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FOR PERSONNEL AND READINESS

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ON MILITARY PERSONNEL POLICY

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Madame Chairwoman, Ranking Member Kelly, Members of the Subcommittee, thank you for inviting me here this afternoon for your hearing on outside perspectives on military personnel policy. The views that I express today are my own, based on my past experience in the Department of Defense, and should not be interpreted as reflecting the position of my employer, the Institute for Defense Analyses.

Even more than technology, our greatest military advantage over our competitors is our people: our Armed Forces are filled with countless highly-trained professionals, including officers whose leadership qualities are the envy of the world. The capability of our total force – officer and enlisted, active duty and reserve, military and civilian, organic and contractor – is multiplied many times over by the exceptional quality of our recruits and the unparalleled levels of their training and education.

Building and maintaining that human capital is an ongoing challenge. Only about one in six of our young people today meet the academic standards for recruitment and are otherwise eligible to serve. The numbers are even smaller when you look at high skills – such as technological savvy and computer literacy – that are increasingly needed for the future force. That is why our search for talent must draw on every sector of our society. Without women, for example, our force would not only be smaller, it would also be significantly less capable.

You have asked me to focus my testimony today on recent legislative changes to our officer personnel system.

The starting point for this discussion should be an understanding not only of what is broken, but also what is *not* broken. In my view, the up-or-out system

embodied in the Defense Officer Personnel Management Act (DOPMA) of 1982 continues to play a vital role in providing the stability and predictability that young officers need to plan careers and that personnel chiefs need to plan the future force. It also contributes to the development of our young 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.

That does not mean that the current system is perfect. Far from it. Over the last decade, 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 decry a "cookie cutter" system that rewards risk-avoidance and churns out officers who look like their peers, rather than the innovative, creative talents that today's military needs.

As a result, some have argued in favor of more choice for individuals, greater emphasis on merit over seniority, and more flexibility in career management. Others have advocated more radical approaches, such as eliminating the "up-or-out" policy, scrapping mandatory promotion timelines and mandatory retirement dates, and applying market-based solutions to officer assignments and career advancement.

While this criticism is not without basis, many of the issues described arise out of the culture of our military rather than the legal requirements of the personnel system. Moreover, much of this criticism crystalizes hard choices that any personnel system must face: how do you foster innovation without sacrificing predictability, build breadth of experience without giving up depth, and ensure that the force is constantly refreshed without surrendering needed seniority and experience? Just because people complain about the existing system doesn't mean that they wouldn't complain even more loudly about an alternative approach.

My old boss, Secretary of Defense Ash Carter, captured the good and the bad of DOPMA when he launched his military personnel reform proposals three years ago. As Secretary Carter said at the time:

"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.

In my view, Secretary Carter had it right. 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. Our military could not operate under the unstructured personnel system of a tech start up – as appealing as that model might seem to some – but we do need new flexibilities to meet new needs.

There are two areas in particular where I believe the officer personnel management system could use improvement. First, we need new flexibility to address the unique needs of specialized workforces with creative approaches that may not appropriately apply to the entire force. 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 service members.
- 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, software development, 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).

Second, we need new flexibility to allow career patterns to be tailored to individual needs within the existing DOPMA structure. Again, let me give two examples:

- First, the layering of Goldwater-Nichols joint duty requirements on top of DOPMA timelines has pressurized military careers, required young officers to spend too much time on jointness at an early stage of service when they should be learning the fundamentals of their profession, and encouraged 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.

I am pleased to say that Congress addressed both of these areas in last year’s National Defense Authorization Act, which largely followed the outline suggested by Secretary Carter in 2016. In particular, section 507 of the FY 2019 NDAA provides authority for the military services to develop alternative promotion processes tailored to the needs of specialized workforces, while section 505 provides new flexibility for career broadening and deepening experiences by authorizing officers to “opt out” of a promotion cycle “to complete a broadening

assignment, advanced education, or another assignment of significant value to the Department.”

Of course, these new authorities will have an impact only to the extent that the military Services choose to use them. Changing laws is hard, but changing culture is much harder. The Department’s recent report to Congress on the military personnel system, for example, emphasizes that the military Services value “the predictability and reliability” provided by DOPMA and continue to support its major tenets. Despite the inflexibility of the existing system, the report states, the Services have “a high degree of confidence” that it will continue to serve them well.

DOPMA’s root structure is deeply embedded in the military personnel system, and the Services rightly worry that changing even a few small pieces could undermine the whole. It is all very well to promote greater flexibility and choice, for example, but what assurance do we have that we will still be able to produce the right number of officers every year, with the grade structure and competencies that we need? Extended service may be desirable for some specialty fields viewed in isolation, but how will different career lengths and promotion rates impact career choice, retention, compensation, grade structure, and other critical elements of force demographics?

These problems do not mean that change is impossible, or even unlikely. Where others see a cultural resistance to change of any kind, I see a willingness to engage in cautious experimentation. Indeed, the DOD report notes that emerging mission requirements associated with cyber warfare and other highly technical fields “have underscored the need to be more flexible and creative” in officer personnel management. As a result, the military Services recognize that some change may be needed “to accommodate nuances of low-density occupations” and “to foster the pursuit of unconventional but beneficial career paths,”

The senior military personnel officials with whom I served when I was in the Department were not only exceptionally well-qualified officers and leaders, they understood the need of the system to adjust to meet new circumstances and new requirements. In my view, even the inherent conservatism and caution of the military personnel system can be beneficial. We need to change, but we cannot afford to break the existing system as we seek to improve it.

In conclusion, I urge the Subcommittee to stand by last year’s reforms, and to closely watch the manner in which they are implemented. We need to give the

Services space to develop their own unique approaches to changing demographics and concerns about specific career fields without seeking to impose one-size-fits-all solutions. I thank you for your commitment to supporting our military personnel and improving our military personnel system, and for inviting me to participate in your review. I look forward to your questions.