



Report of the State Comptroller of Israel |
December 2025

Ministry of Defense

Employment of Consultants in the Ministry of Defense

Employment of Consultants in the Ministry of Defense

Background

The main activities of the Ministry of Defense are carried out by civil servants employed by the Ministry. However, in many cases, due to the need for a person with special knowledge or expertise to carry out certain tasks for a limited period of time, the Ministry engages with companies that provide consultants or with independent consultants. The Ministry of Defense employs external consultants and external personnel (consultants) in various fields and projects, for different periods and at varying levels of employment.

The Consultants and External Personnel Unit in the Planning Department of the Ministry of Defense (the Consultants Unit) is responsible for reviewing and approving the engagement of consultants for the Ministry. The Ministry of Defense directive on the employment of consultants and external personnel sets rules limiting the scope of consultant employment in terms of the average monthly working hours and the number of years a consultant may be employed by the Ministry (employment tenure).



Key Figures

1,235

The number of consultants employed by the Ministry of Defense on a full-time equivalent (FTE) basis as of October 2024. In total, 2,509 consultants were engaged at varying levels of employment

vs. 2,490

The maximum workforce amount of regular (permanent) employees allowed by the Ministry in 2024

1:2 one external consultant for every two Ministry of Defense employees

NIS 510 million

Total sum of orders for consultants in 2024 compared with the Ministry's 2024 salary budget for regular personnel, which amounted to NIS 1.2 billion

**685
(27%)**

The number (and proportion) of consultants whose scope of employment as of October 2024 exceeded the Ministry of Defense's rules regarding average monthly working hours and employment tenure

**315
(46%)**

The number (and proportion) of consultants, out of the 685, whose scope of employment significantly exceeded the Ministry of Defense's rules as of October 2024 i.e., more than ten years of employment and/or more than 180 average monthly working hours

Only 3 women

The number of female consultants among the 20 consultants with the highest paid contracts as of October 2024

**320
(13%)**

The number (and proportion) of consultants employed by the Ministry of Defense as of October 2024 under more than one contract, for whom no method was defined for calculating average monthly working hours for the purpose of checking compliance with the working-hours limit



Audit Actions

 In the months of August 2024 to January 2025, the State Comptroller's Office examined the following aspects of consultants employment in the Ministry of Defense: the strategy for employing consultants; the overarching view of the Ministry's human resources; the scope and duration of consultant employment; and oversight processes in the employment of consultants. The audit was conducted in the Ministry of Defense's Planning Department; Defense Establishment Legal Advisor; Finance Department; Human Resources Department; Engineering and Construction Department; International Defense Cooperation (SIBAT); Application and Technology Department; and IDF Southern Relocation Administration.

Key Findings



 **Scope of Consultant Employment in Ministry of Defense Units** – Consultants are employed in all departments and units of the Ministry of Defense. Consultants are intended to be engaged for a limited period to perform specific tasks, *inter alia* to ensure fair competition and to reduce the Ministry's dependence on any individual consultant. For this reason, the Ministry of Defense sets rules, in its directives, limiting a consultant's working hours based on the length of their employment with the Ministry. As of October 2024, the scope of employment of 685 of all consultants engaged by the Ministry (27%) exceeds these established limits. Of these 685 consultants, 315 (46%) are employed in breach of the maximum working hours and/or maximum tenure – *i.e.*, more than ten years of employment or more than an average of 180 monthly working hours, or both. Approximately half of these consultants (153) were employed in the Engineering and Construction Department, the Application and Technology Department, the IDF Southern Relocation Administration, and the International Defense Cooperation (SIBAT). In doing so, the Ministry of Defense fails to comply with the limits on consultant employment it set for itself, thereby harming fair competition and equal opportunities, increasing its dependence on consultants, raising the risk of establishing employer–employee relationships with them, raising the risk of creating a parallel track for employing personnel outside the regular staffing framework, and increasing the risk of loss of organizational knowledge, particularly when engagements continue for many years.

 **Formulation and Dissemination of a Strategy for Employing Consultants in the Ministry of Defense** – The Ministry of Defense has not formulated a strategic document on the employment of consultants. Consequently, the Ministry has no written strategy consolidating all objectives, targets, and courses of action on consultant



employment, including organization-wide guiding principles such as the prohibition on employing consultants in managerial positions or in positions involving the granting of authorizations. This is despite the employment of 1,235 consultants (in full-time equivalent terms) at a financial scope of NIS 510 million, representing 30% of the total expenditure on consultants and regular personnel combined¹. The Deputy Director-General and Head of the Human Resources Department stated that the Human Resources Department is not aware of whether the Ministry of Defense has a strategy for managing consultants; and the Senior Deputy to the Head of the International Defense Cooperation (SIBAT) stated that the Defense Exports Directorate is not familiar with any Ministry strategic document setting out organization-wide guiding principles. In practice, the Ministry's officials lack an official document on which they can base their work or against which they can be assessed, a situation that may lead to differing interpretations among the departments regarding consultant employment policy. Accordingly, in the absence of a strategic document on the employment of consultants, it cannot be ensured that the Ministry's managers are aware of, and act in accordance with, the objectives, targets, and courses of action that the strategy is intended to set out.



Overarching View of Human Resources in the Ministry of Defense – The management of human resources in the Ministry of Defense, including the planning and monitoring of an optimal mix of regular employees and consultants, does not reflect a complete, organization-wide strategic perspective. When the Organization Unit responsible for regular employees and the Consultants Unit responsible for consultants operate separately, each focuses on a different part of the overall human resources picture in the Ministry – 2,490 regular employees and 1,235 consultants (in full-time equivalent terms) as of October 2024, i.e., one full-time consultant for every two regular employees – and there is no integrated view of the Ministry's total human resources, 3,725 employees and consultants in that year. This situation compromises the Ministry's planning and oversight with respect to the optimal mix of regular employees and consultants.



Gender Equality in the Employment of Consultants – Under section 2B(b) of the Mandatory Tenders Law (section title: Encouragement of Women in Business), when two or more bids receive an identical weighted score that is also the highest score, the bid of a business controlled by a woman is to be selected. This reflects a legislative policy of preference for women. However, it was found that only 15% of the 20 consultants whose contractual budget scope with the Ministry of Defense was the highest as of October 2024 were women (just 3 women out of 20). It should be noted that the average monthly contractual scope for each of these 20 consultants was NIS 65,000.



Consultants with More Than One Contractual Agreement – In the case of a consultant with multiple contractual agreements (320 of all consultants as of October

¹ The data are correct as of 2024.

2024 (13%)), the Ministry of Defense's directive on the employment of consultants does not set out how to calculate the average monthly number of hours for the purpose of checking compliance with the limit on average working hours. It was found that, according to the State Comptroller's Office calculation, of the 320 consultants employed by the Ministry of Defense under more than one contractual agreement, 36 (11%) were employed for more than 180 monthly hours as of October 2024. The total value of the contracts for these consultants amounted to approximately NIS 19.5 million. In the absence of a definition in the directive, the Consultants Employment Unit does not examine the scope of consultant employment in the Ministry of Defense according to orderly and equal criteria. This may result in consultant employment in the Ministry of Defense that contravenes the rules set in the directive.



Oversight Processes in the Employment of Consultants – The Planning Department in the Ministry of Defense does not carry out comprehensive and orderly oversight processes regarding the employment of consultants, which constitute a key resource for the Ministry (in 2024, orders for consultants totaled NIS 510 million, representing 30% of total expenditure on both consultants and regular personnel combined). The Planning Department has not formulated detailed metrics for monitoring actual performance against planned targets in aspects such as the number of consultants employed, the number of consultants in full-time equivalent terms, and scopes of employment in breach of the rules; there is no monitoring of consultant employment in breach of the rules; the current information system cannot generate reports in various breakdowns and at different levels, such as reports on scopes of employment in breach of the rules; and periodic oversight discussions providing a broad overview of the subject are not held by the Deputy Director-General and Head of the Planning Department. Accordingly, there is no orderly reporting and oversight mechanism that could provide a situational picture regarding consultant employment, thus enabling those with responsibility and authority to make decisions and give appropriate instructions to achieve objectives and comply with the Ministry's directives.



Recording of Rejected Requests to Employ Consultants – The Consultants Unit does not maintain in its information systems a record of requests from the Ministry of Defense's departments and units to employ consultants that have been rejected. As a result, the Ministry of Defense cannot perform computerized monitoring of all requests, including those rejected by the Committee for the Employment of Consultants and External Personnel, and therefore has neither a complete picture of this matter within the Ministry nor the ability to draw lessons in order to improve recruitment and selection processes for consultants.



Evaluation of Consultant Performance – (a) The Ministry of Defense does not conduct a structured, organization-wide process for evaluating the performance of its consultants (apart from certain ad hoc processes in specific departments). In addition, the Planning Department in the Ministry of Defense does not instruct all of its departments to carry out performance evaluations for the consultants they employ. As a result, the Ministry lacks both a comprehensive and detailed picture of the quality of its



consultants, and it is possible that the Ministry continues to employ consultants whose performance is below standard. (b) Although some of the Ministry's departments do carry out internal performance evaluations of their consultants, the evaluation results are not shared with other departments. This is contrary to the Ministry of Defense directive on supplier performance evaluation. As a result, any department wishing to employ a consultant previously engaged by another department has no access to that department's performance evaluation. This deprives it of important information needed when deciding whether to hire the consultant. Such a situation may lead to the hiring of a consultant who has previously provided deficient service and received a low performance evaluation in another department.

Key Recommendations

-  It is recommended that the Deputy Director-General and Head of the Planning Department formulate a strategic document on the employment of consultants in the Ministry of Defense, submit it for the approval of the Director-General, and disseminate it to all managers in the Ministry. The purpose of this is to ensure that the Ministry's entire management echelon is aware of its strategy for employing consultants; to ensure a uniform interpretation of the objectives, targets, and courses of action outlined by the Ministry; and to ensure transparency with the management and the ability to monitor processes and the achievement of objectives. The document may stand alone or be incorporated into the Ministry's overall organizational staffing strategy, provided that it maintains a clear distinction between the employment of permanent Ministry employees and employment through engagement with consultants – with all that this entails, including the types of tasks and areas of responsibility assigned to them.
-  It is recommended that the Ministry of Defense take steps to increase the number of female consultants it employs. For example, the Ministry can raise awareness among the departments and its units that employ consultants regarding the importance of employing women. It is further recommended that, as part of formulating a strategic document on the employment of consultants, the Ministry of Defense set measurable objectives and targets in the area of gender diversity.
-  It is recommended that the Deputy Director-General and Head of the Planning Department review work processes and implement organizational adjustments that will enable a wide organization strategic perspective on the Ministry of Defense's human resource needs. For example, this could include involving the Organization Unit in the process of examining personnel substitution that is carried out by the Consultants Unit. This would allow for more efficient management of the Ministry's human resources, a comprehensive and in-depth approach to the Ministry's needs, and the tailoring of solutions to those needs.

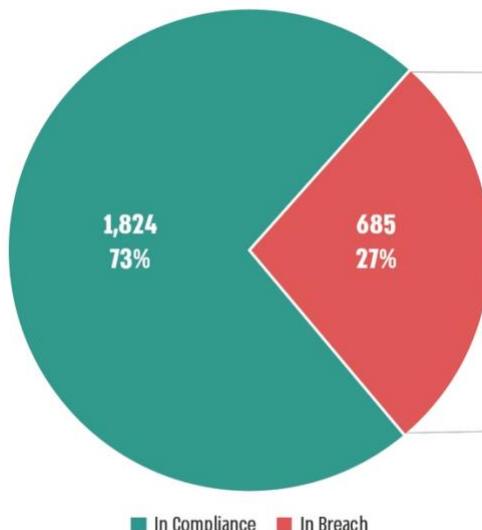


-  In view of the extensive employment of consultants – some of them in key positions – who are engaged in breach of the rules set in the Ministry of Defense directive on the employment of consultants, it is recommended that the Planning Department in the Ministry of Defense, together with the Defense Establishment Legal Advisor, re-examine the rules set in the directive regarding the scope of consultant employment and their tenure. This should include criteria for approving deviations from the rules, and the formulation of an updated approach to the restrictions imposed by the rules and the objectives they are intended to serve – including reducing the Ministry's dependence on consultants, decreasing the risk of creating employer–employee relationships, ensuring fair competition and equal opportunities, and preserving organizational knowledge.
-  It is recommended that the Planning Department in the Ministry of Defense carry out comprehensive and orderly oversight processes regarding the employment of consultants, establish clear metrics for ongoing monitoring, and conduct oversight of consultant employment in breach of the rules. Possible examples of such metrics include: the number of consultants under contract; the number of consultants in full-time equivalent terms; the ratio of regular employees to consultants; and the scope of deviations from the rules on consultant employment in terms of monthly hours and duration of employment. It is further recommended that the Planning Department ensure that the process for upgrading the information system in the Consultants Unit is implemented and supports effective oversight processes regarding consultant employment. In addition, it is recommended that the Deputy Director-General and Head of the Planning Department hold periodic oversight discussions on consultant employment in the Ministry of Defense and present an annual status report to the Director-General of the Ministry of Defense.
-  It is recommended that the Planning Department instruct all of the Ministry of Defense's departments to carry out performance evaluations for the consultants they employ, and establish and operate an organization-wide mechanism for evaluating consultant performance that will provide both a comprehensive and detailed picture of the area of consultant activity in the Ministry.

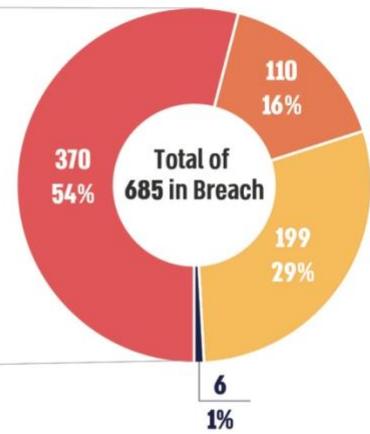


Breakdown of the Scope and Proportion of Consultant Employment in the Ministry of Defense in Breach of the Rules (October 2024)

The Number and Proportion of Consultants Employed in Ereach of the Rules



Breach Breakdown



■ In Compliance ■ In Breach

- Employment in breach of the rules, but less than 180 working hours per month and under 10 years of tenure
- Employment exceeding 180 working hours per month
- Employment exceeding 10 years of tenure
- Employment exceeding 180 working hours per month and more than 10 years of tenure

According to Ministry of Defense data, processed by the State Comptroller's Office.



Summary

The Ministry of Defense has numerous tasks and carries out many projects, some of them national in scope, and therefore requires the services of consultants with special knowledge, expertise, or skills. As of October 2024, the Ministry employed 2,509 consultants at varying levels of employment, equivalent to 1,235 full-time consultants, compared with 2,490 regular employees (a ratio of 1:2). In that year, orders for consultants totaled NIS 510 million, and the salary budget for regular personnel was approximately NIS 1.2 billion.

Consultants are intended to be engaged for a limited period to perform specific tasks, in a manner designed to ensure fair competition and to reduce the Ministry of Defense's dependence on them. Accordingly, the Ministry of Defense set in its directive rules limiting consultants' working hours according to the duration of their employment with the Ministry.

The audit found that, as of October 2024, the scope of employment of 685 consultants out of all consultants engaged by the Ministry of Defense (27%) exceeded the limits set in the Ministry's directive on the employment of consultants. The audit further found that the Planning Department in the Ministry of Defense does not carry out comprehensive and orderly oversight processes regarding the employment of consultants; that the Ministry of Defense does not conduct a structured and systemic process for evaluating consultant performance; and that the Ministry has not formulated a strategic document on the employment of consultants consolidating all objectives, targets, and courses of action on the subject.

The Director-General of the Ministry of Defense should act to rectify the deficiencies raised in this report regarding the employment of consultants, particularly in view of the significant scope of such employment and its implications. It is also recommended that the Deputy Director-General and Head of the Planning Department in the Ministry of Defense formulate a strategic document on the employment of consultants in the Ministry, review work processes, and implement organizational adjustments that will enable a systemic strategic perspective on the Ministry's human resource needs. It is further recommended that the Deputy Director-General and Head of the Planning Department carry out comprehensive and structured oversight processes regarding consultant employment, and re-examine the rules set in the Ministry of Defense directive regarding the scope of consultant employment and their tenure, while formulating an updated approach to the restrictions imposed by the rules. In addition, it is recommended that the Ministry of Defense establish and operate a mechanism for evaluating consultant performance.