

Recruitment

Background

2.1 Five out of the six intelligence and security agencies are currently trying to increase staff numbers to unprecedented levels. The recruitment of large numbers of suitable staff is proving to be an enormous challenge for these agencies. Even the agency which is not trying to increase staff numbers is finding it a challenge to retain and recruit enough staff to maintain staff numbers. The challenge to agencies was aptly summed up in the press recently as follows:

... there are not queues of suitable people ready to be employed. The intelligence industry ... has already increased in size substantially over the past few years, picking up as many people as possible with the operational, analytical and language skills. There is hardly a glut in the market ...¹

2.2 The AIC agencies told the Committee in private hearings that it is a real challenge for them to meet their growth targets because people with the right qualifications who are looking for employment are few and are highly sought after. In opportunity-rich Canberra, the workforce is young and mobile. Employers must provide excellent training and interesting and attractive career opportunities in order to retain recruits.

1 Editorial, 'Fears bigger not better for ASIO', *Canberra Times*, 18 October 2005.

- 2.3 In 2004, the Flood Report observed that the intelligence agencies are competing for talent with the attractions of the private sector and with alternative professions, academia and policy departments and:

Inevitably in some areas, the agencies are competing also amongst each other. The recent expansion of the intelligence agencies has exacerbated the supply shortages – a number of the agencies are having difficulties finding the people to fill the new positions provided to them by government in recent years.²

- 2.4 The Committee heard that this continues to be the case and, while the pool of suitable candidates that agencies can recruit from is small in general, this is particularly the case regarding recruits with appropriate language skills and suitable recruits from sought after ethnic backgrounds.

- 2.5 Graduate recruitment has become very important to most of the agencies with several agencies now running two graduate recruitment rounds per annum in an effort to increase their graduate intake.

Dealing with Rapid Expansion

- 2.6 In the *Review of administration and expenditure for ASIO, ASIS and DSD, Number 3*, the Committee noted that if an agency expands too fast it could have negative long term consequences which could take decades to rectify and could significantly undermine Australia's national security.³

- 2.7 The Flood Report also warned of the risks of rapid expansion and the following comment, while referring to ASIS, could be applied to all agencies:

... management should ensure that recruitment decisions are undertaken prudently, and that they make utmost efforts to avoid the recruitment of staff who might prove to be poorly suited to the organisation in the future. If that comes at risk

2 Flood, P. 'Report of the Inquiry into Australian Intelligence Agencies', Australian Government, July 2004, p.153.

3 Parliamentary Joint Committee on ASIO, ASIS and DSD, *Review of administration and expenditure for ASIO, ASIS and DSD, Number 3*, p.60.

to the rapid expansion of the organisation, then it is the expansion that should suffer, not ... standards.⁴

2.8 Most of the agencies noted in their submissions to the Committee that they are aware of the perils of rapid expansion and the long-term consequences of recruiting the wrong sort of people and the Committee is satisfied that each agency is indeed making a concerted effort to attract and employ people with the right skills or the potential to be trained to the high standards of the agency. For example, the Committee heard from one agency that it sees the challenge that it faces in the coming years is to continue effectively to manage:

... the competing investigative and operational requirements of a heightened threat environment while managing the growth of the Organisation.

2.9 While the Committee was satisfied that all the agencies are aware of the pitfalls of becoming so absorbed in recruitment and training that they risk missing important developments in security threats, the Committee strongly urges the AIC agencies to continue keeping the dangers of rapid expansion at the forefront of concerns when planning for agency growth. In this respect, the Committee strongly reiterates the Flood Report's comments above.

Recruitment Strategies

2.10 The Committee heard that the agencies are working hard to recruit the right people for their agency. Agencies spoke of a diversity of strategies which they are introducing to meet recruitment goals, among them:

- Branding the agency to capture the uniqueness of the agency and express the nature of the work being offered;
- Engaging marketing companies to research how the agency could better reach the sort of recruit they wish to attract;
- Creating and launching campaigns aimed at attracting the people they seek to employ;
- Employing as many people as are found suitable in each recruitment round regardless of the target number, knowing that

4 Flood, P. 'Report of the Inquiry into Australian Intelligence Agencies', Australian Government, July 2004, p.150.

by the time recruits 'walk in the door' some will have taken up other employment or withdrawn for other reasons;

- Working with advertising agencies to develop innovative advertising campaigns to draw the attention of people who may not normally consider a career with an intelligence agency;
- Refining advertising to reflect more accurately the nature of the work than has been the case in the past;
- Targeting advertising in particular industry publications;
- Trialling non-graduate recruitment where applicants without degrees have relevant life/work experience;
- Setting up schemes to offer holiday work and/or scholarships to attract prospective graduates;
- Sponsoring research projects to interest potential graduates in the work of the agency;
- Use of 'talent-spotters' in universities to identify individuals who show the skills and abilities being sought by intelligence agencies. Spotters work voluntarily, are usually familiar with the work of the agencies and work as a 'middle man' putting the potential applicant in touch with the agency;
- Visiting universities to talk directly to potential applicants;
- Using mail-out and email services offered by some universities to reach graduating students;
- Offering 'early start' opportunities to prevent new recruits from accepting other offers while awaiting security clearances;
- Developing web sites to attract younger people who may only use the internet to search for career possibilities;
- Using web site links on career sites to link to the agency;
- Updating processes to ensure that applicants from non-English-speaking backgrounds are not disadvantaged; and
- Employing recently retired Public Servants who have sought-after skills and are willing to return to work on a part-time or contract basis.

2.11 The Committee heard that several agencies which previously did not welcome separated staff members back have changed their policies and, provided the person was a valued member of the staff at the time

of separation, those agencies now encourage former staff to consider rejoining. Agencies now recognise that sometimes employees need time away for family or other matters and departing staff are encouraged to think in terms of returning to the organisation at a later stage.

Opportunities for Cross-Community Recruitment

- 2.12 The Committee heard that the AIC Human Resource Directors meet periodically to discuss various approaches to recruitment and retention of graduates and that there are opportunities in recruitment (and training) across the AIC for a 'cross-community effort' to combine some recruitment functions and to exploit synergies.
- 2.13 The Committee found that there is already some degree of co-operation in recruitment between agencies. For example, the AIC as a group trialled a university roadshow in early 2006. The roadshow visited universities in four states to give prospective recruits an overview of what the intelligence community does within each agency. There are plans to cover the other states and territories in the next couple of months.⁵
- 2.14 Agencies used the roadshow to conduct joint presentations at universities targeting undergraduates, graduates and post-graduate students across a wide range of disciplines including linguistics. While each individual agency conducts its own graduate campaign, agencies jointly outline the opportunities that exist within each of the AIC organisations.
- 2.15 The first roadshows each attracted between ten and eighty people and it is expected that some of these will translate into more specific expressions of interest.⁶
- 2.16 The Committee also heard from several agencies that, on occasion, when reading a resume it may be apparent that the person is not really suited for the agency to which he/she applied but may be well-suited for another agency and so it is suggested to the applicant that they try the other agency.

5 Subsequent to hearings, the Committee has been advised that "the AIC Roadshow coordinated and led by ONA visited 25 universities across all states and territories during the period April-June 2006. The roadshow sought to raise the profile of the AIC and to publicise the career options and opportunities that exist across all agencies."

6 Subsequent to hearings, the Committee has been advised that "The roadshow attracted around 1000 participants across the country."

Advertising for Recruits

- 2.17 The agencies told the Committee of various ways that they use, or in some cases are trialling and developing, to advertise for new recruits, including:
- National and local newspapers;
 - Their own web sites;
 - Links to the agency on university and careers web sites;
 - Word of mouth;
 - Talent spotters in universities;
 - Bulk emails to university graduates; and
 - University career fairs and roadshows.
- 2.18 It has been reported that often applicants for positions in intelligence agencies have no idea about the real nature of the work they will do when responding to advertisements.⁷ The Committee heard from at least one agency that this happens because it is difficult to balance security considerations in advertising and giving accurate job descriptions, although in recent advertising agencies have used job descriptions that more accurately reflect the role of the position.
- 2.19 While advertisements by the nature of their size cannot convey in-depth information about a position, all the agencies maintain web sites with further information for potential applicants, and several of the agencies offer many pages of information for prospective recruits.
- 2.20 On its web site, ASIO advises that duties may involve 'the use of covert methods to obtain information' while ASIS makes it clear that candidates may expect 'to undertake extensive and demanding training'. ASIS tells applicants that 'ASIS relies on people who sometimes put their life and liberty at potential considerable risk and there is a clear obligation to protect their identity'.
- 2.21 ONA's web site recruitment pages are briefer and, as an assessment agency looking for 'Open Source Analysts', it advises prospective candidates that 'ONA does not itself collect information on the Australian Government's behalf either overtly or covertly.'⁸
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7 Lyons, J. 'Welcome to his Nightmare', *The Bulletin*, May 6, 2003, p. 26.

8 Subsequent to hearings, the Committee has been advised that ONA's website has been updated and now advises prospective candidates that "ONA does not itself covertly collect information on the Australian Government's behalf".

The Interview / Selection Process

- 2.22 The Committee heard that the length of the interview and selection process is long because it includes the necessity for all new recruits to receive a Top Secret (Positive Vet) (TS(PV)⁹) security clearance. Although agencies have put strategies and procedures in place to trim the time line for recruitment, agencies still lose otherwise suitable recruits who accept other employment while awaiting security clearance.
- 2.23 In advertisements, and on their web sites, most agencies forewarn candidates that the selection process is lengthy and demanding and that candidates must be prepared to undergo a selection process that involves aptitude testing, interviews, psychological assessment, and extensive background checking in order to obtain a security clearance.
- 2.24 Most agencies currently have two graduate recruitment rounds each year. The length of the recruitment process varies from agency-to-agency but is at least five months and can be as long as 12 months from advertising until the successful recruit 'walks in the door'.

Language (and cultural) Skills

- 2.25 The Flood report noted the need for a stronger language capability in Australian intelligence agencies, paying particular attention to emerging issues and ensuring the agencies have the language skills and other expertise to match emerging needs.
- 2.26 The Committee also noted in a previous report that 'acquiring language skilled officers would appear to be one of the most difficult issues intelligence agencies face as they expand'.¹⁰
- 2.27 Submissions to the Committee and evidence given at the hearings confirmed that recruiting, training and retaining linguists remains a real challenge for intelligence agencies. The Committee heard that people with existing language skills are not always people who can be cross-trained as intelligence analysts. One agency gave evidence that it is harder to train a person to be an excellent intelligence officer than it is to train a person to be an effective linguist so the agency firstly

9 Top Secret (Positive Vet), or TS(PV), is the highest level of security clearance. It must be re-validated every five years.

10 Parliamentary Joint Committee on ASIO, ASIS and DSD, *Review of administration and expenditure for ASIO, ASIS and DSD, Number 3, March 2005, p.59.*

looks for the skill sets needed to be an intelligence officer and then provides, if necessary, language training.

2.28 The Australia Defence Association (ADA) made a similar point, pointing out that 'good linguistic skills are not synonymous with aptitude for intelligence work'¹¹ and, therefore, linguists must qualify in the other professional intelligence skills, and gain sufficient experience, to be effectively employed as linguists rather than translators.

2.29 The Flood report found that too few of the nation's intelligence officers possess adequate foreign language skills, adding that the weakness is not isolated to Australia's intelligence agencies, but is partly the result 'of poor levels of language training right across the community'.¹² Recommendations nos.19 and 20 in the report were as follows:

19. The Australian intelligence agencies should be active in building a profile of staff with necessary language skills, paying particular attention to emerging issues and ensuring the agencies have the language skills, including in Arabic, and other expertise to match emerging needs.

20. ASIS should be provided with additional funding to bolster the key language capabilities of its staff. ONA also should make use of additional staff resources recommended by the Inquiry to supplement its stock of key linguistic skills.¹³

2.30 According to the ADA, effective nurturing of foreign language skills requires through-career exposure to the language involved, including frequent visits and regular postings to the country concerned:

Proper career management of linguists must allow frequent and challenging practise of their skills, particularly for more than just the translation of documents or recordings.

Maintaining linguistic excellence is a dynamic skill but one that often suffers from financial constraints on overseas visits, training and postings. This causes a cycle whereby linguists grow frustrated and leave, and the remaining ones are then

11 ADA *Submission*, p.13.

12 Flood, P. 'Report of the Inquiry into Australian Intelligence Agencies', Australian Government, July 2004.

13 Ibid.

worked harder and thus more prone to also leave eventually.¹⁴

- 2.31 How the AIC agencies approach training staff for language acquisition and retention is discussed in Chapter 3: Training.

National Language Policy

- 2.32 The Committee notes that language skills in Australia in general have been neglected over many years. Australia suffers disadvantage in its language capacity because of its geographical isolation. Unlike Europeans and other groups, Australians do not grow up learning three, four, five or more languages. On the other hand, Australia is a multi-cultural society with every major language on earth being spoken in at least some households. The Committee sees this unexploited cultural advantage as a resource which must be developed.
- 2.33 The Committee believes that the development and implementation of a National Language Policy as a long-term investment in Australia's future, not only for the benefit of the AIC agencies but for the benefit of the entire country, would become an invaluable national asset. The Committee recommends that the Government consider, as a matter of national priority, language development as a national asset.
- 2.34 According to the Australian Defence Association, experience has taught AIC agencies that while training cycles for linguists are 'measured in half-decades at least ... changes in intelligence gathering targets often arise at much higher frequencies'.¹⁵ ADA gives the recent example that, whereas the agencies have traditionally concentrated on predominantly east and South-East Asian languages, recently there was a 'large and sudden increase in requirements for Arabic speakers'. A well-developed and implemented national language policy could prevent agencies being 'caught short' without appropriate linguists when unforeseen world events happen.
- 2.35 Such a policy would not only include development of the languages which are needed by business, trade and defence (including intelligence and security organisations) today but would represent all major languages from each continent so that the nation is prepared for the future requirements of business, trade and defence.

14 ADA *Submission*, p.13.

15 ADA *Submission*, p.13.

Recruiting Linguists

- 2.36 As with recruitment in general, the Committee heard that AIC agencies compete in a very tight marketplace to recruit suitable linguists. As mentioned above, people with existing language skills are not always people who can be cross-trained as intelligence analysts. Additionally, some people who would otherwise be suitable as linguists cannot be recruited because they have not been in Australia for ten years and their background cannot be checked back to ten years.
- 2.37 The Committee heard that in some ethnic communities and in some families there is a reluctance to serve in an intelligence agency, for a range of historical and cultural reasons.¹⁶ First generation Australian graduates with good language skills often come from families who are traditionally very suspicious of intelligence work and discourage their children from thinking of joining an intelligence agency.
- 2.38 It was asserted in a recent article in the Bulletin that Australians from the moderate Islamic community are even less inclined to consider the intelligence agencies as a career now that:
- Australia's military engagements in Afghanistan and Iraq have ... made it extremely difficult to recruit ASIS and ASIO trainees from within the moderate Islamic community.¹⁷
- 2.39 Some of the ways agencies are currently trying to address their shortages of linguists include:
- Making two categories for linguists – those who also show the skills to become intelligence officers and those who are employed in a translation function;
 - More in-country training which is expensive but necessary to give people the skills quickly;
 - Working with universities to identify language needs and encourage more courses in certain languages;
 - Placing greater emphasis on language skills in general recruitment advertising;
 - Introducing or increasing Language Proficiency Allowances to encourage staff to retain their language skills.

16 ADA Transcript, p. 67.

17 Daley, P. 'Death Watch', *The Bulletin*, 12 October 2005.

- 2.40 The Committee is satisfied that agencies are putting considerable effort into attracting, training and retaining linguists although agencies told the Committee that in some cases they will still experience shortages in certain languages. However, they will continue to search for and develop new ways to meet their demand for suitable people with the desired language skills.
- 2.41 The Committee asked the agency Heads if they received more money could they increase the number of linguists more quickly? Agencies replied along the lines that they are currently training as many staff as can be spared for language training, otherwise, it is a matter of finding suitable people to employ. More money will not necessarily make that any easier. One agency did indicate that it may be seeking more money to help it to recruit linguists in the future.

The Security Clearance Process

- 2.42 One of the areas that the Committee decided to focus this enquiry on is the area of security clearances because the Committee has become aware that, with the rapid growth of the AIC agencies, this is an area of real stress in the recruitment process. By their nature, the security clearance takes months to complete and delays can cause good recruits to accept employment elsewhere.
- 2.43 The security clearance process is a costly and time-consuming exercise for all the agencies and can eliminate otherwise very suitable candidates. The situation that the security clearance process creates for all the agencies was described by one as follows:
- [all AIC agencies face] special challenges for recruitment that are not experienced in the wider Defence and Australian Public Service (APS) environments. The security requirements and other suitability assessment criteria (including psychological testing) applied to employees applying to work in the very high security environment mean that some applicants cannot be recruited regardless of their qualifications, experience and general professional suitability.¹⁸
- 2.44 The cost to agencies of security clearances is significant and ranges from \$6,500 per clearance to nearly \$15,000. In 2004-05, numbers of

18 *Classified Submission No.1*, p.9.

clearances denied ranged from a low of 4 denied out of 88 applications for one agency to 35 denied out of 106 applications.

- 2.45 The DSA, which vets the Defence agencies, handles thousands of clearances every year and currently has a substantial backlog. The Committee heard that the Department of Defence is very actively looking at ways to manage the demand for security clearances and it is confident that in twelve months the situation regarding both the backlog and the demand for clearances will be much improved.
- 2.46 Agencies were asked by the Committee if a central vetting agency doing clearances for all AIC agencies would be a viable solution managing security clearance requests. The Committee found no support for the idea of a single vetting centre. Each of the three agencies which currently do their own vetting said that they would not like to 'lose control' of their vetting. The Defence agencies currently use a single authority – the Defence Security Authority – to do their clearances and they believe that should not change.
- 2.47 It was noted that there is a group within the AIC that specifically meets to deal with security standards. Recently an MOU has formalised an agreement among some AIC agencies to accept TS(PV) security clearances issued by other agencies. The Committee heard that the Defence department agencies 'recognise other agencies' positive vets'¹⁹ and also that, following completion of the abovementioned MOU, ASIS now accepts other agencies' positive vets.

Recommendation 2

The Committee recommends:

- **that the Government identify methods to address the security clearance backlog of the agencies; and**
- **that the agencies be required to report every year on the backlog and the methods being used to address it in their Annual Reports.**

Inter-Agency Movement

- 2.48 The Committee found that there are two types of inter-agency movement – secondment and permanent moves. Until recently, secondments were not very common although they are becoming more so now. Agencies second people to and from other agencies as part of career development and training and this is discussed in Chapter 3.
- 2.49 A certain amount of inter-agency movement is permanent. With increased opportunities in agencies, some staff seek a higher salary or promotion by changing from one agency to another. In this respect, agencies are all looking at reasons for recent staff separations in an effort to address these reasons with a view to retaining staff where possible.
- 2.50 Agencies have found from exit surveys that staff have, in the past, moved to other AIC agencies for a higher salary, promotion, or perceived better conditions. The Committee heard from one agency Head that his agency is acknowledged as a ‘repository’ of high quality linguists and as such, other departments and agencies often seek out or give preference to linguists from that agency when recruiting.
- 2.51 In a recent press article, a ‘veteran intelligence professional’ suggested that there is, in fact, a lack of mobility within the agencies and recommended that ‘a truly professional intelligence service’ would provide:
- A career stream for intelligence officers to move around across the full spectrum of agencies and aspire to the top management positions.²⁰
- 2.52 In his submission to the enquiry, Mr Ian Dudgeon from Ian Dudgeon and Associates told the Committee that regarding career development generally, ‘potential agency recruits have similar career demands/expectations as their APS counterparts and if these do not materialise, particularly amongst those with the best potential, they will leave’.²¹ The submission argues that among other expectations in line with APS opportunities is the opportunity for employees to rotate within the AIC.

20 Monk, P. ‘Intelligence service shake-up a no-brainer’, *Australian Financial Review*, Saturday,

21 Ian Dudgeon and Associates *Submission*, p.3.

- 2.53 As agencies achieve their targeted growth, there will no doubt be more opportunity for inter-agency movement of staff than in the past. Some agencies told the Committee some movement will be welcomed by them as a way for staff to achieve a broader experience of the whole community and build on their skills as a result.
- 2.54 The Foreign Intelligence Coordination Committee (established by ONA, see paragraph 3.28) is looking at career management issues to see whether it can encourage more mobility within the community and whether there is scope for agencies to approach career management on a more community-wide basis.

Intelligence Work as a Profession

- 2.55 The Committee received a submission from the Australia Defence Association (ADA)²² which expressed the opinion, based on the experiences of past and present intelligence staff, that intelligence work should be seen as a profession and intelligence officers should be able to aspire to senior positions within the agencies.
- 2.56 The ADA submission argued that in the current climate of terrorist threat, Australia needs to be more serious about a cohesive, functional and truly integrated national intelligence capability:
- Structural reforms and increased funding alone are insufficient responses. There must be a genuine attempt to solve the people and culture problems by maximising cross-agency co-operation and intelligence professionalism generally. In dealing with the limited talent available and required, we need whole-of-government, integrated, strategies for initial and lateral recruitment, in-service training, wider professional education, secondments between agencies, and retention and career development of intelligence professionals.²³
- 2.57 ADA believes that the government should acknowledge that intelligence work is a profession and it argues that recruitment, training, career development and promotion practices must reflect its status as a profession. Failure to promote career intelligence professionals to senior positions within the AIC is detrimental to the intelligence profession according to the ADA. It also affects the ability of the AIC to offer a viable career path for intelligence
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22 Members of the ADA are both currently serving and former members of the AIC.

23 ADA *Submission*, p.20.

specialists which, in turn, encourages too many intelligence officers to leave the profession, often at a mid-career juncture where their skills and experience are most useful.

- 2.58 With the current significant expansion of the AIC there is now considerable scope for the AIC to commence a senior leadership grooming program. According to the ADA, this should include education and training modules along the lines of those currently available to facilitate career progression for public servants in non-intelligence fields of the federal bureaucracy.
- 2.59 The submission from Mr Dudgeon also argued that professional officers within the AIC agencies, especially at SES level, should receive similar career development and advancement opportunities, as their APS counterparts. The benefits to the AIC would, according to Mr Dudgeon, be 'an increase in managerial skills and competence, increased flexibility of deployment, greater career satisfaction, and potentially, a greater retention rate within their agency or the AIC'.²⁴
- 2.60 The ADA believes that the practice of heading intelligence agencies with former or serving career diplomats is 'short-sighted and highly damaging to the intelligence profession, not least because it sets such poor examples for recruitment, professional training, career development and retention in all our intelligence and security agencies.'²⁵

Filling Senior AIC Positions

- 2.61 In its submission, the Australian Defence Association outlined its concerns about the lack of career mobility within the AIC, particularly to the most senior positions. In the ADA's opinion bringing outsiders into top management positions has been, in some instances, detrimental to the AIC. ADA explains that:
- ... many senior appointments in the agencies have been and are held by those with little actual experience in intelligence work and who possess little or no real professional knowledge.²⁶
- 2.62 The Committee heard from the ADA that the AIC has suffered because of appointments to senior management of people who are not

24 Ian Dudgeon and Associates *Submission*, p.2.

25 ADA *Submission*, p.21-22.

26 ADA *Submission*, p.4.

right for the job. 'Parachuting' career diplomats into top positions is not in the best interests of the AIC because diplomats are policy-oriented and therefore, according to the ADA, their experience is not compatible with intelligence work.

- 2.63 Recruiting, seconding or appointing diplomats or other personnel from policy-making backgrounds into senior positions in intelligence and security agencies is, according to ADA, fundamentally flawed. The Committee heard that when outsiders are recruited or appointed laterally into intelligence or security agencies they tend to have little or no professional appreciation of the 'all-source' necessity of intelligence processes and the need to employ a range of planning, targeting, collection and analytical tools.
- 2.64 The Committee heard that outsiders are frequently reluctant to embrace, or even accept, the intelligence estimate process as a key intellectual methodology for effectively managing intelligence tasking from the strategic to the tactical level. These tradecraft issues are central to a professional education in intelligence. For example:
- ... personnel appointed to management positions from outside the intelligence profession, especially where they have careerist tendencies, tend to be risk averse. This is of concern where the agency is charged with assessing new types of information or unfamiliar situations.²⁷
- 2.65 According to the ADA, in intelligence work, failures happen when the intelligence officers are afraid to tell people what they do not wish to hear. The ADA quoted the Flood report which brought out this point when talking about the importance of contestability:
- If you do not have contestability in intelligence assessments, and if you do not have through-career professional intelligence officers who are brave enough to tell you something you do not want to hear, you will perpetually have a problem.²⁸
- 2.66 The ADA told the Committee that taking too many outsiders into the agencies devalues the career path for insiders; however, the ADA believes that with recent increases in staffing, there is now the 'critical mass', and therefore considerable scope, for the commencement of a senior leadership grooming program for the intelligence and security

27 ADA *Submission*, p.8.

28 ADA *Transcript*, p.62.

agencies.²⁹ There will be opportunities arising out of the current expansion of the agencies for career intelligence officers to move into top management positions and the AIC should not miss this opportunity.

- 2.67 The ADA submission discussed the drawbacks of too much lateral recruitment into intelligence agencies. When large numbers of staff from policy-making backgrounds move into intelligence agencies, there is a significant risk to the objectivity and relevance of intelligence assessments:

It frequently results, however unconsciously, in intelligence assessments being biased towards desired policy outcomes rather than them being independent or objective in their own right. This is a fatal flaw in the intelligence process and the wider decision-making processes it supports.³⁰

- 2.68 ADA notes that it is not suggesting that outsiders should never head or be employed in intelligence agencies. In fact, the ADA notes that bringing in outsiders at all levels 'is essential for intellectual objectivity and to avoid professional and intellectual incest in secretive cultural environments.'³¹ However, ADA argues that agencies must not be inundated with outsiders and also there must be appropriate respect given to career professionalism.

Retaining Staff

- 2.69 Separation rates have, over the last several years, varied considerably not only between AIC agencies but often within agencies themselves. Separation rates have been as high as 35 per cent in an agency which includes short-term secondees in its separation data, down to barely 5 per cent in an agency which has actively worked at lowering its rate over recent years. Currently, the agencies have an average separation rates approximately equal to the APS average of 9-10 per cent.
- 2.70 All agencies are complementing their recruitment programs with attempts to improve staff retention. The Committee heard from several agencies that, using staff exit surveys as their guide, they have been actively trying to eliminate as many of the reasons for staff separation as possible.

29 ADA, *Submission*, p.21.

30 ADA, *Submission*, p.9.

31 ADA, *Submission*, p.10.

- 2.71 Agencies acknowledge the need for a 'healthy staff turnover' to maintain a 'refreshed' workforce and the Committee heard that most agencies are aiming for a separation rate of around 8-9 percent although one organisation is aiming to maintain its current rate of 5-6 per cent.
- 2.72 The separation rate for linguists tends to be higher than agency averages. It was found that the separation rate for linguists in some agencies is up to 16 per cent and the Committee heard that the demanding nature of the work tends to produce 'burnout'.
- 2.73 Exit surveys and interviews have identified various reasons for AIC staff separation, the most common ones being:
- Better promotional opportunities elsewhere;
 - Increased remuneration elsewhere;
 - Looking for greater job satisfaction; and
 - Unfulfilled expectations and ambitions, particularly among young staff.
- 2.74 One of the agencies has had some success in trialling more flexibility particularly in regards to part-time work and this has had a positive impact on both retention and recruitment rates for females.

Role for Universities in AIC Recruitment

- 2.75 It has been the experience of agencies which have sent people to universities to discuss career development that they have been well received. University staff showed a respect for the intelligence and security community generally and a belief that the AIC offers good career opportunities.³²
- 2.76 The Committee would like to see Australian universities playing a larger role in providing suitable recruits to the AIC both in the immediate future and in the long term. The lack of appropriate preparatory university courses for intelligence officers in Australia has been discussed at some length in the press. A former agency officer is quoted as saying:

Twenty years ago we lost a golden opportunity to develop the sort of intelligence system which would give us the edge, because we got rid of all our university courses in

32 Private hearing transcript.

comparative religion. Now we graduate hundreds of lawyers and accountants but there is no one who can tell you what the four pillars of Islam are.³³

2.77 Academics from the Australian National University (ANU) are quoted in the press as saying that they are concerned that universities are not producing graduates with adequate foreign language and analytical skills or knowledge of the region.³⁴

2.78 It has been argued that, with few exceptions, Australian universities have been very slow off the mark in providing relevant undergraduate courses. Williams writes that as well as studying the traditional subjects like politics, economics, psychology, sociology, Asian studies, international relations and strategic studies, to be intelligence officers students need to study:

Intelligence, espionage, security, crime in the Asia Pacific region, non-traditional security issues (like arms trafficking, pandemics, corruption, etc), terrorism, counter-terrorism, homeland security, protective security, counter-terrorism policy and law, emergency management, corporate governance, and other national security-related topics.³⁵

2.79 The Committee heard from some agencies that there is an intention among the AIC agencies to develop closer relationships and collaborative approaches with universities in regard to the management of language capability and the Committee would strongly support any such collaboration.

Conclusion

2.80 The Committee heard that, in a competitive market place, increasing and retaining staff is very challenging for all the agencies. Agencies advised the Committee of a range of initiatives and strategies which they are devising and implementing to meet staffing targets. As one agency told the Committee: 'we are not just advertising in newspapers, we are hunting them down'³⁶.

2.81 In all cases, agencies have had to rethink and refine their recruiting strategies and the Committee has been impressed by the range of

33 Snow, D. 'A shortage of spooks', *Sydney Morning Herald*, Monday 15 November 2004.

34 Shaw, M. 'Doubt clouds spy recruitment target', *The Age*, Tuesday, 18 October 2005.

35 Williams, C. 'Australia slow off the mark on terrorism' *Canberra Times*, Tuesday 18 October 2005.

36 Private hearing transcript.

strategies and initiatives that agencies have devised to meet recruiting goals.

- 2.82 The two areas which appear to cause the most difficulty to agencies are that of achieving timely security clearances and finding suitable linguists for recruitment. The Committee found that agencies are working hard to solve their problems in both these areas.
- 2.83 The Committee is satisfied that all AIC agencies are working appropriately to meet recruitment targets and to recruit the right people for the agency's needs while being mindful that they must not become so absorbed in recruitment and training that they risk missing important developments among terrorists.