

**OFFICER PERSONNEL MANAGEMENT AND
THE DEFENSE OFFICER PERSONNEL
MANAGEMENT ACT OF 1980**

HEARING

BEFORE THE

SUBCOMMITTEE ON
PERSONNEL

OF THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

ONE HUNDRED FIFTEENTH CONGRESS

SECOND SESSION

JANUARY 24, 2018

Printed for the use of the Committee on Armed Services



Available via: <http://www.govinfo.gov>

U.S. GOVERNMENT PUBLISHING OFFICE

WASHINGTON : 2021

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**OFFICER PERSONNEL MANAGEMENT AND
THE DEFENSE OFFICER PERSONNEL
MANAGEMENT ACT OF 1980**

WEDNESDAY, JANUARY 24, 2018

UNITED STATES SENATE,
SUBCOMMITTEE ON PERSONNEL,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The subcommittee met, pursuant to notice, at 3:09 p.m. in Room SR-222, Russell Senate Office Building, Senator Thom Tillis (chairman of the subcommittee) presiding.

Committee members present: Senators Tillis, Ernst, Gillibrand, McCaskill, and Warren.

OPENING STATEMENT OF SENATOR THOM TILLIS

Senator TILLIS. First I apologize for being late. This committee is now open.

I will start with some brief comments and then pass it over to the ranking member.

I want to thank some familiar faces that we were able to spend some time with last week. I am looking forward to your testimony before the committee.

The Personnel Subcommittee of the Senate Armed Services Committee meets this afternoon to receive testimony from military and civilian witnesses on officer personnel management and possible reforms to the Defense Officer Personnel Management Act, commonly referred to as DOPMA.

Officer personnel management is a combination of statute, regulation, culture, and tradition that determines how military leaders are recruited, trained, retained, promoted, assigned, and compensated. This is a very complex topic, and changes to longstanding practices must be carefully considered before being implemented. By all accounts, today's system largely serves its intended purpose.

A personnel system is not an end unto itself. Rather, the military's officer personnel system must achieve desired objectives to increase the lethality and effectiveness of the force.

DOPMA was passed in 1980. It was back when leisure suits were popular and disco.

[Laughter.]

Senator TILLIS. To achieve the desired objectives at that time, namely in 1980, the Congress was concerned about providing a fully ready officer corps comprised of youthful, vigorous, and, at the

time, primarily men. These outcomes were deemed necessary to defeat the Soviet threat that faced our Nation at that time.

I am concerned that the outcomes DOPMA was designed to achieve are growing increasingly irrelevant for some threats facing today's military.

I hope today our witnesses will provide us with some clearly defined outcomes that an updated personnel system should seek to achieve.

DOPMA's authors never envisioned the post-Cold War military as presently constructed. Today's force is 43 percent smaller than the military of 1980 and is constantly engaged in ways never predicted during the Cold War. Repeated overseas combat deployments strain the more traditional warfighting career fields while at the same time new military domains require entirely different officer skill sets. We must ask ourselves, "Can a personnel system designed for an Industrial Age military be successful in the Information Age?"

DOPMA's primary weaknesses are threefold. First, the system is unable to quickly provide the officers required to respond to unforeseen threats that demand unexpected skill sets. Secondly, the system is unable to effectively respond to rapid changes in the defense budget, resulting in inefficient and systemic surpluses or shortages of officer manpower. Lastly, DOPMA functions as a one-size-fits-all solution, which does not allow the Services much ability to differentiate amongst themselves and among various officer career fields. I welcome your thoughts on how to improve the system to mitigate these shortcomings.

Today we are fortunate to have a distinguished group of witnesses to discuss these themes and help us seek out areas where the Congress can provide assistance.

On the first panel, we have the Honorable David Chu, President of the Institute for Defense Analyses and former Under Secretary of Defense for Personnel and Readiness. Welcome, Dr. Chu. The Honorable Peter Levine, a senior research fellow at the Institute for Defense Analyses and also former Under Secretary of Defense for Personnel and Readiness. Welcome. Dr. Tim Kane, a fellow at the Hoover Institution and author of "The Total Volunteer Force." I will introduce the second panel when we make the transition.

I want to thank all the witnesses.

[Audio disruption.]

Senator TILLIS.—very important topic.

Ranking Member Gillibrand?

STATEMENT OF SENATOR KIRSTEN E. GILLIBRAND

Senator GILLIBRAND. Thank you, Mr. Chairman.

I join you in welcoming our witnesses today as we discuss career management of our military officers. I am pleased that we have outside experts as witnesses, as well as military personnel chiefs, to address improving the talent management of our military officers.

I have been and remained concerned about our military promotion practices that incentivize officers to be generalists on a career path to become general or flag officers and ultimately to be chief of the military service rather than allowing officers to develop

expertise in specific military skills. I understand the importance of officers having a broad understanding of their service in the military, but in some cases, this undermines our military's ability to do its job.

Senator Ernst and I have been pushing the Services, for example, to develop judge advocates with complex litigation skills rather than requiring them to become well-rounded generalists in the practice of military law. As in the civilian sector, we need career prosecutors with years, even decades, of prosecutorial experience to prosecute complex cases, particularly those related to sexual assault. A good prosecutor with just a few years and a limited number of cases is not going to be as good as a highly experienced prosecutor who has prosecuted a large number of complex cases. This same rationale would also apply to other specialty areas such as cyber, acquisition, aviation, medical, and newly developing areas like artificial intelligence.

As we look at improving the officer personnel system, we should also review the qualifications for receiving a commission as a military officer. Is it really necessary that an individual with significant cyber expertise go through all the same military type training as an infantry officer? If a cyber expert's military role will be in an office setting performing cyber functions on an office computer, does he or she need to be proficient with a firearm or meet the same physical fitness requirements as a combat arms officer? If our current approach means that we are not getting the right people in these jobs, then the requirements need to be tailored for the specialty involved and flexible enough to bring in the talent we need.

Another area we should explore when it comes to cyber is making it easier for civilian experts to join the military so that when we identify individuals with sophisticated skills, education, and experience, we can bring them in at a higher rank commensurate with their military responsibilities.

We must also be cognizant of the fact that even if we provide the military with greater authority and more flexibility for officer personnel management, that does not mean that these authorities will be used as we intend them to be used. This has been our experience with efforts to have our Services conduct a pilot program for a career litigation track, a program that the Navy already has in place. Once we provide new authority, it will take continual congressional oversight to ensure that the new authorities are used as intended.

Mr. Chairman, I look forward to hearing from our witnesses about what is working and what is not working with our officer personnel management system and then putting our heads together to develop meaningful changes that will improve the system and ensure we are recruiting, growing, and retaining the right people.

Senator TILLIS. Thank you.

Before we get into any questions, we would welcome you to have any opening comments that you may want to make. I have got a lot of questions. So we want to start with Dr. Chu.

**STATEMENT OF HON. DAVID S. C. CHU, PRESIDENT, INSTITUTE
FOR DEFENSE ANALYSES**

DR. CHU. Thank you, Mr. Chairman and Members of the committee. It is a privilege to appear before you this afternoon to discuss the Defense Officer Personnel Management Act, or DOPMA.

I should stress these are my own views. They do not reflect a position by the Institute for Defense Analyses or our research sponsors.

I do have a short statement that I hope might be offered for the record, if you would permit.

In my judgment, DOPMA's strength is also its weakness. With the just-revised retirement system as it used to be administered and given the fact that the compensation for officers is largely tied to grade, together that creates what you said, Mr. Chairman, which is a one-size-fits-all solution. The difficulty that raises is across skill areas, as Senator Gillibrand has emphasized. It is not clear that you want the same experience level in all functions of the military Services.

That has been a tension for many years in the Department. On the promotion front, the Services have, to some extent, relieved that tension with separate competitive categories, done that for a long time for the professions, clergy, lawyers, clinicians, especially doctors. There have been other solutions. The Army has a different way of accessing and managing many of its pilots, the warrant officer status for its community. You have small solutions like the permanent professors at the United States Military Academy and the other military academies.

Before we go to change the rules, I would urge we have more of a focus on what results we want, what kind of experience profiles are really helpful, as Senator Gillibrand suggested in the cyber realm as one example. You might want in some areas the pyramid that is the current day where lots of people come in at the bottom, the operational community likes that. Only a few rise to the top. But it is also possible you want an inverted pyramid where you have mostly experienced personnel and you do not spend a lot of effort on training junior personnel. Military attachés are an example, you might argue, of such a situation.

In different communities, you might want a "Michelin man," that is to say many people in the middle, some at the top with deep experience. Acquisition is an excellent example. That would need lateral entry to actually work since you would not want to take in large numbers of junior people to train them on your watch. You would want to acquire them from the civil sector.

In some areas, you might want a cylinder. Pilots are an example where you want people to spend a long time in one professional area. The Marine Corps has talked about that now a bit regarding cyber personnel.

I do think ultimately, as you suggested, Mr. Chairman, this turns on service culture. What would the Services say are communities where they need a different experience profile because ultimately they have to administer this system to make it a success?

Put a little differently, I would start with the experience profile we would like for different communities, and subject to any constraints that various parties wish to impose, including the Con-

gress' concern with grades, then solve for what you have to do with the other instruments at your disposal whether that is the retirement system, whether that is the compensation that is offered, or whether that is perhaps bonus authority for officer communities that the Department does not now have in order to get to the results that you need to serve America well.

Thank you, Mr. Chairman.

[The prepared statement of Dr. Chu follows:]

PREPARED STATEMENT BY DAVID S.C. CHU

Mr. Chairman and Members of the subcommittee: It is a privilege to appear before you. I should emphasize that the views expressed are my own, and do not reflect any position by the Institute for Defense Analyses or our research sponsors.

You've asked if changes should be considered to the Defense Officer Personnel Management Act (DOPMA). Critics have advocated changes for some time.¹ It's long been recognized that shifts in the nature of needed military capabilities affect the demands for personnel, especially the nature and level of experience desired. Now, the new military retirement system allows the Department of Defense (DOD) to aim at varying career lengths across skill areas, in a manner that is fair to the individual.

But before advancing potential changes, I would first inquire: What outcomes are desired? How are these different from the outcomes we enjoy today? Would changes to the statutory foundation for the officer corps produce those outcomes? Should these also apply to the enlisted force, whose management is less tightly constrained by statute? Are there potential unintended consequences for which we should prepare?

As currently administered, DOPMA, and the analogous practices applied by policy to the enlisted force, create very effective leadership cadres for one of society's most respected institutions, the American military. It's an institution on which Americans depend to protect their society from attack, and to help advance their interests internationally. It's an institution to which they turn for support in domestic emergencies, as the National Guard so frequently provides. It's an institution whose virtues are widely celebrated as worthy of broader emulation.

But DOPMA's also seen as overly restrictive, part of a "one size fits all" management paradigm. Coupled with the (just abandoned) cliff-vesting retirement system, the result is a set of military careers too much bunched between 20 and 30 years of service, especially for officers, regardless of whether the resulting experience mix is "optimal." As the need for technical skills increases, the Services may need some individuals with longer periods of service. Conversely, in some skill areas, shorter periods of service may be desirable—perhaps because the demands of that service are particularly arduous.

The technical nature of military capabilities is increasing steadily. That can be seen in the allocation of defense resources by major force program. Over the long trajectory since the end of the Cold War, force elements subsumed under "Command, Control, Communications, Intelligence, and Space" (Major Force Program 3) have grown markedly at the expense of others.²

The DOPMA paradigm used to tailor the force is advancement through operational experience of increasing responsibility, especially command, with a requirement that one move up or out. That path nicely develops senior unit leaders, but it ignores the reality that only a few officers are going to be selected for such roles. That path inevitably creates a tension between the development of technical expertise and upward mobility. For most officer communities, it's really advancement that

¹See, for example, Panetta, Leon, et al, Task Force on Defense Personnel Co-Chairs. *Building a F.A.S.T. Force: A Flexible Personnel System for a Modern Military. Recommendations from the Task Force on Defense Personnel*. Bipartisan Policy Center: March 2017, pp. 20–25; Rostker, Bernard. *Reforming the American Military Officer Personnel System: Addendum*. Santa Monica, CA: RAND Corporation, 2016. <https://www.rand.org/pubs/testimonies/CT446z1.html>; Philpott, Tom. "Rumsfeld Wants Longer Careers, Fewer Moves." *Kitsap Sun* 22 August 2001; "Ensuring Quality People in Defense," David S. C. Chu with John P. White, in Ashton B. Carter and John P. White, eds., *Keeping the Edge: Managing Defense For the Future*. Hollis, NH: Puritan Press, 2001.

²MFP 3 was the second largest major force program in fiscal year 2017 at 15 percent of DOD Total Obligational Authority (including Overseas Contingency Operations), versus 9.7 percent in fiscal year 1989. See Office of the Under Secretary of Defense (Comptroller). National Defense Budget Estimates for fiscal year 2018. Revised August 2017, pp. 105–106.

brings increased compensation. (In contrast, the enlisted force benefits from the wide use of bonuses as an instrument of compensation, in addition to the rewards from advancement.)

For a select set of skills the Services have long recognized that tension, and relieved it by adopting separate systems for clinicians (especially doctors), for lawyers, and for the clergy. Those separate systems also facilitate lateral entry (i.e., recruiting at an advanced grade individuals who already have the skill needed). For doctors, the compensation issue is resolved via special pays and bonuses. For pilots, the Army recognizes that not every pilot should be a candidate for senior leadership, with a significant fraction of its pilot force recruited and retained using the warrant officer system, which facilitates long careers in the cockpit.

As the treatment of the professions demonstrates, DOPMA does provide a mechanism for recognizing differences across skill areas, quite apart from the (largely underutilized) warrant officer provisions: creating separate competitive categories. The Navy also uses that authority for Supply Corps officers, among other skill areas, and the Army has recently adopted it for cyber (“Information Dominance”). But it’s not as widely employed as it might be. Moreover, illustrating that the “one size” used for so much of the officer corps is driven by more than DOPMA, the Supply Corps experience profile is still importantly shaped by the (just-abandoned) retirement system.

The limited use of existing DOPMA flexibilities (including selection out, and selection for retention in grade) underscores that the current “one size” is a key part of Service cultures. Those cultures have much to recommend—after all, they’re part of the institutional success the country properly admires. Change will only succeed to the extent that the Services are comfortable in embracing new authorities the Congress might grant, and adopting a wider variety of cultural norms.

If the forward challenge is recognizing that the experience mix of military personnel might usefully differ across skill communities, then inviting the Services to identify the communities that might benefit from a different experience mix (including experience gained in the civil sector) would be an obvious first step. For enlisted personnel (and perhaps warrants), it might be possible to achieve desired results with few if any statutory changes. But for officers it is likely to require separate statutory authority.

In designing such authority, even the harshest critics, one hopes, would agree that we should emphasize performance as a condition of continued service. The current mechanism, “up or out,” effectively serves as the equivalent of “perform to stay” if selection rates are high (as they have been for officers recently through grade O4). But in other situations it could prune talent prematurely.³ DOPMA does permit convening boards for selective retention, but that provision tends to be used only when the Services need to reduce cohorts, which may damage its reputation as a general management tool. One of the most significant challenges in designing new authority is how to sustain a constructive emphasis on performance if “up or out” is ill-suited to the new career track being created.

The new authority would also need to address the adequacy of compensation for the selected skill communities, both to recruit (especially for lateral entry), and to retain. A different compensation table could be considered (much as compensation for officers with prior enlisted service has differed). To the extent that lateral entry is an issue, a “time in grade” approach might substitute for the current “time in service” (which could also assist if it’s desired to cap grade progression).⁴ Bonus authority like that now used for enlisted management could be employed.

If grade limits for the skill community are part of the structure, it would be best to start with the experience mix desired, then solve for the combination of grade, special pay, bonus, and retirement compensation necessary to produce what’s needed. (Yes, retirement compensation could be adjusted as necessary, perhaps by larger payment to Thrift Savings Plan accounts.) If grade structure is limited by considerations of supervisory relationships, one could rely more on the other instruments to achieve desired results. The package would obviously differ if the desire is for a pyramid like that at which today’s practice aims (large entry cohort, small numbers of highly experienced personnel), vice an inverted pyramid (mostly experienced personnel, e.g., as acquisition managers, perhaps recruited from the private sector), or a “Michelin man” (i.e., many mid-career members, but limited numbers of both junior and senior personnel), or a cylinder (equal cohorts across experience levels).

³In “up or out” as practiced, one typically is allowed just two chances, bunched together at times of the institution’s convenience. This can disadvantage individuals who have pursued non-standard career paths—for example, unusual assignments, including graduate school.

⁴A time in grade pay table could also help in those situations where you’d like to reward rapid advancement in grade more handsomely.

Some of the more unusual profiles might benefit from the skillful use of Reserve appointments, including provisions to move seamlessly back and forth between Active and Reserve status ("continuum of service").

Two restrictions in today's DOPMA probably should not be part of such special authority: The requirement that an entering officer should be able to retire based on years of service, which effectively bars lateral entry beyond age 42; and the bar to more than 30 years of commissioned service if not selected for general officer or flag rank (assuming a "perform to stay" feature is included). The former unduly constrains lateral entry; the latter discourages benefitting from those with long experience.

As argued earlier, the Services could try for "non-standard" enlisted experience profiles with existing statutory authority, which would create a way to identify some of the issues that might arise in the officer community, especially unintended consequences. Some of those consequences will involve how individuals react to new opportunities, perhaps in ways not now envisaged. Some will involve demands from sister communities that they enjoy similar benefit improvements (to the extent these are offered), even if they might not be needed so widely.

That there could be adverse (as well as welcome) unintended consequences should not lead to curtailing the horizon for use of new authority. Put differently, a time-constrained pilot would not likely yield the desired results, because individuals will be reluctant to join an enterprise with a limited horizon. There's no need for a "sunset clause": Amendments can provide necessary course corrections.

As we look at the wide range of skills the American military needs, it is implausible that a single experience profile correctly describes what ensures success. What's best for line operational units is unlikely to create what's best for certain technical and functional communities. Can we break from "one size fits all" and tailor talent management paradigms to those differing needs, melding the best of the existing system with new approaches that will better sustain the continued excellence of American military forces?

Senator TILLIS. Thank you.
Mr. Levine?

**STATEMENT OF HON. PETER K. LEVINE, SENIOR RESEARCH
FELLOW, INSTITUTE FOR DEFENSE ANALYSES**

Mr. LEVINE. Thank you, Mr. Chairman, Ranking Member Gillibrand, Senator McCaskill, thank you for inviting me to participate in today's hearing, and it is an honor to be back in this room.

With your permission, I will make just a few brief points.

First, the "up or out" system at its heart is still very much needed. DOPMA has been rightly criticized for limiting the Department's access to needed talent and for pushing out highly trained officers with critical skills too soon. Even so, though, it continues to provide a highly competitive environment in which the officer corps is continually refreshed, routinely producing officers whose leadership qualities are the envy of the world.

I had the privilege, while I was at the Department of Defense, of actually having general officers work for me, and I have to tell you having that kind of direct exposure to them on a day-to-day basis, you can only come away impressed.

Our officer personnel management system is an incredibly valuable investment portfolio that we rely on to produce results not this year but over a 20 to 30-year period. So we may want to diversify that portfolio and bring in creative ideas at the edges with the kind of skilled occupations that we have been talking about, but we need to be really careful that we do not break the overall portfolio, that it continues to produce the kind of results we need so they can shape the force in 20 to 30 years. We cannot focus so much on the next 2 to 3 years that we lose that long-term focus.

Second, Mr. Chairman, I agree with you that we have to be very careful to avoid one-size-fits-all solutions in this area. What the Air Force needs may be very different from what the Marine Corps needs. What we need for the cyber workforce may be very different from what we need for the acquisition workforce. So I think it is important that you work with the military services and give them flexibility to do the kind of analysis that Dr. Chu is talking about and figure out what they need and address those needs rather than trying to impose a solution on them.

Third, as Dr. Chu indicated, real change is going to require not just changes in laws and rules but changes in culture and incentives. That is going to take leadership from the top down within the service because whatever new flexibilities or new career paths you may offer, they are only going to be successful if young leaders are convinced that when they follow these new career paths, it is not going to come back and disadvantage them tomorrow. If these career paths are perceived as being potential dead ends—and I would particularly warn you about the idea of temporary pilot programs which will be perceived as potential dead ends—then they are not going to do us much good. People will not commit a career to something if they do not perceive that it is going to be there when they need it.

Finally, I would urge you to keep in mind that our Active Duty military do not need to and will not have to meet all of our needs in areas like cyber, intelligence, acquisition, space, those kinds of specialty career fields. We have a mixed total force that consists of military, civilian, and contractors. Within the military area, we have both Active Duty and Reserve. They serve different purposes and we need to think about that and optimize the entire force rather than just assuming that we can optimize the officer corps in isolation and that that will address the problem.

So with that, I would urge you to focus on increased flexibility rather than new requirements, to work closely with the Department, and to give direction to the Services but allow them to develop their own unique solutions for these problems.

Thank you for allowing me to testify today, and I look forward to your questions.

[The prepared statement of Mr. Levine follows:]

PREPARED STATEMENT BY PETER LEVINE

Chairman Tillis, Ranking Member Gillibrand, members of the subcommittee, thank you for inviting me here this afternoon to address the issue of officer personnel management in the Department of Defense. I was privileged to serve on the staff of this committee for 18 years, and I place a tremendous value on the work that you do to support our men and women in uniform and their families. The views I express today are my own, and should not be interpreted as reflecting the position of the Institute for Defense Analyses.

Mr. Chairman, as the subcommittee undertakes the important task of reexamining and improving our approach to officer career management, I would suggest that you take into account a few basic principles.

First, as you undertake to reform the system, it is important to understand not only what is broken, but also what is *not* broken. The Defense Officer Personnel Management Act (DOPMA) has been criticized for being out of step with the demographics of today's force and the realities of the 21st Century job market, for pushing highly-trained officers with critical skills into premature retirement, and for limiting the Department's access to talent that will be needed to respond to emerging threats. Respected experts have advocated eliminating the "up-or-out" policy, scrap-

ping mandatory promotion timelines and mandatory retirement dates, and even applying market-based solutions to officer assignments and career advancement.

While the diagnosis has much truth in it, some of the prescriptions would be worse than the disease. Even more than technology, our greatest advantage over our near competitors is our people: our military is filled with countless highly-trained professionals, including officers whose leadership qualities are the envy of the world. The up-or-out system plays an important role in the development of those officers by ensuring that the officer corps is continually refreshed, and by providing a highly-competitive environment in which it is possible to provide responsibility to developing leaders at an early age. The objective of officer personnel reform should be to add needed flexibility to a working system, not to tear that system down.

Second, our military professionals can't fix the system without your help, but Congress can't fix it without their help either. Real change will be possible only with changes in culture and incentives that are unlikely to take place without the ownership and commitment of our military leadership at all levels. Some may tell you that the military leadership will resist change of any kind. I disagree. I had the honor of serving with two of the officers on your next panel, and with the immediate predecessors of the other two. I can assure you that not only are they exceptionally well-qualified officers and leaders, but they understand the issues that we are discussing today as well as any of us.

Third, as you look for ways to build new flexibility into the system, beware of one-size-fits-all solutions. Each of the Services has different personnel needs, and unique career fields are likely to require creative solutions that would not be appropriately applied to the entire force. Certainly, today's military must adapt to a world in which cyber, space, artificial intelligence, and other technologies provide new opportunities and new vulnerabilities. But more traditional combat arms specialties are no less needed today than they were 40 years ago. As important as creativity and innovation may have become in today's warfighting environment, hierarchy, order, rules, and discipline remain essential as well.

With these cautions in mind, I would urge you to focus your efforts on improvements in specialty career fields where the existing officer personnel management system has come up short. Let me give two examples:

- In the cyber arena, one of our biggest problems has been access to young people with technical skills who do not fit into the traditional military mold or career patterns. We may need cyber skills too much to give up on individuals who have past drug issues, can't meet military weight standards, or are unwilling to sign up to military discipline for an entire career. To address this problem, the Department may want to consider a variety of tailored options, including expanded lateral entry and constructive service credit, selected waiver of accession standards, and increased reliance on civilians (possibly with Reserve commissions) in lieu of Active Duty servicemembers.
- In the acquisition arena, one of our biggest problems has been building and retaining expertise that may take a career to develop. Today, we take years to train and develop officers with skills in critical areas like system engineering, cost estimating, and program management—only to push these officers into early retirement and allow their expertise to be snatched up by contractors. To address this problem, the Department may want to consider options to build skills faster and keep them longer, including extended tours of duty, career patterns that strive for depth of experience instead of rotational breadth, and waiver of mandatory retirement dates to enable officers with needed expertise to serve longer (with appropriate compensation).

As these examples show, specialty fields within the Department have different needs that require different approaches. What we should not do is change the career progression model for everybody to meet the needs of these unique communities.

If the committee decides to consider across-the-board changes affecting all categories of officers, I would recommend modest steps to build more flexibility into DOPMA without undermining the basic principle of up-or-out. Again, let me give two examples:

- First, the layering of Goldwater-Nichols joint duty requirements on top of DOPMA timelines has pressurized military careers, encouraging rapid rotation through ticket-punching rotations. These tight timelines have discouraged some talented officers from seeking career broadening and deepening experiences—such as interagency assignments, industry rotations, and pursuit of advanced degrees—which might make them better leaders, but would not enhance their chances of promotion. Congress has adjusted some Goldwater-Nichols requirements in recent years, but more flexibility would be helpful to allow innovative future leaders to grow and thrive.

- Second, today's military force is predominantly a married force, and a force in which military spouses increasingly expect to have careers of their own.

Some of our most talented officers may be driven out of the force by career path constraints which leave them insufficient time and space to build their families, or by rotation requirements that separate them from their spouses too frequently or for too long. Congress has established a pilot career intermission program to relieve some of this pressure, but more flexibility would still be helpful to ensure that we don't lose some of our best young officers because we are unable to accommodate their family needs.

If you choose to do so, you could help the military services adjust to these pressures by making the career intermission program permanent, allowing the use of paid and unpaid sabbaticals, and permitting officers to temporarily opt out of the promotion cycle. Any or all of these approaches would build new flexibility into career patterns, allowing officers to expand their horizons without abandoning their military careers—and without undermining the fundamental underpinnings of the up-or-out policy which remain as valid today as they were when DOPMA was enacted. While no change in DOPMA can be expected to solve the problems of a married force, the same flexibilities could also help relieve some of the stresses caused when urgent family needs confront immutable career requirements. Based on my past experience at the Department, I believe that these proposals would be welcomed by our military leadership.

As you consider these proposals, you may be tempted to consider pilot programs that run for only a limited period of time. I urge you to think carefully before taking that approach. Our service chiefs told me a year ago that many young servicemembers are reluctant to take advantage of the career intermission program, because they suspect that future promotion boards will be skeptical of a decision to participate in a temporary, pilot program that leads to significant deviation from the career paths of their peers. The promise of a new career path that may disappear after 5 or 10 years is not likely to give much assurance to young servicemembers faced with making decisions that they will have to live with for a 20- or 30-year career.

My old boss, Secretary of Defense Ash Carter, proposed legislation addressing a number of these issues in 2016. His legislative package would have made the career intermission program permanent, permitted adjustments to lineal promotion numbers, expanded lateral entry authority, allowed servicemembers to temporarily opt out of the promotion cycle, and authorized the Services to waive certain DOPMA requirements to provide greater career flexibility in specialty fields. As Secretary Carter said in proposing these changes:

"Up-or-out" isn't broken—in fact, it's an essential and highly successful system—but it's also not perfect. Most of the time, and for most of our people, it works well. The problem, however, is that DOD can't take a one-size-fits-all approach . . . [We need new flexibilities] to enable the services to respond to an uncertain future, in ways that can be tailored to their unique capability requirements and particular personnel needs, without casting off a system that still largely meets our needs for most officers across the force.

Some of Secretary Carter's legislative proposals came too late in the legislative cycle to be considered. Others were included in the Senate bill, but rejected by the House in conference. Although I had a hand in drafting these proposals, I would be the last to argue that they are the only path forward or that the subcommittee cannot come up with a better approach. However, the rationale underlying these proposals—that we need to build more flexibility into DOPMA without abandoning its underlying structure and intent—remains as valid today as it was when Secretary Carter proposed them.

In conclusion, I would urge the subcommittee to focus on providing increased flexibility rather than new requirements, to give direction but allow the Services to develop their own unique approaches to problems in specific career fields, and to work with the Department's talented personnel leaders in developing these solutions. I thank you for taking on the reform of the officer personnel management system, and for inviting me to participate in your review. I look forward to your questions.

Senator TILLIS. Thank you.
Dr. Kane?

**STATEMENT OF DR. TIMOTHY KANE, FELLOW, HOOVER
INSTITUTION, STANFORD UNIVERSITY**

Dr. KANE. Thank you, sir. Chairman Tillis, Ranking Member Gillibrand, Senator McCaskill, thank you for this opportunity. What I will say today—these are my own views not those of the Hoover Institution or Stanford University.

Thank you for working together. I think this is a moment to work on a nonpartisan issue that may be rare. It may not happen again for 20 years. So I am excited to see significant change not pilot projects come out of the committee and this committee, in particular the subcommittee, can show how democracy works especially for the volunteers. So I am really enthusiastic about what you have endeavored and just holding this hearing.

My colleague and former Secretary of State, George Shultz, recently wrote, “Over 40 years ago, Milton Friedman and his friend, Martin Anderson, put forward the idea of ending the draft and recruiting volunteers for the Armed Forces.” At the time the bulk of flag officers thought that was a terrible idea. Now the bulk of flag officers would say this is brilliant. We do not want to go backwards. We want to go forward. I have been really encouraged in the talks I have had over the last 5 years and worked on two books on this issue to see the Navy in particular. They realize they need more flexibility than DOPMA is getting them. I hear that from other officers in other Services, but I think the Navy is ready to strike now on the issue because they want to be more efficient and better and stronger. We need this fix to DOPMA to enhance our security.

So Mr. Shultz did not say all that. Mr. Shultz then said, “Since the draft ended in 1973, the concept can now be said, unequivocally, to have succeeded.”

Yet, despite the world-class culture of the U.S. military, the bureaucracy still treats troops like interchangeable draftees. It is not only disrespectful but also short-sighted. This cannot be fixed until DOPMA is fixed.

Now, my research and the research of others, I think all three of us at this table, has looked into the quality of the people who are volunteering, the men and women. It is fabulous. The literacy rates are above the civilian norms. Physical, moral, mental fitness is above average. Our enlistees and our officers are fantastic, but how they get treated is not so fantastic, and that is why we have repeated retention crises.

Now, 3 years ago, I conducted a survey as part of this book, “Total Volunteer Force,” of 360 Active Duty officers, NCOs [non-commissioned officers], and veterans to identify their thoughts on the Pentagon management system. The respondents gave high marks to the U.S. military’s leadership culture but low marks to talent management, as shown in figure 1 of the written testimony. Across the board, they saw promotion and job matching practices as the most troublesome and the weakest. Promotion—that is encoded into DOPMA about how these things have to happen. This idea of “up or out” that we say is the culture, but it is not. It is coded into the law.

So because of DOPMA, commanders cannot hire. They cannot flexibly adjust their people, and they are actually left with empty

billets when they are removing an abusive coworker. So they get essentially punished for trying to get their teams to work better.

Furthermore, promotions are completely lockstep based on seniority not merit, and promotion boards are completely centralized and dehumanized. I am using strong language because I think we assume the troops, the officers, work so hard in these promotion boards and they are fair and they are this and they are that. They might be all those things, but they are inefficient and we can build something that is a lot better by maybe mandating some flexibility. That might sound funny. Get commanders involved in the process.

Now, one of the side effects that concerns me of the law as it is written is that the sexual predators can hide in plain sight in the ranks. Sexual assault in the ranks occurs at 10 times the rate in the civilian sector. When you are rotating people constantly and you are rotating commanders constantly, unless someone is a proven criminal, you cannot weed them out. There is no informal information so that when commanders hire, they are just given a person. They are not allowed to do a background check or a reference check. I think you need to get commanders involved in the hiring process regardless of what you do on the UCMJ [Uniform Code of Military Justice] side of it because we are talking about people who are predators and they are not yet proven criminals and they are still lurking heavily. Now, most men and women in the ranks are not predators, but this system allows them to hide in plain sight, as I would say.

Key reforms that I would encourage the Senate to make. I will just list four and then end.

Let us kill the “up or out” principle that is coded into law. I do not think it is helpful. It is not how the military had its history pre-1945. The historical military principle for most of our history has been “excellence or out,” but we do not do that anymore. It really does not matter how excellent or un-excellent you are. You are pretty much guaranteed promotion pretty much all the way to 20 years. So we are not really forcing people out. There is a big bubble of officers between 12 and 20 years, and then suddenly they drop off. Some of this ties into compensation, but I think we should be forcing excellence and force people to require to recompute to stay in their jobs if they want to specialize.

Two, end the mandatory use of year groups after 10 years, and end forced retirement for non-promotion after 10 years.

Number three, restore balance to command authority. Let us give local commanders a voice in hiring so they can do informal reference checks.

Then four, allow innovation and flexibility by the Services. You know, they may not use this flexibility, but right now they just do not have it.

I will end on that and thank you again for this wonderful opportunity.

[The prepared statement of Dr. Kane follows:]

PREPARED STATEMENT BY DR. TIM KANE

Chairman Tillis, Ranking Member Gillibrand, and members of the committee, thank you for this opportunity. Thank you for working together on a truly non-partisan issue and showing the country what real leadership and teamwork looks like.

My colleague and President Reagan's Secretary of State George Shultz recently wrote, "Over forty years ago, Milton Friedman and his friend Martin Anderson put forward the idea of ending the draft and recruiting volunteers for the Armed Forces. Since the draft ended in 1973, the concept of the volunteer Armed Forces can now be said, unequivocally, to have succeeded." Yet, as Secretary Shultz noted, despite the heroic volunteers who have vindicated this concept during the past decade and a half of war, and despite the world-class leadership culture of the U.S. military, the nuts-and-bolts personnel bureaucracy still treats the troops like interchangeable muscle widgets, like conscripts, like draftees. It is not only disrespectful, and wrong, and short-sighted this idea of "the needs of the military come first" but is inefficient. The Pentagon has a talent problem, and it cannot fix that problem until Congress changes the archaic law known as DOPMA, which is short for the Defense Officer Personnel Management Act of 1980.

THE PROBLEM WITH MILITARY MANAGEMENT

The success or failure of any organization hinges on the quality of its people. This is true of every small business in America, true of the Air Force, and true of the Congress. But no organization in America except one employs over one million employees and rotates everyone every 18 months using a centralized process with no input from local commanders and no control by individuals. That would be the Pentagon.

Three years ago, I conducted a survey of 360 Active Duty officers and NCOs and veterans in order to identify what they think the strengths and weaknesses of the Pentagon management system are. The name of the instrument developed for this broad-spectrum analysis is the Leader/Talent matrix. The matrix includes 40 elements spread across 5 leadership categories and 5 management categories. One of the elements, for example, is the statement "Abusive bosses are not tolerated and are removed". Each element is rated on a scale from +2 (always true) to -2 (always false). Categories in the cultural dimension are independence, development, purpose, values, and adaptability, which contrast with talent management categories such as training, job-matching, promotions, compensation, and evaluations.

Respondents gave high marks to the U.S. military's leadership culture but low marks to talent management, shown in Figure 1. Across the board, respondents see promotion and job-matching practices in the most negative light.

In a critical 2010 report, the Defense Science Board highlighted DOPMA's inflexibility and blamed it for "wasting human capital." A Rand study in 2006 claimed unequivocally that DOPMA-based practices "will not meet the needs of the future operating environment" and called it a "Cold War-era personnel system" that was outdated.

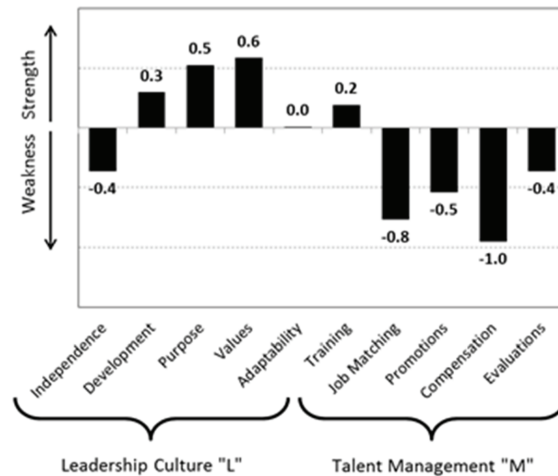


Figure 2. Job-matching in the U.S. military

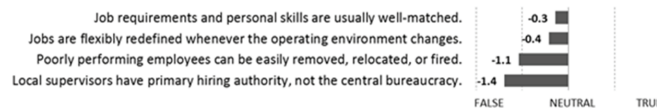


Figure 3. Promotions in the military

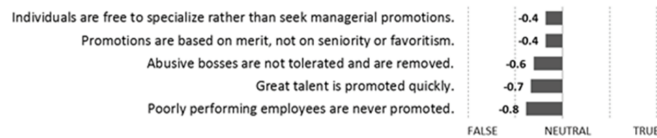


FIGURE 1.—LEADERSHIP AND TALENT IN THE U.S. MILITARY.

Because of DOPMA, local commanders have been stripped of their personnel authority. Commanders cannot hire, cannot flexibly adjust their people, and in fact are left with empty billets for up to a year when removing an abusive co-worker. Furthermore, promotions are completely lock-step based on seniority not merit, and promotion boards are completely centralized and dehumanized. The consequences are dire and, I believe, costs lives and can lose wars. One of the side-effects of the constant rotations and short job cycles and lack of command authority is that sexual predators can hide in plain sight. There is a crisis of sexual assault in the ranks which occurs at 10 times the rate of comparable civilians or on campuses. This is the system that the DOPMA law mandates.

KEY REFORMS THE SENATE SHOULD MAKE

1. Kill the "up-or-out" rule, and the "up-or-out" culture, which is completely broken. Essentially no one is forced out after 10 years on Active Duty, but the rule has nurtured perverse incentives. The key to fixing DOPMA is to replace that rule with one that works to enhance talent, retention, and lethality: Excellence-or-out. Allow Services to institute recurring competition for military jobs so that poor performers cannot stay indefinitely.
2. End mandatory use of year groups after 10 years, and end forced retirement after non-promotion.
3. Restore balance to command authority. Decentralize promotions and assignments. Give local commanders a voice in hiring so they can do informal reference checks on three candidates for each open billet.

4. Allow innovation and flexibility by Services. Allow Services to waive DOPMA mandates for specific career specialties (e.g. intelligence, cyber). In other words, don't require the Navy to look like the Army. Please, with all due admiration for my former colleague Secretary of Defense Jim Mattis, don't make airmen look like marines!

DOPMA: BACKGROUND

Many of the legal constraints governing military personnel were instituted following the passage of the Defense Officer Personnel Management Act (DOPMA) in 1980. In concert, its reforms standardized careers across the Services and had the effect of institutionalizing a relatively short "full" career of 20 years.

THE ROOTS OF PERSONNEL INEFFICIENCY

For most of its history, the United States military was haunted by seniority. Perhaps the most extreme example came after the Civil War when a large cohort of naval officers held onto senior and even middle ranks—refusing to retire—causing a severe shortage of promotion opportunities for younger officers. Top graduates of the Naval Academy's class of 1868 remained lieutenants for 21 years.

The Army and Navy attacked this problem in different ways, first with a paid retirement for Army officers who reached 30 years of service, enacted by Congress in 1870, and later the Navy's mandatory "plucking" (forced retirement) in the 1880s. In the Army, mandatory non-disability retirement could not be imposed on officers under the age of 64. Despite these new retirement programs, there were no changes to seniority as the dominant factor in promotions until 1916, when the Navy adopted "promotion by selection" of impartial central boards. The use of selection as a policy was denounced as "scoundrelism" by many officers, reflecting a timeless concern about subjective bias and nepotism.

When Congress passed the Officer Personnel Act of 1947 (OPA), it formalized the battlefield flexibility of assigning and promoting officers based on the judgment of commanders rather than garrison seniority. That act formally gave the Army and newly created Air Force the power to promote by selection, although the selections were limited to cohorts of officers of the same age. The flip side of selection-based promotion was the mandatory retirement of officers non-selected for promotion.

This was the "up-or-out" system pioneered by the Navy and extended to the Marine Corps by an act of Congress of 1925. The principle was limited to senior officers who failed to make flag rank, but it has crept down the ranks over the decades. In the aftermath of World War II, General Dwight Eisenhower testified before Congress, saying that lockstep promotions until the grade of general officer were a serious problem.

Unfortunately, the up-or-out remedy of 1947 became a uniform straitjacket across all of the Services in 1980. The enshrinement of a strict promotion timetable in the Defense Officer Personnel Management Act (DOPMA) of 1980 pushes all officers on Active Duty through the same career track and pressures nearly all to retire at their moment of peak productivity.

Other laws have further reformed military personnel practices. In response to changes in manpower patterns in the military, Congress passed another law 7 years later: the Officer Grade Limitation Act of 1954 (OGLA). OGLA established grade tables for the Armed Forces, which limited the percentage of officers who could serve in the rank of major and above.

The Selective Service program, which administers conscription in the United States, was established in 1940, disbanded in 1947, then reestablished with the Selective Service Act of 1948. All men are required to register for the draft, or justify an exemption from it, at the age of 18. The draft was activated during World War II (1941 to 1945), the Korean War (1950 to 1953), and many years of the Vietnam War (1963 to 1973). President Nixon approved the use of a draft lottery for the first time in December 1969. In 1971, Nixon essentially ended the draft by asking for a 2 year extension of the expiring law's authority, so that the last American was drafted in 1973. Many service chiefs resisted the adoption of an All-Volunteer Force, but it was implemented and became a success after 1973. Two years later, President Gerald Ford took executive action terminating draft registration as well, but his successor, President Jimmy Carter, brought back Selective Service in 1980. It remains in force today.

The Goldwater-Nichols Act of 1986 was the last major piece of legislation to reform military personnel practices. The act shook up the operational command chain, taking the service chiefs out of the direct operational command. Its primary effect on personnel was a requirement that officers could not be promoted to senior ranks without a minimum of one joint duty assignment (e.g., an Army major serving in

a job that involves coordination with Navy, Air Force, and/or Marine units) of 2 to 3 years in length. The requirement is strict, but bureaucratic definitions of what assignments count often matter more than actual interservice experience.

SPECIFIC RECOMMENDATIONS

In my book, *Total Volunteer Force*, I offered 20 recommendations to shift from a centralized personnel system to a modern talent management organization. The following are aimed directly at fixing DOPMA.

1. *Restore Service Chief Authority over Promotion Timetables*

DOPMA's "up-or-out" principle is so rigid that every branch of the Armed Forces promotes officers on the exact same timeline for the first 10 or more years of service, and roughly the same for the second decade. Promotion up to the rank of O-3 is largely automatic. Indeed, the promotion timelines are so rigid that the career trajectory of most officers looks identical to most outsiders. More specifically, the law allows service secretaries to extend but not reduce time in grade requirements for ranks O-3 and above. It does this in order to make sure that officers get at least two opportunities for promotion board consideration. This law should be revised to allow service flexibility so that the Chief of Staff of the Army, Commandant of the Marine Corps, Chief of Naval Operations, and Chief of Staff of the Air Force can establish promotion rules that are best for their men and women. Even if the Army prefers to maintain the rigid timeline, the Navy (for example) would be allowed to loosen its up-or-out timeline, while the Air Force would be able to end the use of year-group promotion zones entirely. In general, promotion zones hinder the optimization of job matching and specialization.

Furthermore, if mandatory timelines remain in place, then other reforms will be impeded. However, one mandate should not replace another: each service should be allowed the flexibility to continue using strict cohort promotion zones. If Congress does not amend DOPMA's mandatory up-or out timelines, it should at a minimum loosen the rigidity of the promotion zones by offering service chiefs flexibility on the issue. Each service should have expansive authority to use below-the-zone promotions for up to 40 percent of its officers in each cohort (double the current range).

BACKGROUND OF PROMOTION TIMETABLES

In most organizations, an individual who is hired to fill a job is simultaneously promoted to the rank affiliated with the job. Because the military long ago cleaved the two, the complexity of conducting promotions followed by assignments has few outside comparisons. Getting a promotion does not mean you are getting a new job, and vice versa. Rarely does an officer's change in rank coincide with a new role. Indeed, pinning on a higher rank usually occurs while in one's current job. The carefully orchestrated three-phase process is meant to maximize a theoretical fairness among all officers during every step while maximizing the needs of the military. Promotions occur first. Screening for job types (including command roles) comes second. Job-matching comes third. In retrospect, the actual "promotion" in rank really serves as a necessary qualifying step for future roles. It is hugely inefficient.

2. *Restore Command Authority for Hiring*

Any commander at the rank of O-5 and above should be given final authority on who serves in his or her unit. Personnel centers/commands will provide a slate of no fewer than three candidates for the unit to interview and choose for key roles. Commanders should have limited authority to directly hire, whereas most hires will be through the centrally provided slate of candidates. Many key developmental roles should still be directly assigned centrally—meaning that a single candidate shall be recommended by personnel centers in many instances (e.g., honoring follow-on assignment commitments)—but the unit commander should retain the right to veto a limited number of such assignments.

3. *Excellence-or-Out*

Services should be given more flexibility over rank tenure. For example, a Service should be able to allow any servicemember the option to stay at any rank for the remainder of his or her career. This reform would go beyond ending rigid promotion timelines and would, in fact, allow an open-ended timeline and longer careers of 40 years or longer instead of the current 30 year cap. The only standards for continuation of service should be competence, performance, and the support of the command chain. To avoid the pre-1941 problem of excessive seniority, all servicemembers would have to continually re-apply and be rehired into any billet on a biannual basis.

4. *Expand Information Transparency for Job-Matching*

Centralized personnel processes in place constrain information to an extreme degree so that gaining commanders know very little about incoming personnel, and even promotion boards are permitted to see only a fraction of the information available. The current standard is for gaining commanders to be given access to job histories (officer record briefs in the Army), but not performance evaluations or other background. Each Service should allow greater transparency and record preservation so that gaining commanders at all levels (division/brigade/battalion) see all possible information on individuals who are inbound or applying to their units. Commanders should be allowed to request additional information to include LinkedIn profiles, letters of recommendation, and communications with references. Likewise, command selection and promotion boards should have broader authority to see this information as well.

5. *Grant Cyber/Acquisition Workforce Exemptions*

The cyber domain has emerged as one of the top threat and battle spaces that conventional military forces were neither aware of nor prepared for a decade ago. Cyber skills are in sudden demand and, like acquisition skills, are ill-served by conventional military personnel rules. United States Cyber Command, currently headquartered at Fort Meade, Maryland, should be granted exemption from the DOPMA standardized “competitive category” career structure as a unique and critical workforce. The same exemption should be granted to Active Duty personnel in the acquisition workforce. Exemptions would free members from promotion time-tables, tenure requirements, and compensation limits.

6. *Allow Veterans and Reservists to Apply for Active Duty Roles*

Allow veterans and reservists to apply for open billets at any rank below general/admiral (O–7). The current lack of permeability eliminates from military jobs millions of fully qualified citizens who have already served honorably on Active Duty. If any veteran or reservist is physically and occupationally qualified, he or she should be part of the talent pool that the Services can access. This would permit lateral reentry limited to honorably discharged veterans, not lateral entry of civilians with no military experience. While reentry of a few individuals occurs under current laws, they are rare exceptions to the rule.

7. *Allow Flexible Sabbaticals*

Another kind of permeability can be achieved by allowing Active Duty troops to take unpaid sabbaticals. A range of sabbatical options should be available to include (1) nascent programs that contract the individual to return to active status after a set period but also (2) open programs that offer individuals a right of reentry to active status within a set period of time that also amends their year group. Current sabbatical programs tend to be inflexible, and should instead offer maximum control to individuals to have a choice over occupational and geographic preferences, rather than forcing them to pre-commit to return with uncertainty about those factors.

8. *End Selective Service (Registration for Draft)*

Eighty-six percent of Active Duty troops are opposed to manning the force with conscription. Draft registration became irrelevant in 1973 when the All-Volunteer Force was enacted, but was maintained in case the AVF failed. President Gerald Ford terminated the program in 1975, but President Carter re-established it in response to Soviet aggression. The Cold War is over, yet the AVF proved doubters wrong by successfully manning a high-quality force during the past decade of war. It is long past time to recognize the draft is an outdated concept, particularly in light of comprehensive reliance on high-skill human capital in the modern professional military. First enacted in 1917, Selective Service should be terminated on its hundredth anniversary, saving taxpayers \$24.4 million a year and registrants millions of hours of wasted time and other resources. The prospect of a future national emergency that requires conscription should not be ruled out, however, so an emergency infrastructure should be maintained. The Department of Defense should retain a draft reinstatement plan for national emergencies, which would provide for a draft to be implemented if ever necessary.

9. *Conduct Regular Personnel Policy Assessments*

The DOD should conduct a regular, transparent assessment of leadership culture and talent management in the Armed Forces. The goal is to assess organizational features, not personal or unit comparisons. Chapter 1 presents an initial methodology—the Leader/Talent matrix—that serves as a prototype for such an assessment. Systematic reviews of personnel practices should be conducted every 4 years, alternating between the Quadrennial Defense Reviews (QDRs). Service chiefs should

institute a similar assessment of leadership and management practices in the form of exit surveys of servicemembers upon discharge. The exit survey should include hard hitting questions that evaluate strengths and weaknesses quantitatively, rather than open-ended questions.

CONCLUSION

The issues created by DOPMA have become increasingly harmful to the talent pool in the military. We have a volunteer force of 1.3 million heroic men and women, yet the law treats them like conscripts after day one. The service chiefs and battlefield commanders have less authority than business executives to shape their teams, but what's even more important is that they have less authority in the Navy of 2018 than admirals had in the Navy of 1944. All four branches are clones of the same personnel hierarchy set in concrete during the early Cold War. It's a new century with extraordinarily talented troops. They deserve better. Excellence-or-out will be better than the archaic and failed up-or-out dogma. This Congress can create in the summer of 2018 a more respectful, ready, and accountable military talent management law to keep America secure. Thank you.

Senator TILLIS. Thank you.

Senator Gillibrand will be back. She had a commitment that she had to go to.

Mr. Levine, I want to start with you. In your written testimony, there were two things that I think are good, quotes that I may never attribute to you because they are so good, but I am going to use them again.

One, because I think it sets the tone of what I think we are trying to accomplish here. You say that before you undertake reform, it is important to understand not only what is broken but what is not broken. We have talked about some of the things that we should look at and possibly change, but let us talk about some of the things that you think are foundational and very important to keep in place.

Mr. LEVINE. Well, this is where I would disagree with my colleague, Dr. Kane. I believe that the "up or out" system needs to be kept in place, that because we need to shape a workforce over 20 to 30 years, we cannot rely on individual decisions and we cannot rely on military leaders to structure their own teams in a free form way. We want to be responsive to the civilian job market and we want to recognize the realities of the civilian job market. But we are not in a position where we are just hiring for the next 2 to 3 years, and we can allow our whole officer corps to turn over and get a new one if that does not work. We have to plan far in advance, and I think that the "up or out" system is a way of continually refreshing. So I think the subcommittee ought to be open to different periods of time, different tour lengths. All kinds of different flexibility within DOPMA are open to consideration, but I think the "up or out" system itself not only works but performs a vital function for our military today.

Senator TILLIS. So, Dr. Chu, you get to break the tie.

[Laughter.]

Senator TILLIS. What are your thoughts?

DR. CHU. I would put myself someplace in between.

[Laughter.]

DR. CHU. Split the difference. Here is the reason.

I think it is very important, as Mr. Levine has said, that they have some mechanism to judge is the individual continuing to develop, is he or she continuing to perform at high levels, as Dr. Kane said. "Up or out" is one mechanism.

The problem is it is very rigid at the moment. You come into a window. You have got just two chances. If you have had an unusual career so that you did not do the normal things, you might be severely disadvantaged by that. Admiral Crowe is an example of that career path. Most people were amazed he ever made flag. Once he made flag, the rest of the system took over and he eventually, as we all know, became chairman of the Joint Chiefs of Staff never having commanded a ship at the ship level. He was XO [executive officer] over a submarine.

So we can do things differently, but the present system does not allow much leeway for that. I think in terms of relaxation, giving the service secretaries some degree of latitude to change the rules, whether that is to encourage them to use more selected pay and grade, which the authorities already do under the existing rules, whether it is allowing them to put people in different year groups as different careers might suggest so they do not compete against someone who has done all the normal things when they went off to do, let us say, a period of deeper education in a technical area that is needed. So some leeway for the service secretary, more waiver authority perhaps I think would be very helpful.

Senator TILLIS. The other thing we talked about is we need to stay away—I think there is generally a consensus that there should not be a one-size-fits-all, and we also talked about taking into consideration how we seek input from the different service lines about maybe areas that we should look. For example, I think there is a universal or kind of a horizontal focus on cyber because that seems to be something that although you may have different practices on a day-to-day basis, that is a category where we are really behind and we need to work. It seems to be one area that we could possibly focus on as a part of anything that we may move forward with in the markup.

But then there is the position—that they be unique to the line of service. Now, we talked about acquisition. You could also argue, on the one hand, it is horizontal. There may be unique needs based on the line of service.

But you all said something that I think is interesting. On the one hand, Dr. Chu, I think you said something about pilots and you guys said do not do pilots. I think what you are talking about is start small and work on things that have a greater potential for being operationalized versus a test and a good idea that goes away, maybe does not get authorized. That would not be particularly appealing for somebody that is building a portfolio of experience in their career. Is that an appropriate way to interpret what you said?

Dr. KANE. If I can speak on that, sir, yes. Sometimes pilots get a bad name if they do not work out. So as an example, there is a problem with retention of female officers and enlisted. So there have been efforts to do sabbaticals. But I see those sabbaticals, and they do not look flexible to me. I talked to a young woman, enlisted, got into Stanford Business School. She thought about leaving as a sabbatical program, but there was not control for her, that when she got done with her MBA [Master of Business Administration], she could choose whether to come back in or not. She could choose her career field. It was all, oh, no, when you are done, if you are under the sabbatical program, we will tell you where to go. To

me that is very disrespectful, and that is not flexibility. But the military can then interpret that and say, you know, we tried that flexible lateral entry idea or lateral reentry in this case, it does not work because these women are not taking up the program because it is not really flexibility. So that is my sense of caution.

Now, the type of a pilot project that could work is to say take a career field and do not force that career field to use the pyramid. Allow long-term specialization, say, within cyber or intelligence and maybe not in all the other competitive categories. I think that would be a brilliant, wise type of pilot project, but I would just caution against some of these.

Senator TILLIS. Senator Warren?

Senator WARREN. Thank you, Mr. Chairman. I apologize. We are covering multiple hearings this afternoon. So we are dashing in and out.

We are here to talk about how our military officers are recruited, retained, promoted, assigned. Our officer corps is the best in the world. We must have been doing something right. But I think about how things are changing over time. I think about two ways they are changing.

DOPMA is this one-size-fits-all system. Everyone has been talking about that part. Today a lot of young officers require a different kind of talent management. At the same time, the demands of modern warfare are driving changes in the types of officers that we need in order to lead in the future. We demand a force that is highly adaptive, that is technically skilled in advanced technologies. You know, these are not skill sets that Congress had in mind when DOPMA was originally put together. So I worry that the Pentagon is just not set up either to be able to help guide careers or to be able to attract people, the people we need in our changing world.

So here is the question I want to ask. I want to ask the one wish question. If you could make just one, because this is what forces you to have to make hard choices—one change to DOPMA in order to try to solve this part of the problem, the officer management of career and attracting the right people in—if you could make one change, what change would you make? We can start any place you want to start. Dr. Chu, do you want to start?

DR. CHU. Actually the one change I would make is not DOPMA-specific.

Senator WARREN. Fair enough. This is your wish.

DR. CHU. But I would contrast how the Department manages skills for the enlisted force versus skills for the officers.

Senator WARREN. Say more about that.

DR. CHU. In the enlisted force, the Department has, thanks to the Congress, a set of special compensation authorities, bonuses as they are called. It has wide latitude within constraints Congress established how those are paid and it adjusts them. It really is a market and it looks at results on both recruiting and retention. So I would consider giving the Department somewhat broader authority for special compensation for officer communities, to allow it to deal, for example, with cyber. So if you are going to be with Google, do you have to pay as we are paying for pilots, let us say? Maybe we do; maybe we do not. I am not trying to prejudge the answer to that question. But I think part of the answer—and that is the

emphasis I would give—lies in other parts of the system, not just in DOPMA per se. It is also a matter of how you administer the new retirement system. It is an issue of how you administer other items of compensation. So my one wish would be broad bonus authority for the officer corps the Department can apply in communities where it needs help as opposed to specialized.

Senator WARREN. Thank you.

Mr. Levine?

Mr. LEVINE. So I get to choose a different one.

Senator WARREN. Yes.

Mr. LEVINE. So what I would suggest is—Dr. Kane mentioned the idea of sabbaticals. There are several different ideas around that idea. There is the career intermission program, which is currently a pilot basis. There are sabbaticals. There is also the idea of opting out of a promotion cycle. These are all ways that you can build in additional flexibility into officer careers so that this idea that you just have to keep punching tickets and there is only one path, you can get more flexibility into that and officers can build greater depth and experience, greater breadth of experience. They can even, under some of these programs, take time out to start a family, but create greater flexibility within the existing system without disrupting the overall system and disrupting the military's ability to plan.

One thing I would emphasize about that is I know we all think that the military is resistant to change, but I had the honor of serving with two of the officers who will be on the next panel and immediate predecessors of the other two. They all supported this idea that we should build in this greater flexibility. The sabbatical program, the career intermission program, because they have been pilots, young officers have been unwilling to trust them and to believe that promotion boards will give them full credit and will understand why they chose the career paths that they did. But I believe that if we make them permanent and if we make this an established part of the way the career pattern works with the help of our military leadership, we can really build some more flexibility.

Senator WARREN. Actually I just want to make sure I am drawing the right point here. It is not that we make it permanent. It is that we open up the possibility that you can do it and you can make it permanent if you choose to make it permanent.

Mr. LEVINE. Congress would have to open up—would create a permanent authority, but the servicemember would have to be—

Senator WARREN. A permanent authority, but you make the decision whether or not it is permanent and obviously what the parameters are for that.

Mr. LEVINE. Yes, Senator.

Senator WARREN. All right, good.

Dr. Kane?

Dr. KANE. This is one of those juicy questions and the genie says you get one wish.

Senator WARREN. Yes, exactly.

Dr. KANE.—three wishes.

Senator WARREN. I know. I know. But the other two guys already slurped up the first two.

Dr. KANE. This is broad, but I would end the tyranny of the personnel commands. I will tell you a little story because I think this is what galvanized me to start. I left the military, became an economist. I did not think much about these issues. I was not an expert.

A friend of mine was in the Air Force, 9/11 had happened and he was doing a mission. He was doing a targeting mission and got a call from Air Force Personnel Center that said, hey, congratulations, Major. You get to go back and get your master's degree. He is like I am helping find the enemy and putting bombs on the enemy and keeping America safe. I do not want to go. But there is so little control and there is so little respect for these men and women who volunteer to control their own careers. All the needs of the Air Force have to come first.

It is such a nice sounding slogan, but what if that actually is short-term oriented and not long-term oriented? Because they ended up losing this officer. He did get 20 years of retirement, but he could go and work for a different government agency and do the exact same mission, but he had to give up his 20-year retirement. He had to go home and explain to his wife and kids we are not going to have health care forever because I want to serve my country, and the Air Force will not let me do that because he had already got two master's degrees on the taxpayers' dime and he did not want to go get a third. They needed a warm body and they said, no, no, you are the guy. He said I am not going to go. They said, well, we will forcibly retire you.

That is the kind of nonsense that happens when people cannot control their own careers. I think part of that is saying we will manage it for you. There is incredible responsibility placed on the shoulders placed of the personnel commands, and they do the best they can. But I have had so many meetings and calls. At HRC [U.S. Army Human Resources Command], I visited NPC [Navy Personnel Command] at Millington. They are just as frustrated, but they are given their mission and they do the best they can.

So I would relieve them of that burden and say one thing to change in DOPMA is you do not have to retire after you have to promote two times. You just do not. So people would not have that pressure of playing the game, checking the boxes, and the personnel commands would not say, gee, if you do not go to this school or you do not get this master's degree or you do not take this joint assignment, you are not going to get promoted. It is just not there anymore. That is what you can fix with a sentence. The Senate can fix.

Senator WARREN. Can I just ask? I know we are over, but I just want to ask on this, just probe just a little bit. You are confident that if we made that change, we will not end up with an officer corps that sort of bulges out and is sluggish. I always like to remember somebody had something in mind when they wrote that. They thought there was a problem they needed to fix. It does not mean they got it right.

Dr. KANE. President Eisenhower.

Senator WARREN. But it means you have at least got to think about what happens if you roll it the other direction.

Dr. KANE. President Eisenhower—this goes back to the Civil War. The class of 1868 out of the Naval Academy—none of those graduates were able to get past lieutenant for 21 years—

Senator WARREN. Yes.

Dr. KANE.—because they did not have an “up or out” system. So they instituted it, but now it has crept down the ranks. It is not just for the generals. It sort of influences everyone, and it is not “up or out.” It is sort of “up or up.” You just sort of play by the rules. You get promoted sort of lockstep.

I would force “excellence or out.” Every 2 years, you are re-competing for a position you are in, and if your boss decides to hire someone else, she has the right to do that. You need to go look for another role within the military. If you cannot find anyone to hire you, thank you for your service.

Senator WARREN. So you think that is a way that we could prevent that from happening. So there would be another way to do that.

Dr. KANE. Yes, ma’am.

Senator WARREN. All right. Very valuable. I find it enormously helpful to hear very specific suggestions.

Dr. CHU. If I may.

Senator WARREN. Dr. Chu, if this is okay.

Dr. CHU. We are treating “up or out” as if it is either a good or bad idea for all promotions. There is differentiation here that might well be considered, and that is up through about O-4, you may well want an “up or out” system because that is really, I would argue, a “perform to stay” criteria, and it helps avoid the kind of gumming up of the system that Dr. Kane had described. It may be beyond that that you want to be somewhat more relaxed about how many chances people have to O-5, to O-6, and so on especially to O-7.

I particularly would highlight what I think is an unfortunate wrinkle in the law, which is the bar to commissioned service beyond 30 years of service. Now, I do not think you necessarily want every O-6 to stay for 35 to 40 years of service, but there is a cadre in every service in my judgment of the military of senior O-6’s who are not going to make general officer or flag but who are the senior experts in their area. You speak about the lawyers, for example, deep knowledge of the system. I think you want to have a way to perhaps retain some more of those people who may be at the peak of their professional abilities when they hit 30 years of commissioned service and our system says there is a way to deal with retiree recall. I recognize there are end runs around the constraints, but to more systematically think about keeping the most experienced, deeply technical O-6’s for longer than 30 years of commissioned service.

Senator WARREN. Right. But if I can, you describe that as a more relaxed requirement. I realize it is relaxing the “up or out” part of it. But if I understood Dr. Kane correctly, it is not so much a more relaxed. It actually just changes what the sorting device is. So it is no longer “up or out,” but you say we will substitute “other,” like re-compete for the same job every 24 months. Is that right? Do you agree with that, Dr. Chu? Is that right?

Mr. LEVINE. Senator, if I could on that point.

Senator WARREN. Please.

Senator WARREN. I think that as you look at the military personnel system, you have to keep the culture in mind too. One of the central aspects of the military culture is an inability to say no. So I would be very concerned about abandoning an "up or out" system in that if you say all the really best people we are going to keep, there is an inability to tell anybody that they are not one of the best.

Senator WARREN. All the children are above average.

Mr. LEVINE. So as painful as it is to have arbitrary rules, sometimes those arbitrary rules really serve an important function.

So the way I would try to meet Dr. Chu and Dr. Kane's objective there is by allowing the occasional exception or the career field where you are going to build in some exceptions because we need to retain talent but not by abandoning the rule which I think is a structure which is a need to force decisions which otherwise people would be very reluctant to make.

DR. CHU. I think that does bring us back to the culture point because, as you all know, under DOPMA, the service secretary has authority for selection, retention, and grade. Rarely does the service use this authority. It also has authority on the other side of that coin to select out, and the boards have authority to say that this officer perhaps should be reviewed for dismissal from the service, not in quite so strong a language I acknowledge, but again rarely used except when we have a downsizing problem and we have to have a reduction in force of some kind. So I think trying to encourage—to have a conversation with the service about could we use these tools more aggressively to achieve some of these results would be very productive.

Senator WARREN. Good.

Senator TILLIS. Senator Warren, you were going right after the questions I was going to ask.

When we talked last week, most of the top tier management consulting firms dealt with the "up or out" issue back in the mid-1990s when you had two shots at making partner. If you did not, you left. We were losing some really deep talent that was a very important part of our go-to-market strategy, but we did have a period where we started bulging and started creating a diamond pyramid. So we did have to go back through and figure out how to do the refresh and I think get closer to what Mr. Levine is saying to force the excellence for that versus kind of a holding area. There has got to be a constant attainment of knowledge and skills and a broader contribution. So I think that that discussion was very helpful.

One thing that I would like to ask you all to think about and possibly get back with us. We talked a bit last week. A part of what we may need to do is shed light on flexibilities and options that are already available in DOPMA that are not regularly used. They are used on an episodic basis. Because I would rather shed light on that. In the next panel, we will talk a bit about it. But shed light on let us fully get all the juice we can out of the current authorities that you have and then figure out what additional flexibilities you need and with that, accountability for dealing with the peaks and troughs and the challenges for bringing people in for special needs that may not be long-term, those sorts of things. I would really be interested in your feedback on what is actually possible within

DOPMA that is not really a part of the day-to-day operation and execution of the personnel practices. So I would appreciate that feedback if you could give it some thought and potentially accept that as a question for the record.

Senator TILLIS. The last thing I want to do—and it is mainly Dr. Kane to set the stage for the next panel, to react to it, is something that you said last week and you referred to today. That has to do with you get an assignment, you get a person, you do not really get to do that sort of background hiring check. You also said something in particular that had to do with things that may not be in the file but may be information you would gather if you just had that final discussion before somebody gets deployed. You were particularly talking about sexual assault.

Would you just frame your position while I have got people's attention so that after you do your opening statements, I would like for you to give me a response from the perspective of the people who will speak in the next panel?

Dr. KANE. Yes, sir. The issue of sexual assault in the military bothers me. It is 10 times higher than it is in the civilian sector. I went to the Air Force Academy. I would be very proud if any one of my daughters—and we have three—would want to go. But I realize I am kind of sending her into the lion's den in a sense.

As I learn more about this issue, I do not really have a position and I am not an expert and understand the UCMJ processes. But I do understand that we entrust the captains of Navy ships with nuclear weapons and tremendous wartime responsibilities but not the authority to hire, not the authority to just—and I understand the risk of creating an old boys' club where commanders can just build their team. But why not at least have the personnel commands sends them three nominees, and then they call the previous commanders and say, "What do you think about this guy?" "Well, he has not committed a crime but there have been some problems. There have been some off-color jokes." "And you know what? Who else are you talking to?" "Oh, I have heard about him. He is a solid blah, blah, blah." That human dimension to human resources has really been taken out. So I worry that that is a big part of the problem. Even if you got all of the UCMJ and who is going to do the prosecuting perfectly right, you still have a filtering problem before they become criminals where they are just predators. I think that only gets fixed when you fix DOPMA and you include commanders in the process.

To your point, there is some flexibility right now for the Services to do that, to institute—give three names to each commander. There is great flexibility to do better performance evaluations which are, if I can use mild language, a disaster in the Air Force, and they are a disaster in the Army. They are incredible in the Marines. So the marines seem to know how to do performance evaluations really well.

I have 20 recommendations in the book "Total Volunteer Force." Maybe a third require legislative action, so the other two-thirds, yes, there are flexibilities and they are not well used now. But I would say that a third are really critical. DOPMA and the requirement to be promoted after two bites at the apple I think is silly. Some of them are compensation, some rigidities in compensation

that this new blended retirement system will help, but it is hard to get lateral entry when you have already got someone halfway through a 20-year retirement. Can they leave, come back, what happens?

I will stop there.

Senator TILLIS. Well, thank you.

We are going to transition to the next panel, but again, I appreciate the reference to the book. But those suggestions on things that we should look at—do not fix something that is not broken, but let us figure out ideas that we can discuss that really prompt more extensive use of the authorities and the flexibility that is out there. I think it would be helpful and instructive to us.

Thank you all for being here. You have spent a fair amount of time on the Hill the last couple of weeks talking on this subject. We really appreciate your continued engagement. Thank you.

Mr. LEVINE. Thank you, Mr. Chairman.

Senator TILLIS. We will now transition to the next panel. The second panel includes Lieutenant General Thomas Seamands, Deputy Army Chief of Staff, G-1; Vice Admiral Robert Burke, Chief of Naval Personnel; Lieutenant General Gina Grosso, Deputy Air Force Secretary for—Chief of Staff for Manpower, Personnel and Services; and Lieutenant General Michael Rocco, Deputy Marine Commandant for Manpower and Reserve Affairs.

Thank you all for being here. We will start with General Seamands. Welcome.

**STATEMENT OF LIEUTENANT GENERAL THOMAS C.
SEAMANDS, USA, DEPUTY CHIEF OF STAFF, G-1**

Lieutenant General SEAMANDS. Thank you, sir. Chairman Tillis, Ranking Member Gillibrand, distinguished members of the committee, I want to thank you for the opportunity to appear before you on behalf of the United States Army to testify on DOPMA. I have submitted a statement for the record and would like to highlight a few of the points from it now.

DOPMA has been in place since 1980, and it has worked well to standardize the management of the career Army officers. We now believe it is time to consider changes needed to more effectively and efficiently recruit, assess, retain the talented officers needed to sustain our ready force and to better manage and employ individual talents and specialized emerging skills.

Over the past 38 years since DOPMA became law, our service needs, technology, the population we bring in, develop, and eventually return to communities have all changed. In fact, in the past 10 years alone, the Army has grown, drawn down, and thanks to you, grown again.

While current DOPMA authorities allow for the Army to determine the required mix of grades and the numbers within those grades to execute assigned roles and missions, we are challenged to sustain some low-density, highly technical specialties like cyber that has already been discussed or specific skill populations within the larger branches.

The Army is about people. A review and adjustment to DOPMA would enable more efficient and effective management of human

capital to help ensure inevitable cycles of reduction and expansion work more smoothly for the Services.

Our analysis tells us while DOPMA is the solid framework, it would benefit from a review and adjustments to offer opportunities for managing key and critical skills within officer grades to deal with today's rapidly changing world. We believe there are opportunities for change that would enhance our ability to better meet the current and future requirements for both the Active and Reserve Forces. We welcome the opportunity to work with the committee.

Sir, if I can go off script for a second, I want to thank you for setting up the previous panel. That was like a Ph.D. level discussion, and I took away a lot of notes that will be very useful.

Again, sir, I would like to say again we really appreciate the committee's continued support of our Army needs as we have adapted to challenges for a prolonged conflict and welcome the opportunity to come before you today to testify concerning this critical personnel issue. I thank all of you for your continued support of our all volunteer Army.

Chairman, if I can ask for a clarification. You asked us when we finish our opening statements to make a comment. Was it on the hiring or on the SHARP [Sexual Harassment Assault Response Prevention] that you wanted us to make a comment?

Senator TILLIS. I am sorry?

Lieutenant General SEAMANDS. When you asked Dr. Kane the final question—

Senator TILLIS. It was on the hiring.

Lieutenant General SEAMANDS. On the hiring?

Sir, the Army has put together a program called IAM, Interactive Assignment Module. What that does, sir, it creates a marketplace for the officers in the Army and the commanders and the units that are in the field. It is a Web-based technology system. We piloted it about a year ago, and now every officer on a current assignment cycle will do it.

Essentially what happens, Senator, is the officer goes in and puts information into the module that is not readily available on the officer's record. So, for example, if they got their master's in hydrology, it would be helpful to know when a hurricane came through what the officer's skill sets were. The unit can go in and identify the officers who meet the criteria they are looking for and then engage the officer directly and perhaps find an assignment the officer was not thinking about before but the skill sets match what the unit is looking for.

So we are still in the piloting stage. We expect to go fully live across the complete Army within the next year of officer assignments. But it is a great opportunity to capture the skills that are nowhere in the database, give access to the units that would be gaining the officers, and start a dialogue. So, for example, if a unit is, say, FIP [Federated Intelligence Program] fitted to go to Africa for a year, they can go in and find out that there was an officer who perhaps had parents from the State Department and lived in Africa and has unique skills or experience, reach out to that officer, and then come to an agreement as to why that officer should come to that unit, what would happen to them when they came to give

the officer predictability and give the unit a known quantity in terms of talent.

[The prepared statement of Lieutenant General Seamands follows:]

PREPARED STATEMENT BY LIEUTENANT GENERAL THOMAS C. SEAMANDS

Chairman Tillis, Ranking Member Gillibrand, distinguished Members of this committee, I thank you for the opportunity to appear before this committee to testify on the Defense Officer Personnel Management Act (DOPMA).

Since 1980, DOPMA has served the Army well to standardize the management of officer careers. The Army deeply appreciates the tremendous support we have received from this committee over the past decade as you worked together with us to address restrictions in the law, and in some cases, to support suspension of portions of the law to ensure that as we grew the Army and later drew down and now grow our force again. Thanks to you, we were able to care for those we released from Active Duty while maintaining readiness.

As we are further away in time from DOPMA than DOPMA was to the original officer management provisions established in the Officer Personnel Act of 1947, we feel it is time to consider what changes are needed to more effectively recruit, access, and retain the talented officers needed to sustain our ready force, and to better manage and employ individual talents/ specialized emerging skills. In preparing for this hearing, we began to look at the ways we interact with DOPMA in its current state and asked how the tenets of the law affect the way we manage the Army's officer corps in support of the national defense mission.

CURRENT IMPLEMENTATION

Current DOPMA authorities allow the Army to determine the required mix of grades and numbers within those grades to execute assigned roles and missions. It works in the aggregate as we are able to sustain the numbers by grade in our officer corps within the boundaries established in current law. We are challenged to sustain our low density, highly technical specialties or specific skill populations within larger branches. We are looking into new opportunities to increase efficiency in this area.

The Army is also able to employ the current DOPMA authorities to expand our officer corps when required for war/national emergency and, conversely, to draw down its officer corps without significantly impacting readiness or the ability to accomplish peacetime/low intensity conflict missions. A review and adjustment of DOPMA may enable more effective management of human capital, and help ensure the inevitable cycles of reduction and expansion work more smoothly for all the Services.

DOPMA CHALLENGES

DOPMA does, however, limit the flexibility of Services to accommodate unique career path deviations. The Department is reviewing proposed statutory changes for the National Defense Authorization Act for Fiscal Year 2019 (NDAA) to modernize the DOPMA to recruit, develop, promote, and retain officers for today's operational requirements. Once we have completed our review and obtained approval of our proposed changes not just within the Department, but also by the Administration, we will share these proposals with you and provide you with more details.

Increasing flexibility would allow the Army to develop emerging skills while still advancing officers in reasonable times and meeting career expectations. With the current caps of field grade numbers, the Services must manage by separation in the absence of advancement (up-or-out) as a paradigm. There is still a challenge to retain specialized populations now needed for high priority missions like cyber that have emerged from global trends.

Where promotions are concerned, the guidance in DOPMA essentially requires up-or-out management. Officers advance through career points in year group cohorts determined by their initial commissioning year, and compete for promotion at specific points determined by years of officer service. At grades below lieutenant colonel, officers twice passed over for promotion are either separated, allowed to retire if eligible, or selected for continuation by a separate board of officers. Promotion opportunity is prescribed in goals for each grade with the understanding that officers must be afforded a reasonably similar opportunity for promotion from year to year.

OPTIMIZING TALENT

Our analysis tells us that while DOPMA is a framework that is effective for an Army of interchangeable parts, it would benefit by offering opportunities for managing key and critical skills within officer grades to deal with today's rapidly changing world.

In the area of officer accessions, in almost all cases, DOPMA has given the Army the flexibility required to appoint officers at the grades needed by offering a sound framework for granting constructive service credit to many applicants with special qualifications. In working to structure and develop the very technical field of cyber, the Army has found that current DOPMA provisions on appointment age and on the use of constructive credit for appointment grade may be too restrictive.

The Army is currently implementing a Cyber Specialty Direct Commission pilot program authorized in Section 509 of the 2017 NDAA. This pilot is constrained to a maximum of 3 years by 10 United States Code (USC) §533(g). Increasing the allowable credit of this authority would provide flexibility to recruit better developed cyber talent at levels higher than first lieutenant grade. In our Army Medical Department, staff judge advocates, Chaplain Corps, the permanent and temporary accessions appointment authorities DOPMA provided the Army, as modified in subsequent legislation, give the Army the authorities needed.

Promotions are required by DOPMA to be made in the order of seniority on the Active Duty list. This provides well for the due course officers, allowing for steady state promotion rates. However, promoting by seniority on the Active Duty list rather than by order of merit as established by promotion selection boards makes it difficult to manage the progression of officers whose individual talents and demonstrated potential are critical to meet emerging requirements or unanticipated missions.

CONCLUSION

In closing, we believe that the provisions of DOPMA likely remain valid, and we look forward to collaborating with Congress, the Administration, Department of Defense, and our sister services in an effort to review applicable provisions of law and to optimize where it may be appropriate. Again, we greatly appreciate this committee's continuing support of Army needs as we've adapted to the challenges of a prolonged conflict, and welcome the opportunity to come before you today to testify concerning this critical personnel issue.

Senator TILLIS. Very good. Thank you.
Admiral Burke?

**STATEMENT OF VICE ADMIRAL ROBERT P. BURKE, USN,
DEPUTY CHIEF OF NAVAL OPERATIONS, N-1**

Vice Admiral BURKE. Chairman Tillis, Ranking Member Gillibrand, distinguished Members of the subcommittee, thank you for the opportunity to appear before you to discuss the challenges we face and tools we need for effective officer personnel management.

The trends are clear. We are in a war for talent. The propensity to serve is declining amidst an improving economy, and it is adversely impacting both recruiting and retention. Sailors leaving the Navy continue to express frustration with our Industrial Age personnel systems and inflexible and complex personnel processes.

Through our Sailor 2025 program, the Navy has begun modernizing personnel management programs and training systems. In conjunction with that effort, we have undertaken transformation of internal business processes to improve service to sailors, increase our agility, improve our responsiveness, and reduce cost. We have gotten a good start within existing authorities, but to achieve the point of service expected by our officers and the standard of agility and responsiveness needed by our fleet commanders, we need a more flexible set of officer management tools.

Three fundamental areas in which additional flexibility is necessary would be first some options to supplement assessing officers

only at the entry level; second, to provide some alternative career paths for officers beyond just the current “up or out” model; and third, the ability to reward talent and merit. We think these can be accomplished through relatively minor modifications to the current officer personnel management framework while maintaining the core DOPMA attributes which, again, we think have served us very well.

So in developing the future officer corps, we envision a combination of the current “up and out” model, which still would very much be the main path for the bulk of our core warfighting officers, but we would suggest that it be complemented by an “up and stay” and “up and bring back” construct, as well as the addition for an entry path for directly hiring experts.

The majority of Navy unrestricted line officers would remain under the “up and out” model until they separate from the service or retire or transition to an alternative path. Again, we think we would need a lateral appointment authority to hire experts into high-tech officer specialties like we have been talking about earlier today, the cyber fields, information technology, artificial intelligence, robotics, even some special fields of acquisition.

Adding an “up and stay” option would allow limited numbers of officers with specialized skills to remain longer in a specific technical or non-command career track.

And then finally adding an “up and bring back” construct would provide for rapid return of qualified and experienced officers to the Active Duty component.

Additionally, we have ideas on a number of adjustments designed to reward performance, something that DOPMA lacks today, as well as some ideas to remove disincentives for serving line officers to specialize and/or pursue alternate career paths, education, or even life/work balance. Again, recognizing that one size does not fit all and some of these needs may even be temporal in nature, these authorities would need to be tailored for discretionary use to meet each of the Services’ needs.

Sir, we appreciate your continuing recognition of the need for change to ensure we have the necessary tools for officer force management in what is now clearly an increasingly dynamic and challenging global security environment. I look forward to your questions.

[The prepared statement of Vice Admiral Burke follows:]

PREPARED STATEMENT BY VICE ADMIRAL ROBERT P. BURKE

INTRODUCTION

Chairman Tillis, Ranking Member Gillibrand, and distinguished Members of this subcommittee, thank you for the opportunity to appear before you today to discuss the future of officer force management and the adequacy of current statutory authority under the Defense Officer Personnel Management Act (DOPMA) and Reserve Officer Personnel Management Act (ROPMA). As I have testified to in the past, and as I have emphasized in discussions with a number of you and your committee staff, we are confronted with two fundamental challenges in Navy’s personnel domain: (1) competition for talent, and (2) the need to change the way we do business. This is compounded by the fact that the Navy is still working its way out of some sea duty manning gaps, and will also need to increase end-strength over the next several years.

While recruiting and retention are generally healthy today, it is clear competition for talent will be increasingly sharp. We have seen a decline in propensity to serve

among young people possessing the requisite academic and physical aptitude necessary to serve. Additionally, we are beginning to see the impacts of an improving economy on both recruiting and retention. Sailors leaving the Navy have increasingly expressed frustration with the Industrial Age personnel systems and processes under which we operate, which do not provide the kinds of choice, flexibility, and transparency they value and expect. Personnel processes and infrastructure remain overly complex, archaic, and inefficient. We continue to struggle with these systems and processes because of prohibitively-high costs and level-of-effort. Our Navy is expected to grow in the years ahead, requiring additional highly-talented people, even as we work to retain our current talent base to reestablish desired fleet manning levels. Increased accessions, alone, will be insufficient to meet increasing manning requirements. Retention of every capable sailor across the spectrum of skill sets and pay grades will be critical to Navy operational readiness.

In today's operational and human resources environments, business-as-usual is unsustainable. Just as the scope and complexity of the warfighting challenges we face on the battlefield demand a different approach, so, too, does our approach to recruiting, developing, and retaining the kind of talented force we need to compete and win in this warfighting landscape. In the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328) (Fiscal Year 2017 NDAA), Congress continued progress towards enacting critical personnel reforms, all of which are vital to our modernization efforts. Navy appreciates those reforms, which offer greater flexibility for personnel management and increased career options for sailors.

At the same time, using existing authorities, we are finding more efficient and cost-effective ways to access, train, incentivize, retain, and harness the talented people in whom we heavily invest. This work began over 2 years ago under Navy's Sailor 2025 initiative to modernize personnel management and training systems so as to more-effectively recruit, develop, manage, reward, and retain the force of tomorrow. To sustain these programs and deliver on the potential of Sailor 2025, we have started a transformation of internal business processes to improve service to sailors, increase organizational agility and responsiveness, and reduce cost. However, if Navy's personnel system is to get to the level of service expected by our sailors, and to the standard of agility and responsiveness needed by fleet commanders, a more flexible set of management tools may be required.

As with the weapons systems we use, we must continue to refresh our personnel system to keep pace with a rapidly changing world. Our workforce must be poised to adapt quickly to new and evolving threats as we continue to attract and retain the very best sailors in an increasingly competitive talent market. Thus, we will continue to evaluate our systems, policies, and practices, and, when appropriate, pursue further modernizations to ensure flexibility and opportunities for choice, which are desired and valued by the talented cadre of people we seek to recruit and retain.

WHERE WE ARE WITH CURRENT AUTHORITIES

Accessions

In order to create the future force, incoming accessions must have the right combination of talent, skills, and potential, to take our Navy where it needs to be in the years ahead. Navy established the Office of Talent Optimization to create a marketplace using predictive modeling and other tools that assist in identifying the right officer for the right community, optimizing assignment of Navy's talent in an effort to improve both performance and job satisfaction, and, by extension, retention. Additionally, to broaden the potential accession pool, Navy increased the maximum accession age to 42 for restricted line and staff corps officers, and age 35 for the unrestricted line, with the exception of nuclear propulsion program and aviation warfare officers, which have physiologically-based limits on age.

Promotions

Because professional advancement serves as a powerful signal to officers that the service values them, Navy implemented a number of changes to the promotion process to aid in talent management. Competitive categories for limited duty officers (LDOs) were established to help ensure the highest demand skill sets are selected, and to help retain specialized talent. To ensure selection boards focus on selecting the best and most fully qualified officers, regardless of tenure, Navy removed the distraction of "Zone" annotations on selection board records. We also implemented processes to ensure full consideration of "Below Zone" records, again with the intent of driving behavior away from the historical "wait-your-turn" model. Navy leadership also provides selection boards with detailed information regarding Navy's needs

for officers with critical skills, to further emphasize what is currently most in demand in the fleet to achieve mission success.

Separations

In order to retain talent, Navy has reevaluated how we view separation from Active Duty. We have created off-ramps to align the chief warrant officer (CWO) and limited duty officer (LDO) communities to meet operational needs based on officer sustainability initiatives, and have reduced the use of waivers for time in grade, minimum service, and years of active commissioned service to retain sailors through completion of their service commitments. Managing separations is not a one way valve—our goal is not merely preventing sailors from leaving the service before their commitments end—it is to retain highly-talented sailors, with a sustained record of outstanding performance and leadership experience, in whom we have already heavily invested. Navy does not want to indiscriminately retain all sailors, but those who, through a consistent track record of exceptional performance, have demonstrated their value for further productive service beyond their current obligations. Accordingly, we will, if necessary and appropriate, judiciously implement congressional authority obtained in the fiscal year 2018 NDAA to conduct selective early retirement boards, in a precise and targeted manner, to release underperforming senior officers, thereby affording hard-charging and talented junior officers increased opportunities to compete for earlier promotion.

Work Life Balance and Retention

Our success in retaining top performing officers hinges on our ability to offer them career flexibility through alternatives to the traditional rigid career paths. Established programs afford the fleet's innovators opportunities to grow and learn in varied environments outside the Navy, and return to bring novel ideas back to the fleet. We have also initiated a number of other innovative programs to meet the increasing retention challenges we face.

Navy has already seen the benefit derived from being the vanguard of flexible policy. For the past 8 years, with your support, Navy has conducted a Career Intermission Pilot Program (CIPP) that allows sailors to leave Active Duty for a defined time period to meet personal and professional goals and aspirations, and reestablish career viability upon returning to Active Duty. Since the program's inception, there have been 161 participants (59 officers, 102 enlisted), of whom 43 percent are male and 57 percent are female. The benefit goes far beyond those who have taken an intermission, however. Many sailors report that just knowing CIPP is an option, if they need it in the future, has encouraged them to stay in the Navy.

The two foremost reasons given for participating in CIPP are education (55 percent) and family support (40 percent). Recently, an E-5 returned from a 36-month career intermission and earned a commission in the Judge Advocate General's (JAG) Corps, where competition for quality legal and paralegal talent has posed significant challenges. The required juris-doctor degree is an obstacle for many talented enlisted sailors thriving in the legalman rating to commission into the Navy JAG Corps. In this case, a talented petty officer who demonstrated exceptional potential, aptitude, work ethic, and drive to excel as a JAG Corps officer, was mentored and encouraged to complete the requisite degree requirements through CIPP, and to apply for a commission in the JAG Corps upon returning to Active Duty. The sailor earned a juris-doctor, achieving personal and professional goals, and Navy gained a talented JAG Corps officer.

We established the Fleet Scholars Education Program (FSEP), which provides a rich and unique opportunity to provide quality, relevant, and diverse education opportunities to the most talented officers in the unrestricted line (URL) and information warfare communities (IWC). FSEP provides community sponsors the opportunity to reward and retain top performing, career-minded officers. FSEP selectees will attend the school of their choice in their selected field of study for up to 24 months, and return to the fleet to continue a viable career enhanced by the additional knowledge obtained through FSEP.

Officers may also participate in our Tours with Industry (TWI) program, which is designed to build a cadre of personnel better-poised to understand, not only the naval profession, but also the nature of strategic problems facing the Department of the Navy, and solutions garnered from partnering with high-performing organizations outside of the Department. The goal is to develop a better-understanding of long range planning, organizational and management innovation, and emerging technologies that may influence the operation and culture of the Navy.

Navy is also developing a Targeted Reentry Program (TRP), a pilot initiative, which will empower commanding officers to identify selected officers and enlisted personnel for expedited return to Active Duty by eliminating burdensome reentry

processes, assuming they remain eligible in all respects for return to the Navy. TRP would be designed to benefit both the Navy and the sailor through resumption of service of well-trained leaders with valuable and needed skills, who may reconsider their earlier decision to separate from the Navy. This is expected to be the leading edge of the Navy's push to increase the permeability and ease of transition between the Active component (AC) and Reserve component (RC).

Meeting the Demand Signal

Navy Surface Warfare Officer bonus programs have recently been updated to provide additional merit-based retention incentives to our best officers with demonstrated performance and future potential. These programs provide greater career flexibility and financial incentive to those officers willing to commit early to future department head assignments. Likewise, we are developing Naval Aviation Warfare Officer bonus programs to award merit-based incentives linked to achievement of career milestones, scaled by type/model/series and officer designator, according to community health. Coupled with non-monetary measures, these changes should improve retention, as competition for talent increases across the Services, and throughout industry. Corporate airlines are positioned to outspend the Services in salaries and bonuses, thereby, increasing the challenge of retaining our best pilots. Similarly, tech companies are able to offer signing bonuses far beyond those which the Services can offer cyber warfare officers.

In exit surveys, sailors consistently include compensation in the top 10 reasons for leaving the Navy, albeit, not the number one reason. Since we will never be able to compete dollar-for-dollar with industry for the best-and-the-brightest, Navy's ability to retain our most outstanding talent clearly depends on our ability to offer opportunities for personal growth and to appeal to their sense of service and connection to the mission.

WHERE WE ARE GOING WITH EXPANDED AUTHORITIES

In the coming years, our Nation will continue to face asymmetric and complex threats in a constantly changing national security environment. Technology and threats are rapidly shifting and morphing—and one person can be a disruptor. Our realization that we have re-entered a great powers era, in which maritime power will be a deciding factor, has placed renewed emphasis on naval warfare training at the high end of the spectrum. Such realities have made technical expertise, agility, and innovation more vital than ever before for our national defense. We must be as innovative with human resources as with weapons systems and tactics, positioning us to rapidly access, train, and retain, the talent required to fight and win in the maritime battlespace. Innovative management of personnel will be increasingly critical in enabling a future force more adaptive and resilient in the face of these new realities.

Accomplishing these objectives requires that we transition from a “conveyor belt” career model to one more capable of quickly matching and rewarding talent-to-task. Historically, we have largely limited our All-Volunteer Force recruiting efforts to entry level positions. This model will continue to serve us well for producing warriors and leaders in our traditional “core” warfighting areas, but it is clear those “core” areas may need augmentation—based either on mission specifics, time, or technology.

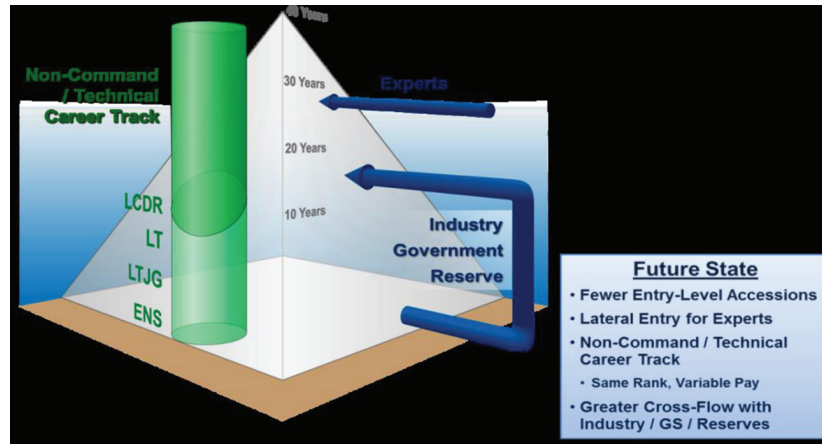


FIGURE 1.—FUTURE OFFICER CORPS CONCEPT

In developing the Future Officer Corps, Navy envisions a combination of the “up and out,” “up and stay,” and “up and bring back” constructs, with a path for directly hiring experts (Figure 1). It leverages authority enacted in the Fiscal Year 2017 NDAA that would allow 40 year careers for certain officer designators—for instance, in the acquisition field, where we select some officers after the first command tour (O-5). The major tenants of the current DOPMA structure are sound and will continue to serve us well in “core” warfighting areas. We expect the majority of the unrestricted line officers in the Navy would continue to work along these lines, following today’s “up and out” model until separation or retirement or moving to another path. However, we would continue monitoring retention trends for any necessary modifications.

Multiple career path alternatives leveraging lateral re-entry and AC/RC permeability may entice a greater number of officers to stay Navy—more options means more retention choices and more paths for a successful career in the service. We are considering various options to improve the Navy’s ability to recruit high-tech, low-capacity officer specialties, such as cyber, information technology, artificial intelligence, robotics, and acquisition.

Navy looks forward to working with Congress, OSD [Office of the Secretary of Defense] and the other Services to discuss the details of these concepts as well as other initiatives when appropriate.

CONCLUSION

Navy appreciates the recognition in Congress, and particularly in this committee, of the need for changes in statutes that currently do not afford the tools essential to effective and efficient officer force management in an increasingly dynamic and challenging global security environment. Any amendment to DOPMA and ROPMA [Reserve Officer Personnel Management Act] should afford discretionary authority to service secretaries, to the maximum extent possible, to accommodate service-unique mission requirements, force structure, and officer personnel management needs. Naturally, any recommendations for change must be vetted across the Department of Defense, with each of the military Services assessing potential opportunities and challenges associated with any recommended changes.

I look forward to working within the Department and with Congress as we continue to shape the Navy officer corps in order to meet current and emerging requirements in the context of a dynamic environment. On behalf of the men and women of the United States Navy, thank you for your sustained and unwavering commitment and support.

Senator TILLIS. Thank you.
General Grosso?

**STATEMENT OF LIEUTENANT GENERAL GINA M. GROSSO,
USAF, DEPUTY CHIEF OF STAFF FOR MANPOWER, PER-
SONNEL AND SERVICES**

Lieutenant General GROSSO. Chairman Tillis, Ranking Member Gillibrand, thank you for the opportunity to join the discussion today on DOPMA modernization. America's airmen remain always there providing global vigilance, reach, and power to defend our Nation.

DOPMA has been achieving its intended purpose and been essential to building today's Air Force. As we look to the future, infusing flexibility into the law will not only assist our efforts in retaining talented officers currently serving today but will also ensure the Air Force is an employer of choice in our ongoing nationwide war for talent.

Your Air Force is eager to modernize promotion processes and systems. In 2015, we transformed our enlisted evaluation and promotion process with much success. Building on this success, we are now turning our focus to officer evaluation and promotion processes. DOPMA flexibility, such as affording officers the option to opt out of promotion, increased authority regarding constructive credit, and improving permeability between the Active and Reserve components will greatly assist our efforts.

We are excited to partner with you and we greatly appreciate the committee's continuing support of the Air Force and the interest in discussing DOPMA modernization. We look forward to collaborating with the Department of Defense, our sister services, and Congress to provide flexibilities within DOPMA to keep it relevant in the 21st Century.

I look forward to your questions.

If I could just quickly share with you how we hire commanders, our Chief of Staff, General Goldfein, as soon as he became the Chief, changed the way we hire commanders. Commanders hire commanders. So we have a board process that calls the list and basically creates a list of people to choose for command. That goes out to every hiring authority. That hiring authority can look at everybody on that list and pick who they want. That information goes to the personnel center. What you will find is that then there are some conflicts. So all the personnel center does is say, hey, commander A, you want this person. Commander B, you want this person. You talk about it. They have to resolve it. If they cannot resolve it at their level, it goes to the next level, which is usually a two- or three-star commander, and we have found that the commanders have worked out all of the deconflictions. So in the United States Air Force, commanders hire commanders.

[The prepared statement of Lieutenant General Grosso follows:]

PREPARED STATEMENT BY LIEUTENANT GENERAL GINA M. GROSSO

Chairman Tillis, Ranking Member Gillibrand, thank you for the opportunity to appear before this committee to testify on the Defense Officer Personnel Management Act (DOPMA) of 1980. America's airmen remain "Always There" providing global vigilance, global reach, and global power to protect and defend our Nation. Congress has been a valued partner the past 70 years providing important legislative provisions, such as DOPMA and the Reserve Officer Personnel Management Act (ROPMA), to provide structure and predictability for our officer corps. The Air Force appreciates the tremendous support we have received from this committee and looks

forward to partnering with you to modernize DOPMA that will keep it relevant for the 21st Century.

We believe DOPMA has achieved its intended goals to standardize the management of our officer corps by establishing officer career lengths, driving centralized promotion boards, and directing consistent promotion selection opportunity from year to year. These foundational elements have been essential to building today's Air Force. As we look to the future, we believe it is time to continue leveraging the stability and predictability that DOMPA provides but also to modernize. This modernization will provide more flexibility into the officer management system so we can quickly respond to human capital requirements in the Information Age.

We know that in order for the Air Force to meet the demands of tomorrow, we need to be able to compete for, commission, and retain the best and brightest leaders from across our Nation. As the labor market becomes increasingly more competitive, attracting and keeping the bright leaders may require additional flexibilities in our personnel management governance. We also know officers serving today desire more agility and ability to manage their careers than DOPMA currently affords. Therefore, the Air Force is considering legislative changes to modernize DOPMA to more effectively recruit, access, and retain the high caliber officers needed to sustain our Air Force today and position us for the future.

The Air Force is reviewing proposed statutory changes for the National Defense Authorization Act for Fiscal Year 2019 to modernize DOPMA and ROPMA to recruit, develop, promote, and retain officers for today's operational requirements. Once we have completed our review and obtained approval of our proposed changes not just within the Department, but also by the Administration, we will share these proposals with you and provide you with more details. Today's threat environment and emerging missions require an agile, responsive officer personnel management system to ensure we continue to attract and retain the talent we need to defend the Nation.

Your Air Force is eager to modernize promotion processes and systems! In 2015, we transformed our enlisted evaluation and promotion processes with much success. Air Force enlisted promotions are now more closely tied to job performance and less to factors such as time in grade or time in service. This change enables outstanding enlisted airmen to be promoted more rapidly than under the previous system. Building on the successes achieved in the enlisted processes, in 2017, we initiated a similar endeavor for our officer performance management system. This initiative includes a thorough, deliberate review of our officer performance evaluation and officer promotion processes. We have a dedicated team exploring various officer evaluation and promotion considerations which include starting at the foundation with thoughtful work focused on what the Air Force values in its officer corps. Building on that sturdy foundation, we are actively looking into increasing the number of competitive categories, creating a technical track and establishing static promotion board dates, to share a few examples. We have a draft concept of operations with a four-phased approach to modernization which is currently being evaluated by senior Air Force leadership.

We are looking into what we can do to enhance the Air Force's ability to execute the right size and mix of capabilities required to meet and sustain emerging mission demands in today's rapidly changing and competitive environment. While we have the overall authority for maintaining field grade officers at the approved proportion of the force, we are challenged in managing certain stressed career fields such as pilots, cyber, special operations, intelligence, contracting, and select health professionals. Exit surveys conducted in 2017 informed us that the top three reasons officers are leaving the Air Force include: maintaining a work-life balance, the high potential for time away from their family, and too many permanent change of station moves. The theme we take from those departing officers is their desire for more control, flexibility, and stability in their career timing and advancement.

We understand that we are in a national competition for talent! Your Air Force has become even more technical in nature and as such competes for the Nation's highly sought high-tech talent. We appreciate the authority to use constructive credit in accessing cyber professionals into our ranks. We look forward to exploring a multitude of options for strengthening our recruiting efforts in competing for this outside talent! Accessing and appropriately compensating this highly sought after group of technical leaders will ensure the Air Force's continued success into the future.

Now more than ever, it is critical to remove barriers for officers transitioning from the Active component to the Reserve component. Currently this process can take several months, and results in many talented officers sitting on the sideline or taking advantage of other opportunities away from the Air Force due to a more seamless transition. It is mutually advantageous to both the Air Force and the individual

to accelerate the transition into the Reserve component, as it ultimately keeps highly skilled airmen in the Air Force. We will continue our internal efforts to accelerate this process.

In closing, we greatly appreciate this committee's continuing support of the Air Force and the interest in discussing DOPMA modernization. This is a timely and welcomed dialogue as we continue our review of officer performance management processes within the Air Force. We look forward to collaborating with the Department of Defense, our sister services, and Congress to determine what changes may be needed to DOPMA and ROPMA to keep them relevant in the 21st Century. We want the Air Force to be seen as an employer "of choice" to the Nation's best prospects. You can be rest assured your Air Force will remain "Always There" in providing global vigilance, global reach and global power for our Nation!

Senator TILLIS. Thank you.
General Rocco?

**STATEMENT OF LIEUTENANT GENERAL MICHAEL A. ROCCO,
USMC, DEPUTY COMMANDANT FOR MANPOWER AND RE-
SERVE AFFAIRS**

Lieutenant General ROCCO. Chairman Tillis and distinguished Members of the subcommittee, thank you for the opportunity to appear before you today to discuss officer personnel management and DOPMA.

Your marines are the foundation of the Marine Corps. They are the Corps' most critical resource and always will be. Your marines are recruited, trained, and retained and educated to win the Nation's battles. Everything we do in the Marine Corps must contribute to their readiness and lethality in combat.

Overall, recruiting and retention remain strong. We are bringing in and keeping young men and women whose past service and future potential makes the Corps stronger. Your marines are supported by a professional civilian workforce across the service, and they remain committed to the Marine Corps mission.

We appreciate the support of Congress, especially this subcommittee, for the increase in strengths and flexibilities that allow us to effectively manage our force. With the additional funding, this end strength increase will allow us to expand our capabilities to include cyber to meet the warfighting requirements.

We are working with the Department of Defense and other Services on the DOPMA study outlined in the NDAA. We are open to new ideas and improved officer management and retention such as providing lineal list promotion flexibility. When we look at DOPMA reform, lineal list promotion flexibility is the Marine Corps' number one priority. Lateral entry and ability to opt out are other authorities that can prove beneficial. We must remain adaptable and consider new ways to recruit and retain the high-tech force that we need for the future.

Chairman Tillis, I look forward to answering your questions.

If I just may add for the Marine Corps on the command board, I would pick commanders. We have separate command boards much like our promotion boards. We take a group of former commanders, sequester them much like a promotion board, and then they review the records, and then they provide recommendations to the Commandant.

[The prepared statement of Lieutenant General Rocco follows:]

PREPARED STATEMENT BY LIEUTENANT GENERAL MICHAEL A. ROCCO

INTRODUCTION

Chairman Tillis, Ranking Member Gillibrand, and distinguished Members of this subcommittee, thank you for the opportunity to appear before you today to discuss our officer personnel management and the Defense Officer Personnel Management Act (DOPMA).

YOUR MARINES

Since our founding in 1775, marines have answered our Nation's call, faithfully serving the American people and maintaining a standard of military excellence. Your Marine Corps is, and will continue to be, our Nation's expeditionary force in readiness. We are ready to rapidly respond to crises around the globe as a highly lethal combat or effective humanitarian force to ensure the continued security of the American people and to protect the interests that underpin our Nation. Marines will be *always faithful* to the trust which the American people have vested in them.

Your marines are the foundation of the Marine Corps. They are recruited, trained, retained, and educated to wear the Eagle, Globe, and Anchor with pride, and to fight and win our Nation's battles. They are smart, resilient, fit, disciplined, and motivated by a unique, unwavering esprit de corps. They are dedicated to upholding the honor, courage, and commitment of the generations of marines before them, and of our Corps.

Recruiting

Recruiting high quality youth and retaining those whose past service and future potential continue to make the Corps stronger are our highest priorities. The transformation of marines begins with entry-level training, whether it is recruit training, Officer Candidate School, or the United States Naval Academy, and continues throughout a marine's career. Today, through the hard work and diligence of our recruiting force we continue to identify high quality men and women of character who desire to take up our challenge to serve this great Nation as United States marines.

All recruiting efforts for the Marine Corps (officer, enlisted, regular, Reserve, and prior-service) fall under the purview of the Marine Corps Recruiting Command. Operationally, this provides us with tremendous flexibility and unity of command, facilitating efforts to meet accession requirements. The Marine Corps applies, evaluates, and refines proven, time-tested officer and enlisted recruiting policies and procedures that are reflected in the high mental, moral, and physical standards of our applicants, such as SAT, ACT, and ASVAB [Armed Services Vocational Aptitude Battery] testing; preenlistment physical screening and fitness tests; and security background checks and preenlistment screening.

Last fiscal year, we successfully achieved all enlisted and officer recruiting goals for both the Active and Reserve components. This year, we again expect to achieve our annual recruiting 'shipping' mission (i.e. new accessions sent to recruit training and Officer Candidates School) and quality goals. Moreover, our quality is historically high. The Department of Defense requires 90 percent of enlistees to have a high school diploma or equivalent (Education Tier 1), and 60 percent of enlistees to be in Mental Group I-III (assessed mental aptitude). Last year, the Marine Corps achieved 99.9 percent of Tier 1 and 72.3 percent of Mental Group I-III; we expect to be at or near these levels for fiscal year 2018. We did not assess any applicants in Mental Group IV in fiscal year 2017 and do not expect any in fiscal year 2018.

Retention

As the Marine Corps manages its force, and increases its end strength to 186,000, the challenge to keep high-quality marines in the service in a competitive civilian job market will continue. This is accomplished through a competitive career designation process for officers that has proven very effective. We expect to meet our overall retention goal again for fiscal year 2018.

Warfare has grown increasingly technical, so we need officers who are skilled and capable of operating effectively in highly technical areas, e.g. cyber, that are prevalent in all aspects of modern warfare. However, the most important qualities will remain leadership, performance, and the collective experiences—experiences that often take time—that imbue the officer with the knowledge and understanding needed to succeed in the myriad roles in which the officer will be called on to lead the men and women who serve our Nation in arduous conditions and austere environments.

A very real way to improve retention of officers with the leadership, skills, and experience for the current and future fight is to maintain and fund bonuses and in-

centive pays. We will increasingly depend on these incentives in the future in order to retain officers and enlisted marines in critical skills or in high-demand/low-density occupations. We recently reinstituted the aviation bonus for specific aviation communities experiencing shortfalls.

Continuing resolutions negatively impact our ability to use bonuses and incentive pays, capping them at previous fiscal year levels. This has affected our retention of aviators and other key skill sets because retention decision points are not made at the same rate during the fiscal year—they ebb and flow over the course of the year. To effectively employ these tools requires predictable funding streams. Because of continuing resolutions we have repeatedly been forced to delay payment of re-enlistment bonuses due to lack of funding. As a result we have failed to retain key officers and other critically skilled marines.

DOPMA

Enacted in 1980, DOPMA has proven to be a predictable and equitable way to manage the appointment, promotion, separation, and retirement of our officers. It has given us the tools to manage a large force, maintain healthy personnel grade pyramids, and build Marine Air Ground Task Force (MAGTF) officers with broad and deep skills. DOPMA has allowed us to create and maintain adequate promotion/retention flow within our officer corps. Our current system is merit-based (board selected) and promotes the best, most fully qualified officers. This system works exceptionally well for us because our inventory is created and maintained directly based upon structure (billet) requirements. The flexibility of the system allows the Marine Corps to design the ideal balance within the officer corps to respond to future requirements, stabilize the force, drawdown when required by Congress, and accurately program and budget the service military personnel account.

Over the decades as requirements have changed due to the changing strategic environment, DOPMA has evolved and been improved to allow us to properly manage our officers. Recent early retirement, voluntary separation, and time in grade waiver authorities have proven effective in allowing us to execute our recent drawdown and continue to shape the force. We thank Congress for these authorities and the myriad of other force shaping tools it has given us.

OFFICER MANAGEMENT REFORM

We are always assessing ways to create more flexibility to recruit and retain the officers we need to enhance our readiness and lethality. Increasingly, war fighting is becoming more sophisticated, technical, and complex. Cyber operations, information and electronic warfare, enhanced command and control, intelligence, engineering, civil-military operations, manned/unmanned teaming, robotics, and the leveraging of artificial intelligence are examples of critical skills we will need for the future fight. Creating incentives through continued reform will help us now and in the future.

Creating separate competitive categories for certain officer occupations is also being evaluated. We recently created a separate competitive category for our financial managers and will conduct detailed analysis to determine its effectiveness and the feasibility to implement for additional occupational fields.

Non-command career tracks are also being discussed. We are assessing whether this would result in adverse second-and third-order impacts for the Marine Corps. Any such tool must be implemented equitably; it is not something that should be offered to some, but not similarly-situated others. In addition, we must always remain vigilant about maintaining a high-quality pool of officers to consider for promotion. In some respects, our current ability to continue officers who are twice passed for promotion achieves the intent of the non-command career track, enabling officers with needed leadership and skills to remain in service, albeit at the same grade.

However, the Marine Corps depends on our foundational schools, training, and broadening tours within the MAGTF to increase skills and infuse our ethos and warrior culture. Although we have some occupational fields that we contract specifically for (e.g. lawyers, aviators) or manage and promote separately (e.g. financial managers), marines in these occupational fields all go through the same initial training as the rest of the officer Corps to earn the title marine. Any guidance to bypass these schools, training, or MAGTF broadening would be a significant change in Marine Corps officer management philosophy and should be approached carefully.

We look forward to working with the Department on the DOPMA study required by the fiscal year 2018 NDAA. We believe it will help guide future changes to how we manage our officers and better enable us to manage our exceptional talent.

CONCLUSION

The goal of officer management—and all force management—must be to create, maintain, and improve lethality and combat readiness. DOPMA has proven effective at doing so, but we are open to ways to improve it. The Marine Corps supports creating a highly flexible and agile statutory and policy framework for officer development and utilization. We welcome the opportunity to study and evaluate specific policies being proposed, including their impact on our current MAGTF construct. In doing so, making well-informed decisions based on rigorous analysis to ensure lethality, combat readiness, fulfilling operational assignments, and the overall needs of each Service are paramount.

Thank you again for the opportunity to present this testimony.

Senator TILLIS. Vice Admiral Burke, do you want to weigh in on that one? I was going to get you on the tail end.

Vice Admiral BURKE. Yes, sir. Sorry I did not answer up front.

It is not a trust issue for not allowing the commanders to pick their crews, but it is more of a time issue, minimizing their distractions. But we do recognize the need to allow them to pick their talent in an effort to also make sure there is an adequate talent distribution across the fleet, that you do not have too much of a concentration in one area and a lack of talent on another ship or another squadron.

But we have piloted an effort under our Sailor 2025 efforts that we call detailing marketplace, which is very much a version of LinkedIn for the Navy. Sailors get to put an enhancement to their service record that puts additional information why they think they are the prime pick for that job and communicate directly with the commands. So it is information in addition to their educational and job and experience records and then communicate directly with the commands to sort of negotiate and sell themselves and increase the transparency in the process for the sailors which gives them a lot more confidence. It also allows a little bit of horse trading in terms of preferences and allows the commanders to be much more involved in seeing the entire field instead of having an external agency do invisible talent matching for them without them being able to see the whole thing.

So we are on our sixth pilot for that right now. We have done a mix of officer and enlisted community pilots, and we will be fielding it when our new information technology rolls out here this summer. We are going to be doing it on sort of handheld-based devices in about the August time frame.

Senator TILLIS. Admiral Burke, I also wanted to thank you for the time you spent with me in the office. You talked about the “up or out.”

[Audio disruption.]

Vice Admiral BURKE. Yes, sir. In the cyber world, again, the Navy experience, which I would say is not unlike the other Services—we have a curriculum at the Naval Academy established in 2013. It was accredited just last year, and the first graduates graduated in 2016. In the class of 2019, we will have about 30 cyber warfare qualified graduates directly commissioned into that community. But for the most part, it is our cryptologic warfare folks from that community who also cover down on the cyber warfare mission, the offensive part of it. Our information professional community handles the defensive part. Then our technical subject-matter experts are a new LDO, limited duty officer, community that

we created, and we are tapping senior enlisted cryptologist talent to fulfill those roles. We are kind of broadening that talent pool as well.

The one area that was a new mission area for us that we are having particular challenges with is in the cryptologic warfare—or rather, the cyber warfare engineer realm. These are the folks that write the software, do the coding for the offensive operations, very much in high demand within other government organizations, as well as in the civilian community. Right now, we are directly commissioning those folks and growing them in a relatively limited officer community pool. Right now, it is an O-1 to O-3 type of community. We have got about 40 officers in the program. You gave us some relaxed authority to do a direct commission option with the ability to give 3 years constructive credit, but that is kind of O-1 to O-2 pay, which still leaves you in the mid \$40,000 initial salary hiring range, give or take. What we are finding is those folks are in high demand elsewhere, and they are being hired in the hundreds of thousands of dollars a year salary range.

Senator TILLIS. I was about to say \$40,000 could be the signing bonus.

Vice Admiral BURKE. Right.

Senator TILLIS. Similar experiences in the other service lines?

Lieutenant General SEAMANDS. Yes, sir. We are running the pilot and we appreciate the authority to bring in people with up to 3 years. We would like to see that expanded just like with AMEDD [Army Medical Department] to bring in more senior people. Related to that may be a relaxation of the requirement to have 20 years active commissioned service by the age of 62 because we think there may be some people in industry or academia who would come in if they came in as a major or lieutenant colonel and they may be a little bit older and be able to bring that experience and education to us. But I would echo the Admiral's comments.

Senator TILLIS. General Grosso?

Lieutenant General GROSSO. Chairman, I would just echo that. The cyber career field for the Air Force is an example, which Dr. Chu described as a cylinder. So that is where that constructive credit really helps because you could bring a talented person in at that field grade level rather than take 10 years to grow them. So I would just echo constructive credit would be tremendously helpful for us.

Lieutenant General ROCCO. In the Marine Corps, we are still developing it. We have marines right now, both enlisted and officers, doing cyber missions both on the offense and defense. We have, granted, a tyranny of small numbers, but we are bringing marines from other fields, be it the intel field, the information operations field, cryptologists. We are bringing in marines who have a propensity for that skill, bringing them in directly into MARFORCYBER [U.S. Marine Corps Forces Cyberspace Command], sending them off, getting their qualifications, and then putting them to work in the cyber field.

Senator TILLIS. General Grosso, I wanted to ask you a question. I know it was a topic that was discussed before the full committee.

First, I know that you do have some widespread shortages among mid-grade officer ranks. There was a decision to move forward with

offering a 100 percent promotion opportunity. I believe at the time in the hearings, if my memory serves me correctly, that was not a permanent strategy but was in place to deal with some of the challenges that you have.

Over what period of time do you think you will continue to maintain that policy? If you moved beyond that, then how have you fixed the problem or was this just an episodic strategy?

Lieutenant General GROSSO. Well, as we find we have got continuing growing end strength, we have shortages in the field grade, every non-rated field grade skill set. So that is why we went to a fully qualified promotion. That board is complete, but it is making its way through the process and the Secretary has not seen it yet. So once the Secretary approves that, we will definitely come over and share the results with you. So I think it is too early to give you a good answer on what the future is because I think we are going to see how did that board do, was the Secretary comfortable with the results. That decision was made just as she was coming on.

But I do think that constructive credit helps because our shortages are at that field grade level. So how we get talented field grade level in, we are leveraging the Reserve component. It sort of gets to what Dr. Kane was talking [about]. Can you keep the talent that you have if it is performing well? Can you bring talent in at that mid-level as it takes us time to grow the force? But it definitely would not be a long-term thing because eventually we are assessing enough to grow into that.

Senator TILLIS. Thank you.

One of the things that I asked the prior panelists and a broader group that we met with last week was on the areas of how much of this could be fixed through more effective use of flexibilities you have today. So if we came back with a long list of tools that you already have in the toolbox that you are not using, are there any ones that you have looked at and think that they are not necessary? I mean, is there just this muscle memory and you have not gone back to really fully explore what authorities you already have, or have there been thoughtful reasons why certain authorities you do not think are particularly helpful that others may think you should use?

We will just go down the line. We will start with General Rocco.

Lieutenant General ROCCO. We currently feel we have flexibility within the current DOPMA system to do much of what we did. As I discussed in my opening comments, our number one priority is the merit-based lineal list adjustment. So we can reward those high performing officers, those men and women that perform well ahead of their peers. So we feel if we have that adjustment, that will go a long way in solving some of the other issues we have.

Again, when we talk about DOPMA and we talk about not having enough or having too many at certain levels, at least in the Marine Corps, we are not at our DOPMA ceilings for the numbers of officers. We promote based on requirements, not just based on somebody who wants to hang around. I think our promotion rates kind of support that where we retain, for the most part, the best and the brightest with an 85 percent promotion rate to captain, 70 percent to major, and so on and so forth. If you do make lieutenant

colonel, which is about a 60 percent promotion rate, you can stay to 28 years.

One of the things I noted from the previous panel that I wrote down that we are going to pursue is the retire/retain. I fully agree with some of the members of the last panel. At 30 years, the requirement is colonels need to retire. We do have a retire/retain, but we need to pursue that I think a little bit further.

Lieutenant General GROSSO. Mr. Chairman, I think as we embark on this full-scale review of our promotions and evaluations, you will see us taking advantage of all of the flexibilities. I think you will see increased competitive categories. You will see some technical tracks as we do some modeling on that. So I think those flexibilities are very much appreciated, and I think we just culturally were not at a point where we were comfortable using them. But I think you will definitely see that in the next couple years.

Senator TILLIS. Thank you.

Admiral Burke?

Vice Admiral BURKE. We are confident that the things that we are asking for—we have exhausted the full range of the authorities that we have. We have done a lot of things under Sailor 2025, and we have multiple year groups in a single promotion board. We have blinded our promotion boards to zones. We have had boards at the O-6/O-5 level where we have picked up to the maximum allowable numbers of below zone folks because we have blinded the boards to the zone of those folks. So they are picking purely on talent.

We stood up an Office of Talent Optimization. We have relaxed our officer program age restrictions to the maximum extent possible unless there are physiological limitations.

You helped us remove the last remaining restrictions on the career intermission pilot program, and we are probably the biggest user among the Services. We have had tremendous success with aviation department heads who are now females that had children, and those women are now squadron commanders of aviation squadrons.

The fleet scholar education program that we put in place tours with industry. We are experimenting with targeted reentry for Reserve component folks to bring them in in an expedited manner, but we are still limited by the scrolling process, which is one of the things that we hope to speed up as part of our Active to Reserve component permeability, the idea being, as Lieutenant General Grosso mentioned, the ability to move back and forth quickly.

Then all these concepts of a merit-based component to the pays that are just completely lacking. The current statutes allow for, if you interpret them liberally which we would do to the maximum extent possible, as we have been encouraged to do—you could put a merit-based component to some of the retention and enlistment bonus authorities, but not solely a merit-based pay. So that is the thing that we think we are lacking.

But we have had tremendous support within OSD and the Secretary of the Navy to use that full latitude in the things that we are asking for to build that sort of new pyramid and put incentives based on good performance and examine some of the ways to remove some of the disincentives. I think we are at the point where we need to change some statute.

Thank you.

Senator TILLIS. Thank you.

General Seamands?

Lieutenant General SEAMANDS. Mr. Chairman, we are starting our review to find out what authorities we need. Every time I come over and get a chance to talk to the PSMs [professional staff members], they enlighten me a little bit about existing authorities and help me get to where I need to be.

The Secretary of the Army, who you recently confirmed, has been very clear that he is all about talent management, and so as we start peeling back all the challenges and issues we face, I suspect we will explore and discover some cases where we have existing authorities we did not realize we had. But I think for the most part we understand what they are and employ them already.

Senator TILLIS. Well, thank you all. I just wanted to say I think the discussion that we had around the work and sharing information that goes beyond the personnel file was interesting, either the LinkedIn for the Navy. Did you refer to that as the IAM program?

Lieutenant General SEAMANDS. Yes, sir, IAM 2, and eventually that will be incorporated into our IPPS, or integrated pay and personnel system.

Senator TILLIS. I do think going forward it would be interesting to see—I can see where that provides I think better visibility into the resources available from the perspective of optimizing who ultimately gets the assignment and having the command involved in that.

I would like to go back and talk about the other piece, which is really understanding the person. So you have got their skills and their past experience, and then the person, back to some of the testimony that Mr. Kane raised particularly around folks that we may be able to find are moving through the system where their next superior should be aware of certain behaviors they should look out for, particularly around sexual assault. So I will be interested to have that discussion subsequent to the committee.

Ranking Member Gillibrand?

Senator GILLIBRAND. Thank you, Mr. Chairman.

I want to follow up on the sexual assault issue. Lieutenant General Grosso, prior to your current assignment, you served as the Director of Air Force Sexual Assault Prevention Response in the Office of Vice Chief of Staff. In this discussion on officer personnel reforms, I think it is important that we note the recent changes in career specialization for military lawyers. Specifically, in the last two NDAA's, the committee has included language creating a pilot program to evaluate and improve specialization in criminal litigation, as well as to offer career progression in that field and improve specialization in criminal litigation, as well as to offer career progression in that field that is equivalent to other military lawyers. We did this because we recognized the benefit to Services in having trained, experienced litigators dealing with the most serious criminal cases, including sexual assault.

I know that the Navy has already developed a complex litigation track. Can the other Services please talk a little about how they have approached this pilot program? You can go first, if you want.

Lieutenant General GROSSO. Senator Gillibrand, ma'am, we have implemented a litigation track. We bring in about 120 new JAGs a year, and all of them start with getting prosecution training. They pick the best of those, and they give them additional training. So they will increasingly specialize and stay on that litigation track. Now, obviously we are just starting this, and we are learning from the Navy. So we will watch along the way how it goes. We would like to come back to you in a couple years.

One of the things that our TJAG [The Judge Advocate General] is cognizant of is that this litigation is very taxing emotionally and mentally. So how do we think about taking care of them? One of the ideas that has come up is a career intermission program. So we are committed to creating a litigation track and helping these litigators be successful throughout their career. We will watch the promotions as well. That is one of the things, should we make them their own competitive category? I think it is too soon to tell, but we will definitely be watching that and then watching their wellbeing and see if we need to think about something like an intermission program if they need some time away from the litigation and the stress of the litigation.

Lieutenant General ROCCO. Ranking Member Gillibrand, from the Marine Corps at the bases and stations, we have litigators or we have SJAs [staff judge advocates] that do nothing but sexual assault cases. So we have set those folks apart. We have also hired subject-matter experts to provide counsel for those lawyers that are dealing in nothing but sexual assault cases.

As far as SJAs, we only have one special selection category in the Marine Corps. You are either restricted or a comptroller. We are looking at expanding that to SJAs and some other MOSs [military occupational specialties].

Thank you.

Lieutenant General SEAMANDS. Senator Gillibrand, thanks for the question.

Within the Army, we have started a pilot that creates a separate litigation track to hone those skills over time to allow the prosecutors to continue to have repetitive assignments in that area. We have also identified a skill identification or additional skill identifier for those prosecutors that would track them, not only that they occupy the position but also their experience in terms of the number of cases they have tried and that kind of thing so we can track the experience over time. We are also watching the promotion boards to make sure that those officers identified are promoted at or above the average for everybody else. Additionally, we have increased the training for those people along that career track to make sure they understand and can hone their skills to better support the victims.

Senator GILLIBRAND. Do you want to say anything, Vice Admiral?

Vice Admiral BURKE. I think you are familiar with our career track, ma'am. Again, we are specializing at the O-4, O-5, and O-6 level. It is about 10 percent of our judge advocate general corps. So right now it is right around 90 judge advocate generals. Then they get in that career track and they stay on the prosecution path. We are going to be expanding it slightly over the course of the next year to about another 10 specializing in that area. But they do oc-

casionally alternate out into judge roles as well, as well as victim legal counsel to provide the respite from the fatigue that General Grosso mentioned, but they are still very close to the courtroom environment continuously.

In terms of the promotion protection, we do provide language in the convening order for the boards that directs the boards of the special and critical role that the military justice litigation career track plays for good order and discipline and accountability, which is very important for the Navy. It directs the board to favorably consider the valuable contributions of superior performance in that career track. As a result of that language in the convening order, we monitor and ensure that they have a higher than average for the judge advocate general corps promotion rate, which they have enjoyed.

Senator GILLIBRAND. So would you recommend this to the other Services?

Vice Admiral BURKE. The convening order language is an effective tool for the way the Navy boards work. I do not know if it has the same dynamic in the other Services, but it is effective for Navy board dynamics. Yes, ma'am.

Senator GILLIBRAND. How, if at all, do you think these programs can serve as a model for other specialty and highly trained career fields?

Lieutenant General GROSSO. Senator Gillibrand, I would say that is what we are thinking about for the technical track. What does that look like? What is the path? What is the compensation that was brought up by our distinguished panel members before? So anybody that needs to specialize in something, to your point earlier, we grow breadth but not depth, and that is something that we are looking at as we relook our performance management system. I think you have given us a lot of tools, and that is where we will come back to you if we think we do not have enough.

Lieutenant General ROCCO. Ranking Member Gillibrand, from the Marine Corps, we are certainly open to taking a look at all of that. One thing we have found that even with pilots in aviation that we have looked at in detail, we have come to find out that marines like being marines first. Even myself, on a personal note, having spent 7 years in my first squadron, I was ready to leave the squadron and do some other marine things. We found that throughout the fields, whether it is lawyers, whether it is pilots or comptrollers for that matter. So we are looking at that. We are open to that.

We realize the technical field, cyber in particular, is something that we need to take a hard look at because the moment you leave that field, I think the spill-up time if you come back to the expert that you were is probably a little bit longer than some others. So we are sensitive to that fact. So we are looking at cyber in particular as a separate career track.

Senator GILLIBRAND. May I ask one more question on this line?

What other reforms are necessary to ensure we have trained, experienced military lawyers in the courtroom and that their career progression will not be harmed by their choice to specialize in this important field?

Lieutenant General ROCCO. Ranking Member Gillibrand, we are looking at SJAs as a separate competitive category so we ensure that we have the right people in the right places at the right promotion rate and then promoted, if not at fleet average, but higher than the fleet average.

Lieutenant General GROSSO. Senator Gillibrand, we already have a separate competitive category just for lawyers. So I think as we embark on our litigation track, we just need to watch that yearly. I took a note to—I think the MOI [military occupational information]—get the language right in the MOI and then see how we are doing. Are we accomplishing what we want? Are they competing; are they not competing? Then what are we going to do to fix it.

Vice Admiral BURKE. Yes, ma'am. We are using the separate competitive category already, and it has panned out well. The protective language for this particular career track has been successful. To your earlier question, I think this type of career track model is exactly to our vision of the “up and stay” kind of model. So I think it has a lot of applicability for other technical career fields in specialization, exactly what we are thinking.

Senator GILLIBRAND. Great.

Lieutenant General SEAMANDS. Senator Gillibrand, within the Army, we compete our JAGs within a separate category, and we do have the MOI, as the other branches talked about, where we focus and highlight things for the board to do. With the skill identifier, we also have the ability to have a requirement that so many people in that specialty are picked. So we continue to monitor that.

As the Admiral did, going back to the previous question, we have set up a separate category called information dominance for our cyber technical officers. What we found is in the last 2 years, we have had two majors, two lieutenant colonels, and two colonels boards, and each time the cyber officers have competed at or above the same level in terms of the results of the other categories. So they are performing. I think we are picking the right officers. We have kind of designed the information dominance to be a Petri dish, if you will, to test things and make sure that we get it right, things that we could possibly apply across the entire force.

Senator GILLIBRAND. Great.

Thank you, Mr. Chairman.

Senator TILLIS. Thank you, Senator Gillibrand, and thanks to all of you. We feel like that there is a lot that works in DOPMA and that we do not want to break something that is not broken.

I also think that your active engagement, as we go through the process—we think that there are areas that we can improve that we are going to work on language, and we want your active participation in that.

One thing that maybe you should consider—we will keep the record open for a week, and for any of the panelists, the prior panel or this panel, I would like your feedback either through the formal channel or the committee or through communication with my staff and the committee staff of some of the things that—a kind of a start/stop continued assessment of current practices that you would like to make sure for considering changes that we are vetting them with you and make sure that it is helpful.

You do a great job. It is an honor to have a panel like this before us. We want your continued collaboration in the process, and we appreciate you being here today and your service to our great Nation.

We will be, again, keeping the record open for a week, and thank you.

This meeting is adjourned.

[Whereupon, at 4:32 p.m., the committee adjourned.]

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR BEN SASSE

MARINE CORPS DIRECT COMMISSION AND LATERAL ENTRY PROGRAMS

1. Senator SASSE. Lieutenant General Rocco, the Marine Corps is very serious about Marine officers earning the right to wear the Eagle, Globe, and Anchor by completing Officer Candidate School or commissioning through the United States Naval Academy. Following commissioning, officers attend the 6-month long Basic School in Quantico, Virginia. Does the current Marine Corps model of officer commissioning and training, which requires the longest basic training program of all the services, hinder its ability to recruit officers with highly technical backgrounds needed for fields like cyber? Has the Marine Corps considered any type of lateral entry or direct commission program for officers with needed technical skills?

Lieutenant General ROCCO. The Marine Corps has had no issues attracting highly skilled and qualified marines across a diverse population. The current model develops and instills the necessary skills and ethos demanded of a Marine officer to capably employ combined arms in a variety of complex and technical fields. Experienced and well-rounded Marine Air-Ground Task Force officers are foundational to the Marine Corps lethality and the expeditionary capabilities unique to our Service. Additionally, we are still developing a cyber occupational field. Until we have identified and developed the requirements for cyber, it is too soon to tell what the impacts on recruiting will be.

Lateral entry has been considered within the constructs of title 10, but the Marine Corps is not currently pursuing this avenue. The USMC may see future benefit to lateral entry or constructive credit, however potential impacts to promotion and retention must be carefully studied.

PROFESSIONAL MILITARY EDUCATION

2. Senator SASSE. Lieutenant General Seamands, Vice Admiral Burke, Lieutenant General Grosso, Lieutenant General Rocco, given that a newly commissioned second lieutenant with a Cyber Military Occupational Specialty (MOS) will not be taught by officers who have only served in the cyber field, what steps are you taking to ensure that in 20 years, these cyber officers will have the same skill level as their peers in armor, logistics, aviation, supply, or artillery?

Lieutenant General SEAMANDS. This challenge is being addressed in three phases and will ensure that the cyber officers instructing cyber officers will have the same skill level as their peers. The three-phase solution includes: (1) select the highest quality contracted instructors, many whom have Cyber Mission Force or similar experience, to instruct our newly appointed cyber officers; (2) replace contracted instructors over the next 1 to 5 years with cyber officers who have served a tour of duty in the Cyber Mission Force; and then (3) assign, within 6 to 8 years, cyber officers who have spent an entire career in the Cyber branch to the Army Cyber School to instruct newly appointed cyber officers.

Vice Admiral BURKE. Navy currently has three officer designators that distinguish specialization within the cyber community. Cryptologic Warfare (1810) officers, specialists in Signals Intelligence (SIGINT), Offensive Cyberspace Operations (OCO) and Electronic Warfare, have been serving at the forefront of those disciplines since World War II. Information Professional (1820) officers, specialists in communications and Defensive Cyberspace Operations (DCO), have been continuing to mature these fields since the designator's inception in fiscal year 2002. Cyber Warfare Engineering (1840) officers, established in fiscal year 2010, are specialists within the cyber community as software developers, programmers, and cyber capability developers. By having specialists in OCO, DCO and cyber capability development, we are uniquely postured to ensure each designator is able to respond to constantly evolving demands on Navy forces within the cyber domain. This ensures cyber officer

skill levels are commensurate with specialties officers in other warfare areas develop over the course of their careers.

Lieutenant General GROSSO. The Air Force utilizes a combination of military, civilian, and contractor instructors in our cyberspace initial skills and advanced level training. Instructors are selected based on their experience as cyberspace operators and their mastery of the associated technology. We deliberately select military instructors with strong operational experience to ensure the latest operational perspective, experiences, tactics, techniques and procedures are provided to students. Additionally, the Air Force has implemented a self-paced learning program for the enlisted force and are looking to begin a pilot program for the officer corps.

Lieutenant General ROCCO. Warfare has grown increasingly technical and operations in the information environment have become vital to set the stage for success before battle is ever enjoined. Skilled and capable officers who operate effectively in highly technical areas like cyber have many of the same qualities we want in all of our officers. Valued for their skills, our cyber professionals must first and always develop and exercise basic principles of leadership required in marines of any background. The most important qualities in the force remain leadership, performance, and the collective experiences that imbue the officer with the knowledge and understanding needed to succeed in arduous conditions and austere environments.

All Marine officers receive a diverse array of training anchored in a common core at The Basic School. Marine officers with expertise in cyber have historically originated from all over the Corps. Talent has been harvested across various specialties, but at the present time, most of that expertise taught routinely in the Intelligence and Communications fields will be coupled to support the 17xx Cyber Occupational Field. Over the years, marines have built a significant trove of tactics, techniques, and procedures that undergird our approach to training. The development pathways continues to evolve for cyber professionals in the DOD, and the Marine Corps continues to adapt to meet shifts in technology. The Marine officers who enter the cyber field will learn these hard-won lessons accumulated over time and be challenged to meet high technical standards along the way.

MAXIMUM AGE FOR COMMISSIONING

3. Senator SASSE. Lieutenant General Seamands, Vice Admiral Burke, Lieutenant General Grosso, Lieutenant General Rocco, each of the Services has instituted a lower maximum age for incoming officers than DOPMA requires. Given that each of the service secretaries can waive this requirement, how often have they done so and how do they see waivers factoring into their ability to bring civilians with cyber expertise into the military?

Lieutenant General SEAMANDS. The Army routinely exercises the authority to grant age waivers for officer candidates, particularly for those with special skills, granting nearly 1,000 in the Regular Army alone since 2014. The Army normally seeks to minimize waivers within basic branches in part because physical demands are highest on young lieutenants in these branches and individuals older than 35 have a more difficult time keeping pace with younger soldiers. The Cyber branch direct commissioning program under Army Directive 2017-26 does not employ a fixed age limit in policy. In practice, we still prefer younger applicants, but the Army already considers individuals up to the statutory limit based on the skills, education, and experience they have.

Vice Admiral BURKE. Applicants for Cryptologic Warfare (1810) and Information Professional (1820) designators may enter the Navy up to 42 years of age at time of commissioning per 10 U.S.C. §532. In fiscal year 2010, we established a Cyber Warfare Engineering (1840) officer designator, and set the maximum age at 35 years old at time of commissioning. We granted one age waiver in 2017, and have since decided to revise the maximum age at 42 years at time of commissioning.

Lieutenant General GROSSO. In the past 3 years, the Air Force has approved 5 requests across all career fields. Though these requests are rare, the Air Force increased the maximum age for commissioning from age 35 to age 40 in August 2017. This increase provides the Air Force a wider pool of applicants and affords highly qualified individuals the opportunity to receive a commission through the Air Force. All waiver requests are thoroughly reviewed.

Lieutenant General ROCCO. Over the past 3 years, 90 age waivers were submitted and routed for higher approval. Of those waivers, 75 were approved (83 percent approval rate) that facilitated the applicant to continue their process in the officer program which they were pursuing. In fiscal year 2017, Marine Corps Recruiting Command was delegated the ability to approve waivers submitted for applicants that are between the ages of 27 years 6 months and 29 years old. This lower level of age-waiver approval authority expedites the application and approval process.

4. Senator SASSE. Lieutenant General Seamands, Vice Admiral Burke, Lieutenant General Grosso, Lieutenant General Rocco, does the lack of a national cyber strategy or cyber policy impact your Service's thinking on age waivers and the minimum number of years a newly commissioned officer could serve before reaching mandatory retirement age?

Lieutenant General SEAMANDS. While a national cyber strategy and policy would certainly help inform our decision-making, current accession planning uses all available authorities to pursue highly qualified cyber specialists.

Vice Admiral BURKE. The lack of a National Cyber Strategy or Cyber Policy does not impact our views on age waivers or the minimum number of years a newly commissioned officer can serve before reaching mandatory retirement age.

Lieutenant General GROSSO. The lack of a national cyber strategy does not impact the Air Force's thinking on age waivers. The Air Force bases recruiting and accession efforts on mission requirements and has not seen any notable amount of age waiver requests across all career fields.

Lieutenant General ROCCO. The cyber field has not impacted our views on age waivers and the minimum number of years a newly commissioned officer could serve before reaching mandatory retirement age. While the Marine Corps has instituted a lower maximum age for incoming officers, the flexibility provided under DOPMA allows us to waive the service age requirement if a candidate is exceptionally qualified.

RECRUITING AND RETAINING OFFICERS IN THE CYBER FIELD

5. Senator SASSE. Lieutenant General Seamands, Vice Admiral Burke, Lieutenant General Grosso, Lieutenant General Rocco, explain how your Service intends to recruit and retain qualified officers in the cyber field, how it plans to expand their skill sets while they serve, and how, if at all, DOPMA's existing structure makes these tasks more difficult.

Lieutenant General SEAMANDS. The Cyber Branch intends to continue to recruit the bulk of our cyber officers via the ROTC [Reserve Officer Training Corps] program (55 for fiscal year 2018), USMA (20 for fiscal year 2018), and OCS (12 for fiscal year 2018); however, we are expected to access several additional cyber officers in fiscal year 2018 via the Cyber Specialty Direct Commission Pilot Program, which runs through January 2022. Broadening assignments such as Training with Industry and Advanced Civil Schooling provide opportunities for advanced education and real-world experience, which enriches the officers' skill-sets and aids in retention. While some modifications could be made, DOPMA's existing structure does not significantly impede development or retention. We would ask that future revisions to DOPMA expand the accessions authority by removing or increasing the caps on constructive credit to allow for lateral entry at higher grades. For instance, as currently drafted, 10 U.S.C. 533 does not allow the Army to exceed a 3 year credit for a cyber officer. Highly qualified applicants sometimes have a PhD and multiple years of high level experience. These individuals are needed in management positions at higher grades and not as captains. The lack of authority to make these individuals majors or lieutenant colonels impacts the ability to recruit certain talent sets.

Vice Admiral BURKE. Navy's core cyber officer designators are Cryptologic Warfare (1810), Information Professional (1820), and Cyber Warfare Engineering (1840). Continuation rates for each designator remain at, or above, Navy averages. Each has consistently met targeted accession goals, and promoted at the same rate, or more quickly, than the officer corps in the aggregate. To expand their skills while they serve, we have developed tailored training that enables cyber workforce personnel to effectively conduct offensive and defensive cyber operations. For instance, cyberspace operations training is being delivered to an increasing number of officers through professional military education, and undergraduate and graduate school curriculums. We have also integrated cyber training into other leadership development courses throughout the ranks. Finally, systems and operational commands identified enhanced users requiring specialized cybersecurity training based on the roles they perform e.g., certain engineers will receive training designed to help better defend unique networks and systems. The Defense Officer Personnel Management Act (DOPMA) structure does not allow enough constructive credit to recruit and retain Cyber officers with high end skills. Reforming DOPMA will offer greater flexibility for accessing the talent we need and in responding to increasing retention challenges caused by the improving economy and growing demand for cyber skills in the civilian sector.

Lieutenant General GROSSO. The Air Force continues to fill the cyber field with highly qualified candidates. Requirements are met through aggressive advertising and marketing campaigns in addition to recruiters participating in cyber related

events. These events include FIRST Robotics, Science and Engineering Festival, Drone Racing League, eLeague and Major League Hacking along with several other STEM and cyber related events. To expand skillsets, cyber officers are sent to deliberate and specialized Air Force and industry training at key development points in their careers. At this time, DOPMA's existing structure does not negatively impact our recruitment or retention efforts.

Lieutenant General ROCCO. We welcome additional authorities and flexibilities as long as they are left up to the discretion of the Services to utilize and are not mandated.

Our top priority at this time is the authority to adjust lineal numbers on a promotion board based on merit. Our approach to developing officers in the cyber arena is similar to how we retain other highly skilled professionals. Similar to ground, law, and air contracts, a Marine Corps cyber contract is being considered for implementation to identify and nurture those with talent in cyberspace operations. The USMC may see future benefit to lateral entry or constructive credit, however potential impacts to promotion and retention must be carefully studied. Given the size and composition of our force, these measures are not indicated at this time.

A very real way to improve retention of officers with the leadership, skills, and experience for the current and future fight is to maintain and fund bonuses and incentive pays. We will increasingly depend on these incentives in the future in order to retain officers and enlisted marines in critical skills or in high-demand/low-density occupations.

QUESTIONS SUBMITTED BY SENATOR CLAIRE MCCASKILL

LOSSES TO THE CIVILIAN SECTOR

6. Senator MCCASKILL. Lieutenant General Seamands, Vice Admiral Burke, Lieutenant General Grosso, Lieutenant General Rocco, besides cyber and aviation specialties which other Military Occupational Specialties is the military at the greatest risk of losing talented personnel to the civilian sector and what reforms to DOPMA are necessary to address these challenges?

Lieutenant General SEAMANDS. Other than the specialties you have identified, our models have not identified any additional specialties that would require any reform to DOPMA as our authorized retention tools have proved adequate. Like they do in any large organization, people depart the Army for a variety of reasons. Our analysis provides that we retain the vast majority of our most talented officers and non-commissioned officers. While some attrition is necessary to maintain a balanced force, selective changes to the up-or-out provisions and flexibility on when promotion consideration occurs may be helpful in retaining top talent in certain specialties.

Vice Admiral BURKE. While all officer communities are at risk to losing talented personnel to the civilian sector, Surface Warfare (nuclear) and Naval Special Warfare are the other Navy communities at greatest risk. We support the ongoing assessment of the Defense Officer Personnel Management Act (DOPMA), directed by the National Defense Authorization Act of Fiscal Year 2018, and are particularly interested in reforms that would increase career flexibility and potentially improve retention through promotion merit reordering, deferral of promotion consideration, and increasing permeability between the regular and Reserve components.

Lieutenant General GROSSO. The skills, training and work ethic of our airmen are consistently sought after by the public sector. Recognizing that an improving economy could impact retention, the Air Force has looked to industry and academia to link economic indicators to Air Force specialties. This linkage assists in predicting future retention trends and the opportunity to offset with various force management programs such as retention bonuses in hard-to-fill specialties like cyber system operators, combat controllers and airborne linguists. The Air Force analyzes manning, retention, retention trends, and training costs to determine which skills to consider for bonuses while accounting for losses to the civilian sector. The Air Force continues to assess the impacts of the increased authority for constructive credit and the authority for direct commissions for cyber officers, and will evaluate the need of any further changes to authorities within DOPMA.

Lieutenant General ROCCO. The Marine Corps closely monitors the inventory and retention of all MOSs to ensure we maintain a healthy officer corps. There are no additional MOSs that we assess as high risk to losing personnel to the civilian sector. Currently DOPMA provides ample flexibility to retain and manage the force.

ACQUISITION SPECIALISTS

7. Senator MCCASKILL. Lieutenant General Seamands, Vice Admiral Burke, Lieutenant General Grosso, Lieutenant General Rocco, with officers rotating to new assignments approximately every 3 years, there is a significant amount of institutional turn over which often leads to challenges in accountability when defense programs are delivered late or over cost. What reforms to DOPMA would you recommend to help the Services maintain continuity within the acquisition and program manager fields and Congress exercise its accountability role over the Department of Defense?

Lieutenant General SEAMANDS. While there is rotation of personnel within the acquisition and program manager fields, the statutory tenure for all critical acquisition positions is 3 years, while Project Managers of Major Defense Acquisition Programs have a 4 year statutory tenure. I am aware the Assistant Secretary of the Army (Acquisition, Logistics and Technology) intends to review personnel management of our acquisition personnel. It would be premature for me to comment on any recommended changes to DOPMA until the review is complete.

Vice Admiral BURKE. Navy supports the ongoing assessment of the Defense Officer Personnel Management Act (DOPMA) directed by the National Defense Authorization Act of Fiscal Year 2018. We believe that reforms that would authorize promotion merit reordering, voluntary deferral of promotion consideration, and lateral entry, could help maintain continuity within the acquisition and program manager fields, while preserving Congress' accountability role over the Department of Defense.

Lieutenant General GROSSO. Changes to DOPMA are not necessary to maintain continuity within the acquisition and program manager fields and to assist Congress in its accountability role over the Department of Defense. The 2016 NDAA pushed for increased accountability and stability in major defense acquisition programs by tying tenure for lead Program Managers and other key personnel to critical milestones within a program's development schedule (Milestone B and Initial Operational Capability) versus a set 4-year duration. Furthermore, the civilian acquisition workforce provides program continuity in the instance of military rotation. Since the acquisition workforce is comprised of 76 percent civilians, the civilian workforce has a pronounced effect on program continuity and stability. There are a large number of civilian leaders assigned to the various program offices that provide further continuity.

Lieutenant General ROCCO. Marine Corps acquisition officers are not subject to normal assignment policy in terms of duration or Time on Station. Turnover does not lead to accountability issues. Marine acquisition officers are leading the Marine Corps acquisition programs. When a marine is selected to fill key leadership positions or critical acquisition positions, the Marine Corps' assignment policies do not interfere with the marine's acquisition program duties and responsibilities, nor do they prevent full execution of statutory tenure requirements. Program execution challenges, if they exist, are independent of USMC assignment policy and DOPMA requirements.

