

GAO Highlights

Highlights of [GAO-18-417](#), a report to the Committee on Armed Services, U.S. Senate

Why GAO Did This Study

DOD's defense labs help sustain, among other things, U.S. technological superiority and the delivery of technical capabilities to the warfighter. Over time Congress has granted unique flexibilities—such as the ability to hire qualified candidates who meet certain criteria using direct hire authorities—to the defense labs to expedite the hiring process and facilitate efforts to compete with the private sector.

Senate Report 114-255 included a provision for GAO to examine the labs' hiring structures and effective use of hiring authorities. This report examines (1) the defense labs use of existing hiring authorities and officials' views on the benefits of authorities and challenges of hiring; (2) the extent to which DOD evaluates the effectiveness of hiring, including hiring authorities at the defense labs; and (3) the extent to which DOD has time frames for approving and implementing new hiring authorities. GAO analyzed DOD hiring policies and data; conducted a survey of 16 defense lab officials involved in policy-making; interviewed DOD and service officials; and conducted nongeneralizable interviews with groups of officials, supervisors, and new hires from 6 labs—2 from each of the 3 military services, selected based on the labs' mission.

What GAO Recommends

GAO recommends that DOD (1) routinely obtain and monitor defense lab hiring data to improve oversight; (2) develop performance measures for evaluating the effectiveness of hiring; and (3) establish time frames to guide hiring authority approval and implementation. DOD concurred with the recommendations.

View [GAO-18-417](#). For more information, contact Brenda S. Farrell, 202-512-3604, farrellb@gao.gov.

May 2018

DOD PERSONNEL

Further Actions Needed to Strengthen Oversight and Coordination of Defense Laboratories' Hiring Efforts

What GAO Found

The Department of Defense's (DOD) laboratories (defense labs) have used the laboratory-specific direct hire authorities more than any other category of agency-specific or government-wide hiring authority for science, technology, engineering, and mathematics personnel. As shown below, in fiscal years 2015–2017 the labs hired 5,303 personnel out of 11,562 total hires, or 46 percent using these direct hire authorities. Lab officials, however, identified challenges to hiring highly qualified candidates, such as delays in processing security clearances, despite the use of hiring authorities such as direct hire.

The Defense Laboratories' Most Used Hiring Authorities, Fiscal Years 2015–2017

Hiring authority category	Number of actions	Percentage
Defense lab direct hire authorities, all	5,303	45.9
Internal hiring actions	1,379	11.9
Expedited hiring authority	1,370	11.9
Government-wide direct hire authorities	789	6.8
Other ^a	668	5.8
All other ^b	2,053	17.8
Total	11,562	100^c

Source: GAO analysis of Department of Defense data. | GAO-18-417.

^a Other includes all other defense laboratory-specific direct hiring authorities used.

^b All other includes remaining five categories of hiring authorities.

^c Percentages may not sum to total due to rounding.

DOD and the defense labs track hiring data, but the Defense Laboratories Office (DLO) has not obtained or monitored these data or evaluated the effectiveness of the labs' hiring, including the use of hiring authorities. While existing lab data can be used to show the length of time of the hiring process, effectiveness is not currently evaluated. According to lab officials, timeliness data do not sufficiently inform about the effectiveness of the authorities and may not reflect a candidate's perception of the length of the hiring process. Further, the DLO has not developed performance measures to evaluate the effectiveness of hiring across the defense laboratories. Without routinely obtaining and monitoring hiring data and developing performance measures, DOD lacks reasonable assurance that the labs' hiring and use of hiring authorities—in particular, those granted by Congress to the labs—result in improved hiring outcomes.

DOD does not have clear time frames for approving and implementing new hiring authorities. The defense labs were unable to use a direct hire authority granted by Congress in fiscal year 2015 because it took DOD 2½ years to publish a federal register notice—the process used to implement new hiring authorities for the labs—for that authority. DOD officials identified coordination issues associated with the process as the cause of the delay and stated that DOD is taking steps to improve coordination—including meeting to formalize roles and responsibilities for the offices and developing a new approval process—between offices responsible for oversight of the labs and personnel policy. However, DLO's new federal register approval process does not include time frames for specific stages of coordination. Without clear time frames for its departmental coordination efforts related to the approval and implementation of new hiring authorities, officials cannot be certain they are taking action in a timely manner.