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STATEMENT OF
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BEFORE THE
HOUSE ARMED SERVICES COMMITTEE
ON
SURFACE SHIP READINESS:
ARE NAVY REFORMS ADEQUATE?
FEBRUARY 26, 2019

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Chairman Garamendi, Chairman Courtney, Ranking Members Lamborn and Wittman, and distinguished members of the subcommittees, thank you for the opportunity to brief you on our continued implementation of Navy's action plan to improve readiness stemming from the results of the Strategic Readiness Review (SRR) and the Comprehensive Review (CR). On behalf of the Sailors, Civilians, and families who serve in the fleets of the world's finest Navy, thank you also for the substantial readiness investments you have made over the past few years. Your strong support and steadfast leadership result in the steady and reliable resources we need in order to provide and maintain the formidable and credible Naval forces which protect our Nation's interests.

Global Security Context

Our National Defense Strategy (NDS) is, in major part, a maritime strategy. In order to best defend our interests, we must defend far forward. As America's Global Away Team, our continuous forward global naval posture provides a stabilizing influence in peacetime and enables the nation, should deterrence fail, to conduct decisive combat operations to defeat any enemy.

The NDS orients the Department to national security objectives; specifically the reemergence of great power competition. Both revisionist powers and rogue regimes are competing across all dimensions of power, including challenges to the U.S. military advantage, where we face an ever more lethal and disruptive battlespace, with effects combined across domains, and conducted at increasing speed and reach. In this rapidly evolving security environment, our competitive military advantage is once again challenged. We must adapt to this reality and respond with urgency by rebuilding advantage in maritime competition and developing advantageous escalation options; particularly in highly contested environment. What our Navy must be ready *for* is changing.

The NDS also makes it clear that the homeland is no longer a sanctuary. We could previously think of the waters surrounding our nation as moats, protecting us from attack. In this era of globalization with competitors who can hold our homeland at risk, we must now think of those waters as roads leading to our shores, or more dangerously, as potential attack vectors. This has implications for our overall readiness posture as well, requiring forces to be ready both in their ability to project power far forward and to protect our nation closer to home.

To this end, we note the important role that nuclear deterrence plays in U.S. strategy, as the number one priority mission of the Department of Defense. It underpins U.S. military operations and diplomacy across the globe. A robust and modern U.S. nuclear deterrent helps ensure competition with these key competitors does not escalate to large-scale war.

In this maritime era, our nation's security and continued economic prosperity requires a Navy that is resolute, ready, and lethal on day one of deployment. We must sustain our

well-equipped, well-trained, and professional force so that its influence will continue to be felt around the world in all areas where our national interests reside. Because this is a long-term competition, we are also committed to carrying out our mission in ways that are sustainable.

Through the aforementioned readiness reviews, we learned that we made a series of well-meaning decisions over the course of a decade or more to achieve short-term mission accomplishment and cost efficiencies. This resulted in the fleet consuming its readiness at an unsustainable rate, creating the 'readiness trough' we are now working our way out of. Armed with strong Congressional support over the past few years, the Navy continues to aggressively implement corrective actions identified within both the SRR and CR, taking actions to rebuild readiness and improve our Navy.

However, to remain ahead of the evolving threat and because of the need to recapitalize an aging fleet, modernization remains a necessity. We must build and sustain a lethal force through balanced investments across capability and capacity which must be delivered whole. We must strike an intelligent balance between readiness and modernization – between fighting with the 'Navy the Nation Has' and building the 'Navy the Nation Needs.' To execute its mission, the future Navy must be bigger, more lethal, networked, and ready.

Readiness State of Play

Since learning the hard lessons stemming from the accidents in 2017, we have taken action to make our Navy's operations safer and more effective. Acting with utmost urgency, we reestablished standards in many areas which we found had deviated slowly from established norms over time and implemented fundamental process improvements in several key areas. These foundational changes also served, collectively, to strengthen the Navy's culture, to rationalize an ingrained "can do" attitude, and ensure a culture which complies with the practices long foundational to safe and effective operations at sea. By raising the bar for fleet readiness standards, we are reestablishing good habits that enable our long-term success. Not satisfied that these changes will automatically produce the outcomes we desire, we are rigorously evaluating their early results to determine if further refinements are required.

A culture of compliance, however, is necessary but not sufficient for our Navy to win decisively in high-end conflict. As such, we are progressing beyond a culture of compliance and to a culture of operational excellence – a culture where our people view standards as the absolute minimum, who are oriented on the adversary, and are unashamedly about results. We are investing deeper in the professional development of our people, improving the material readiness of our warfighting platforms, and conducting more challenging training for our teams. Witnessing strong commitment from the top, our people will gain the confidence and competence they need to prevail in combat against any potential foe.

In implementing the SRR/CR recommendations, we made substantial changes to address core issues associated with rebuilding warfighting readiness:

Balancing force generation and force employment in support of the NDS: Our Optimized Fleet Response Plan (OFRP) readiness production process is the cornerstone of our force generation framework, and now provides a 22-month window of flexible and scalable employment while keeping a sustainable tempo. The right command and control is in place to best generate and employ naval forces and to best balance the supply of ready naval forces against the demands of combatant commanders. The right standards are established and the proper processes are in place for readiness oversight over the long term. Examples include the elimination of mission area readiness certification waivers; an updated material readiness “redlines” policy; the establishment of Commander, Navy Surface Group Western Pacific; and a new, tailored Fleet Response Plan for our Forward Deployed Naval Forces in Japan. These systematic processes aim to increase our visibility of unit-level readiness and allow us to balance friction between operations and force generation at the Fleet Commander level.

Implementing a single standard for achieving our shared objective: A more lethal Navy. While each fleet has separate authority, responsibility and accountability for generating and employing forces for assigned missions around the globe, we generate forces capable of executing high-end combat operations globally to the same standard. We are aligning common concepts and procedures that facilitate better coordination with each other, and clear communication with our senior leadership. To further guide our synchronization efforts, the CNO has promulgated an Integrated Readiness Instruction which codifies force development, force generation, and force employment tasks and relationships. Similarly, an updated fleet OFRP policy will clarify responsibility and accountability for training and certification at the group and unit levels.

Improving the material readiness of our warfighting platforms: We have implemented several initiatives to generate ready ships on-time and on-plan. For example, our Type Commanders have each instituted “Performance to Plan” (P2P) initiatives whose first priority is to get our weapons systems out of depot maintenance on time, with maintenance completed in full. The surface fleet effort is currently focused on improved maintenance phase performance. Tackling late maintenance phase completion has been a significant undertaking and our greatest challenge, as delayed maintenance compresses training required to meet global force management commitments, adds risk to training effectiveness, and stalls the main engine of force generation. Our main objective is to improve predictability throughout the entire process. To do this, we are demanding a more comprehensive understanding of the true maintenance needs for our ships throughout their lives, but particularly as they approach a maintenance period. Next, we are requiring a more disciplined adherence to proven maintenance planning principles, such as project milestone adherence, including procurement of long-lead time material on-time. Finally, when we do encounter unexpected changes, we aim to

reduce delays caused by overly burdensome approval processes for getting new or growth work done.

Managing manpower supply and manning distribution: To man an expanded fleet, the Navy will likely have to increase our end-strength. The process of adding personnel takes time. Today, 80% of our battle force units are above the Fit/Fill Congressional reporting threshold prescribed in the FY19 NDAA. Most of the gaps are in the mid-grade to senior-enlisted ranks, which take time to close while growing the necessary experience base to fill them. In the meantime, the Navy is aggressively managing available inventory so deployed forces meet our requirement, however, this does involve taking risk in our non-deployed units. Our surface fleet implemented a fatigue management policy to ensure Sailors are adequately rested for safe, professional shipboard operations. To ensure our manning is right for the long term, we are conducting detailed manpower assessments to ensure the right number and mix of talent can accomplish all aspects of what is expected of our surface ships.

Reinvigorating and strengthening the warfighting culture of the Surface Navy: To address training shortcomings in basic skills such as seamanship and navigation by our officers and key enlisted watch standers, we took immediate action to deliver the necessary experience and competency required to safely operate our ships at sea. For our Surface Warfare Officers, we lengthened basic accession training from 14 to 23 weeks to allow for the development of seamanship skills in simulators. We also lengthened the initial division officer tour from 24 to 30 months to maximize our officers' experience 'driving the ship.' These changes will steadily increase mariner competency throughout a career by providing for more at-sea experience and more virtual 'reps and sets.' We track their individual development more closely throughout their careers through the usage of Mariner Skills Logbooks. Finally, we have injected ten milestone competency checks throughout the course of their careers to ensure our people meet established thresholds of performance prior to placing them in positions of increased responsibility.

Investing in more robust and challenging fleet training: To better develop individual Sailor and team competence, our surface fleet is broadening the use of instructor led, immersive virtual reality training as part of our Surface Training Advanced Virtual Environment (STAVE) Program. Early progress in this program has already demonstrated that this approach is more effective, efficient, and appropriate than traditional methods. We now have better trained Sailors who are able to perform their duties sooner and are better prepared for more demanding and dangerous environments than ever before.

Our revised approach to unit training gives time back to our Commanding Officers during the Basic Phase if they meet performance standards earlier than planned, allowing them to direct this valuable training time to where they judge it is most needed. To ensure improved combat performance from each of our teams, we now train and assess each unit's advanced tactical performance during Surface Warfare Advanced

Tactical Training (SWATT) prior to moving on to the Integrated Phase of training with the entire strike group.

We are upgrading our live ranges so that our at-sea training is more skill-set driven, threat-representative, and demanding. To further improve readiness for the high-end fight, Navy is moving out to deliver more sophisticated Live, Virtual, and Constructive Training, which reduces dependency on live training resources by providing synthetic training in a live environment. We are also making necessary investments to deliver operational level of war exercise capability, enabling future large-scale exercises across theaters of operations. We must sustain these investments.

Conclusion

In this era of great power competition, we may find ourselves in conflict with little or no notice, a reality which places an imperative on current readiness. Over the last year, the Navy successfully leveraged increased budgets to make readiness investments across a number of key areas. We are attempting to squeeze every ounce of readiness out of every dollar provided through the use of improved analytical rigor and data-driven assessment of our current procedures and outcomes. The fleet commanders are in position to provide oversight of our readiness recovery and are approaching this with a strong sense of urgency. We will continue to work together to relentlessly hone our warfighting skills and field a maritime force that is manned, trained, equipped, certified, and ready to win across the full spectrum of conflict.

The Navy's OFRP is well-suited to support the NDS. This sustainable process generates combat-ready forces available for dynamic employment across a 22-month window. To be successful, however, OFRP must be executed to plan. The center of gravity for OFRP is starting and completing ship, aircraft, and submarine maintenance on-time, every time. To meet this imperative, we must work across the entire warfighting enterprise, to include industry, knocking down barriers, and removing obstacles to on-time readiness. In short, we must make our man, train, and equip functions more predictable and reliable, so our deployments can be more unpredictable and agile. While building the Navy the Nation Needs, we must fight with the Navy the Nation Has. This is the business of current readiness; the business of Fleet Commanders.

Budget stability is essential to continuing our upward readiness trajectory. Improvements in readiness do not happen overnight – it took more than a decade to get into this, we are not out of it yet, but we are on the right trend. Thanks to funding stability over the last few years, we have arrested the fleet's decline in readiness from the last round of sequestration and have begun to move the needle in a positive direction. A return to Budget Control Act (BCA) caps in FY20 or FY21 would be catastrophic. A BCA now would not only reverse the initial gains we've made, but place us in an especially perilous position in our ability to meet the NDS. We have a responsibility to be ready.

Sustaining the readiness recovery will require the concerted efforts and strong leadership of the Navy, broader Defense Department, and Congress. It will require focus, prioritization, long-term commitment, and sustained, predictable funding. Your continued support of the Navy will allow us to execute the plan to meet the Nation's security challenges today, while preparing for tomorrow with the confidence, capability, and capacity to win in any fight, in any theater.