

Fact Sheet: Building the First Link to the Force of the Future

On his first day in office, Secretary Carter announced his goal to build the Force of the Future in order for the Department of Defense to maintain our competitive edge in bringing in top talent to serve the nation. In March, Secretary Carter delivered a speech at his high school in Abington, Pennsylvania to discuss some of the goals for this initiative. Following those remarks, Secretary Carter directed the Acting Under Secretary of Defense for Personnel and Readiness, Brad Carson, to undertake a comprehensive review of the Department's civilian and military personnel systems.

The review occurred from April to August, and included over 150 subject matter experts from the Military Services, scholars, and researchers. A core research and writing team from the Personnel and Readiness office reviewed over 100 studies and commission reports related to civilian and military personnel management, talent management, and private sector human resources practices.

The review focused on ways in which the Department could increase permeability of personnel and ideas between the public and private sector, increase recruiting results and outcomes for the Department, and emphasize talent management and retention to ensure that the quality of today's current force would translate to a "Force of the Future".

The review produced a document in excess of 150 pages and included 29 reform proposals that captured almost 80 individual reform initiatives. After receiving the document for his review, the Secretary of Defense directed the Deputy Secretary of Defense and Vice Chairman of the Joint Chiefs of Staff to oversee a principal level working group to evaluate all the reform initiatives against the backdrop of force readiness and maintaining an all-volunteer Joint Force. That Working Group has recommended an initial tranche of over 20 reform initiatives, focused on permeability, recruitment, and retention - 12 of which will be highlighted in the Secretary's November 18, 2015 speech at George Washington University. The group will continue to work on many of the other reforms the working group identified in the months ahead.

Reforms Highlighted in Secretary Carter's George Washington University Speech

Improve and Enhance College Internship Programs. The Department will create a centralized process to better manage its vast array of internship opportunities to increase the likelihood of interns receiving full time placement in the Department of Defense. With more young Americans pursuing internships today, it is imperative that we are leveraging this talent pool to attract future talent to the civilian workforces as many other agencies have done. The USD (P&R) will work with the Military Services to develop more robust mechanisms to transition successful and promising interns from temporary to permanent employees. Additionally, since many college students do not realize what kinds of civilian job opportunities DoD offers, USD (P&R) will also work to improve DoD's on-campus presence.

Establish the Defense Digital Service (DDS). Working closely with the White House lead United States Digital Services (USDS), DoD will establish the Defense Digital Service (DDS). DDS will be composed of a small team of talented engineers and digital experts, brought in to DoD on a temporary basis from the private sector to work with senior leaders to improve the

Department's technological agility and solve its most complex IT problems. Chris Lynch, a well-respected tech entrepreneur, will lead this organization starting today.

Launch Entrepreneur-in-Residence Program. DoD will launch an Entrepreneur-in-Residence (EIR) Pilot Program to embed up to three entrepreneurs in different parts of the Department to work on special projects sponsored by senior leaders. The goal of the EIR program is to align the attitude, expertise, experience, and professional networks of successful entrepreneurs against the mission and challenges facing large, complex, bureaucratic organizations. The EIR program is designed to unleash the powerful advantages of an entrepreneurial mindset such as creativity, urgency, independence, and calculated risk-taking into organizational cultures and/or against a specific problem. The new EIRs will be paired with a senior leader project sponsor from among the Military Services and Office of the Secretary of Defense to spearhead an entrepreneurial approach to tackling a specific DoD challenge. The EIRs will also participate in educational and mentorship programs that will contribute to a culture of innovation and entrepreneurship in DoD.

Designate Chief Recruiting Officer. DoD will designate a Chief Recruiting Officer (CRO) within the Office of the Under Secretary of Defense for Personnel and Readiness to lead executive recruitment throughout the Department. The new CRO will essentially function as an executive headhunter, and work with leadership among the Military Services and Office of the Secretary of Defense to bring in highly qualified executives from the private sector to assist the Department in managing key portfolios and issue areas where private sector experience could be valuable.

Expand Secretary of Defense Corporate Fellows Program. DoD will expand and upgrade its Secretary of Defense Corporate Fellows Program, in terms of both attendance and scope, and rename it consistent with its expanded focus: Secretary of Defense Executive Fellows Program (SDEF). This program allows service-members to serve in top industrial institutions – including places like Microsoft, Amazon, SpaceX, and Accenture – and bring back what they learn to keep DoD on the cutting-edge. The program will also expand the fellowship mandate to include fellowships with state and local government to help prepare service-members for leadership at strategic levels. Finally, the program will now also include eligible senior non-commissioned officers, as well as commissioned officers. Where previously the fellowship was a one year billet it will now be two years enabling the fellows to apply what they have learned in the private sector to a commensurate activity within the Department.

Increase Size of the Career Intermission Program. DoD will pursue Congressional action to lift the pilot restrictions for the Career Intermission Program (CIP). The CIP allows service-members to take a sabbatical from military service for a few years while they are starting a family, exploring different career opportunities (such as time in the private sector), or getting a new degree. The program promises to not only give service-members increasing flexibility as they pursue their military careers, but also enables them to bring new and innovative skills back to DoD. Many Service members are reluctant to use the program based on the current pilot status; elimination of pilot authority will provide maximum flexibility for Service members and the Secretaries of the Military Departments to expand the utility, participation, and duration of the CIP based on individual Service needs, and ensure that taking advantage of this opportunity does not harm chances for promotion.

Update and Modernize Retirement System. DoD will continue to refine the Blended Retirement System approved by Congress in the FY16 National Defense Authorization Act. For decades, service-members have had to serve 20 years before becoming eligible for any retirement benefits, and since 80% of military personnel depart before 20 years, most do leave without any retirement benefits presenting a disadvantage in comparison to their peers. Under the new system, the member is expected to achieve a retirement that is equivalent or better than under the current system, while many Service members who leave prior to achieving full retirement will also now depart with a portable retirement benefit. This system will let current and future generations of service-members the choice to have more flexibility in their careers.

Implement Web-Based Talent Management System. The Military Services will pilot web-based systems that help match the right knowledge, skills, and abilities of Service members with available assignments. These web-based platforms will provide an opportunity for Service members and gaining units to “shop around” and discover mutual matches that better satisfy all parties involved. These are roughly equivalent to a “LinkedIn”-style system, in which service members will populate an online database with information they believe is important, which would then be wedded to official personnel data. Commanders and Service members will be able to search for the right job, using data that has not currently been captured by the Department. The Military Services will closely monitor these new systems to ensure there is no degradation of readiness or dearth of talent in certain geographic locations.

Establish Office of People Analytics. The USD (P&R) will immediately establish the Office of People Analytics (OPA) to better harness the Department’s big data capabilities in managing our talent. DoD has limited visibility into the characteristics of civilian and military personnel and lacks the ability to conduct comprehensive analysis on how policy or environmental changes will affect the performance or composition of the workforce. OPA is designed to serve in direct analytic support to the Military Services and the Office of the Secretary of Defense (OSD) to fix this gap and inform better personnel policies that attract, recruit, and retain high performers within/to DoD. OPA will be prepared to partner with the Military Services and OSD on questions pertaining to recruiting, hiring and retention, succession planning, training, and increased talent-based assignment matching throughout the Department.

Implement Exit Surveys. The Military Services will begin to monitor the reasons that Service members are leaving in order to better refine personnel policies that retain top talent and appropriately divest low performers. Detailed exit surveys will become a fully integrated, standard requirement in the Transition Assistance Program (TAP).

Examine Ways to Improve Recruiting. USD (P&R) will supervise a study to identify ways in which military recruiters can be rewarded for recruit performance in basic training and initial enlistment term. In addition to improving the overall incentives for successful recruiting, recommendations from the study could inform future pilot programs and save the Department lost time and money. DoD will commission a study, likely working through and with the Fully Funded Research and Development Centers (FFRDCs), to better understand the factors affecting poor recruit outcomes and present recommendations to the Secretary of Defense. Completion of

the studies, and submission of any recommendations for further action by the Secretary or the Military Services, will occur within the next year.

Diversity Briefings. Senior leaders (Vice Chiefs and Under Secretaries) will begin receiving semiannual briefings on the racial and gender diversity within each branch, career field, and military occupational specialty. USD (P&R) will also supervise a study to identify the primary causes and anticipated impacts of the geographic and familial concentration of military recruits.

Additional Approved Force of the Future Initiatives

Talent Management Centers of Excellence. The Military Services will establish Talent Management Centers of Excellence to provide labor economics data and modelling for Service personnel chiefs and senior leaders.

Civilian Skills in Reserve Component. DoD will better align individual capabilities with mission requirements by cataloging civilian skill sets inherent in reserve component Service members.

Compensation Study. The USD (P&R) will conduct a comprehensive study for the purposes of better aligning basic and special pays with the principles of talent management. This study will build upon the recent findings of the Military Compensation and Retirement Modernization Commission (MCRMC) by focusing exclusively on possible reforms associated with basic and special pays.

Increased Use of Reserve Component Service Members. The Military Services will conduct studies to determine the utility of employing Full Time Support (FTS) personnel from their Reserve Components in certain billets like ROTC cadre, recruiters, and military school instructors.

Doctoral-Level Program in Strategy. The USD (P&R), in conjunction with the Joint Staff and the Military Services, will establish a doctoral-level program in Strategy through the current Professional Military Education (PME) system. USD (P&R) will coordinate with Joint Staff and the Military Services to identify an initial location (likely National Defense University) for the program and to develop a fully accredited curriculum.

Center for Talent Development. DoD will establish a Center for Talent Development (CTD) to provide Department-wide guidance on talent development policy and strategy, offer world class professional development opportunities to the civilian workforce, and serve as a repository of expertise on talent development.

Civilian Human Capital Innovation Laboratory. The Department will establish a Civilian Human Capital Innovation Laboratory (CHIL) to ensure DoD's human resources (HR) personnel remain at the forefront of human capital best practices. The CHIL's primary purpose is to continuously design, launch, and evaluate pilots, prototypes, and experiments aimed at formulating and testing concepts and practices that improve HR outcomes for DoD stakeholders, accelerate and simplify business processes, and reduce costs.

Defense Innovation Network. DoD will establish a Department-wide Defense Innovation Network (DIN) for the purpose of identifying, connecting, empowering, and encouraging military and civilian personnel throughout the DoD workforce who are or aspire to be involved in innovation.

Active and Reserve Component Permeability. The Department will form a Task Force, chaired by the USD (P&R), to identify mechanisms that increase the speed and ease with which Service members can transition from the Active Component to the Reserve Component.

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