

# Security Clearance

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## Is Efficiency Harming Quality?

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This paper deals investigates the relationship between quality and effectiveness within the current security clearance process. The area of effectiveness creates issues within the security clearance process and this paper examines how that area ultimately affects quality.

The Office of Personnel Management (OPM) defines security clearance quality as “meeting or exceeding the goals of the Intelligence Reform & Prevention Act of 2004 (IRTP) and providing deliverables necessary to ensure that security clearance reforms are substantially operational” (OPM FY2008 Annual Performance Report), but what does that mean? The Strategic Plan also suggests that a *quality clearance* ‘ensures suitability, trustworthiness and eligibility “, but it does not give any guidance on how that is transferable to actionable direction for investigators in the field. USIS, one of DOD largest contractors, measures its field investigators on two factors: *timeliness and quality* (Carlos Mata, USIS Operational Manager, Personal Communication, May 14,2010). The timeliness criterion is based upon the criteria imposed on OPM by the IRTP. Investigators are rated in relation to the number of days it takes to complete a case, how much rework is required, and the quality of the investigation. But again that elusive term, quality creeps into the equation. How is quality measured? OPM has no hard and fast rule as to what constitutes a quality investigation and the only criteria that is specifically defined is timeliness.

Investigators are evaluated on the basis of arbitrary quality, how do you set a quality standard when each investigator has their own interpretation of the rule? The investigations are assigned to the investigator and the investigation must start with the information given. OPM and its contractor’s encourage its investigators to use discretion when completing an investigation, but there is no uniform method of evaluating that discretion.

## **Methodology**

The statistics used in this paper were obtained from The Government Accountability Office (GAO) December 19, 2008 Report DOD Personnel Clearances: Preliminary Observations about Timeliness and Quality. The GAO randomly sampled 100 favorably adjudicated investigative reports during a one month period based on a 95% confidence interval with a +/- 8 % margin of error. The samples were obtained from the central adjudicative facilities of the U.S. Army, U.S. Navy and U.S. Air Force.

## **Current Issues**

The GAO report found that that missing documentation was the most prevalent issue in Security Clearance quality. It estimated that 22% of the 3,500 granted clearances in July 2008 were missing required documentation. The report showed that the investigative reports were missing documentation from each of the five areas, with the highest percentages being in the employment, social references and forms areas. The adjudicative documentation was the most incomplete in the foreign influence, financial considerations and criminal conduct areas. The GAO cites employment, social references and security forms as the most prevalent incomplete factors in relation to quality but there is no guidance on what is considered

complete. This figure indicates that the de facto quality measure baseline is taken from the 78% completed cases. Bear in mind that the information for the missing and complete documentation comes in most cases, directly from the subject. If the information from the investigation subject is flawed the investigator starts the case within a timeliness deficit. One of the criteria used to judge quality, complete documentation and information, is inherently flawed. The information is provided by and verified by the subject of the investigation. If the security forms are not completed correctly by the requesting agency, before the investigation can commence the investigator must fill in the blanks. This is a time consuming process. First you have to contact the subject, set up a meeting and fill in the blanks provided the information can be recalled. If the information cannot be recalled, what is the quality standard? What about military members or freelance contractors, who by definition of the varied projects and missions they perform, are nomadic? What is the standard for unattainable information? Is that information still counted towards the quality of the investigation?

Employment forms are generally third party information and the requirements for verifying records involve the records actually being present. What happens to quality if the records are not present? The GAO report indicates that 33% of the quality issues it encountered in a review of 100 reports were related to employment records. It is unclear if that figure excludes unavailable employment or partial employment records provided by the employer. Employee record retention varies from state to state with retention standards anywhere from 6 months to 4 years. The investigation for a minimum security clearance is an automated record check of 6 months or more for every place of employment within a 5 year period. How do you account for places of employment that do not have good records, do not retain records period or have gone out of business? In addition to the record keeping riddle, many companies are themselves using third party companies that will only verify name, date of employment and position title. You must interview the immediate supervisor for more sensitive positions, what is the guidance if they supervisor is no longer there? Does that affect your quality rating? More advanced investigations require employment interview sources to be obtained with the requirements of the IRTPA. Employee source interviews cannot be compelled, they are completely voluntary. If the subject is military, the source interviews may be scattered throughout the country. Even though the investigation is divided into parts, the entire report must be reviewed to determine quality. Is the guideline realistic and to achieve it how much quality is lost?

For a low risk investigation social references are not required, for more sensitive position source interviews are required. Source interviews are not compulsory and as such are hard to get. Source interviews are often the last missing piece of the puzzle and most references that are friendly with the subject will tell you only positive things. The people that tell you negative things, you have to be aware of why they would and if revealing the information helps them at

all. Investigators also face a barrage of barriers to getting a source interview. Investigators don't have the authority to compel an interview, they face cultural and racial barriers, they work alone and they are not armed. Are these factors considered when reviewing an investigation for completeness? Are the investigator notes heeded when looking at the investigation for the whole person summation? How do these factors figure into the 32% of the incomplete cases? If these barriers are present, how is quality measured?

We also see how adjudicative standards and investigative standards are different, how does that affect quality? If the ultimate goal is to determine suitability, why are there two different standards of review? It is easier to set a quality standard when there is one review method. The investigators know what to look for and the adjudicators can spot anomalies much easier. In security clearance, near perfection is not enough. One unsuitable person getting through is one too many.

### **What is being done?**

OPM was put on the watch list in 2004 and since then has exceeded the timeliness expectations set forth by the IRTPA, but at what cost? OPM has instituted some new process in the security clearance process, among them are:

- RAISE-rapid assessment of incomplete security evaluations.
- RADAR-review of adjudication documentation accuracy & rationale
- Quality hotline
- E-Quip-an electronic application process
- More streamlined investigative process
- Reform task force

OPM has mandated the improvement of electronic inquiries and instituted an electronic process that allows a request for investigation to be completed electronically. The use of law enforcement inquiries has dramatically cut the times it takes to complete lower risk inquiries and is a good step towards the initial identification of unsuitable candidates. The E-Quip system was developed to allow applicants to fill out the security questionnaire online and forwards the application to the requesting agency. In theory this is a great process. The process eliminates unnecessary handling of the investigative reports making it more secure, it creates the ability to assess and act on suitability immediately, and decreases the number of agents required in the field and refocuses the agents that are in the field. The problem occurs again with the quality of the initial information received from the applicant. Incomplete or inaccurate information received from the applicant theoretically reduce OPM's quality rating

for security clearances. This indicates that investigators will be penalized for erroneous information initially provided to them for the sake of decreased time, is the pressure for efficiency influencing the quality of investigations? How does the automated system handle incomplete or inaccurate information received from the applicant? Will the quality measures be adjusted to allow for an informational margin of error?

Rapid assessments have a fundamental requirement for quality information. In order to assess investigations there has to be a degree of integrity assigned to the initial investigation. The central quality measure for *RAISE* is incomplete investigation reports and that is strongly impacted by the failure to get or complete interviews. What the *RAISE* system does not address is the inability to gather the required information as well as the veracity of the initial information. Should the burden of quality be on the requesting agency? If OPM is going to be judged on the quality investigations, it makes sense to require the requesting agencies to submit quality information. Quality information would require at a minimum that the submitting agencies provide complete, accurate and verified information. Automation is more about efficiency and does not automatically equate to immediate quality gains. The increase in automation highlights how most IRTPA security clearance targets are positioned towards efficiency. The *RAISE* system is currently conducting a quality assessment of investigative reports against measures of cost, quality and timeliness (PERSEREC, 2010). Again the cost and timeliness criteria are specifically defined indicators of efficiency and easily actionable; yet, the quality definition is subjective and open to broad interpretation.

According to a 2003 study from PERSEREC, RADAR tests quality using three areas: norms and procedures, effectiveness, and customer satisfaction. The working definition for quality is defined by the report as a timely eligibility determination by a qualified adjudicator in accordance with the regulation, procedures and policies of adjudication. Adjudicators review investigative reports according to a whole person concept, all disqualifying factors are reviewed in respect to the situations they occurred in and how they are likely to affect the subject in the future. Adjudicators focus on 13 areas during their decision making process:

1. Allegiance to the United States
2. Foreign influence
3. Foreign preference
4. Sexual behavior
5. Personal conduct
6. Financial considerations
7. Alcohol consumption
8. Drug involvement
9. Emotional, mental, and personality disorders
10. Criminal conduct
11. Security violations
12. outside activities

### 13. Misuse of information technology systems

For the security industry, quality is a business process and as such is not specifically transferrable to the investigative process. The study goes on to find that adjudicators need a uniform system to evaluate investigative reports and to form a specific quality standard. As of now there are no specific guidelines other than the timeliness guideline; the study found the importance needs to be a uniform definition of quality when reviewing investigative reports.

What happens to the process when the information is incorrect? The success of E-Quip depends on a thorough understanding of the security process by the handlers and a thorough understanding of the online application. If the applicant enters flawed information through inadvertent human error or deliberate deceit, the process falls apart. The ability to accurately assess and determine suitability is flawed, and the investigation is started at a deficit. How is the applicant's lack of quality translated to investigative report statistics? How does this fact affect the investigative process?

The *quality hotline* is a process function that allows adjudicators to call senior adjudicators at the Federal Investigative Services Department and receive guidance on complex questions encountered when adjudicating investigative reports. The issue with this quality measure is the inherent lack of uniformity in regards to the advice given. As each adjudicator and indeed each investigator interprets circumstances differently how is the quality of the advice measured? The use of this function requires guidance on how the use of the function is viewed by superiors. If the hotline is used are adjudicators viewed negatively by senior adjudicators or supervisors? Is there the sense among adjudicators that if the job was done properly the question wouldn't have to be asked?

Do timeliness requirements affect the quality of security clearances? As of now, neither the agency nor its contractors are required to keep metrics on the quality of the investigations they complete. Most of the metrics are linked to the ability or failure to meet the requirement set by the IRTPA, which gives guidelines for timeliness but does not address quality issues. The timeliness guidelines do not address:

The nature of reinvestigation cases

The time it takes for a requesting agency to hand over initial clearance requests

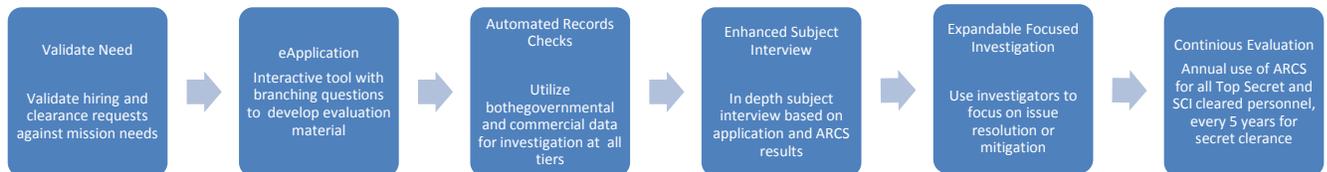
The criteria of performance levels

Investigative performance standards

Initial quality of investigative information received

## Current Background Investigation Process

The reformed security process as designed by the Joint Reform Process has a simplified seven step process. The reformed security process also focuses on time reduction and more efficient use of human resources.



What the reformed process does not define is the federal government’s specific definition of quality and how a quality investigation is defined. Merriam Webster defines quality as a degree of excellence or superiority in kind. OPM defines quality as “encompassing utility, objectivity and integrity” (OPM Information Quality Guidelines), but how do these vague definitions translate to actionable objectives? What makes a quality background investigation? It is difficult to put a price tag on security or a life, so it is vital to know what constitutes a quality investigation.

The goal of security clearance can be interpreted to protect national security, which translates realistically to vetting the background of government employees to illustrate potential risks. From a timeliness standpoint the goal is to reduce the time it takes for these investigations to be completed. From an effectiveness standpoint that means a low attrition rate, with the least amount of mistakes possible. Given the goal of national security, the effectiveness goal should be the primary focus with the government seeking a more realistic middle ground on the timeliness perspective so that bureaucratic pressures for increased processing speed is balanced against low attrition, high reliability, and accurate decision making on security clearances. The indirect costs of lost reciprocity within federal agencies and poor quality information are a tangible effect of current lack of quality controls within the security clearance process. The direct cost of a threat to national security should be the government’s main concern. An investigation should focus on the quality on information received first and timeliness second. Effective clearances allow our national security to remain in the forefront of our view, while ensuring that we do not live in a fearful state of being.

OPM has designated that all investigations fall into one of three tiers: low, moderate and high risk. Each tier has a specific set of requirement for each individual. Most of the requirements have evolved from an efficiency point of view. Prior to the Joint Reform Team, most Top Secret Investigations centered on 14 points:

- Form completion
- Records check
- Spouse or significant other records check
- Date and place of birth
- Citizenship
- Education
- Employment
- Social references
- Former spouse interview
- Financial review
- Local agency records check
- Public records review
- Subject interview

Investigations are only as good as the initial information received from the applicant and as an applicant you have a vested interest in keeping negative information from coming to light, which is why the 14 focus areas were developed. The rationale was that if you had something to hide, one of these areas would uncover the negative information. Adjudication was viewed as a quality assurance measure as much as a process. Within these areas of OPM has run into some quality issues, *according to the 2008 GAO report on DOD Personnel Clearances, most of the quality issues center on incomplete reports or missing verifications.* The reports indicate that the majority of incomplete reports centered on employment, social residences and incomplete forms.

In conducting security clearances three tiers that are used to determine investigative standards (Henderson, W., 2009).

Tier 1- An investigation for Low risk applicants which includes:

1. E-Application.
2. Corroboration of date and place of birth through appropriate documentation by a trusted information provider.
3. Submission of fingerprints and a check of appropriate databases for prior federal investigations.
4. Verification of citizenship or legal resident status of foreign born applicants.
5. Local law enforcement agency checks at all places of employment, residence, or school attendance of six months or more during the past 5 years. Check of the appropriate criminal justice agency for details and disposition of any identified arrests.
6. Automated Records Checks (ARC) for information regarding the applicant's criminal history, involvement in terrorism, validity of Social Security number, education and employment history, employment conduct, military discharge, and Selective Service registration, as appropriate.
7. Expandable Focused Investigation (EFI) to develop and resolve identified security/suitability issues

Tier 2-An investigation for Moderate Risk Applicants which includes:

1. Tier 1 requirement.
2. Additional ARC for information regarding the applicant's financial history, foreign associates, business interests, and other foreign connections.

### Tier 3- An investigation for High Risk Applicants which includes:

1. Tier 2 requirements.
2. Enhanced Subject Interview (ESI)—a comprehensive interview of the applicant to review his or her background to explore any potentially disqualifying conditions and mitigating factors relevant to adjudicative standards.
3. Review of employment records and interview of supervisors at all place of employment during the past 3 years.
4. Local law enforcement agency check at a current residence of less than 6 months.
5. Additional ARC for information regarding the applicant's civil court records, large currency transactions, possible unexplained affluence, and foreign associations/preference.
6. ARC for information regarding the applicant's spouse's or cohabitant's criminal history and to verify the U.S. citizenship or legal status of any foreign-born immediate family members.

The Joint Reform Team was assembled in 2004 with the purpose of identifying reforms to the security clearance process. The key areas of reform were identified as ensuring strong requirements-determination process, building quality in clearance process, developing additional metrics and including long-term funding requirement of reform. The areas have lengthy wording, but fail to provide specific guidance on quality. To further complicate the matter, the Joint Reform Team is one of six clearance oversight teams which create a necessity for a uniform quality standard for investigative reports.

To further complicate matters, OPM has no direct authority to compel federal agencies to comply with reforms to the security clearance process. In a May 2009 statement to the Senate Subcommittee, OPM Director John Berry indicated that he felt his office is sometimes referred to as the 'Office of Personnel Recommendations.' While this statement was tongue in cheek, it does bring to light the atmosphere the security clearance industry is operating in. As processes are implemented, there is no real enforcement or penalty for failure to utilize new processes. If no punitive action is available, how can we be sure that quality investigations are being conducted?

# Recommendations

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## **Specifically define a quality security investigation.**

By specifically defining a quality security investigation in operational terms, OPM would give clarity to the investigation process and increases the opportunity of reciprocity between agencies. It also decreases the instances of redundancy, clarifies what elements of a security investigation are missing for expedited investigations and may well decrease wait times for applicants and increase the response to the manning demands of requesting agencies. Definitions of quality must include adjustments for complex cases and those cases where attaining or verifying information requires substantially more effort.

## **Agree to a Matrix of Quality and Efficiency**

By pushing timeliness in security clearance investigations, there must be a degree of quality loss. By coming to an acceptable and realistic quality rate, OPM can provide security clearance at the desired level of quality within a reasonable amount of time. The parts of the investigation that can be streamlined, such as local law enforcement agency checks, credit checks, employment records, should be with the caution that electronic enquiries are only as good as the information received. OPM needs to be aware that electronic checks may produce inaccurate or no information and there has to be a margin of error for reporting statistics. Investigators and agencies should not be held accountable for faulty information when the errors lie with the source data. For the investigative reports that cannot retrieve required information electronically, increased investigation time should be allowed so that appropriate follow-up investigations can be conducted. This will ensure that principles associated with quality investigations are not sacrificed due to time pressures. This will help to ensure that such investigations adhere to a quality-efficiency matrix (where quality indicators are balanced against timeliness indicators) that is informed by the complexity of the cases.

The current timeliness standards require that investigative reports be completed within 90 days and adjudicated within 30 days. Per a statement given by OPM's Deputy Director in February 2008, that matrix is being met and exceeded by OPM. Though the timeliness factor is being met, the House of Quality element is unfulfilled. The House of Quality occurs when the customers' quality expectations meet the product specification; it can be argued that security clearance has a ways to go. If the quality matrix were composed utilizing the Theory of Constraint, it may create a more realistic quality based timeline. The Theory of Constraints (Goldratt, E., 1984) is a management concept that states every process has inherent constraints and these constraints hinder the organization from achieving high level performance. To successfully utilize the Theory of Constraints, OPM will need to identify and exploit the

constraints, take measures to improve the constraints, subordinate the other activities to the constraints match the speed of the other processes to the constraints and elevate the constraint. Once the processes have matched the constraint, the key to efficiency will be determined repetition. In the security clearance process the two constraint factors are identified as accurate information and time.

By using the accuracy of information as the primary constraint, the process of completing the investigation can be sped up or delayed in accordance to the quality of the initial information received. By utilizing the Theory of Constraints, OPM will increase the quality of security clearances by making timeliness directly influenced by the quality of initial information provided by the requesting agency. This action places a burden for ensuring quality on the requesting agencies, freeing OPM to institute baseline quality measures that can be followed by all requesting agencies.

### **Place an Emphasis on Accurate Information**

By speeding up or delaying an investigation based on the information received, OPM and their investigators place the burden of quality on the requesting agencies. As OPM cannot control the quality of information it receives and incorrect information exponentially raises the time an investigation takes, it is fair and correct to require agencies to provide quality information regarding applicants. Applicants supplying incorrect information would need to resubmit their investigations with the correct information, thereby allowing OPM to reach the goals set in the IRTPA and increasing quality standards. An increase in quality standards will help to form a more equitable quality-timeliness standard and will increase reciprocity amongst agencies.

### **Increase Quality Manpower**

In requiring requesting agencies to produce quality information, OPM can more efficiently manage the operational division of security clearance and will be better suited to address the correlation between timeliness requirements and quality. The GAO's own report on the investigation documentation showed a correlation between received information and quality. The most undocumented areas, employment social references and forms, can be addressed before the investigation begins. By requiring agencies to supply accurate information, the timeliness and quality of investigations is increased.

### **Create and Maintain a Single Adjudicative Center**

OPM completes over one million background investigations annually, yet the adjudicative responsibility is left to the individual requesting agency. Each agency has a different "quality" standard, which is actually a timeliness standard, but OPM is still responsible for the getting those cases adjudicated within 30 days. If OPM is going to be responsible for working with

agencies to adjudicate investigations within 30 days, operationally it makes more sense to complete the adjudication in house where quality can be controlled and measured to find correlations between variables. A single adjudicative center allows for a baseline quality standard for investigative reports to be applied and for focused repetition to be applied to adjudications. It also brings more than box checking to the adjudicative process. The adjudicative process now consists of a person who has never met the applicant deciding against or for the granting of clearance; by utilizing OPM as the adjudicative entity adjudicators are able to have a dialogue with the investigator and more intimate knowledge of the case instead of a report that may or may not reflect the individual applying. In house adjudication also increases the agency ability to consistently apply the whole person concept and to give some very specific guidelines on how to use the concept in investigative reports.

## **Conclusion**

There is a need to clarify what “quality” means in operational terms. Definitions of quality that focus on processing speed address timeliness issues but do not fully constitute what is meant by quality where one mistaken security clearance can threaten national security and one mistaken denial of a security clearance may deprive our nation the talents of very competent people. Timeliness is important but probably not the sole measure required. Security Clearances are an integral part of national security and a powerful tool to ensure the security of our nation. While some improvements have been made to the process, there is still some work to do. Improvements to the current process ensure that the agency responsible for these clearances and the investigators that complete them have the best resources at

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