

RECORD VERSION

STATEMENT BY

**DR. AGNES GEREKEN SCHAEFER
ASSISTANT SECRETARY OF THE ARMY
FOR MANPOWER & RESERVE AFFAIRS**

BEFORE THE

**SUBCOMMITTEE ON PERSONNEL
ARMED SERVICES COMMITTEE
UNITED STATES SENATE**

FIRST SESSION, 118TH CONGRESS

ON ARMY ACTIVE, GUARD, RESERVE, AND CIVILIAN PERSONNEL PROGRAMS

MARCH 15, 2023

**NOT FOR PUBLICATION UNTIL RELEASED BY THE
SENATE ARMED SERVICES COMMITTEE**

Chairwoman Warren, Ranking Member Scott, distinguished members of this Subcommittee, thank you for the opportunity to appear before you on behalf of the men and women of the United States Army.

At the end of December 2022, the Senate confirmed me to be the Assistant Secretary of the Army for Manpower & Reserve Affairs and I joined an amazing Army team that works tirelessly every day to improve the lives of our Army soldiers, civilians, and their families. I bring both deep and broad expertise to my current position, as well as a renewed emphasis on leveraging data and analysis to assess the effectiveness of our policies and programs to better target our resources, in alignment with the Secretary's second objective. Between my positions in the Deputy Secretary of Defense office, my research at RAND, my focus every day for years has been on improving our military's readiness to meet the objectives of our national security strategy, and to improve the lives of our active and reserve component members and their families.

In my current role, these continue to be my focus in service of our soldiers, civilians, and their families. In addition, my overarching priority is the strategic modernization of our personnel policies, processes and systems. This includes the modernization of policies, processes and systems across the entire spectrum of our Army People Strategy (Acquire, Develop, Employ and Retain), including how we recruit and hire; how we grow, employ and manage talent; and how we create a workplace culture that allows people to thrive and want to expand their careers in the Army. It also includes prioritizing cross-cutting issues such as increased permeability across the Total Force; increased flexibility in talent management and career opportunities; and better matching of individuals' competencies with civilian and military career fields.

While we undoubtedly need to maintain our focus on some immediate issues and concerns, we cannot afford to lose sight of longer-term strategic policies, processes, and systems that will enable us to recruit the competencies and skill sets necessary to build the future Army, maintain healthy career pipelines over the long-term, and ensure

both immediate and longer-term readiness in the face of increasingly varied and complex challenges.

The Army's mission remains unchanged, to fight and win our Nation's wars. We are building the Army of 2030 and in doing so, taking care of our people because they are the foundation. The Army of 2030 requires highly trained, resilient, and healthy teammates across the Total Force—Active, Guard, Reserve, and Civilians. People perform their best when they are part of cohesive teams founded on treating others with dignity and respect. Therefore, the Army's number one priority is our people—our soldiers, Army civilians, families, and veteran soldiers for life. All the Army's personnel programs and initiatives are focused on taking care of our people, because we lead with our values, and doing so is essential to the readiness required to accomplish our mission.

Building the Army of 2030

The Army of 2030 will provide the Joint Force with trained and ready forces capable of combined arms maneuver in a multi-domain operating environment. Building the Army of 2030 while maintaining readiness, depends on a quality all-volunteer force. The Army is taking active measures to overcome unprecedented recruiting challenges without compromising standards. We will continue to develop and implement innovative ideas to identify high quality recruits and investing in the youth of America.

Military Accessions

Investing in the Army of 2030 requires investing in our youth and helping them realize their full potential. In fiscal year (FY) 2022, the Army enlisted 44,901 recruits in the Active Component (AC), 24,829 recruits in the Army National Guard (ARNG), and 9,095 recruits in the United States Army Reserve (USAR). As of February 27, 2023, the AC achieved more than 25% of its FY 2023 recruiting mission of 65,500. The ARNG achieved more than 38% of its FY 2023 recruiting mission of 30,880. The USAR achieved more than 23% of its recruiting mission of 14,650.

The recruiting challenges facing the Army are not new, and are not based on a single cause. Several of the trends we are observing and responding to are years in the making. We are in an intense competition for talent. Some of the benefits that long set the Army apart from the private sector, are becoming more common. Pandemic-specific challenges also changed the recruiting environment, and young Americans' perception of work. The Army is addressing each of these challenges head-on.

For instance, the Future Soldier Preparatory Course (FSPC) is an investment in America's youth. FSPC is a holistic program that assists potential recruits meet either the physical or academic aptitude standards to fully qualify for Army service. In FY 2023, as of the 8 March, 6,883 trainees have enrolled in both the academic and fitness components of FSPC. Of those, 4,784 graduated and moved on to Basic Combat Training (BCT) with an average Armed Forces Qualification Test score improvement of 19.4 points. Within the fitness component of FSPC, the average weekly body fat loss is 1.5%. Across both the physical and academic components, 130 soldiers graduated Advanced Individual Training as of 8 March 2023.

We are also investing in our recruiters by selecting recruiters differently, improving their training, increasing their resources, and educating their families on those resources available to them. Other initiatives to improve our recruiting efforts include the development of the Soldier Referral Program to provide an opportunity for soldiers in the active Army, USAR, and ARNG to connect with youth where they are, share their Army story, and be rewarded when referred recruit join the Army. In January 2023, the Army began the Recruiter Production Incentive – Assignment Incentive Pay to incentivize recruiters to exceed their quarterly recruiting mission. This new program earns the recruiter financial incentive for different categories of recruits brought in above the mission.

The Army is also carefully monitoring, and, adjusting incentives to position itself as a highly desirable employer of choice. We are adjusting enlistment bonuses to help recruit into critical skills specialties. Recruits can combine multiple enlistment bonuses and can

combine up to four different incentives. Training of choice and station of choice remain the most popular incentives.

Civilian Workforce Recruiting

Our civilian workforce is a force multiplier across the Total Army and our investments into its capabilities are crucial for meeting the needs of the Army of 2030. The Army has implemented several initiatives to reduce civilian time-to-hire in support of the former Secretary of Defense's FY 2025 hiring goal of 45 days. The Civilian Implementation Plan within the Army People Strategy places specific emphasis and focus on reducing time-to-hire to ensure the Army is competitive for top talent with other employers. A multi-year strategy to execute tasks supporting the Civilian Implementation Plan is in progress. These efforts will assess hiring quality, leverage Office of Personnel Management resources, and optimize Civilian Human Resources Agency and Command civilian hiring operations. As our multi-year strategy to reduce the time to hire matures, we expect to achieve consistent reductions in the time it takes to hire civilian personnel.

Marketing

The Army is about possibilities and investing in oneself for a better life. The Army offers 178 career fields as options for recruits, and Army Marketing is laser-focused on re-introducing the Army to America's youth. Our research informs us that potential recruits have gaps in knowledge about what Army service can offer, trouble identifying with service culture and lifestyle, and diminished trust that they will be treated fairly. However, the top concerns amongst the audience of potential recruits continue to be that serving in the Army will either delay or put them off-track from their life goals, and that they will be separated from friends and family.

The Secretary of the Army and the Chief of Staff of the Army have just announced the Army's first new brand refresh effort since "Army Strong" nearly twenty years ago. This new effort was the culmination of two years of research and preparation to bring the Army back to relevancy in the minds of Generation Z and others. The Army conducted

extensive research among prospects and our important stakeholder audiences and influencers before deciding on the elements of this brand refresh, which include a modernized logo and the tagline “Be All You Can Be.” While this tagline is very popular amongst our veterans, it was not chosen for the sake of nostalgia; it was chosen because testing amongst our target audience and others revealed it to be the most favored and best suited for communicating the possibilities available with service in the Army and the purpose and passions of our potential recruits. This concept of possibilities addresses one of the highest barriers to entry of putting life on hold. Elements of this campaign are now in market and events like the Men’s and Women’s NCAA Basketball tournaments, with more planned this fiscal year.

Taking Care of Our People

For the Army, “People First” means we develop and implement programs designed to keep our people safe and provide them with the quality of life they deserve. It also means we foster positive command and organizational climates and culture which enables the formation of cohesive teams. Positive climate and culture, plus cohesive teams, reduce harmful behaviors, and allows our men and women to focus on training to achieve their assigned missions. This equation achieves readiness.

Quality of Life

Investments in our people are directly correlated to the quality of life that we provide for them. Quality of life remains a cornerstone of the Army’s People Strategy. These programs support and enhance readiness, recruitment, and retention by providing a positive experience for soldiers and families, including, well-maintained barracks and housing; quality, affordable childcare, and youth services programs; and meaningful employment and educational opportunities for spouses.

Barracks and Housing

Improving barracks and housing for our soldiers and families is a top priority for all Army senior leaders. The Tenant Bill of Rights helps us rebuild trust, ensure a positive living experience for military members and their families and increase their negotiating power

with the Military Housing Privatization Initiative companies. We have fully implemented all 18 tenant rights at our 44 Army installations with privatized housing. We are committed to improving through the annual Tenant Satisfaction Surveys, which have enhanced our communication with residents, helped us create and prioritize action plans, and corrected deficiencies. We are improving other systems and processes including completing third-party inspections of privatized family homes; implementing a Housing Environmental Hazard Response Registry for those living in privatized or government-owned/leased housing; hiring engineer technicians to provide quality assurance and implementing a Housing Certificate Program to build a skilled workforce.

Childcare

Childcare is a readiness issue. Our soldiers and their families must have peace of mind as they start and end the day in service to our Nation. We appreciate Congress funding seven of the Army's priority childcare centers in beginning in FY 2021 (Hawai'i and Alaska), then again in FY 2022 (Kansas and Kentucky) and recently in FY 2023 (Georgia and Louisiana). These investments were crucial in bringing down the waitlist times for our families. We are also making significant investment in facilities sustainment, restoration, and modernization to ensure that child development centers are free of hazards and maintain continuity of service. To recruit and retain quality staff, we increased the salary of entry-level direct care staff; instituted recruitment bonuses; reduced childcare staff fees; and authorized commissary access for staff at 17 pilot locations. We also increased the provider rate cap for families who use community-based childcare when installation care is not available and applied the same concept to on-post family childcare (FCC) providers to increase the number of FCC homes.

Spouse Employment and Educational Opportunities

With frequent relocations and soldier deployments, Army spouses face distinct challenges in gaining and retaining employment compared to their civilian counterparts. We continue to reimburse up to \$1,000 for professional licensing and certification in a new state after a Permanent Change of Station move. We appreciate Congress' action taken in the FY 2023 National Defense Authorization Act to extend the authority for

reimbursement. More than 617 reimbursements have been paid since the inception of the program in May 2019, totaling more than \$272,000. We continually promote the Office of the Secretary of Defense Spouse Education and Career Opportunities Program's My Career Advancement Account scholarship program. The program provides eligible spouses with up to \$4,000 to pursuit of a license, certification or associate degree in any career field to attain the education, certifications, or licenses they need to find employment. Finally, we are investing in the Employment Readiness Program to help spouses find and maintain employment by hiring additional staff across Army installations.

Reducing Harmful Behaviors

Our leaders are the first line of defense to combat harmful behaviors and care for our soldiers in our formations. Nothing corrodes team cohesion and reduces its effectiveness faster and more completely than the scourges of sexual harassment and sexual assault, prohibited discrimination, harassment, hazing, bullying, domestic violence, or suicide. The Army is focused not only on responding to these harmful events and providing care and support to victims, but also preventing them. To do this, we rely on leaders at all levels to create and sustain healthy command climates.

Prevention

The Integrated Prevention Advisory Group (I-PAG) is a dedicated capability for Senior Commanders designed to implement and evaluate evidence-based primary prevention activities across the individual, relationship, organizational, community, and societal levels. The I-PAG consists of individuals with specialized training and experience focused on engaging the community; empowering leaders with data and research; implementing comprehensive, community-based integrated prevention activities; and sustaining progress over time. These individuals are responsible for assessing holistic data sets, evaluating local policies, planning multiple reinforcing prevention activities, and evaluating outcomes. The I-PAG will provide the technical expertise necessary to connect the science of prevention and the art of command within an optimized prevention system.

Sexual Harassment/Assault Response and Prevention Program (SHARP)

The harmful behaviors of sexual assault and sexual harassment are detrimental to readiness and have no place in our Army. The Army continues to take action to reduce harmful behaviors within its ranks, with an emphasis on integrated prevention to produce demonstrated results.

Through the Sexual Harassment/Assault Response and Prevention (SHARP) program, the Army is committed to enhancing readiness by preventing sexual harassment, sexual assault, and associated retaliatory behaviors and providing comprehensive victim advocacy and response capabilities when such incidents occur.

All 70 of the Fort Hood Independent Review Committee (FHIRC) recommendations have been addressed, and of these, 56 recommendations have been implemented Army-wide. An additional 10 recommendations have been transferred in support of the Department of Defense's (DoD) deliberate and phased implementation of the recommendations of the Independent Review Commission on Sexual Assault in the Military (IRC) as approved of the Secretary of Defense, and four have been superseded by IRC recommendations. We have modified our policies, making it mandatory for commanders to initiate separation proceedings for any soldier with a substantiated complaint of sexual harassment. The Army is also adding 348 full-time SHARP professionals trained and experienced to support victims effectively.

Suicide Prevention Program

Taking care of our people is about building soldiers whose commitment to duty is underpinned by strong family relationships, peer support and leadership teams.

Suicides affect unit cohesion and readiness and have no place in our Army. We must find ways to prevent harmful behaviors instead of responding to them after they occur.

Individual soldiers, units and installations are all unique, with their own challenges.

Suicide prevention programs are, therefore, not one-size-fits-all. We are working to pair the right resources for the right issue to support our soldiers and their families best.

We resolutely continue our efforts to: enhance leader engagement; strengthen individual, unit, and community resilience and connectedness; and mitigate stressors that may lead someone to suicide. This comprehensive approach focuses on the integration of a variety of primary prevention and intervention strategies and activities.

Personnel Modernization

The foundation of Army Readiness is personnel readiness. Programs, policies, innovations, and management models are transforming the Army's manpower and personnel systems to meet future needs. These changes will give our soldiers and civilians more opportunities to excel; give our Army the enduring advantage of a transparent, data-rich personnel environment; and improve our ability to compete for and retain talent.

Talent Management

The Army must prioritize managing its talent by capturing its soldiers' critical talent data (Knowledge, Skills, and Behaviors), balanced with the needs of the Army, which is at risk of losing its overmatch capabilities to potential adversaries.

The Command Assessment Program (CAP) improves the Army's ability to select the best leaders at the battalion and brigade levels. In November 2022, the Army completed the fourth iteration of CAP. Over the past three years, over 5,000 leaders at lieutenant colonel, colonel, GS-14, GS-15, and E-9 levels have assessed through this program. To date, CAP has screened out 168 leaders who would have been selected using only the pre-2020 system. When compared to the legacy Centralized Selection List system, CAP assesses and identifies leaders who are more cognitively capable, better written, and verbal communicators, more physically fit, more self-aware, and less likely to exhibit counterproductive or ineffective leadership traits. The DoD IRC recognized CAP as a promising practice for identifying leaders who are committed to the well-being of those under their command, and screening for leaders who do not show similar commitment.

The Army Talent Alignment Process (ATAP) is a decentralized, regulated market-style hiring system that aligns officers with jobs based on preferences shaped by the unique knowledge, skills, and behaviors of each officer, and the talents desired by commanders for their available positions. To date, 60,000 officers and warrant officers have been assigned using the Talent Marketplace. During the most recent marketplace cycle (FY 2023) with reportable data, 69% of officers participating in the market obtained a Top 3 preference while 80% of officers obtained a Top 10 preference. Talent markets also enable the Army to experiment with monetary and non-monetary incentives to fill critical positions and retain talent. Monetary incentives have included Selective Retention Bonuses, Assignment Incentive Pay, and Special Duty Assignment Pay so the Army remains highly competitive with other governmental agencies and private industry. Non-monetary incentives such as advanced specialty training, stabilization, credentialing, and broadening assignments are also available.

Similar to ATAP, we have begun to implement the Assignment Satisfaction Key-Enlisted Module (ASK-EM) to support Active-Duty Noncommissioned Officers (NCOs) being considered for Staff Sergeant through Master Sergeant (MSG) assignments. On average, 7,000 to 9,000 NCOs participate in the market each cycle with approximately 30,000 NCOs receiving their assignments through this process each year. Unlike Assignment Incentive Marketplace 2.0, ASK-EM does not allow the unit to preference NCOs. In conjunction with Human Resources Command, we are working to implement a two-sided market for the MSG population through the Integrated Personnel and Pay System - Army (IPPS-A) platform. A pilot of this capability is expected by the end of FY 2023.

The Integrated Personnel and Pay System – Army (IPPS-A)

IPPS-A is the critical enabler for The Army People Strategy. IPPS-A is embracing emerging technologies, integrating modern personnel management and data analytics capabilities, and aligning with the Army's efforts to build a more effective and efficient force. It delivers the Total Force a secure, comprehensive, and data-rich human resource (HR) talent management system.

IPPS-A automates HR processes and interfaces with 200+ legacy HR and Pay systems. With the deployment of Release 3, 12 of these systems are sunsetting while an additional 11 are partially subsumed. Upon full implementation, IPPS-A will fully subsume 32 legacy systems. What began nearly three years ago when the ARNG became the first component to implement IPPS-A is complete with the deployment of Release 3. All three components are executing personnel, limited pay, and basic talent management functions in IPPS-A seamlessly across the Total Force.

Work will continue to expand IPPS-A functionality and add additional capability through a series of improvements out 2030 and beyond. Our HR information technology modernization efforts support the talent management system we are designing to recruit better, retain, and reward the very best personnel essential to sustaining the all-volunteer Force. IPPS-A will integrate the new Army global payroll system, providing a congressionally mandated fiscal audit capability and improved talent management functionality.

Conclusion

The men and women in our United States Army serving our Nation, both in and out of uniform, along with their families, are our strength and legacy. Their talents, courage, and commitment make our Army the greatest in the world. To keep our Army strong, we must build our Force with individuals who embody the best of America, and offer them opportunities that allow their careers and families to flourish. A diverse, talented, strong, healthy, and resilient force is the most important indicator of our readiness.

Thank you for your generous and unwavering support of our outstanding soldiers, civilians, and their families.