Opening Statement Deputy Secretary of State for Management and Resources Brian P. McKeon "State Department Authorization: Strengthening U.S. Diplomacy for the 21st Century" Senate Foreign Relations Committee Tuesday, May 3, 2022

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

I welcome this opportunity to continue our discussion from last fall, and to build on Secretary Blinken's testimony from last week.

I would like to express the Department's appreciation for your continued support and for helping to equip us to lead globally on behalf of the American people. We are especially grateful for the supplemental resources and flexible authorities you have provided in response to Moscow's brutal war of aggression against Ukraine, as well as for the supplemental funds for Afghanistan last year. This partnership between the Administration and Congress has been essential to a strong, united American leadership.

When I testified before this committee last October, it was the day that the Secretary announced his vision for Modernizing American Diplomacy – an agenda that will shape the Department to be ready to meet the challenges of the 21st Century by delivering an institution that is even stronger, more effective, more diverse and more agile to lead America's engagement in the world.

In a world defined by new threats, new competitors, and extraordinary opportunities to advance the needs and aspirations of the American people, the renewal of American diplomacy is vital and urgent.

The modernization agenda will strengthen the Department for the challenges of this century, and is designed to align our work, our resources, and our expertise with the issues that most directly and consequentially affect Americans' lives, livelihoods and security. While the modernization agenda includes a range of cross-cutting actions aimed at ensuring the Department can effectively execute U.S. foreign policy over the next generation, the Secretary has identified **three priority initiatives**:

First, we want to build the Department's capacity and expertise to address 21st **century missions.** We want to ensure the Department is organized, resourced, and its workforce is equipped with the skills and abilities to develop and execute U.S. foreign policy in the areas of China, climate, health, cyberspace and emerging technologies, multilateral diplomacy, and economic tradecraft.

The launch last month of the new Bureau of Cyberspace and Digital Policy is an important step in advancing this goal. We are currently in the final stages of a review on how we are organized for global health security, and are consulting with this committee and other stakeholders in Congress.

This reorientation to address these 21st century challenges includes using new tools, such as Artificial Intelligence, and better integrating data analytics to inform our policy decisions. We have an eager community of data professionals ready to join us. Last month, we advertised 50 new positions for data scientists, and closed the announcement after a few days, when we received 400 applications.

Second, we are working to modernize training and professional development.

We will revitalize the Department's approach to training and professional development to embrace a culture of learning where employees are offered, and expected to engage in, a wide range of opportunities to acquire new skills, expand their experiences, and grow personally and professionally throughout their careers.

This entails expanding content offerings in emerging fields such as cyber/tech, STEM, health, and climate expertise; and facilitating increased accessibility, incentives, and accountability for employees to train and develop.

And with your help, we will expand our foreign service training and development float – and establish a civil service equivalent – to provide the capacity for our workforce to take the time necessary to learn and grow. This was an objective first set out by Secretary Powell two decades ago; we are making every effort to realize it. We appreciate congressional support for our FY22 staffing request, which enables us to allocate an increase of 80 positions for professional development and training this year. Our FY 2023 budget request seeks to expand on that by adding 250 positions for this purpose.

The third initiative is to institutionalize a hybrid workforce. We will ensure the Department of State workforce transitions to a mission-first hybrid work environment that is resilient, agile, secure, and inclusive. Enabled by modern technology, workplace functionality, and updated workforce policies, Department employees will be equipped to meet mission needs in the 21st century.

Underpinning these initiatives are foundational actions we will undertake as part of the modernization agenda to build and retain a diverse, dynamic, and entrepreneurial workforce; leverage new tools and technologies to work more effectively and solve policy challenges; shift our culture to lead, and become risk aware, not risk averse; and foster initiative and innovation.

As I noted, the launch of the Cyberspace and Digital Policy Bureau is one example of how we have started making progress on new capabilities to address the challenges over the next several decades. There are many other examples:

- We established new Foreign Service climate diplomacy positions in all geographic regions and key overseas posts.
- We have developed a first of its kind "Demographic Baseline" report and dashboard with detailed views of who we are as an organization. We can now analyze the gender, race, ethnicity, and disability status of our direct hire cohort approximately 24,500 employees broken down by bureau, rank, and employment type. We are making this dashboard available to State's entire workforce.
- We have updated the performance management process for both foreign service and civil service, which include manager accountability and integration of DEIA principles.
- We are moving toward realizing the goal of paid internships for all our interns. Thanks to the support of Congress, we will start with a group of 200 interns this fall, and we plan to expand the program to all State Department internships in 2023 that is, about 1200 people will get paid when interning with us. This is a gamechanger for so many young Americans of diverse backgrounds hoping to start a career in foreign affairs.
- We have established an employee Retention Unit, which will review data and talk with the workforce to understand why people stay and why they leave. This team will develop the first Department-wide retention strategy.

- We established a 500-person Volunteer Recruiter Corps with representation from all our State Department affinity groups.
- For the first time, we offered Foreign Service specialist oral assessments virtually and requested FY22 funds to provide a needs-based stipend for some in-person oral assessments. We are also revising the Foreign Service exam process so that we undertake a holistic review that expands the focus on a candidate's education and experience, and ending the practice whereby the written exam is the sole gateway to the rest of the process.
- We have lifted over 70 percent of the assignment restrictions and will soon finalize a revised appeals process for officers who still have such a restriction.

Many of these achievements were made possible only with your support, and we will continue to rely on your advice and partnership to make further progress on this agenda. That includes ensuring we have the resources and authorities to take care of our people and carry out our mission domestically and abroad.

The Department hopes to return to a regular process of authorizations for the Department of State and we are currently developing legislative proposals for consideration by the Congress. Once finalized, we look forward to working with you to ensure the Department has the authorities it needs to improve our operational effectiveness and strengthen efforts to build capacity and foster greater ties with our partners and allies.

Finally, I want to thank the Committee for its work to confirm State Department nominees. Over the course of last year, you moved nearly 100 nominees through the process, most of them by bipartisan voice vote. It is critical to have our team on the field, particularly as we respond to Russia's aggression in Ukraine. Unfortunately, we are still not operating at full strength, and I want to ask for your support in confirming the many nominees who are currently pending consideration in the Committee.

Thank you. I look forward to your questions.