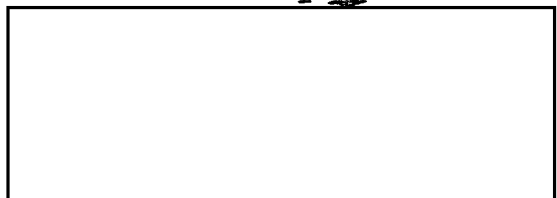


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OFFICE OF
THE INSPECTOR GENERAL
Inspection Report

THE AGENCY'S RECRUITMENT SYSTEM

May 1980



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EXECUTIVE SUMMARY

I. Purpose and Scope

The purpose of this inspection has been to determine whether the Agency's recruitment and selection system is effective in obtaining on a timely basis the quality and number of new employees needed to meet its needs.

Beginning in April 1979, a seven-member team from the Office of the Inspector General, supplemented by two nationally-renowned experts in psychological testing, has examined the entire range of the Agency's recruitment system--personnel planning and requirements; search for applicants; processing and selection of new employees. Primary attention has been given to the recruitment of new professional and technical employees, with special chapters devoted to the crucial problem of clerical recruitment, to the recently-expanded Career Training Program, and to psychological testing.

Several hundred Agency employees have been interviewed as part of this inspection--component heads, supervisors, processing personnel, and new employees in a wide variety of functional categories. Two comprehensive employee surveys--

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were undertaken, one of 1300 employees entering on duty in the 22 months between October 1977 and August 1979, the other of their immediate supervisors. Over 900 of the new employees, and more than 500 of the supervisors, responded. Their responses produced the Agency's first quantified look at the recruitment experiences and attitudes of new employees, and provided line management assessments of the new employees and the recruitment system.

The inspection team consulted with representatives of twelve major academic institutions throughout the United States to obtain their evaluations of, and suggestions for, Agency recruitment. Senior executives of several carefully chosen business corporations have cooperated by giving us their concepts for organizational recruiting as well as detailed descriptions of their recruiting activities. Finally, we have ascertained from several other federal agencies, among them the Department of State and Federal Bureau of Investigation, a picture of their recruiting efforts and the results attained.

II. The Agency's Recruitment System

This inspection report begins with a basic description of the Agency's recruitment system. Very few Agency personnel

ii

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working within the system or endeavoring to evaluate it for different reasons appear to have the detailed, comprehensive understanding of the effort which is essential for determining its strengths and weaknesses. Complicated and diffused, it was established in the 1950's as a combination of decentralized personnel planning among the Agency's operating components, centralized recruiting by the then Office of Personnel (OP), and decentralized selection by the components from OP-supplied applicants. This fundamental concept obtains today although, as certain components have come to experience difficulty in acquiring the types and/or numbers of new employees they need, the recruitment effort, too, has become decentralized in a number of instances.

Chapter II of this report is a detailed account of the many elements of the entire cycle of planning, recruiting, selecting and processing new Agency employees. It serves as the focus for the analysis, conclusions and recommendations in the subsequent chapters of the report. The most salient characteristics of the Agency's recruitment system are an annual projection of recruitment requirements for professional, technical and clerical personnel; high medical,

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security and professional standards requiring lengthy processing times; a nationwide, full-time staff of 19 recruiters giving primary attention to the university population; and use of recruitment strategies designed to induce the individual, rather than the Agency, to initiate personal contact.

III. The Recruitment Climate

When the present recruitment system was first established in the 1950's, the Agency was an expanding but relatively little known organization with large, mostly generalist, personnel requirements. With a marked boost from the new field recruitment structure, the Agency attracted large numbers of quality applicants willing to persevere in the face of lengthy processing times and little knowledge of the jobs for which they were being considered. Their strong disposition to accept the Agency on faith was buttressed by attractive salaries and benefits which generally were commensurate with, and in many instances better than, those available elsewhere.

Today the Agency is smaller, its personnel needs fewer and in many cases, more specialized. We have achieved considerable visibility and within the American society

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there appears wide acceptance of the need for a U.S. intelligence (espionage) arm. Interest in Agency employment and applicant flow are high, but today's quality applicants are different. They seek reassurances about the Agency because of recent notorieties, want more knowledge about their prospective work, weigh more job options, are less patient with processing times. The Agency also is losing much of its competitive edge in salary and benefits.

Because the existing recruitment system is able to satisfy the bulk of our needs for new personnel, there are those Agency officials who contend that the system is sound because "it works." But it works with what we find to be unnecessary sluggishness. Moreover, personnel shortages have developed in several key areas, notably scientific, technical and clerical categories. Minority recruitment has not produced significant results. The Agency also is on the threshold of a new recruitment climate characterized by rising salary pressures and need for quicker responses and improved articulation of job opportunities if we are to gain the services of high caliber personnel.

Agency salaries presently appear competitive for entry-level personnel except for some scientific, technical

v

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and clerical categories, and for minority candidates. Our data indicate that for the better-than-average electronics engineer, computer scientist and stenographer we are at least 10% below going rates. Because Government pay scales do not adjust as quickly or fully to inflationary pressures as those of private industry, we believe the Agency shortly will be facing significant salary disadvantages unless there is liberalized use of appointment grades and salaries. We also note a trend by private industry to hire the bachelor-level applicant over the higher-priced graduate-level prospect.

While concern for salary differentials is legitimate, we find Agency hiring officials overly occupied with the question. We believe that more stress needs to be given to nonmonetary advantages to Agency employment--job challenge, employment location, importance of the Agency's mission. Many hiring officials also appear to be oblivious to candidate apprehensions, not always expressed, about possible Agency wrongdoing, job tenure and employee morale. Such officials are generally insulated from labor market dynamics, and are not familiar with professional recruiting concepts and techniques. We believe that the Agency should develop a training program for personnel engaged in the recruitment/selection cycle.

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IV. Personnel Requirements

There is little long-range personnel planning in the Agency. That which is performed, by the Human Resources Analysis Staff of the Office of Personnel Policy, Planning and Management (OPPPM), has been largely ignored by components when making personnel decisions which have significant impact on recruitment and staffing. Failure to take into account, for example, the longer-term effect of recent decisions, first to curtail, then to expand, the intake of Career Trainees and clericals for the Directorate of Operations, has had a major impact on recruitment. It also caused uneven distributions among the Directorates's junior and middle grade operations officers. OPPPM asserts that it is enhancing its long-range personnel planning capabilities and is seeking to gain the cooperation of the Directorates in this effort.

Even with regard to short-term personnel requirements, there is lack of anticipation and planning. Forty percent of the 500 line managers who responded to our survey during this inspection indicate that the recruitment effort begins in their units only when impending vacancies become known. Given the present recruitment system, it will probably take

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between six and nine months to produce a replacement, but departing employees rarely provide that much advance notice.

Particularly damaging has been the lack of advance personnel planning to deal with the now critical shortage of scientific and technical linguists to translate documentary intelligence of vital importance to our national security. The loss of foreign language speaking skills among Agency personnel also continues at an alarming rate, approximately 20% in five major languages--Russian, German, Spanish, French and Italian--in the last five years. The losses are even greater in some other languages; nor has the Agency added significantly to its inventory of speaking skills in any key foreign language during this period. Among the 63 newly-hired Career Trainees in the July/August 1979 Class, only 12 have a tested foreign language speaking proficiency at minimum professional level, or better; in the February 1980 class, 11 of 67. We see the revitalized Language Incentive Awards Programs as a partial solution at best. There is clear need for long-term planning which identifies the need for foreign language, and other, skills to trigger an intensive recruitment and, quite possibly, an internal training program to overcome the shortages.

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Two documents, supposed to be compiled annually, constitute basic guidance for current recruitment efforts. The Advance Staffing Plan (ASP) projects the number of new employees needed, by components, in each of the nearly 200 functional job categories within the Agency. Recruitment Guides (RGs) endeavor to describe the jobs for which new employees are sought, identify the qualifications needed by applicants for them, and indicate appointment grades and administrative considerations which apply.

Neither documentary mechanism is particularly effective. The ASP is overblown--"guess work" in the eyes of one OPPPM official. The ASP for FY 1979 listed [] positions to be filled. According to OPPPM, [] new employees were hired during the year. Despite the seeming shortfall, the Agency was only 31 under its employee ceiling at the end of the year. The disparity between personnel requirement and recruitment statistics is traceable mostly to inflated ASP figures. OPPPM is revising the guidelines for the ASP, which is developed by operating components, to make it more realistic and to link it with the three-year projection cycle which is part of the annual budget exercise.

25X1

25X1

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The RGs, also prepared by components, relate only to professional and technical positions. Some are written by staff officers, others by line managers. Many are vague or give such sparse information as to be of little help to recruiters already handicapped by lack of direct knowledge and experience of the jobs for which they are recruiting.

The RGs, in our judgment, should be prepared by the line managers who do the hiring. Our survey of immediate supervisors of the recently-hired reveals that 70% of them are involved in the hiring process but a surprising 60% are not even aware that RGs exist. Many who are assert that RGs relating to positions under their supervision are both inaccurate and outdated.

Although RGs are supposed to be revalidated annually, many are not and recruiters often question their current applicability. Recruiters also often believe that RGs call for unrealistically high applicant qualifications. Given the large number of RGs (about 180) and the vagueness of many, it is understandable that most recruiters concentrate their time and efforts on those which call for the largest number of generalist candidates--editors, photo interpreters, Career Trainees, etc. Recruiters ordinarily do not recommend applicants for specific RGs (positions),

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for components. We think applicant recommendations need to be more specific, and that recruiters need both better guidance and feedback from components about the appropriateness of candidates they recommend.

The Agency began to recruit minorities aggressively only in 1975 and in 1978 adopted the "20/5/2" Equal Employment Opportunity Plan for women, blacks and Hispanics in our professional ranks. At the end of FY 1979, the Agency's professional complement was 18.2% female (up 2.2% from 1975), 3.8% black (+1.4%) and 1.6% Hispanic (+0.9%). Thus far, the 20/5/2 plan has not been incorporated into component personnel planning and hiring mechanisms.

V. Applicant Search

Over 83% of the 500 first-line supervisors surveyed as part of this inspection indicate that the quality of their new employees is average or above when compared with predecessors. At the same time, 17% indicate their units are having serious problems getting both the quality and quantity of new employees needed. Based on these results and on extensive interviews throughout the Agency, we conclude that present applicant search mechanisms are producing quality

xi

CONFIDENTIAL

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applicants for most vacancies, but not enough in some hard-to-get categories--electronics engineers and technicians, computer systems programmers, photo scientists and clerical employees. Some components which are experiencing a shortfall in S&T recruits, and a few with requirements for specialized or advance-level personnel, have resorted to their own recruiting.

Despite extensive recruiter contacts with university placement officials and the Agency's use of mass media advertising and its own recruitment literature, over 50% of recent hires state that their interest in Agency employment was first prompted by the personal suggestion of an employee (other than a recruiter), friend, colleague, professor or relative. (OPPPM regards this figure as inflated.) Fewer than 10% of professional and technical hires credited advertising and fewer than 20% cited Agency notices or literature in placement offices. Further underscoring the importance of personal, and especially employee referral, 57% of the newly-hired indicate they have already recommended Agency employment to others and 91% would do so. The importance of a Headquarters area recruiting effort is manifest in the fact that almost 56% of new professional

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employees assert that they dealt with the Agency's Washington Area Recruitment Office, and only 21% with field recruitment offices.

Advertising in mass media and university campus dailies, and in professional journals, has long been a useful recruitment tool. In mid-1979, as part of the intensified search for Career Trainees, a more lively advertising campaign was undertaken by OPPPM in consultation with a New York advertising firm. The campaign evoked a great deal of press and TV attention for the Agency, and more than 13,000 individual responses have been received. Recruiters assert, however, that few viable candidates emerged from early versions of the ad owing to the omission of certain basic information. Not mentioned were the requirement of U.S. citizenship, salary range, need to relocate to Washington, D.C., that appointments were at the entry level, and that resumes should be submitted. As a result, OPPPM Headquarters and field components until only recently were tied up in answering an immense volume of inappropriate correspondence. Some university placement officials also expressed concern to inspectors that these ads "renewed the specter of international adventurism" by the Agency.

xiii

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With a few exceptions, anti-CIA feeling on university campuses is reduced to the point where it is no longer an obstacle to Agency recruitment. College placement officials contend that today's graduates make employment decisions largely in terms of job challenge, location and starting salary. They further contend that the Agency's role in foreign affairs and its job opportunities are not well-known in academic circles and suggest several steps to overcome this ignorance. One problem encountered in the relationship between Agency recruiters and university placement officials is the latter's desire for feedback on the disposition of student cases referred for employment. OPPPM Headquarters officials do not regard this as a serious problem, but we found instances in which Agency field recruiters had provided both oral and written feedback to placement officials as one means of maintaining close relations. Because of the need to balance public relations with cover considerations, we suggest that the Agency develop and communicate to placement officials a position on this question.

Field recruiters, already hard pressed to maintain demanding schedules, generally avoid giving speeches and briefings. They claim these have little immediate or direct

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recruitment payoff. We agree and believe that recruiters generally should not be used in this capacity, but still see need for public relations work by other Agency officials as part of the effort in applicant search. We also believe there is need for a major revamping of Agency recruitment literature which is almost uniformly regarded by placement officials with whom we consulted as dull and uninformative.

There has been considerable success in recruiting nonminority women for the DO and NFAC. The former recently encouraged the hiring of female operations officers and in the last three Career Trainee classes there have been a total of 46 women destined for the DO. The DS&T, however, is having serious difficulty finding female engineers and technicians, of whom there are painfully few in our society.

Minority recruitment is hampered by impressions that the Agency is a domestic police organization as well as a nonequal opportunity employer. There is keen competition within the society for minority professionals, and lucrative salary offers by business corporations are a formidable challenge. Some Agency elements are making serious efforts in minority recruitment, nonetheless. OPPPM is assigning four new minority recruiters to its 13-member field recruitment staff. This is in addition to three black recruiters

xv

CONFIDENTIAL

~~CONFIDENTIAL~~

already assigned to the Headquarters area. Agency EEO officials have developed contacts with minority universities and colleges and in mid-1979 organized a Headquarters conference for placement officials at minority academic institutions in southern and southwestern U.S. Some Agency components are making particular effort to recruit minority professionals but find the task very difficult.

We are not persuaded that reliance on the Agency's EEO structure and on an expansion of minority recruiters is the best solution, however. We believe that minority recruitment should be an integral part of an overall recruitment system in which line managers exercise the responsible role.

The background of the Agency's field recruiters is diverse. About one third were direct hires without prior Agency experience; another third have substantive experience in operating components; the remaining third are primarily personnel careerists. Their relatively brief training has consisted largely of observing other Agency recruiters, then learning on the job in singleton field assignments. We view such training as inadequate particularly with regard to their acquiring a comprehensive knowledge of the approximately 180 different jobs for which they are expected to recruit.

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We find lack of consistency among recruiters concerning what they say to candidates about the mission and functions of the Agency, the nature of jobs for which candidates might qualify, the importance in appropriate cases of keeping confidential one's interest in the Agency, and the nature and duration of applicant processing. Recruiter techniques for interviewing and evaluating candidates in the typical 25-minute session also differ.

Fundamentally, field recruiters have an almost impossible task because of the vast geographic territory and target population each is assigned; the more than 180 types of jobs for which they are expected to recruit; and the constant pressure from Headquarters to submit increasing numbers of applicant files. We believe the recruiters, in general, do a remarkable job. The function, in our judgment, is wrongly conceived, however.

The Washington Area Recruitment Office (WARO), staffed by six recruiters, is credited with providing approximately one third of the Agency's new employees annually. Unlike field offices, which maintain a low visibility, WARO is a walk-in facility as well as a regular recruitment office for the District of Columbia and nearby states. It enjoys a

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number of advantages over field offices--ready access to operating components and processing elements and a largely local target population for whom relocation is not a factor. About 90% of the Agency's new clerical employees come through WARO. The staff talks with more than 7,000 persons annually, most of whom are nonviable or marginal prospects. Coping with such an overwhelming volume causes major problems and it is perceived by many applicants, and employees who refer prospects to WARO, as an inefficient and impersonal place.

We find OPPPM's network relies heavily on "bulk" recruitment, leaving to operating components the time-consuming task of winnowing out the qualified applicants. We are concerned that between 75% and 80% of the more than 3,500 professional and technical applicants being produced annually by the recruitment system as a whole are never placed into process for employment. We believe the entire recruitment system needs to become more selective to eliminate clogging the Agency's selection and processing mechanisms. At WARO, in particular, the need to screen large numbers of walk-in candidates to determine those who should be interviewed on the spot is an inappropriate and inefficient use of the staff's time. Except for clerical candidates, WARO

xviii

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interviews should be by prior appointment, relying on normal OPPPM mechanisms for review and referral of resumes.

We believe OPPPM field clericals, who function as office managers for the recruiters, perform a variety of responsible functions for which they are undergraded. Upgrading of their positions appears justified.

The Agency's two student programs--the Student Trainee (Co-op) Program and the Graduate Fellow Program--are highly regarded by line managers who benefit from their services. About 61% of Student Trainees have converted to regular employment and approximately 23% of Graduate Fellows since inauguration of the programs in 1962 and 1966, respectively. The latter program is not intended as a direct recruitment vehicle but as a means for the Agency to inform academicians about its functions and professional opportunities. Both programs are expensive; in contrast to an estimated \$8,000 to recruit and process each regular employee, each Student Trainee who converts to staff employment costs about \$13,000, each Graduate Fellow about \$34,000.

VI. Applicant Processing and Selection

The Office of Personnel Policy, Planning and Management recently has taken several steps intended to improve applicant processing. It is now retaining new professional and

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technical applicant files for ten days in a centralized Skills Bank to permit their being reviewed by several components. The procedure is also intended to preclude delays occasioned by components' "sitting" on files without decision or action, but in May 1980 there were still approximately 175 delinquent files, i.e., held by components for more than two weeks. As part of a new system it is planning, OPPPM hopes to resolve the problem of delinquent files. We believe stronger organizational discipline, e.g., a component's loss of right to a particular applicant on whom it has not acted expeditiously, is necessary to achieve this.

OPPPM's backlog in corresponding with applicants appears to have been eliminated and a positive step taken by initiating early processing of electronics engineers, a hard-to-get category. A planned minicomputer system is expected to provide for better applicant file tracking and for recovery of files of inactive applicants with skills suited to new requirements.

The fundamental problem, however, is that too many marginal applicant files are clogging the selection and processing channels. During the last four years, OPPPM's Recruitment Division has produced an average of almost 2,800 professional applicants, of whom about 600 were placed in

xx

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process for employment and approximately 320 entered on duty. This represents nine applicants for each EOD, five applicants for each one placed in process. These ratios have been increasing as the recruitment system expands. Worse still, the Career Training Program reviewed 1,075 applicants for 63 places in the mid-1979 CT Class, a ratio of 17:1. Efforts are underway to reduce this ratio to 12:1, still too high, in our judgment.

Components with generalist requirements are thus enabled to be highly selective about applicants, but with resultant delays in decisionmaking and processing. On the other hand, the OPPPM recruitment system is not producing enough hard-to-get and advance-level applicants, indicating a need both to refine and redirect our recruiting efforts.

Because of its retaining new applicant files in the Skills Bank, OPPPM extracts skeletal information from new applications and resumes and communicates it to components electronically through its daily Applicant File Listing. We find the information contained in this listing much too sparse and believe that it results in the loss of many good applicants whose full credentials are not brought to the attention of operating components. OPPPM estimates that 22% of professional applicants were rejected in 1979 without a

xxi

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component ever having seen the file. We believe the Skills Bank and Applicant File Listing mechanisms should be abolished in favor of direct dissemination to components of fewer, more carefully screened applicants. We also note that the separate channel for handling minority applicants, the Minority Employment Coordinator structure, has resulted in gaining more serious consideration for minority applicants but has not improved the six to nine month processing time common to most professional applicants. We believe the MEC structure should be abandoned and minority recruitment made an integral part of the new recruitment system outlined in the principal recommendation arising from this inspection report.

Our review of applicant processing has uncovered areas in which some reduction of time can be achieved and these are listed in the body of this report (Chapter VI).^{*} The really significant steps, however, would be to eliminate marginal files from the system and to effect quicker decisions by components about applicants. We find this practice prevalent in major business corporations and think the Agency cannot afford to do less. Our principal recommendation addresses these problems.

^{*}Several actions initiated in this area by D/PPPM are also noted.

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After lengthy processing time, respondents to our EOD survey most frequently cited lack of correspondence from the Agency as a complaint. OPPPM's planned minicomputer system, programmed to tickle applicant cases for an interim or 30-day letter, should rectify this problem when it becomes operational. The elimination of superfluous applicant files should have a salutary effect as well.

VII. Clerical Recruiting

About half of the Agency's new employees each year are in clerical categories--typists, stenographers, clerks, guards, couriers, telephone operators, laborers, security escorts. OPPPM officials estimate that 450 applicants should be in process at all times to counter clerical turnover and meet new requirements, calculating one entrant on duty from each two applicants in process. OPPPM reports that, as a result of intensified effort, 83 new clerical employees entered on duty in January 1980 - a record for the first month of the year. In February 1980, there were about 500 clerical applicants in process but, according to OPPPM, there is still a "critical shortage" in virtually all clerical categories.

25X1

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xxiii

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The major problems in clerical shortfall are processing delays, drug usage and salary disadvantages. Processing delays are difficult to pin down for clerical applicants, but appear to fall into the period between the applicant's submission of forms and the initiation of formal processing--perhaps a lapse of as much as two months-- and delays by applicants in coming to Headquarters for processing. We have suggested, and OPPPM has implemented, the assignment of an additional officer to the Clerical Staffing Branch/OP, which is responsible for the selection and processing of virtually all clerical applicants.

Ninety percent of new clerical employees come from within a 50-mile radius of Washington, D.C. OPPPM has only three full-time clerical recruiters--two in Washington, one --but its recruiters of professional personnel throughout the country also have responsibility for some clerical recruiting. Heavy workloads for the latter recruiters, and marked disinclination on the part of the clerical prospects to relocate to Washington, pose formidable obstacles to their success, however.

The Directorate of Operations has been getting only two or three new clerical employees monthly against an average of 45 vacancies. By contrast, the Foreign Service has

xxiv

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been able, at least prior to the Iranian crisis, to satisfy its needs for clericals in overseas assignments. One reason for the difference appears to be the method of recruitment. Foreign Service teams, which include clerical personnel, travel throughout the country to provide firsthand information and evaluation for clerical prospects. Another factor is that the DO is still trying to regain momentum lost during its 16-month freeze on clerical hiring in 1977-78.

Several significant problems derive from the Agency's testing of clerical candidates. Passing the Short Employment Tests (SET) is a prerequisite for consideration. We find, however, that the SET--a measure of vocabulary, arithmetic skills and ability to transfer data has not been validated for Agency use, as recommended by the developer, The Psychological Corporation.

Only about 25% of candidates who take the Agency typing test pass it, and only 10% the stenography test. Outside certifications are not accepted. We are concerned about the low passing rates, but note that the Office of Personnel Management has reviewed the stenographic test and affirmed its fairness and reliability. Nevertheless, the stringent

xxv

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stenographic standard strikes us as anomalous in view of the underutilization, and consequent loss, of stenographic skills among large numbers of current clerical employees.

Testing of clerical candidates in the field often is makeshift and unprofessional. We believe such testing should be contracted out.

We also find a serious question of ethics involved in the way OPPPM uses stenographic and typing test results to determine clerical appointment grades and titles. Some candidates seeking typist or stenographic positions who fail pre-employment testing, nonetheless are appointed to grades and given titles as if they had passed. Retention of status is contingent upon their passing the respective test at the time of EOD. Eighteen were downgraded from stenographer to typist in FY 1979; figures for typists who were reclassified as clerks are not available. For the failed stenographer, annual salary is reduced about \$1,200 after EOD; for the failed typist, promotion opportunity is restricted, and the new employee must pay travel and household moving expenses which he/she had expected the Government to pay. OPPPM contends that these practices are necessary incentives for hard-to-get clericals and points out that all applicants

xxvi
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sign a form when they first apply acknowledging the conditions. We believe, however, that the practice is unfair to the employees affected, particularly in view of low passing rates for the two tests, and reflects poorly on the integrity of the Agency. In our judgment, appointment grades and titles should be awarded only on the basis that applicants satisfy established criteria in the pre-employment stage. Allowance should be made for upgrading if the test(s) can be passed within 90 days following EOD.

Finally, our EOD survey reveals that 37% of new clerical employees are dissatisfied with their jobs. At least part of this dissatisfaction appears due to the fact that neither the new clerical employee nor the receiving component is afforded opportunity for preassignment interview. We believe such interviews should be initiated at the time of EOD.

VIII. Career Training Program

This recently-expanded program was examined in the context of the Agency's total recruitment effort. We looked at it particularly in the light of the assertion by the NAPA

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team that it is largely DO oriented. We find that contention accurate, although NFAC is looking to the Program for approximately 20 new analysts a year, [] the number for the DO. We conclude that without a fundamental rethinking of the purpose and value of the Program as a source of junior officer generalists for the Agency as a whole, and without an allocation of personnel positions to it for trainees, the DO cast is likely to continue.

25X1

Based on psychological test results, and except for foreign language qualifications, Career Trainees seem to be bright as ever. While there are some changes in temperament and attitudes, tending more toward family/leisure orientation, on-the-job supervisors indicate high satisfaction with new CTs, as well as with other new employees. The tripling of CT intake in 1979 does not appear to have compromised this quality to any discernible extent.

What the expansion has done, however, is to dominate the Agency's total recruitment effort and, to a lesser degree, processing channels (psychological testing and polygraph examinations). CT requirements constitute about one third of Agency requirements for professional and technical personnel, but have aggravated processing delays and hiring shortages in other employee categories.

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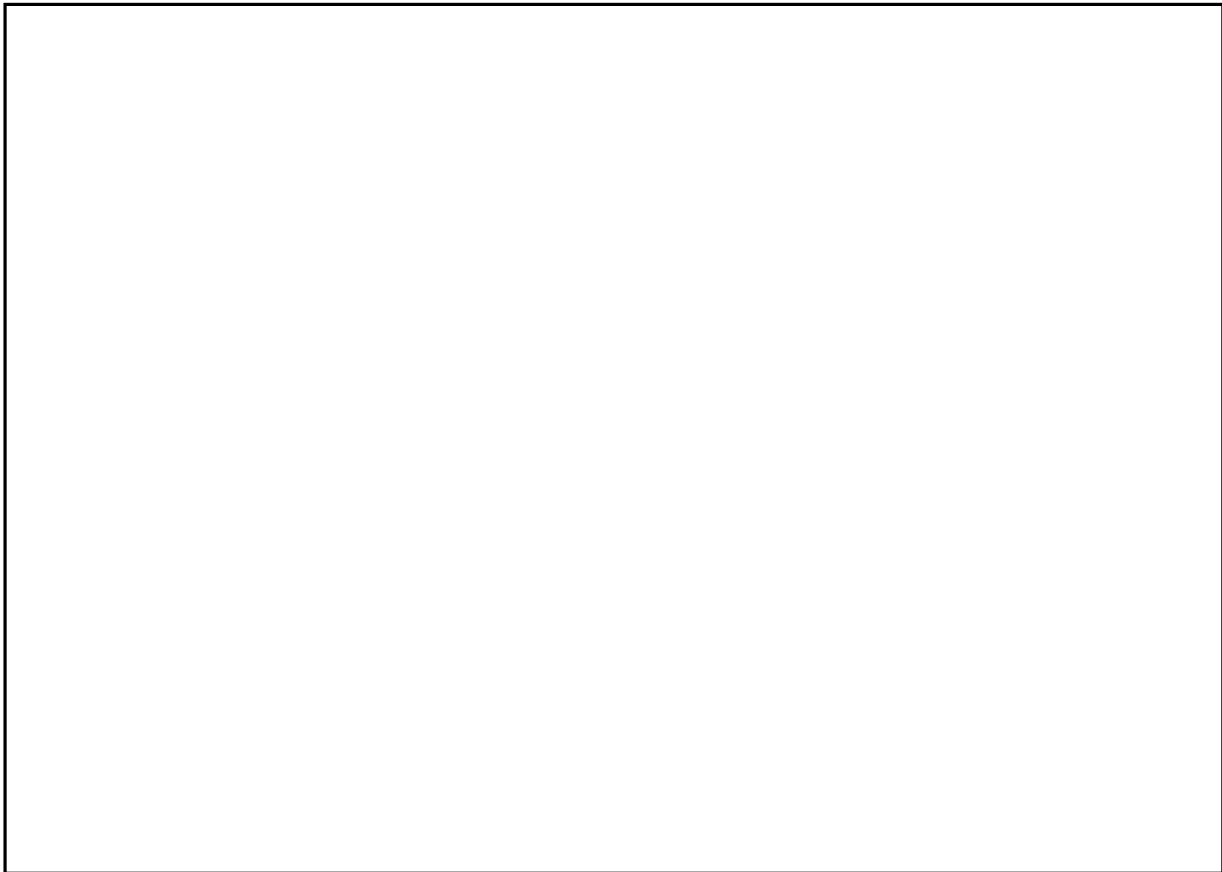
None of the OPPPM recruiters has had direct operational experience, but the enrollment in July 1978 of many of them in a "minioperations course" helped them understand the work and qualifications of junior operations officers. The CT Staff's rejection of four out of every five applicants recommended for the Program, however, has caused confusion and frustration among the recruiters about CT selection standards. The Staff's consideration of almost 1,100 applicants for approximately 65 CT positions seems highly excessive; we believe there should be less concern about producing large numbers of candidates and more concern about the earlier selection and processing of the most promising ones.

The Program's record of recruiting females has improved noticeably, owing to the DO's recent acknowledgement that women have been effective operations officers. There have been a total of 46 women destined for the DO in the last three CT classes. The Program has been able to recruit some Hispanics, but only about 35 blacks have been hired in the history of the Program, five within the last two years. In general, the recruitment of minority CTs has been sporadic and uncoordinated and does not differ significantly from the Agency's overall problems with minority recruitment.

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25X1



Determination of entry grades is also proving troublesome to a significant number of CTs. A highly sought after group, many have taken salary cuts or declined higher offers to join the Agency. Many believe, however, that the Agency is "trying to get us on the cheap" and think the CT Staff is evasive, arbitrary and inequitable in its salary determinations. The Staff has what appear to be workable criteria, but its unwillingness to disclose the criteria to applicants and new CTs, and possibly uneven application of the criteria

xxx

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have created suspicions and misunderstandings. We believe that a review of the criteria and their application is dictated and that, for reasons of professionalism and credibility, general disclosure is advisable.

IX. Professional Applicant Test Battery

The PATB, an eight-hour series of written tests, is administered to about two thirds of the applicants for professional employment. Individual components determine whether applicants for a given position should be tested. Hiring officials' use of the PATB as a selection device is discretionary; only 25% of more than 500 supervisors who were surveyed during this inspection indicate that they give the PATB results significant weight in their employment decisions. (Higher weights are accorded to academic work/training, prior work experience, and judgment based on personal interview.) Over 60% of these supervisors either have no opinion about the PATB's usefulness or indicate it is not used by their components. On the basis of Agency-wide interviews as well as a review of Recruitment Guides, we find an applicant may be required to take the PATB for a particular position in one component but not for a comparable position in another component. Similarly, some

xxxi

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applicants for a particular position will have been tested, others not. We see need for a systematic Agency policy concerning the testing of applicants to establish some uniformity about the positions for which testing is required; the essentiality of evaluating test results for all applicants for positions in which testing is used as a selection tool; and the nature of the testing itself.

The two psychological consultants from Columbia University who examined the PATB on our behalf conclude that there are serious deficiencies in the evidence developed over the years for the reliability and validity of the PATB. They report that only five of 31 separate tests in the battery have reliabilities which are minimally acceptable within the profession, and that reliabilities are particularly weak for females and minority groups. The Psychological Services Staff (PSS), which administers the PATB, has recently produced a study of the reliabilities of eight of the tests which it claims refutes the consultants' criticism.

Among 23 PATB tests which the consultants examined for validity, only ten tests present sufficient research evidence, they claim, to judge their validity and that, even in these ten, the evidence is weak and does not meet minimum

xxxii

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standards set by the American Psychological Association (APA) or the Uniform Guidelines on Employee Selection Procedures developed by the U.S. Equal Employment Opportunity Commission (EEOC). Again, PSS strongly contests this view, asserting that its methodology and validation studies conform fully to standards established not only by the APA and EEOC, but also by the [] which conducts nationwide PATB testing for the Agency.

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PSS' work in assessing the validity of the PATB has been based on the "criterion-related" approach which endeavors to establish a significant statistical relationship between one or more test scores, on the one hand, and a measure of employee performance on the job, on the other. All concerned have acknowledged that fitness report ratings, which are the primary performance measure relied upon, tend to be subjective and, given the fact that the great majority of Agency employees have been rated "Strong" or better, are not well differentiated. As such, they are poor instruments upon which to base test validation. The consultants urge, and we agree, that the Agency's test program, as well as its other selection devices, should be based on a comprehensive job analysis which identifies key abilities, knowledge and skills required by a particular job or job category. Tests

xxxiii

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are then developed against these attributes. Known as a "construct" approach to test validation, this would require a major change in concept for the Agency's testing program but one which we find is endorsed by many leading authorities in the field of psychological testing today. In practical terms, this would lead to marked curtailment in the use of PATB until a new testing program is developed.

The consultants find no direct evidence of bias or unfairness in the PATB in relation to female or minority groups. They state, however, that there is serious potential for misuse or unfair use of it in this context. The inspection team concludes, from a review of both PSS and consultant data, that the PATB, in general terms, does not discriminate against black applicants and is not, therefore, vulnerable to a charge of adverse impact. At the same time, however, we find no steps yet underway to maintain and report test data for minority groups in relation to specific jobs or job categories in the Agency, a requirement stipulated in the EEOC guidelines.

X. Cost of Recruitment

We have been unable to discover any comprehensive study of the cost of the Agency's recruitment program. OPPPM's

xxxiv

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recruitment and placement budget of almost \$3 million is augmented by extensive, but not clearly identifiable, resources in Security, Training (Career Training Program), Medical Services and all components engaged in hiring new personnel.

The cost of OPPPM's field recruitment network is approximately \$900,000, or more than \$3,000 for each of the 285 new employees it produced in FY 1979. Because of an expansion of this network without a commensurate increase in personnel requirements, the per capita cost for EODs from field offices in FY 1980 likely will be closer to \$3,500.

A senior OPPPM official asserts that the cost of the total recruitment, selection and processing system was \$8,000 per EOD, based on an informal 1976 study. We estimate that, currently, total program and personal services costs for the system are in the vicinity of \$10 million, or about \$10,000 per EOD.

XI. Recruiting for the '80s

Agency recruiters, under present circumstances, face a Herculean task. The guidance which they receive about personnel requirements is quantitatively overblown and

xxxv

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qualitatively imprecise. Their recruitment territories and target populations are vast and they are under constant pressure to submit more applicant files. The resulting applicant file flow clogs selection and processing mechanisms, and for many positions produces more good candidates than can be absorbed.

Simultaneously, the Agency is experiencing a recruitment shortfall in scientific, technical and clerical categories, and the situation is getting worse. Our recruiters are not well equipped to recruit specialists. The Agency is losing a competitive edge in entry-level salaries while failing to sell the nonmonetary advantages of Agency employment.

The recent trend has been to expand the field recruitment network--opening three new field offices and adding five black and three auxiliary recruiters. Yet, aside from the U.S. armed forces with their needs for massive numbers of relatively unskilled personnel, we found no large organization that maintains a nationwide, full-time network of field recruiters. Business corporations, as well as the U.S. Foreign Service, use professional line personnel to recruit new professionals; recruiting is not a full-time job for these professional employees. Selection for recruiting

xxxvi

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duties is considered an honor, and is often reserved for "comers". Line personnel are selected because they can best articulate what the organization does, what the applicant will be doing, and the benefits of working for their particular organization. They are carefully selected and trained, and sent to field locations in teams, buttressed by clerical support. Hiring decisions are made early, either immediately following initial contact or after a visit by the candidate to an organizational facility.

We believe the Agency should adopt a similar system, converting recruitment from a staff to a line function. The final chapter of this report contains a recommendation for a pilot project to select and train a small number of substantive personnel--professional, technical and clerical--for brief periods of recruitment duty. They would be assigned to perhaps two or three teams of ten members each, including female and minority employees, and sent under the direction of the Office of Personnel Policy, Planning and Management to selected areas of the country to interview candidates developed through prior advertising, academic contacts, personal referrals and other means. Consolidated field recruitment offices would be maintained to carry out the latter responsibilities. We see two major

xxxvii

CONFIDENTIAL

benefits to be derived -- highly selective judgements about candidates early in the recruitment cycle and, therefore, fewer but more viable applicants in the system, and accelerated selection and processing for those recommended by substantive recruiters. By this means we would expect to obtain the very best candidates, reduce the burden of unwanted files, fulfill our S&T, minority and clerical requirements, and reduce processing time by merging the recruiting and selection functions.

xxxviii

CONFIDENTIAL

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RECOMMENDATION	D/PPPM COMMENT	DDA COMMENT	IG RESPONSE
1. DDCI request D/PPPM to develop in consultation w/DD's a liberalized appt grade structure for hard-to-get personnel.	Concur. D/PPPM already has adequate measures to deal with this on a case-by-case basis to maintain uniformity and equity.	Concur, but wish to avoid component bidding wars.	Appt salaries have almost reached topmost steps in some grades; basic shift is needed, case-by-case approval should not be necessary.
2. The DD's be required to obtain from D/PPPM an evaluation of the impact on recruitment and staffing of major changes contemplated in personnel requirements.	Concur	None	None
3. DD's be required to review and validate the accuracy of the Advance Staffing Plans submitted by their components	Concur	None	None
4. D/PPPM issue revised guidelines for the preparation of Recruitment Guides.	Concur	None	None
5. DD's ensure that Recruitment Guides prepared by their components conform to the revised guidelines.	Concur. Guidelines will call for annual review.	None	None
6. D/PPPM designate an officer to review Recruitment Guides for their clarity, specificity, and completeness; verify their accuracy with hiring officials; and disseminate them to Agency personnel engaged in recruiting duties.	Concur	None	Recommendation was revised to omit a technical point bothersome to the DDA.

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<u>RECOMMENDATION</u>	<u>D/PPPM COMMENT</u>	<u>DDA COMMENT</u>	<u>IG RESPONSE</u>
7. D/PPPM assure that professional and technical applicants for employment are recommended against one or more specific Recruitment Guide(s).	Concur. Being done but will be formalized in new computer system (CAPER).	None	None
8. DD's incorporate the EEO Plan (20/5/2) into the Advance Staffing Plans and the hiring mechanisms of their directorates.	Concur	None	None
9. D/EEO compile for the DDCI a quarterly report on minority recruitment and recommend corrective action, where necessary.	Concur. OPPPM is already providing these statistics.	None	None
10. D/PPPM, in consultation with Dir/Public Affairs, develop a monograph for distribution within the Agency to alert employees to the importance of, and means for, recommending Agency employment to others.	Concur. We have already published bulletins re clerical and CT prospects.	None	The recommendation intends a broad, continuing publication, especially for new employees.
11. D/PPPM, in coordination with Dir/Public Affairs, develop printed and visual materials tailored specifically for the Agency's recruitment program.	Concur. We also plan similar consultation re cassettes and slide shows.	None	Most desirable.

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<u>RECOMMENDATION</u>	<u>D/PPPM COMMENT</u>	<u>DDA COMMENT</u>	<u>IG RESPONSE</u>
12. D/EEO, in cooperation with the DD's, compile a centralized data bank of recruitment sources for female and minority candidates in professional and technical fields and make such data available to personnel engaged in recruiting for the Agency.	OPPPM already has such a repository	None	The OPPPM repository lists only academic institutions. Professional/trade assns and other sources need to be compiled. OEEO is the logical unit to do this.
13. D/PPPM develop for use in an Agency training program for recruiters consistent guidance about informing candidates of the mission and functions of the Agency, the need for cover (in appropriate cases), and the nature and duration of applicant processing.	We will reaffirm standing instructions to recruiters and will work with OTR in developing appropriate training	None	Despite standing instructions, recruiters vary greatly in their treatment of these subjects.
14. D/PPPM discontinue walk-in interviews at WARO, for other than clerical candidates, in favor of prearranged interviews. Acceptance of resumes from walk-in prospects should be continued, however.	Non-concur. Recommendation is not based on reasoned judgment. We should talk to the engineer, linguist, scientist, CT applicant, minority, etc., in any forum possible. Makes no sense to ask them to return later by appointment.	None	Earliest possible referral of hard-to-get candidates to substantive interviewers is preferable to immediate WARO interview. Relatively few hard-to-get types walk in; the bulk are generalist and marginal candidates who drain WARO staff from recruiting which needs to be much more positive and selective.
15. D/PPPM instruct Position Mgmt. & Compensation Division to reevaluate the grade ceiling for field clerical positions for the purpose of upgrading them.	Concur	None	None

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<u>RECOMMENDATION</u>	<u>D/PPPM COMMENT</u>	<u>DDA COMMENT</u>	<u>IG RESPONSE</u>
16. D/PPPM abolish the Skills Bank and Applicant File Listing; instead, after reviewing & acknowledging receipt of new applicant files, initiate the referral recommended by the recruiter.	This recommendation has been overtaken by our new processing system.	Non concur. Strongly recommend retention of Skills Bank and Applicant File Listing. Latter should include more useful information, however.	OPPPM is still using the Skills Bank/AFL system.
17. D/PPPM arrange for files of applicants rejected by one component, including the Career Training Staff, to be reviewed for possible referral to other components.	Many CT files are reviewed by other components.	None	The recommendation intends that OPPPM make a specific determination about the suitability of each CT applicant rejected for the Program. OPPPM's comment relates only to component requests for CT files when they first appear on the Applicant File Listing. A more active effort re CT rejects is intended.
18. DDCI authorize D/PPPM to withdraw an operating component's right to an individual applicant on whom the component fails to make a decision to interview, place in process or reject within two weeks of receiving the file.	Non concur. I have both the authority and "toughness" necessary in our new applicant processing system. I intend to take every possible step to make our system work.	Concur	We believe OPPPM's "expediter" system will not adequately change longstanding practices of "sitting" on applicant files unless sanction is involved.
19. D/Security begin an experimental program to polygraph applicants before starting a background investigation to determine whether a significant reduction in the number of investigations can be effected. The experiment should include the option to repolygraph an applicant following the background investigation, when necessary.	We have initiated discussion with D/Security on such a program since it is an important part of our new (recruiting) system.	The Office of Security will study the feasibility of a pre-investigative polygraph testing where they feel such would be appropriate.	None

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<u>RECOMMENDATION</u>	<u>D/PPPM COMMENT</u>	<u>DDA COMMENT</u>	<u>IG RESPONSE</u>
20. D/MS insure that psychiatric consultants share with each other and with staff psychiatrists their knowledge and experience as related to the evaluation of applicants, that they be briefed by operating officials about the Agency's functions and personnel needs.	None	Current OMS procedures do allow for sharing of knowledge and experience by psychiatric consultants. They are briefed on Agency functions and personnel needs.	The psychiatric consultants professed to the inspection team a lack of such exchange and an ignorance about Agency mission, functions and jobs.
21. D/MS delineate the respective roles and functions of PSS and SSB in the applicant screening process and codify these in Agency regulations.	None	Differences between these two functions were included in the Agency Regulatory System in October 1977.	An OMS internal reg. (1-1) provides highly generalized statements only about the responsibilities of these units.
22. D/PPPM define the kinds of cases the Applicant Review Panel should consider and codify the ARP's role and functions in Agency regulations with specific emphasis on the right of managers to appeal its recommendations.	Concur, except for providing appeals. To do so would require dissemination of very sensitive info and diffuse standards of suitability. Managers are apt to react in terms of their own parochial needs rather than the Agency's as a whole. Central exercise of this authority allows uniform, equitable treatment of all cases.	We support the inclusion of the ARP charter in the Agency regulatory system. The regulation should define operating guidelines as recommended. ARP should continue to function in same basic manner as it has for last several years.	Where judgment, as opposed to formal precepts, is involved, managers in the actual work environment should be entitled to submit a view for consideration when, in their opinion, the circumstances of an individual case so dictate. At the same time, the Panel would be operating in less of a vacuum.

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<u>RECOMMENDATION</u>	<u>D/PPPM COMMENT</u>	<u>DDA COMMENT</u>	<u>IG RESPONSE</u>
23. D/PPPM engage the services of an independent contractor to assist new employees who are relocating to the Washington area.	Defer. OPPPM is currently providing an (externally-published) apartment guide and a booklet concerning local housing, schools, etc. Clerical Staff Branch maintains a current notebook on apartments. Our projected Family Liaison Service can provide considerable assistance in this area.	Believe it would be prudent to consult OGC about its legality; O/Comptroller should be asked to size the people and dollars that would be required.	These appear complicated responses to a relatively simple proposal to solve a straightforward problem.
24. D/PPPM revise Form 894 to state, in unequivocal terms, the improbability of clerical employees advancing to professional status.	Non concur. In FY 1979, 298 clericals were advanced to professional or technical positions; we see no need to be as unequivocal as recommended.	None	The number cited by OPPPM constitutes about [] the Agency's full-time, staff clericals. (NB: This information is classified SECRET). Given this percentage, and the extensive morale problem within the Agency among clerical employees whose advancement is circumscribed, especially at the GS-7 level, we believe the caveat is required.
25. D/MS arrange a validation study for the Short Employment Tests.	Concur	While the SET has not been validated specifically for clerical tasks performed in the Agency, we feel that its validation when originally developed was adequate. If Agency management disagrees, OMS will conduct an appropriate validation study.	None

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<u>RECOMMENDATION</u>	<u>D/PPPM COMMENT</u>	<u>DDA COMMENT</u>	<u>IG RESPONSE</u>
<p>26. D/PPPM</p> <p>a. Revise Form 894 to eliminate downgrading;</p> <p>b. appoint stenographers and typists at grades and titles only on the basis of criteria fully satisfied prior to EOD;</p> <p>c. revise Form 894 to advise would-be stenographers and typists that the next higher grade (for stenographers) or title (for typists) will be awarded only upon passing the qualifying tests within 90 days after EOD;</p> <p>d. revise Form 894 to advise typist applicants that failure to pass the typing test prior to EOD will require their having to pay their own moving expenses.</p>	<p>We believe our new pay system for clericals will eliminate most of these downgrading problems. It will require revision of Form 894.</p>	<p>None</p>	<p>The new clerical pay system retains the downgrading feature for failed steno candidates, despite liberalized scoring. We continue to believe this procedure is unethical and should be dropped.</p>
<p>27. D/PPPM assign an additional officer to the Clerical Staffing Branch and expand authority within the branch to select applicants and initiate processing.</p>	<p>This has already been accomplished.</p>	<p>None</p>	<p>None</p>
<p>28. D/PPPM instruct Clerical Staffing Branch to initiate formal processing of clerical applicants within one week of receiving workable applicant forms.</p>	<p>This is a standing instruction and was and is being done.</p>	<p>None</p>	<p>The inspection found this not being done despite standing instruction; OPPPM's model of present clerical processing shows this period to be 20 days.</p>

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<u>RECOMMENDATION</u>	<u>D/PPPM COMMENT</u>	<u>DDA COMMENT</u>	<u>IG RESPONSE</u>
<p>29. D/PPPM reinstitute the clerical pool for qualified typists, who have passed a pre-investigative polygraph examination, to perform unclassified work until they are fully cleared and assignable.</p>	<p>We believe this recommendation has been overtaken by the new system proposed in our covering memorandum (of response to the draft inspection report).</p>	<p>Believe the Agency would benefit from re-establishing the clerical pool. Also believe that the concept of professional pools, particularly for specialty areas where professional skills can be applied to unclassified applications, should be examined. We certify our willingness to study the implementation and aid in establishing security procedures to cover persons assigned to pools.</p>	<p>If OPPPM can process clerical applicants for employment within 42 days, as projected in its model, need for a pool is obviated. If not, a pool would be highly beneficial to both the Agency and the clerical applicant in need of a job</p>
<p>30. D/PPPM set the policy of having new clerical employees interviewed by their prospective components before being assigned. If either has strong objection, another assignment should be arranged.</p>	<p>Non concur. Such policy would further delay processing. We already reassign new employees when there is not a good match. Follow-up interviews would better determine the extent of and reason for clerical dissatisfaction.</p>	<p>None</p>	<p>The recommendation relates not to applicant processing but to post-EOD assignment. It is better to assign personnel wisely to start with, than to have to resort to reassignment due to a poor match. Responses to the IG new employee survey provide ample evidence that, among new clerical employees, lack of an interview with the component of prospective assignment is a major source of dissatisfaction.</p>
<p>31. DDCI have the Executive Committee examine whether the Career Training Program should retain its primarily DO orientation or be used more broadly by the Agency as an intake mechanism for junior officer generalists.</p>	<p>No basic disagreement, but we should note that any large-scale recruiting of CT's for NFAC will further strain our already overloaded recruiters.</p>	<p>None</p>	<p>dis The recommendation does not envisage a net addition in the recruitment of new employees, but the possible redirection to the CT Program of some professional employees who are now recruited directly for components.</p>

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<u>RECOMMENDATION</u>	<u>D/PPPM COMMENT</u>	<u>DDA COMMENT</u>	<u>IG RESPONSE</u>
32. DDO and DDA provide consistency between cover arrangements for applicants and the cover used by Office of Security background investigators.	We are surprised by the reported inconsistency, but will continue to provide specific guidance to our recruiters on how to address the cover issue.	We believe the pre-EOD cover situation for CTs is a serious one requiring further study. OS believes an improper inference has been drawn in your report <div data-bbox="922 1199 1203 1234" style="border: 1px solid black; height: 17px; width: 173px;"></div>	Guidance to recruiters must be consistent with OS and Central Cover Staff guidance. The OPPPM comment appears to be made in the context of its own unilateral concerns. We believe that State Department security officials, representing themselves as such, conduct background investigations of applicants for employment with their organization. We <div data-bbox="1230 1377 1425 1413" style="border: 1px solid black; height: 17px; width: 120px;"></div>
33. DTR establish a system for the Career Training Staff to brief applicants about pre-employment cover and to communicate with applicants through channels not attributable to the Agency.	None	This recommendation has been implemented.	Details re changes have not been provided to OIG.
34. DTR review the criteria used by the CT Staff for determining entry-level grades for CT's, adjust any found inequitable, but abolish the detailed point system used to determine grades and salaries.	We plan to contribute to the review by the DTR.	OTR has recently reviewed the criteria, as recommended. We believe the point system evolved from a need for specificity in the process, and is the most effective way to deal with the mix of qualifications presented by current CT applicants.	OTR did not comment on the point about adjusting possibly inequitable grades. We learned indirectly of one case which was adjusted and are aware of several others challenged by CT's.

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RECOMMENDATION	D/PPPM COMMENT	DDA COMMENT	IG RESPONSE
35. DTR disclose to current CT's and applicants the general criteria for determining grades and salaries.	We plan to contribute to the review by the DTR	None	OTR has been opposed to disclosing these criteria; The absence of a comment surprises us.
36. The DDCI instruct ExCom to develop for regulatory issuance an Agency policy specifying types of positions for which selection tests are to be administered, and types of testing appropriate to them.	None	Non concur. We favor retention of current practice by which individual managers decide when to use PATB in the selection process. (D/MS comment)	Standards are necessary for purposes of equity and fairness to all applicants.
37. The DDCI			
a. authorize D/PPPM to contract with job analyst specialists to assist in developing an Agency job analysis program;	None	Non concur. Original construction of the PATB was based on logical analysis of Agency jobs, and is proving workable. (D/MS comment)	Mean test scores do not constitute a logical job analysis, nor can training criteria be used to demonstrate job-related validity.
b. establish a professional unit under D/PPPM to develop and try out a new applicant test program, and establish acceptable reliability and validity data and norms before tests are authorized for use in personnel selection. Also assure reliability and validity of all other Agency testing for professional and non-professional applicants.	None	Non concur. Responsibility for job analysis should not be assigned to OPPM. Inspectors apparently do not understand difference between job analysis, which is in the domain of test validation, and job description, which is in the domain of position management and compensation. If more job analysis is needed, it should be assigned to PSS along with added personnel. (D/MS comment)	OPPPM is the proper locus for a job analysis program as it relates to all personnel selection procedures, not just testing.

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<u>RECOMMENDATION</u>	<u>D/PPPM COMMENT</u>	<u>DDA COMMENT</u>	<u>IG RESPONSE</u>
38. D/MS continue to administer a partial PATB of 8 cognitive tests and essay pending a job analysis and test development program.	None	Non concur. (D/MS)	None
39. D/MS, in consultation with D/PPPM, assure that a profile of cognitive test results, plus the unevaluated essay, be placed in an applicant's file prior to review by hiring officials.	None	Non concur if raw, unevaluated scores are to be placed in file. Potential for unfair and improper use is high if raw scores are provided. (D/MS Comment)	This recommendation initially stipulated "test results", meaning evaluated results, but has been changed to "profile of results" to preclude wrong inference.
40. D/PPPM enter into computerized records for indefinite retention the names, special skills and test profiles of hard-to-get and unusually promising applicants.	None	Non concur if raw, unevaluated scores are to be included. Potential for misuse of raw scores is high. (D/MS Comment)	Recommendation is revised to specify test profile to preclude inference that raw test scores were intended to be included in applicant files.
41. D/MS discontinue reporting results of five specific tests which consultants view as indefensible, and of the PATB narrative report.	None	Non concur. The tests are professionally sound and highly useful. To replace narrative reporting with list of raw test scores is ill-advised. (D/MS Comment)	Continue to believe that PSS arguments for reliability and validity of these tests are not persuasive. Re narrative report, it was not and is not now being recommended that raw test scores be disseminated. Terms "test results" and "test profile" have been used throughout to mean evaluated results, not raw scores. It was recommended that only the essay be included on an unevaluated basis.

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RECOMMENDATION	D/PPPM COMMENT	DDA COMMENT	IG RESPONSE
<p>42. DCI direct, ^{a pilot program to explore} the conversion of the Agency's present recruitment system to a new system with the following principal elements:</p> <p>a. the transfer of recruitment responsibilities to line management to encompass the careful selection and training of professional, technical and clerical employees for recruitment duties; such employees ultimately as many as 40 from each directorate and NFAC, to serve on field recruitment teams for two to four weeks, not necessarily consecutive, during a given year, and to be rotated periodically;</p> <p>b. the similar selection and training of inter-directorate teams to serve in WARO, but for a more extended period of time;</p> <p>c. the development and annual conduct of a training program to provide employees newly assigned to recruiting duties a comprehensive knowledge of current personnel requirements and of recruiting techniques and procedures.</p>	<p>Non concur. This recommendation, in the light of the preceding 140+ pages simply does not make sense. Throughout the report are comments about the extent to which the present recruitment system has been fulfilling Agency requirements in general as well as maintaining quality levels. The report, as did my own study, identified "sluggishness" as the most serious problem in the processing of applications. Rather than deal with this single problem, the recommendation here would dispense with a structure that is conceded to have worked and continues to work. Replacing trained recruiters throughout the country who know their territory well, have excellent lines of communication with sources of applicants with teams that would descend on these recruitment sources like a horde escapes logic. Little attention is given to the time and expense required to develop and train large numbers of ad hoc recruiters. No comment is made on how universities and other sources would react. No attempt is made to develop cost estimates of where economies of time and money would be achieved. No analysis is</p>	<p>This involves a cardinal change to the current recruitment and hiring structure in the Agency. It implies a large, direct commitment of Agency personnel resources, even from offices currently satisfied with the quantity and quality of applicants and personnel currently being processed into the Agency. Your report goes to considerable length to portray many inefficiencies in the current system; you conclude that "Direct, active participation by line managers... is a logical and probably the most efficient course of action for the Agency to take", yet you present no evidence to substantiate the recommendation. We are aware of several OPPPM initiatives already in progress that will address many of the major procedural problems discussed in the report. We believe adoption of these improvements will substantially compress the recruitment cycle. It is this reinvigorated system, augmented selectively by line recruitment, that should be compared to the full line recruitment system you propose here. We think the line recruitment system proposed here, considering the tremendous number of different skills and levels of people we need, will be much less efficient than a restructuring of the current system. Offices which require new personnel</p>	<p>Careful reading of the inspection report will find that "sluggishness" was <u>not</u> cited as the most serious recruitment problem. Of equal importance is the problem of "bulk" recruiting by a permanent field staff considerably removed in knowledge and experience from a vast number of jobs for which it is trying to recruit. The result is a flood of professional applicants (more than 3,000 in FY 79), 75% of whom are never processed for employment and only 13% of whom EOD. It is also a fact that more components are doing their own recruiting because the present system is not satisfying their needs. Some of this is coordinated with OPPPM, some is done independently. There is some stumbling over each other in the field. The D/PPPM and DDA comments appear to overlook that this recommendation proposed a pilot project, not a total conversion, to provide answers to some of the questions they have raised. Also, it envisages</p>

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RECOMMENDATION	D/PPPM COMMENT	DDA COMMENT	IG RESPONSE
42. (continued)			
<p>d. the authorizing of members of these recruitment teams to reject candidates or, upon receipt of completed applications, to initiate immediate action for Headquarters interviews and/or formal processing for employment within mechanisms established by D/PPPM;</p> <p>e. the dissolution of the Minority Employment Coordinator structure and the inclusion of minority employees and women in the recruitment teams;</p> <p>f. the retention of not more than three OPPPM regional field offices to provide planning and administrative support for the recruitment teams.</p>	<p>made of the impact on our minority recruiting effort which is just building. Components would be forced to recruit by themselves even though their requirements, except in hard-to-get categories, are fully being met. We cannot take seriously such a radical change from a system that is working without at least some analysis and factual evidence that the system proposed here would at least be able to achieve what the present system is.... To say that we find this recommendation amazing and disappointing is to understate our lack of regard for the reasoning that led to its formulation.</p>	<p>with more generalized backgrounds, for which the OPPPM system is able to supply candidates, should not have to commit line personnel to an already responsive recruitment system. OTR and OPPPM have already begun work on the development of a training program for personnel, including line managers, involved in recruitment and selection. Therefore, Recommendation 42(c) will be implemented shortly.</p>	<p>the retention of consolidated OPPPM field offices, not a dissolution, to maintain contacts with sources, a very legitimate concern indeed. We would expect at least two recruiters in each regional office. We would also anticipate a personnel commitment by each directorate of three man years, cumulatively; those selected and trained would be directorate recruiters, not individual component recruiters and not nearly as narrow gauge as DDA's comments suggest. We commend D/PPPM for his new approach; we think it most desirable and likely to streamline processing considerably, although not as much as hoped. Nor will it solve all of the basic recruitment problems of the Agency. We believe D/PPPM's system and that which is proposed here are not only compatible, but are complementary and necessary, and both should be tried.</p>

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II. THE AGENCY RECRUITMENT SYSTEM -- A GENERAL DESCRIPTION

A. Personnel Requirements

The cycle by which the Agency hires new employees theoretically begins with an annual planning of personnel needs within approximately operating components of the Agency. This planning, which projects only a year ahead, attempts to identify and describe the types of positions for which new employees are to be hired, as well as the qualifications sought in candidates. This information is codified in what are called Recruitment Guides (see Tab A), of which there are approximately 180 for professional and technical positions in the Agency, e.g., operations officer, editor, economic analyst, computer programmer, supply officer, telecommunicator, foreign linguist, mechanical engineer, electronic technician. The component planning process also projects the number of new employees needed in each functional category, including clerical classifications. These projections are consolidated, first by Directorate, then for the Agency as a whole into the Advance Staffing Plan (ASP) (see Tab B). Together, Recruitment Guides and the ASP constitute the

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basic guidance by which the Office of Personnel Policy, Planning and Management (OPPPM) undertakes to satisfy the Agency's needs for new employees.

Overlying this basic guidance for the past several years has been an annual Equal Employment Opportunity Plan (EEOP), authorized by the DCI. The EEOP, adopted from the Office of Personnel Management, establishes goals of 20% women, 5% blacks and 2% Hispanics among our professional employees.

B. Candidate Sources

Candidates for Agency employment come from a wide variety of sources. They are stimulated by official Agency action -- advertising; recruiting literature distributed to university placement offices or employment offices throughout the country; contact by Agency officials, especially field recruiters, with persons in academic, business, or other endeavors who are seen as in position to refer candidates to the Agency for employment. A large percentage of applicants is referred in unofficial ways -- through friends, relatives, professional associates, and Agency employees. Large

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numbers write to the Agency in Washington, or contact one of the field recruitment offices which, although maintaining a low profile, are listed by number, but not address, in local telephone directories. Ultimately, a person seeking employment must obtain and submit an application through one of three mechanisms -- the field recruitment network; the Washington Area Recruitment Office; or a component other than OPPPM.

C. Field Recruitment Network

The Recruitment Division (RD/OPPPM) maintains a field network of 11 full-time (and one part-time) professional/



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sible for producing a specified number of clerk/steno and clerk/typist applicants. There is an additional full-time field recruiter in who specializes in clerical and technical recruiting. All full-time field recruiters have part-time assistants (30 to 35 hours per week).

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Individual recruiting territories range from a minimum of 1 1/2 states and 52,000 square miles to ten states with 800,000 square miles, and total populations ranging from 10 to 40 million.

On 1 July 1979, a pilot program of auxiliary recruiters was inaugurated; three Agency retirees, one each in central



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have been selected for part-time professional recruiting duties under a local full-time recruiter. They receive a monthly stipend of \$200, plus expenses, and \$500 for each of their applicants who is formally processed for Agency employment.

Almost all candidacies for Agency employment are self initiated in the sense that first contact is made by the candidate, not by an Agency recruiter. Relying on the sources noted in (B), above, and normally having had opportunity to review a personal resume beforehand, recruiters interview applicants in the recruiters' offices, in hotels/motels, other public places and on university campuses.

Most interviews are concluded within 25-30 minutes and, during campus visits, as many as 15 candidates are

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interviewed in one day. Applicants judged by the recruiter to be qualified for one or more positions in the Agency, and who appear interested, are given application forms to complete (and in some cases are scheduled for testing). If and when the forms are returned by the candidate, the recruiter appends an interview report and transmits the applicant file to RD with a recommendation as to which component(s) the recruiter believes the applicant is suited.

D. Washington Area Recruitment Office (WARO)

WARO is located on the ground floor of Ames Building. It is staffed by a chief, six recruiters and four secretaries.

WARO operations do not differ significantly from field recruitment offices except that walk-ins are accepted and, if their resumes appear promising, they are interviewed.

WARO deals with three kinds of applicants: walk-ins; local write-ins whose resumes are referred by RD to WARO for followup; and candidates who are found through visits by WARO's professional recruiters to academic campuses in and around the District of Columbia, and as far south as North Carolina, and by clerical/technical recruiters to high schools, state employment offices and other locations in Washington, D.C and adjoining states.

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E. Component Recruiting

Several Agency offices conduct their own recruiting efforts either independently or in conjunction with OP. The offices that do so generally are looking for candidates with highly specialized or scarce skills, candidates which the Agency's field recruitment network has difficulty producing. These offices, to a large extent, depend on advertising and referrals from campus contacts, Agency employees, and industry. The Offices of Economic Research, Scientific Intelligence, Data Processing and several offices in DS&T are significantly involved in recruiting on their own behalf, and more are becoming actively involved.

F. Student Programs

The Agency has two student employment programs: the Student Trainee Program whose primary purpose is to augment the Agency's work force in the long term, and the Graduate Fellow Program designed to inform selected graduate students concerning what the Agency does and how it does it, i.e., improve the Agency's public image. These programs also serve as indirect recruiting devices in that participants are expected to recommend the Agency to others. Participants in both programs are given full staff clearances. The

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Student Trainee (or Co-op) Program has a 100-125 participants who work in the Agency, primarily in DS&T offices, during part of the year for academic credit in a work/study program concurred in by their academic institutions. The Graduate Fellow (formerly Summer Intern) Program is limited to graduate school students who work in various Agency components during the summer months and return to academic study. Approximately 65 students participated last summer.

G. OPPPM Headquarters Processing - Phase I

The application forms of professional and technical applicants, once received at Headquarters, are referred to the recently-established Applicant Screening Panel in RD, where they are reviewed for completeness and skeletal information is extracted about the applicant -- education, experience, foreign language, asking salary, and the component(s) recommended by the recruiter -- for the Applicant File Listing (AFL). This daily compilation of new applications and resumes (see Tab C) is disseminated electronically to some 90 computer terminals throughout the Agency for review by hiring components. At this stage, OPPPM rejects more than half of those who have sent in resumes but almost no one who has submitted a formal application.

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After review by the panel, applicant forms are transmitted to the Correspondence and Records Branch, Staff Personnel Division (CARB/SPD) where an (orange) Official Applicant File and a processing control card are created, and a letter sent to the applicant acknowledging the Agency's receipt of the forms. The files of certain pre-committed applicants, such as telecommunications specialists and Career Trainees, are sent directly to the interested component. Under a procedure recently established by OPPPM to expedite the processing in a particularly hard-to-get category, electronics engineer applicants (grades GSE-7 thru 11) are placed into formal processing almost immediately, leaving for later determination the component to which the applicant will be referred. A similar procedure for scarce electronics technician applicants is contemplated.

Except in the instances cited above, the new applicant files are sent to the Professional Staffing Branch, Staff Personnel Division (PSB/SPD) and for ten calendar days are placed on a shelf, called the Skills Bank, where they are available for review by representatives of hiring components. Component representatives who find an applicant of interest on the AFL have the option of ordering the file from the Skills Bank (for delivery sometime after the expiration of

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the ten-day shelf retention) or of visiting the Skills Bank in Ames Building to review the file. Components which are trying to obtain applicants with scarce skills tend to visit the Bank because their expressed interest in an applicant usually has primacy over components which ask for files to be sent to them and because an on-the-spot request that the applicant be brought in for Pre-Processing Interview (PPI) can be serviced much more quickly.

If no component interest is expressed in a given applicant by the end of the ten-day period, the file is removed from the Skills Bank and the applicant is sent a rejection letter. According to OPPPM officials, approximately 22% of 3600 professional and technical applicants were rejected in this way during FY 1979. Typically, components will ask that full applicant files--in some cases resumes--be sent to them upon completion of the ten-day waiting period in the Skills Bank. If more than one component requests the same file, an OPPPM selection officer determines to which component the file will be sent; the other components normally are not advised of this decision.

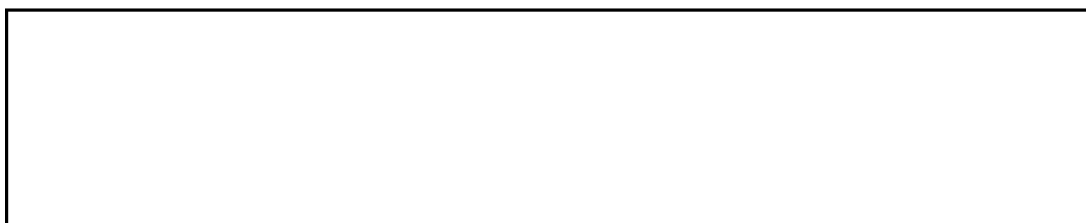
After reviewing the applicant file, a component either will reject the applicant or request a PPI. If rejected, the file is returned to OPPPM for possible review by another

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component or for the transmittal of a rejection letter to the applicant. If the component desires a PPI, however, the file is returned to Professional Staffing Branch where a processing assistant requests a name check of the applicant by the Office of Security. Upon favorable response from OS -- an unfavorable response to a simple request for a Headquarters interview is extremely rare -- the processing assistant contacts the applicant by telephone or mailgram to arrange Headquarters interviews. Following interviews, a decision is made to reject the applicant or initiate formal processing for employment. If rejected, the file is returned to OPPPM for preparation of a rejection letter; if "put in process" (PIP), the file is sent to SPD for the processing assistant to prepare official requests for security and medical clearances.

H. Career Trainees



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Listing. Their files are not held in the Skills Bank but are transmitted directly to the Career Training Staff (CTS),

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Office of Training. CTS decides whether or not to interview applicants in the field; to bring them in for Pre-Processing Interviews, testing and psychological assessment; or to reject them. If the decision is positive, processing assistants assigned by OPPPM to CTS handle all of the processing, except for official correspondence which is sent and received by Correspondence and Records Branch/OPPPM. If the decision is negative, the file is returned to OPPPM where records indicate if another component had expressed interest in the file when it was first listed in the Applicant File Listing. The file is not relisted on the AFL. If no other interest has been expressed, the applicant is sent a rejection letter. If a component has expressed interest, the file is referred to the component for normal handling.

I. Minorities

Minority files are not listed on the Applicant File Listing. Instead they are transmitted to the Minority Employment Coordinator (MEC), OPPPM, who reviews the file to determine which directorate/offices might have an interest. He has the authority to reject candidates he judges not qualified. In cases of positive judgment,

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he sends the file to the appropriate directorate MEC for review. The directorate MEC then ensures the file is reviewed by appropriate offices in his/her directorate. If an office rejects a candidate, the reason must be stated in writing. In theory, such rejection can be challenged at all levels, i.e., directorate MEC, Agency MEC, D/EEO, DDA, D/PPPM and the DDCI. In practice, rejection cases are usually resolved at the Directorate or Agency MEC level. If a minority candidate is interviewed for a position and then put in process, his or her processing is handled thereafter like any other professional applicant.

J. Clericals

Following review by the Applicant Selection Panel of clerical applicant forms for completeness, the forms are transmitted to the Correspondence and Records Branch/Staff Personnel Division where their receipt is acknowledged by letter to the applicant and an applicant file created. The files are then sent to the Clerical Staffing Branch (CSB), Staff Personnel Division for review by a CSB officer who determines whether, on the basis of qualifications, the applicant should be rejected or placed in process. Unlike the procedure for professional and technical applicants,

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which generally requires a decision by an operating component to initiate processing, OPPPM initiates processing of clerical applicants.

K. OPPPM Headquarters Processing - Phase II

A decision to begin formal processing for employment, whether for professional, technical, or clerical appointment, requires further review of the Personal History Statement (PHS) and other applicant forms to determine their completeness and currency. A PHS which is more than six months old, for example, may require contacting the applicant for updated information. For professional and technical applicants, this review takes place in the Professional Staffing Branch; for clerical applicants, in the Clerical Staffing Branch. If there are no problems which require contacting the applicant, the file is passed to a processing assistant who prepares the forms to begin security and medical processing. The processing assistant also arranges for reproduction of the PHS to serve Office of Security (OS) background investigation requirements. In approximately a week, the processing assistant is informed by OS and the Office of Medical Services (OMS) that their respective processing has

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been initiated and that the processing assistant can contact the applicant to arrange the pre-employment trip to Washington for the medical and polygraph examinations. The applicant is contacted, and depending on his or her availability and OS and OMS scheduling problems, the pre-employment processing trip is arranged, usually six weeks hence. This contact by the processing assistant is usually the first definite word to the applicant of the Agency's intent to hire. A follow-up letter is sent to the applicant confirming that he or she is being considered for a position and the grade and salary of that position; a schedule of processing appointments is enclosed.

L. Security Processing

The OS investigation is twofold: background investigation and polygraph examination. When the file is received in Clearance Division/OS, a name check against OS files is undertaken and an interagency (FBI and military) name check is initiated. A security appraiser decides which will have responsibility for the background investigation and the case is assigned. It is at this stage that the processing assistant in Professional Staffing Branch/OPPPM is informed that the pre-employment polygraph examination can be scheduled.

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The background investigation normally addresses the last 15 years of the applicant's life. Investigations are ordinarily run to completion even when significant, seemingly disqualifying information is uncovered during the investigation. A summary of the highlights of an investigation is cabled to Headquarters followed by a pouched report. Starting at the point when an investigation request is received in OS, an average of 45 days is required to complete and report the results of an investigation, an average of 60 days for issuance of full clearance. The averages fluctuate depending on OS workload.

During the applicant's pre-employment processing visit to Headquarters, the polygraph examination is normally scheduled to follow the physical examination. In most cases the polygraph examiner will have the cabled results of the background investigation. The result of the polygraph examination is transmitted to the Clearance Division, by telephone if satisfactory, by written report if there is a noteworthy problem.

A security appraiser in Clearance Division reviews the results of the applicant's background investigation and polygraph examination, summarizes the findings and recommends approval or disapproval of the applicant. If

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approval is recommended, and the supervisor concurs, OS approval is granted. If disapproval is recommended, the case is referred through the OS chain of command to the Director of Security. Only the latter has authority within OS to disapprove an applicant for employment for reasons of security. Security disapprovals are issued in about 10% of applicant cases; this percentage has been fairly consistent over the years, according to OS statistics. Cases in which the background investigation or the polygraph examination uncovers questions of suitability for employment, in contrast to established security criteria, are referred to the Applicant Review Panel for resolution (see N. below).

M. Medical Processing

Examination by the Office of Medical Services (OMS) is also twofold: physical and psychiatric. These examinations are given in Ames Building. For selected categories, psychological testing and assessment are added. The physical includes laboratory tests the first day and a physical examination and consultation with a physician the second day. Prior to the physical, OMS will obtain, with the applicant's permission, a statement from the applicant's

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doctor pertaining to any prior significant medical problem. The psychiatric evaluation involves filling out a Personal Index, review of the form by a psychometrist, and in about two-thirds of the cases a psychiatric interview. It takes an average of one and one-half hours to complete the form. The psychometrist, based on her experience and staff guidance, reviews the form for potential psychiatric problems and determines which applicants should have a psychiatric interview. (All CT candidates are given a psychiatric interview.)

Approximately four percent of applicants are rejected for employment for medical reasons (1.5% clinical, 2.5% psychiatric). Cases involving questions about suitability are referred by OMS to the Applicant Review Panel.

N. Applicant Review Panel (ARP)

The ARP was established in 1953. It is chaired by an OPPPM officer with representatives from OS, OMS/Psychiatric Staff, and O/EEO, and an advisory member from OMS/Psychological Services Staff. It reviews applicant cases referred by OS and OMS involving questions which are not disqualifying under security or medical criteria. Examples are heavy drinking, job hopping, habitual tardiness, indebtedness, and

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volatile behavior. The ARP follows guidelines enumerated in the Federal Personnel Manual Letter 731-3 and in Executive Order 10450. It meets weekly and considers approximately a dozen new cases each week. Most of its decisions are consensus judgments. It recommends by memorandum to D/PPPM against the employment of some 200-300 applicants a year, about half the cases referred for its consideration and 10-15% of all applicants in process. D/PPPM almost always concurs. ARP and OS, combined, annually reject about 500 applicants who are being processed for employment.

0. The Final Stage

OPPPM processing assistants are informed when each of the above clearance actions is completed. If clearance is denied, the applicant is sent a letter of rejection stating that a variety of factors has resulted in a decision not to hire. Specific reasons are not given; a persistent applicant can determine the reason(s) by submitting a request under the Privacy Act. If, on the other hand, clearance is approved by OS and OMS, the processing assistant contacts the hiring component to determine a desirable date for entry on duty (EOD). Components sometimes may indicate at this stage they are no longer interested in a particular applicant

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or are unable to hire the individual because of administrative constraints. However, if there are no complications, the assistant contacts the applicant to determine the latter's preference. In some cases, a certain amount of negotiation between the applicant and the hiring component is required to fix a firm EOD date. EOD usually occurs from 30 to 60 days after full clearance has been approved.

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III. THE RECRUITMENT CLIMATE

A. Then and Now

Since the 1950's, there have been major changes in the Agency and in the nation's recruitment environment.

During the Korean conflict, the Agency was expanding in mission and size, but was still little known and not very visible. A nationwide network, centralized in the then Office of Personnel, was developed for producing a large number of candidates for employment in professional and technical positions. The emphasis was on the recruitment of generalists. Circa 1965, there were full-time Agency recruiters in

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In contrast to the centralization of recruitment, the actual hiring of applicants was decentralized among relatively autonomous operating components which selected the best prospects from a seemingly endless flow of files provided by the recruiters. One Agency official has likened the process to a supplier (the recruiter) filling barrels of disparate merchandise in a country store, letting buyers (components) make their own particular choices.

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As the Agency became better known and developed a mystique, it was able to attract large numbers of highly qualified applicants willing to persevere in the employment quest despite lengthy processing times, minimal revelation about jobs for which they were being considered, and virtually no communication from the Agency during the long wait for appointment. Salaries and benefits offered by the Agency were commensurate with, and in many instances better than, those available elsewhere. The Agency also enjoyed a distinct edge in intangible attractions -- service to country, intellectual stimulus, opportunity for travel, participation in the "omniscience" of U.S. intelligence.

The present milieu is decidedly different. The Agency has contracted in size and has fewer recruitment needs. We have achieved, not altogether by choice, considerable visibility. The resulting public awareness and attitudes have had both positive and negative impact on recruiting. The essentiality of a U.S. espionage function is still widely accepted within the country and there exists extensive interest in the Agency as a place to work. The volume of inquiries and formal applications is high. (See Tab D.) But the "bloom" has faded. Today's applicants are more

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skeptical about the Agency and its reputation, seek more assurances about job tenure and Agency morale, want more knowledge about jobs, are less patient with processing time, weigh more job options, and expect substantial monetary and professional benefits.

Although the country's unemployment rate would suggest that employers can be highly selective, applicants who offer high-caliber credentials appear to have the advantage. Those entering the employment market expend considerable effort looking for the "best" job. A 1979 study by the placement office at Northwestern University indicates that the reputation of a would-be employer is still important, but applicants no longer focus on a single employer. Fortunately, judging from the results of employee surveys and interviews conducted during this inspection, the Agency continues to draw people for whom this organization has had an almost exclusive appeal.

There are those in the Agency who contend that the basic recruiting concept and system established in the 1950's remains essentially sound on the grounds that "it works". We find, however, that the system works only with what we regard as unnecessary sluggishness. Recruiting

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shortages have developed in several key areas, notably in scientific and technical personnel at both entry and advanced levels, and in clerical personnel. Minority recruitment efforts, which only began in earnest in FY 1974, have not produced significant results. We also believe that the Agency is on the threshold of a change in recruiting circumstances, characterized by rising salary pressures and need for quicker responses and improved articulation of job opportunities if we are to gain the services of high caliber personnel.

B. Salary Competition

Agency salaries seem generally competitive for entry-level personnel, except for some scientific, technical and clerical categories, and minority candidates. Inflationary pressures are such, however, that private corporations tend to move quickly and frequently to adjust salary scales upward. We believe that the Agency will be facing significant salary disadvantages shortly unless there is greater discretionary use of appointment grades and salaries.

Salary disadvantages have already emerged in Agency components seeking scientific and technical personnel

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at both entry and advanced levels. Officials in the National Photographic Interpretation Center, the Information Management Staff and the Offices of Communications, Technical Services, Data Processing, Sigint Operations, and Development & Engineering express concern at their growing inability to locate and obtain a sufficient number of qualified engineers, electronics technicians, computer systems programmers, and physical scientists. The Office of Communications (OC) has only 80% strength in its approximately electronic technician positions and 85% strength in its engineering positions. Internal transfers to DS&T, where grade structures are higher, account for some of the OC engineer shortages. The Office of Data Processing has only 74% of its systems programmer positions filled.

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The problem is not limited to initial recruitment; of equal concern is the loss of personnel already employed, especially of engineers and systems programmers. Their mobility and frequent job changes have become commonplace in the larger society but have introduced "cultural shock" into many Agency components accustomed to career commitment. An official of a major international engineering and construction firm told us that the annual turnover rate among engineers in his industry is approximately 45%.

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Two Agency components have provided us with case summaries of applicants who have rejected Agency employment because of salary offers. Our own investigation confirms this fact and provides a measurable dimension. Listed below are comparisons of average annual salary offers on a national scale for 1979 college graduates without experience and Agency salary levels for the same category of personnel. The national figures have been tabulated by the College Placement Council (CPC) and the Endicott Report, published by Northwestern University.

	<u>CPC/Endicott</u>	<u>Agency</u>	<u>Difference</u>
Engineers	\$18,360	\$18,101 (GSE-7/1)	\$ 259
Computer Scientists	16,560	13,925 (GS-7/1)	2,435

The current average starting salary for engineers nationwide is 10% higher than a year ago, for computer scientists 11.5% higher. Agency salaries in these categories are 6% and 7% higher, respectively (October 1978 to October 1979). The nationwide salary figures cited are average; offers to those with better than average qualifications are scaled upwards to more than \$20,000 (GS-11) for engineers and \$19,000

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(GS-10) for computer scientists. Interestingly, a phenomenon which has emerged in this upward salary spiral is a trend by private industry to favor the hiring of bachelor-level candidates over the higher-priced graduate-level prospects. There is a major move within the Agency to make appointments at advanced steps (higher salaries) within the grade authorized. OPPPM must approve each case. We believe this approach is at best a makeshift solution to a problem which requires fundamental rethinking of the Agency's grade and salary structure for hard-to-get personnel. For example, the Agency's standard grade for a bachelor-level engineer without experience is GSE-7, ranging from \$18,101 (Step 1) to \$22,277 (Step 10). Current appointments are being made as high as \$21,349 (Step 8), leaving less than a \$1,000 leeway within the GSE-7 grade. Given existing inflationary pressures, this margin will soon evaporate.

Secretaries are in the hard-to-get category as well; at the same time, despite the Agency's low clerical attrition rate compared with the rest of the Federal government, the Agency is losing secretaries to private industry. Applicants can bargain with private industry for entry level

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salaries whereas the Agency basically has a fixed scale. Stenographers, in particular, can command premium salaries. Private industry often offers more prestige, more challenging duties than typing and shorthand, and more generous benefits.

Many Agency components have turned to part-time clerical staffing to save money and positions. In late 1979, there were almost 150 such requirements outstanding. OPPPM is having particular difficulty in locating part-time clerical candidates because pay scales -- diluted by inflation, transportation, parking and subsistence expenses -- are not sufficient to attract clerical applicants in the numbers needed. Even in the Washington area with its high concentration of governmental jobs versus those in the private sector, the latter is drawing relatively larger numbers of clerical applicants because of advantages in salaries and benefits.

RECOMMENDATION:

1. The Deputy Director of Central Intelligence have the Director of Personnel Policy, Planning and Management to develop, in consultation with the

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Deputy Directors, a liberalized structure of appointment grades for hard-to-get personnel to enable operating components to cope with current inflationary salary pressures.

C. Not By Bread Alone

The above analysis is not to suggest that job seekers believe the Agency is just another employer in what is basically a salary rat race. Although there is legitimate reason for concern about salary differentials, numerous Agency officials who are involved in hiring appear to be overemphasizing the salary issue. Several other pertinent considerations, both positive and negative, appear to be receiving inadequate attention. According to a study by the placement office at Northwestern University, job challenge remains the single most important magnet for those seeking employment. However, a combination of poorly written recruitment guides, security restraints, lack of intimate knowledge of Agency jobs among recruiters, and insufficient attention by component interviewers to relating job demands to candidate qualifications and interests result in generally poor Agency salesmanship. We believe that, in

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contrast to earlier times, the Agency needs to sell itself to candidates, particularly in the hard-to-get categories, but without compromising concern for candidate motivation and excellence.

The second most important factor for today's job seeker, according to the Northwestern study, is employment location. Yet, Agency hiring officials appear to pay scant attention to the positive aspects of assignment in Washington, D.C. and overseas. OPPPM recently worked with an Agency component to produce a specialized pamphlet on job challenge and the advantages of living in Washington, and expects to do more of this. We find that candidates are also concerned about the nature and importance of the Agency's mission, professional pride, the state of employee morale, and prospects for job tenure in the wake of highly-publicized "firings" in the Operations Directorate. We think hiring officials need to address these issues when dealing with candidates.

Component hiring officials are insulated from labor market dynamics, and are not familiar with professional recruiting concepts and techniques. We believe that the Agency, as part of the new approach to recruitment outlined in Chapter XI of this report, should develop a training program for personnel engaged in the recruitment/selection cycle.

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IX. PROFESSIONAL APPLICANT TEST BATTERY (PATB)

The PATB, an eight-hour series of written tests, has been used by the Agency for more than 20 years as a tool for the selection of new professional employees. It is administered by the Office of Medical Services/Psychological Services Staff (PSS). This inspection examined two aspects of the PATB -- its use in applicant processing and selection, and the evidence concerning its reliability and validity.

The first aspect was addressed by the inspection team, the second by two experts in psychological testing who have extensive experience in academic, military and industrial settings, and are widely quoted in current professional literature on the subject.

[The complete report prepared by the consultants appears as Appendix H to this report. Detailed consultant findings and explanations are necessarily omitted from this chapter which attempts to present their major findings in non-technical terms. Appendix H should be read in its entirety to obtain a full understanding of the consultants' findings.]

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A. Agency Use of the PATB

Our findings concerning the use of PATB are based on a questionnaire survey of 900 employees entering on duty between 1 October 1977 and August 1979, and of 500 supervisors. They also derive from interviews of Agency employees, and from a review of Recruitment Guides which indicate whether the PATB is supposed to be administered to applicants for a particular type of job.

We find that there is no consistent policy within the Agency as to which applicants should take the PATB and which not. Among recently-hired professional employees, two thirds report they had taken the PATB and one third report they had not. All Directorates resort to it to some extent, but the Directorate of Science and Technology relatively little. It is, for example, administered to applicants for engineering positions in some components, but not in others. As applicant files are shunted from one component to another, it often happens that among applicants being considered for the same type of position, some will have been tested, some not.

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Decision as to whether an applicant must take the PATB is made at the Office and Division levels, and such decisions often are not consistent among Offices and Divisions. Even within components which specify in their Recruitment Guides that the PATB is to be administered to applicants for certain positions, reliance on it by individual managers varies from extensive to total disregard. More than 60% of 500 supervisors who were surveyed either have no opinion about PATB's usefulness or indicate that it is not used by their components. Only about one-fourth of the supervisors indicate that they give significant weight to the applicant's performance on PATB in making employment decisions.

There is a need for the Agency to develop a systematic policy on the role of PATB in personnel selection. This does not imply that all applicants should be tested, just that applicants for a given type of position should be evaluated against uniform selection criteria. Policy guidelines need to be set for determining the positions for which the PATB is to be used as a selection device, and such guidelines should be followed by all components. If the decision to require or not require PATB for professional jobs is made arbitrarily by individual managers there is a high potential

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for violating EEOC Guidelines on disparate treatment of applicants. In the opinion of the Office of General Counsel, "If CIA does not comply with lawful and appropriate EEOC regulatory issuances, CIA would stand in violation of both statute and executive order^{1/}."

RECOMMENDATION:

36. The Deputy Director of Central Intelligence instruct the Executive Committee to develop, for regulatory issuance, an Agency policy which specifies the types of positions for which selection tests are to be administered, and the types of testing appropriate to such positions.

B. Reliability

An important consideration in evaluating a test battery is its reliability; a test is regarded as reliable if repeated measurement gives consistent results for a

^{1/} Memorandum from the Deputy General Counsel to the Director of Equal Employment Opportunity, OGC 79-05429, 13 June 1979.

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given individual or if the individual's relative standing in a group shows little change. If test scores are not reliable, they cannot be used with confidence for accurate measurement or prediction.

Some reliability data are available from PATB research performed in the mid-1950's. PSS states that, in 1975, five additional studies were made of the reliability of the PATB, although only one 1975 study was made available to the consultants and the inspectors.

A review of these data shows that for white males and females, only five of the PATB's 31 tests have reliabilities that the consultants regard as being at least minimally acceptable. For all other tests and scales in PATB for which reliability data are available, they regard the reliabilities as below minimally acceptable level; i.e., the scores from them are too unstable for use in making decisions about individuals. No reliability data are available for the sample of writing ability or the scoring procedure. The consultants find PATB reliability data particularly inadequate for females and minorities, due apparently to failure to recognize that females and minorities have become a more significant portion of the Agency's professional work force than they had been in the 1950s.

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The consultants caution that, until adequate evidence exists that a test is sufficiently reliable to be used, it is unwise as well as legally questionable to use it as a personnel selection device. To do so violates professional standards for test development and violates Equal Employment Opportunity Commission (EEOC) Guidelines because it can lead to false interpretation of test scores.

The Psychological Services Staff (PSS), in response to the consultants' findings and conclusions, asserts that when the PATB was developed in the 1950's it was validated, normed for use in personnel selection, and a concerted effort made to establish its reliability. PSS further asserts that once the reliability of the tests is established, and the test battery put into use, there is usually little reason to question the reliability further. We believe the changing composition of the applicant population constitutes ample reason to recheck PATB reliability. In consequence of the consultants' criticism of the adequacy of the reliability data, PSS recently conducted reliability studies of eight of the PATB's cognitive tests administered to 426 applicants in 1978 and 1979. On the basis of these studies, PSS advises that reliability co-efficients for the 235 males, 191 females, 228 whites and 198 blacks in the

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study exceed minimally acceptable levels. We find several difficulties with these results: the statistical method used to establish test reliability yields spuriously high results when used with tests whose questions are not independent or for tests that are timed. Also, results of reliability studies for the eight tests cannot be assumed to extend to the other 23 tests in the battery. A recommendation later in this chapter addresses the PATB's reliability within the context of a comprehensive approach to the Agency's psychological testing program.

C. Validity

A second major consideration in evaluating a test battery is its validity; a test is regarded as valid if there exists a demonstrably logical relationship between specific elements of the test battery and knowledge and/or skills required in the job, or there is a statistical relationship between test scores and performance on the job.

The consultants, in their review, considered the several types of validity recognized by the American Psychological Association (APA). Essentially, there are three -- content validity in which actual elements of the

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work are replicated in testing; construct validity in which knowledge, abilities and skills logically related to tasks performed on the job are tested; and criterion-related validity in which statistical comparisons are made between individuals' scores on certain tests (not necessarily related demonstrably to the work) and measures of incumbents' performances on the job. An example would be a correlation between scores on a numerical operations test and performance in a job not involving mathematical computation. Virtually all of the validity studies conducted by PSS on elements of the PATB over the years have been of the criterion-related type.

The consultants reviewed 23 studies done by, or under the auspices of, PSS. They conclude that the evidence presented for the validity of these studies is seriously inadequate. They state that of 16 PSS studies relating performance on the tests to performance on the job, only ten provide sufficient information to permit judging the evidence for validity. They find that even the evidence which is presented in the ten studies is fragmentary, very weak and unconvincing, and does not meet minimum standards set by the APA or the EEOC's Uniform Guidelines on Employee Selection Procedures. The consultants point out that the samples

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of job incumbents which were used are too small; that the incumbents who were studied represent primarily a high ability range and cannot effectively be used to validate tests which seek to differentiate among applicants across the entire range of abilities; and that relevant, reliable and unbiased job performance measures were not available by which to judge the incumbents' success on the job.

The consultants also find that PSS' statistical measures of the degree of agreement between the test scores of individuals who were hired, and supervisors' subsequent rating of the performances of these individuals in particular jobs have been inconsistent and generally low. They assert that such results are to be expected in the absence of suitably reliable tests and when the hiring process eliminates the less talented applicants, resulting in a restriction in the range of talent available for subsequent study.

PSS has, in some of its studies, developed special criteria for measuring employee performance, but PSS acknowledges that the job performance data used in its validation studies generally is not satisfactory. Fitness report ratings on which many of the studies are based are neither

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sufficiently reliable nor differentiated to provide an acceptable basis for test validation.

The consultants find no validity data of any kind for the PATB writing sample and point out that the

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, which compares an applicant's self-expressed interests with those of incumbents in a wide variety of jobs common outside the Agency, lacks both Agency norms and Agency validation. PSS contends that Agency norms per se are not necessary for the

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because external interest profiles developed as part of the instrument are relevant to Agency jobs. The inspectors find, however, that a hiring official contemplating the selection of an applicant for a job as a librarian, researcher, or security investigator is not demonstrably helped when informed in the PATB narrative report that the applicant has interests similar to a forester or aviator. Although there have been some attempts to validate certain items on the Biographical Information Inventory, statistical evidence for its validity is lacking and, again, because of the lack of explicit job analyses, logical relationships cannot be established.

Four PSS studies have been done on the validity of PATB test scores for predicting success in foreign language

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training. According to the consultants, only two of the 31 PATB tests were related with any consistency to success in foreign language training but these related only to training in French and Spanish. They conclude that the results of these four studies do not establish the value of PATB for evaluating language aptitude. PSS objects to this conclusion and states its work in this area remains exploratory. Still we find the results being reported to hiring officials as predictors of performance in foreign language study.

It is the consultants' view that the confidence with which results of the validation studies are reported as predictors of job performance greatly exceeds the level of confidence which is justified by the statistical data on the reliability and validity of the PATB.

Given the inadequacies, on both theoretical and practical terms, of the existing criterion-related test validation program, we believe the Agency should adopt a distinctly different approach which is both professionally and pragmatically sound. The consultants recommend a construct test validation based on comprehensive job analyses, and we agree. (A proper job analysis identifies

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the knowledge, abilities and skills an individual should possess in order to perform a particular job, or group of similar jobs, effectively.)

The consultants find no evidence, in the PSS data which were made available to them, that comprehensive job analyses have been performed for the purpose of validating the PATB or other Agency personnel selection procedures. They explain that the mean test score profiles of individuals already performing Agency jobs, which are now relied upon, do not constitute job analyses. They conclude that there is no logical, professionally justifiable relationship (or construct validity) between the PATB and the jobs for which it is used as a selection tool. PSS asserts that its Test Data Book #15, dated 1 July 1958, constitutes evidence of job analyses appropriate for this purpose. The consultants disagree, pointing out that almost all the data in the book relates to success in training rather than to success on the job and that training criteria cannot be used to demonstrate job-related validity.

The consultants cite the absence of job analyses upon which to base selection as the most serious deficiency of the PATB. They assert that the lack of job analyses is a violation of APA professional test development standards

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and of EEOC Guidelines when a statistical relationship between test scores and job performance ratings cannot be established feasibly.

PSS, in commenting on the consultants' report, has construed their recommendation of comprehensive job analyses for the Agency as a "mechanistic, task-oriented approach". The thrust of the consultants' recommendation is that comprehensive job analyses identify not the detailed tasks to be performed, but the human attributes (knowledge, abilities, and skills) needed to perform a given job, or group of similar jobs. In endorsing the consultants' view, the inspection team is suggesting the use of just such a job analysis instrument, one which has been used widely, although certainly not exclusively, in private industry and which forms a basis for the Federal Bureau of Investigation's testing program to select new special agents.

Initial work in conducting comprehensive job analyses could be accomplished under contract by a group of cleared test development specialists/consultants, using commercially available instruments. At the same time, the Agency should hire test development specialists for an ongoing capability. We estimate that three to four professional personnel, with supporting staff, would be a workable complement for such a

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test development unit. Appendix H of this report should be provided to them for initial guidance.

The inspection team believes that responsibility for the development of an Agency comprehensive job analysis program should be placed within the Office of Personnel Policy, Planning, and Management, rather than in the Psychological Services Staff, Office of Medical Services, because such analyses are relevant not only to testing but to the entire range of personnel selection procedures. We note that a recommendation to this effect recently was made by the Agency task force for implementing the Uniform Guidelines and was approved by the DDCI.

RECOMMENDATIONS:

37. The Deputy Director of Central Intelligence:
 - a. authorize the Director of Personnel Policy, Planning, and Management to contract with job analysis specialists to assist the the Agency in developing an Agencywide job analysis program by a specific date. These specialists should consider, among others, the Position Analysis Questionnaire, developed at Purdue University, for this purpose. It is a worker-oriented, as opposed to a task-oriented, approach. It permits

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one to generalize the human attributes underlying diverse jobs performed in the Agency.

- b. establish a unit of three to four professionals under the Director of Personnel Policy, Planning, and Management to develop and try out a new applicant testing program, and establish professionally acceptable reliability and validity data and norms for such tests before they are authorized for administration and use in personnel selection. This unit should also be responsible for assuring the reliability and validity of all other Agency testing for professional and nonprofessional applicants. Job analysts and test development specialists with demonstrated professional training and practical experience in the specialized fields of job analysis and test development should be hired for this unit.

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D. PATB Narrative Report

The consultants have major reservations with respect to the narrative report that is prepared to summarize an applicant's PATB results. They assert that the strong, confident recommendations to hire or not to hire applicants for specific jobs or in specific components are not supported by the available evidence for validity of the PATB. The consultants point out that since most of the PATB tests lack adequate reliability and have little demonstrated validity for jobs in the Agency, the narrative reports based on the test scores are misleading and potentially unfair. In addition, they find no written guidelines available to or used by the psychologists in writing the narrative report, and state that sections of the reports tend to vary considerably in unpredictable ways. To them, the variations appear due as much or more to the personal idiosyncrasies of the psychologists as to differences in performance on PATB among applicants. For example, reports of applicants' writing abilities variably address grammar, syntax, spelling, sense, and literary quality, and use ambiguous terms to describe the results.

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PSS challenges criticism of the PATB narrative report because the consultants and inspectors failed to examine the raw test scores on which the reports are based. The Staff asserts that objective judgments of the reporting of test results cannot be made in the absence of direct, side-by-side comparison of the narrative reports with the test scores on which those reports are based. The inspection team acknowledges that such side-by-side comparison was not made but reiterates that comparable sections of narrative reports vary greatly in both the selection and treatment of points which are addressed. In the final analysis, the real value of the narrative report to a hiring official depends on the reliability and validity of the test results behind it, and on their objective presentation.

E. Relevance for Minorities and Females

At the time of the consultants' review there was no evidence that studies of adverse impact as defined by the EEOC had been done for PATB or for any other selection procedure used in the Agency. Although there was no direct evidence of bias or unfairness, the consultants believe there is the following serious potential for misuse or unfair use of PATB:

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- no evidence that minorities were represented in the groups used to norm the tests;
- no evidence that minorities have been included in the samples used to determine job-related validity;
- evidence that females have not been represented at all in some samples and are under-represented in others;
- reliability data for PATB tests and scales are not available for minorities, nor for the work attitude scales for females.

Only two studies of minority applicants apparently have been done by PSS. According to the consultants, one of these, done in 1974, did not analyze the data correctly and must be disregarded. The other, initiated in 1979, they view as not yet conclusive with respect to fairness of the PATB. The study was in process when they completed their review. PSS reports that the now completed study of 952 black applicants between January 1974 and January 1977 reveals that the Agency hired approximately the same percentage of blacks from among those who took the PATB as it did from among those who did not. The PSS study also found that, among black applicants who were tested, the

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scores of those who were hired were superior overall to the scores of black applicants not hired. Finally, PSS reports that during this period the Agency hired 15% of the black applicants who were tested, 13.8% of the white applicants who were tested. PSS concludes that PATB testing has no adverse impact on black applicants and that this study is sufficient to meet EEOC Guidelines on this question.

We conclude from our own review of the Uniform Guidelines for Employee Selection Procedures that PSS' view on this question should be acceptable to the EEOC for the time being. However, the Guidelines stipulate that data about the impact of selection techniques, including tests, must now be compiled in relation to specific jobs or job categories. This is not yet being done.

PSS asserts that there is not enough test data for other minority groups to make any determination whether these groups are experiencing adverse impact from the PATB. Again, the Guidelines specify that in the absence of such data, "the Federal enforcement agencies may draw an inference of adverse impact of the selection process from the failure of the user to maintain such data, if the user has an underutilization of a (minority) group in the job category, as compared to the group's representation in

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the relevant labor market or, in the case of jobs filled from within, the applicable work force." (Section 4.D.) Thus, the Agency will be required to maintain and report minority test data with which user components will be able to conform to the Guidelines.

F. Summing Up

The Psychological Services Staff seeks an augmentation of its staff with which to intensify its research work on the PATB and other psychological services; it also seeks improved access to personnel data which would strengthen its criterion-related test validation program. We believe that PSS is, indeed, shorthanded, but are concerned that, in its comments on the consultants' study, appears to support the status quo concerning the content, reliability and validity of the PATB as well as to endorse individual managers' completely discretionary use of it in the selection process.

By contrast, we believe that major changes should be made in the testing program to make it more reliable and to convert test validation to the construct validity concept based on a comprehensive job analysis program within the Agency. We are moved to this view both by the consultants'

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report and by the Uniform Guidelines which call for selection criteria based on job analysis.

Despite their criticism of the PATB and of the validity evidence for it, the consultants see the Agency's need for a battery of good selection tests. If testing is eliminated, the only procedures for selecting personnel would be interview, review of past academic records and experience, and personal recommendation. They view each of these alternative procedures as having major shortcomings, with none being able to provide the sort of relevant information about an applicant's capabilities that are potentially available from a good selection battery.

Based on the consultants' foregoing analysis of PATB and their evaluation of the Agency's vulnerability to legal challenge, we considered the recommendation that PATB be suspended in its entirety until validity and adequate reliability of its tests have been established. However, we share the consultants' belief that the Agency needs a battery of good selection tests and recognize the possibility that future studies may indeed confirm the construct validity and adequate reliability of some of the existing PATB tests. Consequently, we favor a modified course of action which retains certain aspects of the current PATB

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program while efforts are initiated to develop a sounder psychological testing program for the Agency.

Although the consultants found no suitable evidence for validity of the measures of intellectual ability, and that some of these tests had low reliabilities, we do not recommend that use of these be discontinued at this time. Some require modification, and all require new norms based on a representative sample of current applicants. They also require a logical rationale (to establish construct validity) for their use, based upon a sound job analysis. Pending such developments, they may provide at least some basic measure of an individual's intellectual ability. They should be modified, however, with all possible speed.

RECOMMENDATION:

38. The Director of Medical Services continue to administer the following tests subject to the Agency's initiating a job analysis and test development program:

- Vocabulary
- Reading Comprehension
- Figure Matrices
- Arithmetic Reasoning

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- Contemporary World Affairs
- Numerical Operations
- Considerations
- Interpretation of Data
- Essay (Writing Sample)

We agree with the consultants that profile results of the eight cognitive tests listed above should routinely be reported in the files of all applicants who are tested, and that names of applicants with special skills and high abilities be retained for computerized recall for an indefinite period. Reports of applicant test profiles should include the notation that the use of the eight cognitive tests is an interim procedure pending a validated testing program. The essay also should be included in the applicant file on an unevaluated basis. This data, of course, should be removed when an applicant enters on duty.

RECOMMENDATIONS:

39. The Director of Medical Services, in consultation with the Director of Personnel Policy, Planning, and Management, insure that a profile of cognitive test results, plus the unevaluated essay, be placed in an applicant's file prior to its review by hiring officials.

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40. The Director of Personnel Policy, Planning and Management enter into computerized records for indefinite retention the names, special skills and test profiles of hard-to-get and unusually promising applicants.
41. The Director of Medical Services discontinue reporting test results for the following PATB tests and procedures which the consultants view as indefensible:



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-- PSS Professional Applicant Testing Report
(the narrative report written by OMS/PSS
psychologists) in its entirety.

The tests could, however, continue to be administered for internal research purposes until sufficient validity data are available to support their use as a selection tool.

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