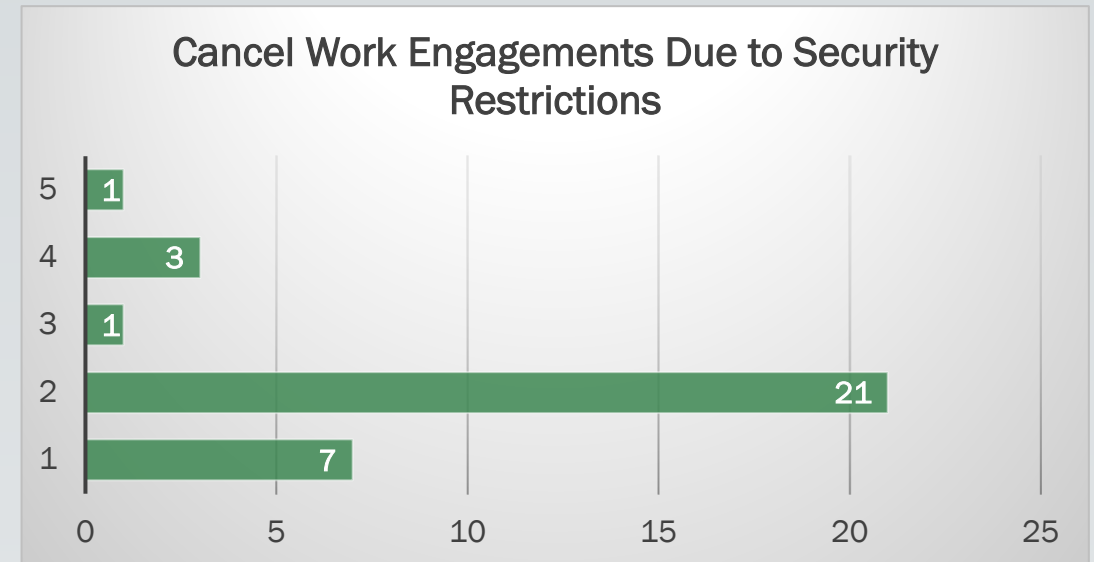
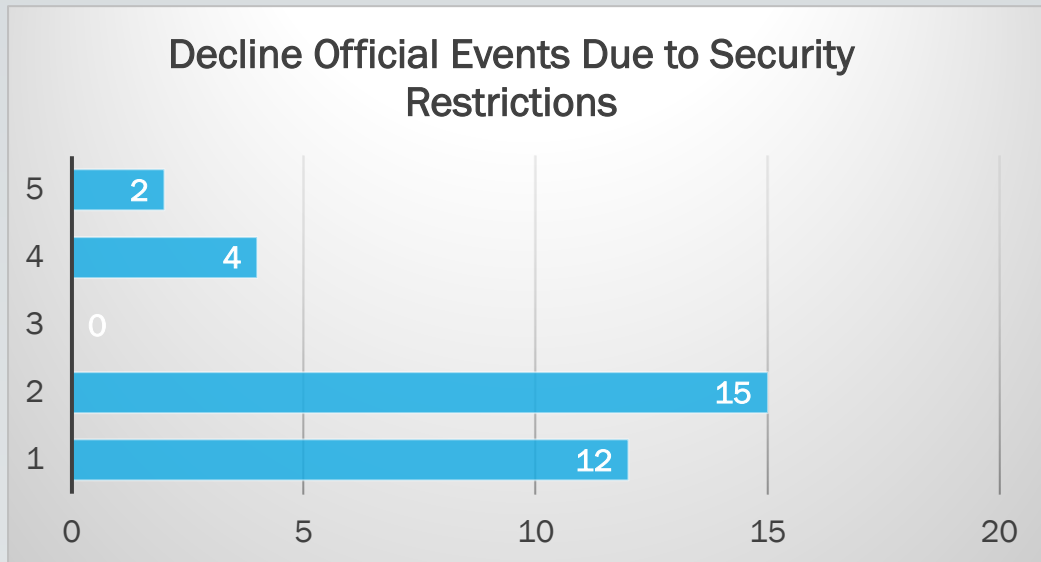
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Number of Respondents: 33



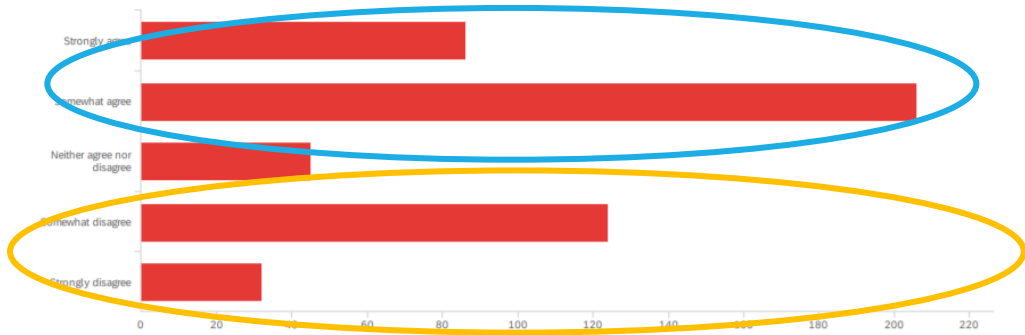
Number of Respondents: 33



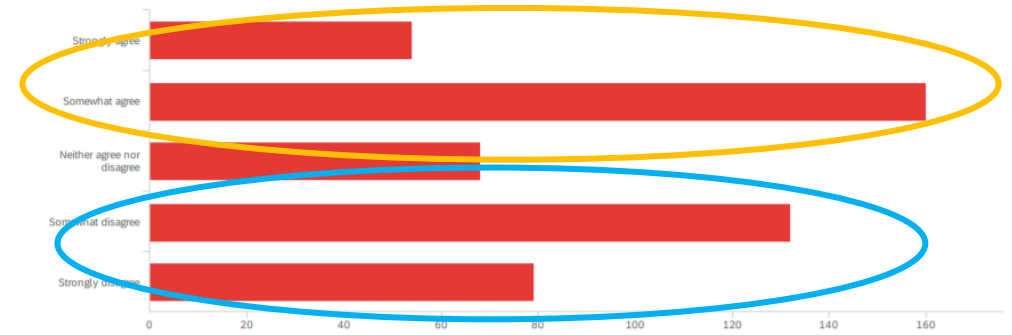
SURVEY AND INTERVIEW CONCLUSIONS: AREAS OF DIVISION

- Between one third to just under half of FS employees do not think that the Department of State can achieve its foreign policy goals with current risk mitigation policies in place.

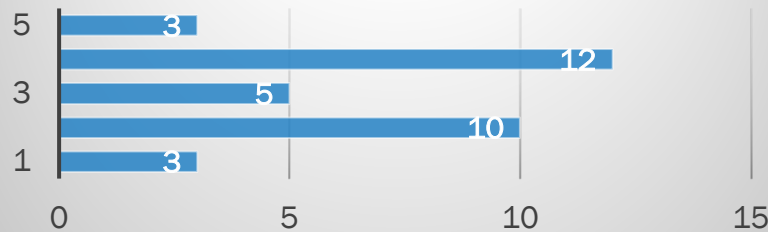
Q21 - I think the Department is able to achieve foreign policy goals with current physical security restrictions and policies.



Q22 - I think the Department fails to achieve its foreign policy goals because of physical security restrictions and policies.



Department needs to assume more risk to accomplish goals



STRUCTURED INTERVIEW CONCLUSIONS

FS leaders feel a great deal of stress of being held personally accountable if any FS employee is harmed overseas, whether there was any feasible way to prevent this harm.

No Department guidance on how to set risk tolerance levels at posts in order to achieve strategic goals. Risk tolerance levels differ among leaders.

Many leaders feel that the Department has a risk averse culture and the current legal framework makes risk taking extremely difficult.

Taking less risk in the conduct of diplomacy will be extremely harmful to U.S. national security and would greatly reduce U.S. influence overseas.

POLICY RECOMMENDATIONS

The Department needs enterprise-level risk tolerance/appetite guidance, which would assist posts in developing more appropriate risk mitigation strategies.

Post leaders should form appropriate levels of risk tolerance that correspond to specific, credible threats and the importance of achieving strategic goals.

Risk assessments, risk mitigation, and risk tolerance should be incorporated into the policy formation process at the Department and post level.

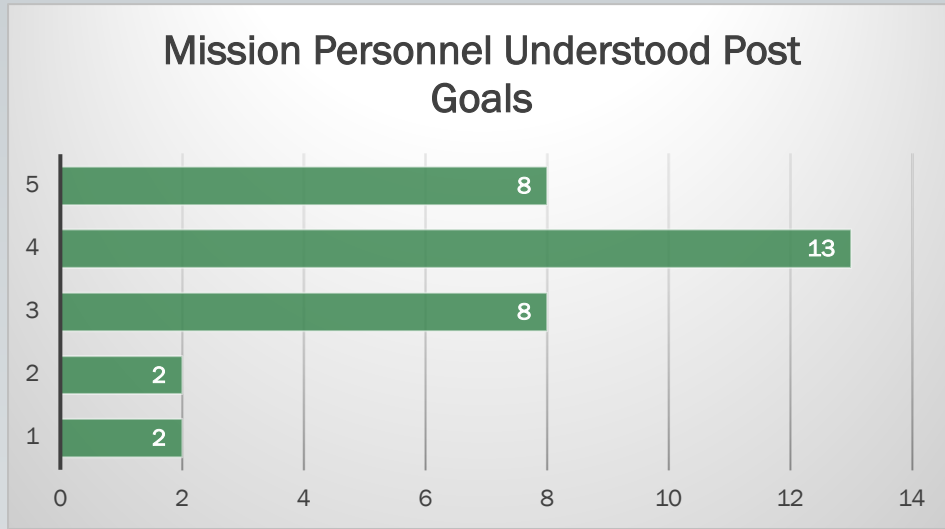
Risk management and mitigation must be more flexible, creative, and quickly adaptive to ongoing changes in threat environments.

The Department requires more and consistent resources from Congress, increased staffing levels to include a training float, and more integrated training in order to better manage and respond to risk.

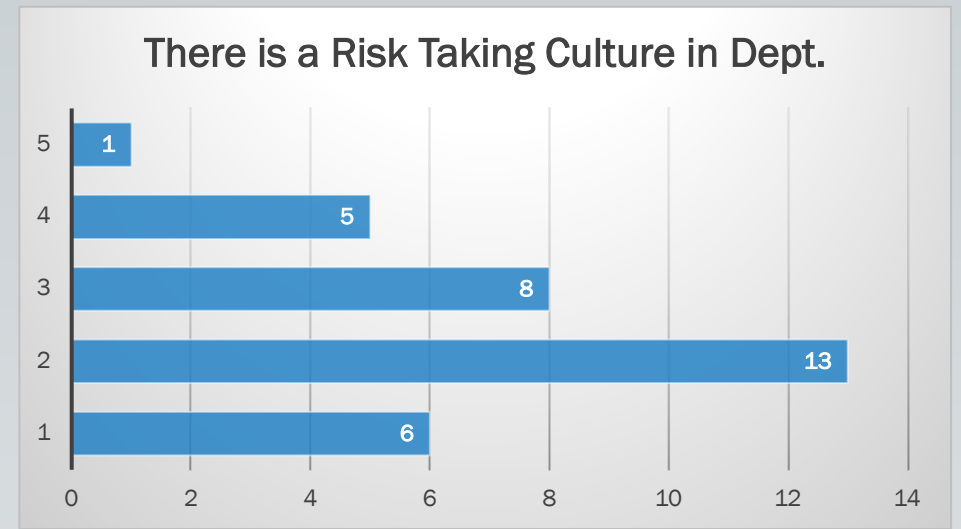
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Thank you!
Any questions?

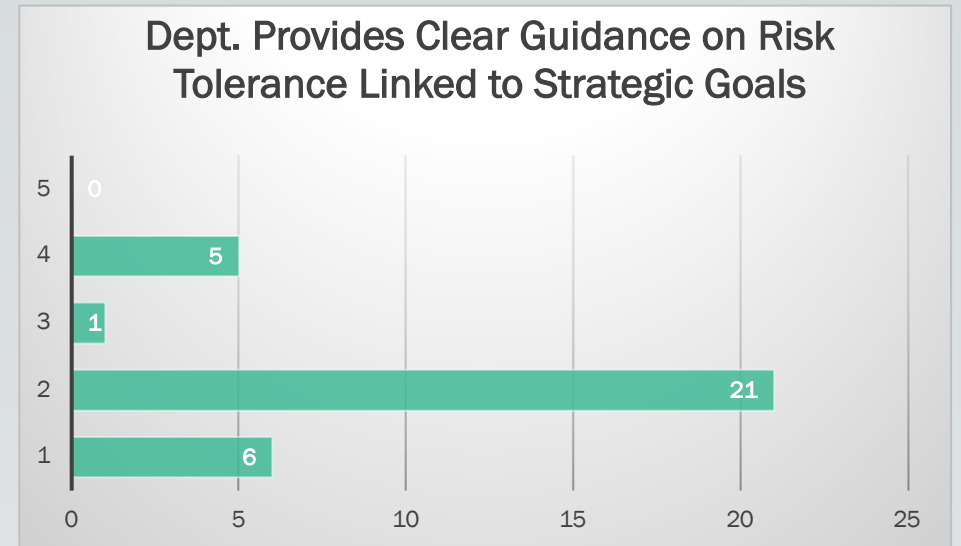
STRUCTURED INTERVIEW CONCLUSIONS: ADDITIONAL DATA



No. Respondents=33; Mean 3.69



No. Respondents=33; Mean 2.45



No. Respondents: 33 Mean 2.5