

**NOT FOR PUBLICATION
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HOUSE ARMED SERVICES COMMITTEE**

**STATEMENT OF
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AND
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(PERSONNEL, MANPOWER, & TRAINING)
BEFORE THE
HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON MILITARY PERSONNEL
ON
PERSONNEL POSTURE
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Introduction

Chairman Banks, Ranking Member Kim, and distinguished Members of the Military Personnel Subcommittee, thank you for the opportunity to discuss the Navy's most important asset – our people. In an era of great power competition and growing global unrest, it is imperative that we not only build, maintain, train, and equip combat-ready, lethal Naval forces, but we must maintain the strong foundation of our most critical strength, our highly trained and skilled personnel. Our Navy builds Great People, Leaders, and Teams – to innovate, solve hard problems, and most importantly, to dominate in combat. By doing so, our Navy stands ready, from seabed to space, to deter or confront potential adversaries that endanger freedom around the world, disrupt open sea lanes and threaten the world's economy and global commerce.

Notwithstanding the global threats our Navy faces, we continue to face challenges in recruiting America's top talent. Let me say upfront that I remain confident in our current approach to aggressively attack this issue and appreciate the continued support and leadership from this committee and others. While I remain confident, I must acknowledge that these challenges exacerbate Fleet manning shortages, putting additional stress on our force, which could negatively affect readiness and potentially impact future retention, in an environment where retention is ever important.

While we are making significant headway, overcoming recruiting challenges requires not only MyNavy HR efforts, but also support of the collective Navy team and our country, from the Nation's leaders to supporting industries, communities, families, and veterans. To maintain the most combat-effective Navy in the world and achieve optimum warfighting readiness, we all must remain adaptable, innovative, and resilient, as we hold ourselves accountable to our Sailors, their families, and our Nation.

Accessing Our Navy's Talent

We continue to face challenges in the current and forecasted economic environment and tough labor market, resulting in projected recruiting shortfalls in the coming years. The Navy continues to explore and evaluate new methods for attracting qualified, motivated and capable applicants. As we consider new policies and initiatives, we are committed to Recruit Training Command's boot camp and "A" school graduation standards. Navy is leveraging data driven processes to aggressively pursue the 40,600 Active Component contract mission. The Navy is projecting a mitigated miss of approximately 6,700 but continues to build pathways for all qualified individuals who want to serve throughout a myriad of recruiting initiatives.

Recruiting Initiatives:

- **Recruiting Operations Center:** The Navy Recruiting Operations Center (ROC) was created to monitor recruiting efforts in real time, focused on data driven processes to increase production per recruiter and remove variance among our 26 Talent Acquisition Groups. Navy Recruiting Command is now led by an experienced two-star admiral (traditionally run by a 1 star in his/her first flag job).
- **Every Sailor is a Recruiter:** Program for currently serving Sailors to share their experience and provide leads of interested applicants to Navy recruiting.
- **Navy Recruiting Reserve Command:** Established to better focus on the prior service mission.

- **Increased Marketing and Advertising (M&A)** dollars to improve public awareness, understanding, and positive perceptions of the Navy's mission and Navy service in the long term.
- **Increased Recruiter Manning** enables the Navy a greater reach and engagement with the youth population across Recruiting Nation.
- **New Job Opportunities** created to keep competitive edge against adversaries and parity with the civilian workforce, the Navy established both the Cyber Warfare Technician (CWT) and Robotics Warfare (RW) ratings.
- **Enlistment Bonus** program leveraged to attract high-quality recruits for high demand ratings. Future Sailors can earn up to \$140,000 in bonuses (by successfully completing requirements for critical jobs in the Navy).

Future Sailor Preparatory Programs:

- **Future Sailor Preparatory Course Physical Fitness (FSPC-P):** Bring potential Future Sailors who are marginally out of body composition standards into line with Navy and Department of Defense (DoD) requirements.
- **FSPC Academic (FSPC-A):** For Future Sailors with lower Armed Forces Qualification Test (AFQT) scores, Navy has implemented a course designed to increase their proficiency in basic academics through structured classroom instruction and independent study. This could reduce attrition in later training, while broadening the Navy occupations these Sailors are able to train to.

Policy and Waiver Expansion:

- **Category IV:** A limited number of our total accessions can join the Navy if they attain an AFQT score of 10-30, as long as they have qualifying line scores to fill an open rating. These Future Sailors will complete the FSPC-A at Recruit Training Command (RTC) before they begin basic training.
- **Single Parent Policy:** Waives dependency status for the Active Component (AC) and Reserve Component (RC) enlistment of unmarried individuals with custody of up to two dependents under the age of 18.
- **Tier 2:** Authorized the contracting and accessing of Tier 2 applicants who scored 31 or above on the AFQT. Tier 2 applicants are non-high school graduates who hold a GED, previously only accessed with a 50 or greater AFQT.
- **Tier 3:** In January 2024, the Navy began recruitment of Future Sailors without educational credentials, but who score a 50 or above on the AFQT. This policy expands the pool of highly qualified applicants by a projected 500 to 2,000 people.
- **Receptive Acclimation at RTC:** In response to high historical attrition rates, RTC redesigned training during Processing Days (P-Days) to increase teamwork and cultural acclimation to combat attrition due to psychological reasons.

Managing Our Talent

Navy continues to evaluate and improve our capability to attract, develop, and manage a talented and diverse workforce in order to maintain a Fleet prepared to fight and win in long term strategic competition. The Navy is modifying our talent marketplace to be a modern, flexible, and transparent assignment process that more effectively balances a Sailor's assignment, location, and advancement opportunities with the Navy's mission and operational needs.

We continue to execute the Detailing Marketplace Campaign Plan (DMCP), with specific emphasis on Billet Based Advancement. As one of my strategic pillars, it is focused on giving Sailors choice to extend or return at sea going billets with greater responsibility, pay and rank. While we are testing this policy implementation across all paygrades of two sea-intensive ratings now, we are targeting expansion to all ratings and for duty both at sea and ashore in the coming years.

We continue to employ the expanded Defense Officer Personnel Management Act authorities enacted in the FY19 National Defense Authorization Act and appreciate the strong support for the various authorities and initiatives that reinforce our ability to attract and retain a talented officer corps. We highlight three areas that yielded discernible results:

- **Promotion Merit Reorder:** Demonstrated the value and primacy of merit over simple time in service.
- **Expanded Continuation Authority:** Most recently enabled us to have senior officers fill shortages in the Acquisition Corps communities for FY23.
- **Expanded Officer Spot Promotion Authority:** Facilitated filling at-sea and operational O-4, O-5 and O-6 billets with officers possessing critical skills (post-operational or operational command executive leadership).

Retaining Our Talent

Our annual Health of the Force (HOF) survey asks participants to indicate their current career plans. Compared to previous years, more O-1 through O-3 and E-1 through E-6 intend to remain in the Navy until retirement, a nod to the quality of service and job satisfaction that our Service provides. Overall, Navy enlisted retention remains healthy. We ended FY23 meeting or exceeding our retention benchmark forecasts across most of our zones of service. Navy officer retention has some challenges, which continue to be addressed with a combination of monetary and non-monetary force management levers focused on Aviation, Explosive Ordnance Disposal, Surface Warfare, Submarine Warfare, and Naval Special Warfare.

Navy anticipates meeting our FY24 retention targets. To help address recruiting shortfalls, we are applying a combination of authorized monetary and non-monetary force management levers including:

- Programs that provide investment in a Sailor's personal (or family) development in exchange for additional obligated service in the Navy.
- Direct monetary compensation for retention decisions in critical ratings, skillsets, and career milestones.
- Expanding the ability to offer geo-stability, which has proven successful, including co-location with a military spouse and assignment policies that allow Sailors to extend at sea or take tougher jobs in exchange for guaranteed assignment at a location.

Quality of Service

Quality of Service (QoS) is a Navy priority. The Navy uses our annual Health of the Force (HOF) survey to garner insight into the Navy's culture and climate, including the protective factors of cohesion, connectedness, inclusion, organizational commitment, and trust. The

percentage of participants with moderate to high levels of these key factors increased in 2023, a testament to the initiatives and commitment to continue to advance our Navy's culture. The Navy continues to monitor Sailor well-being through risk factors associated with stress and burnout, which remain concerning due to inadequate manning and mission demands. To get after this, MyNavy HR, alongside the greater Navy efforts, are aggressively pursuing QoS initiatives to improve the quality of life and quality of work of our Sailors.

Advancing Our Navy's Culture

Everyone in the Navy deserves to serve in an environment of trust and respect, where connectedness and inclusion are high. Building on the Navy's call to think, act, and operate differently, the CNO launched the Culture of Excellence 2.0 construct that focuses on building Great People, Leaders, and Teams. COE 2.0 charges leaders to prioritize a Sailor's holistic wellness of mind, body, and spirit; master self-awareness and emotional intelligence; and build teams that create a sense of belonging. By simplifying, streamlining, and aligning our existing people programs, COE 2.0 will foster a Navy culture where Sailors feel supported and empowered to be their very best.

We will measure and assess culture through existing tools, such as the Command Climate Assessment (CCA) and the Health of the Force (HoF) Survey, and with new tools, such as the Virtual Commanding Officer's Suggestion Box. The CCA provides a snapshot of harmful behaviors through use of both the Defense Organizational Climate Survey (DEOCS) and focus groups conducted post-survey by Command Resilience Team (CRT) members. The DEOCS collects information on risk and protective factors including sexual and racial harassment and discrimination, workplace hostility, diversity and inclusion, and other aspects of organizational climate. The occurrence of specific behaviors, such as sexual assault, sexual harassment, suicide risk, or domestic violence may be identified via DEOCS comments or follow-on focus groups. The HoF and suggestion box provide us opportunities for feedback on command culture and climate.

COE 2.0 is designed to be a living document, updated as necessary to include best practices learned from the Fleet. By prioritizing command culture alongside combat readiness, COE 2.0 will prepare us for victory in combat by innovating to solve hard problems and reduce harmful behaviors.

Supporting Our Talent with HR Service Delivery & Modern IT Solutions

The Navy remains focused on providing convenient, intuitive and transparent HR services, empowering Sailors, commands, and HR professionals to actively participate in a streamlined HR resolution process, using technology to guide users to their desired outcome. Navy Personnel Command (NPC) and MyNavy Career Center (MNCC) continue to improve the quality of service for our Sailors and their families, delivering improved pay and personnel processes to meet the Navy's future mission and workforce requirements.

MyNavy HR transformation continues to advance across all five lines of effort: Single Point of Entry (SPoE), Navy Pay and Personnel (NP2), Learning Stack (LS), Enterprise Customer

Relationship Management (eCRM) and Authoritative Data Environment (ADE). Each line of effort is being pursued to make Sailor access to IT data faster and easier, modernizing how the Navy handles digital information.

With the increased reliance on smart devices, we strive to provide many solutions in the palm of Sailors' hands and streamline the myriad of digital administrative resources provided to the Fleet. Answering the call for increased productivity in recruiting, MyNavy HR delivered increased capability on hand-held devices, empowering recruiters to immediately input applicant information anywhere, at any time, reducing administrative burden and enabling more time in the field for interactions with Future Sailors. Additional upgrades to hand-held devices have empowered recruiters to engage with potential recruits across popular social media platforms and now provides cloud-optimized mapping routes for engagements with Future Sailors.

Transformation is a work in progress with forthcoming pilot programs that will allow Sailors to gain secure and quick access to their career and personal data, as well as track and initiate cases for issue resolution and increased visibility into the Permanent Change of Station process through a modern, more user-friendly interface, all in a continued effort to ensure that the MyNavy HR vision remains aligned with Sailors' needs.

Flag Officer Reductions

The Navy continues to face challenges following the reduction of more than eight percent of its Flag Officer billets in support of the Space Force and as required by the FY17 National Defense Authorization Act (NDAA). These cuts come at a high cost to maintaining operational readiness, impeding Navy's efforts in an already challenging operational environment, and in direct conflict with the demands of strategic naval competition which require more rather than less senior uniformed leadership and expertise in the dominant physical domain of concern: the maritime domain.

The reduced number of Flag Officer billets has resulted in shifting critical work to other Flag Officers and Senior Executives increasing demands on those Flag Officers and Senior Executives by double and triple hatting of positions. At present, nearly one third of the Navy's remaining 150 Flag Officer billets are double or triple hatted with some positions having more than a dozen direct reports. Rather than streamlining processes, the reductions have increased direct reports, multi-hatted positions, and the reliance on Selected Reservists, impeding those processes, creating inefficiencies and complexities in our command and control structures, and increasing overall risk to mission accomplishment.

Conclusion

I have complete confidence in the collective efforts of the MyNavy HR team to attract, develop, and retain Great People, Leaders, and Teams, which will ensure we maintain our competitive advantage. We will keep striving to do better every day, fix what needs fixing, and commit to improving the quality of our services. I'm eager to continue working with this committee and others to maintain our strong warfighting teams by recruiting and retaining talented individuals across the United States. On behalf of the United States Navy personnel and their families, I thank you for your sustained commitment and unwavering support.