STATEMENT OF

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BEFORE THE

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OF THE

SENATE ARMED SERVICES COMMITTEE

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Thank you, Mr. Chairman.

Mr. Chairman, Members of the committee, ladies and gentlemen, good morning. It is an honor to appear before the Readiness and Support Management Subcommittee.

The United States Atlantic Fleet with its partner in the Pacific, trains, maintains, and equips naval forces for every Unified Commander-in-Chief (CINC). The Atlantic Fleet is the Naval Component for two geographic CINCs: U.S. Atlantic Command (USACOM) and U.S. Southern Command (SOUTHCOM); and force provider for two others: U.S. European Command (EUCOM) and U.S. Central Command (CENTCOM). The Atlantic Fleet is also Naval Component for one functional (worldwide) CINC: U.S. Strategic Command (STRATCOM).

The Atlantic Fleet is thus quite busy, and Fleet capabilities are in high demand all over the world. For example, the Fleet has recently had two carrier battle groups engaged in combat operations in two separate theaters simultaneously, while still conducting counter-drug, maritime interdiction, and other operations throughout the world. The pace is relentless.

In March 1997, early in my tour as Commander-in-Chief, U.S. Atlantic Fleet, I testified to the House Armed Services Committee

(HASC), that the Atlantic Fleet was ready and able to execute all assigned missions.

Now, deep into my assignment as Fleet CINC, I'm able to say again that the Atlantic Fleet is ready—ready in every respect to carry out each of its assigned missions. I'm extremely proud of what Atlantic Fleet Sailors, afloat and ashore, are doing—every hour of every day—to keep the Fleet ready and sharp in service to the United States.

However, that is not to be taken as an unqualified assertion. In my 1997 testimony before the HASC, I expressed the reservation that maintenance of this force would be a growing challenge—that is, keeping it ready and able to do its missions over the long haul. That has, indeed, been the case. Becoming ready and staying ready are tough tasks, and the challenges involved in readiness are growing. Although all Atlantic Fleet units are deploying with mission readiness ratings of C-2 or better, getting to that level is increasingly difficult.

While SORTS (Status of Resources and Training System) reports are useful for evaluating readiness in many respects, they do not always provide the full readiness picture. Hence it is very important to look at other readiness metrics to ensure that nothing impacting readiness is overlooked. I know you are familiar with the Navy's Inter-Deployment Training Cycle (IDTC) readiness curve (or "bathtub"), which was

derived from SORTS data, so I will not discuss it here. Instead, I intend to give a brief overview of current and future readiness challenges without particular reference to SORTS data.

OVERVIEW

The Atlantic Fleet now has a significant manpower shortage in afloat billets. The shortage of some spare parts and some types of ordnance requires regular attention. Far too many depot-level ship maintenance jobs are being de-scoped or deferred, thereby accelerating the effects of operational wear and tear on the Fleet. Fleet training has been affected by manpower, material, and maintenance difficulties; however, training processes are improving, often with the aid of advanced computer and combat system simulation capabilities. The integration of new technology—especially Information Technology—is moving forward in fits and starts. It should be proceeding quicker and more smoothly.

The Navy has not been idle in meeting the challenges—especially in the present period of fiscal austerity—and its leaders are vigorously pursuing several courses of action to improve the Navy's effectiveness and efficiency.

MANPOWER

The Atlantic Fleet currently lacks about 7600 Sailors in afloat billets. This shortage, if not corrected, has the potential to both cause and accelerate declines in readiness, retention, and quality of life in all phases of the deployment cycle.

For example, the USS DWIGHT D. EISENHOWER Battle Group and SAIPAN Amphibious Ready Group (BG/ARG) deployed in June 1998 with 87% of their positions filled. The USS ENTERPRISE BG and the NASSAU ARG deployed in November 1998 at the same manning level. The USS THEODORE ROOSEVELT BG deployed last month at 91% manning (even though the THEODORE ROOSEVELT was at 86%), and the KEARSARGE ARG deployed this month at approximately 91%. That is an encouraging improvement. However, that improvement is tempered somewhat by the fact that some crewmembers arrived onboard too late in the deployment work-up cycle to get the full benefit of predeployment training.

In summary, the THEODORE ROOSEVELT BG and KEARSARGE ARG deployed at near-normal manning levels, but concern remains about overall at-sea manning levels. Although the trend is improving, manning deficits still reflect recruiting shortages and require significant personnel management attention and effort.

Enlisted retention and recruiting have received due attention from Congress and the Administration. You are familiar with the problem. Less visible, but also troubling, is a growing shortage of officers in the middle paygrades—especially at the department head level. In the Surface Warfare Community, this retention shortfall means that some sea duty tours are being extended, which may further negatively impact retention.

In response to the personnel shortage, Navy leadership has beefed up recruiting through a variety of measures. As Fleet Commander, I'm not involved much with recruiting, but I have a lot to do with retention. Every Sailor retained is one less person we must recruit. Better retention also takes us closer to a long-term manpower goal: namely, a Fleet that has a greater percentage of increasingly senior, career-oriented enlisted people. Perhaps the single most powerful factor influencing retention in the Fleet is quality of life when in port, at homeport. That factor is, in turn, most affected by what we do during the IDTC—the period between deployments.

IDTC

Last summer, Admiral Jay Johnson, Chief of Naval Operations (CNO), initiated a comprehensive reform of the IDTC. This reform will

improve quality of life when not deployed, and return more time and responsibility to the Commanding Officer of each ship. The IDTC reform has been making way for some time now, and initial results are promising—very promising—for the future.

Part of the IDTC reform has been a complete examination of the kind and number of inspections that every ship has had to endure. The Fleet Review Board that was established to conduct the review has already greatly reduced the number of manhours consumed by inspections. Most recently, the CNO has ordered the Propulsion Examination Boards (PEBs) to be disestablished. Responsibility for certifying engineering readiness now belongs to group and squadron commanders. The PEB exams had long been a heavy—but well-intended—burden on Sailors. That burden is now lifted.

SMART WORK

I am very much encouraged by Secretary of the Navy Danzig's "Smart Work" initiative. Acknowledging the fact that "quality of life" also involves "quality of life at work," Smart Work aims at helping Sailors do some of their more labor-intensive tasks—such as painting and basic preservation—better, and in less time. For example, if I were doing similar work at home—say, repairing an aging screen door—

would I spend a great deal of time rebuilding the existing wooden door, or simply replace it with a new aluminum door? Sailors would like to see the Navy use similar judgement where their work is involved. The same rationale applies to hand tools and power tools, and paints that dry faster and wear better, but cost a little more. The Smart Work initiative should reduce the "drudgery" factor in many shipboard maintenance jobs, an improvement that Sailors will appreciate. You might say there's a little bit of Tim "The Tool Man" Taylor in every Sailor.

We're also grateful for the reduced number and scope of non-deployed exercises that the Unified CINCs—especially U.S. Atlantic Command (USACOM)—require of the Atlantic Fleet. The consequent decrease in non-deployed underway time is optimized by smarter, more efficient scheduling that combines Joint Force Exercises with Navy unit- and group-level training. The result is a quality of life improvement for our Sailors during the IDTC. Fewer joint exercises also makes my job as a force provider more manageable.

Retention, of course, is further enhanced by an improved pay system. I applaud and support the efforts of Secretary of Defense Cohen, Secretary Danzig, and CNO in working for what is known as the "Pay Triad": (1) Boosting base pay, (2) Restoring the retirement system,

and (3) Reforming the pay tables to emphasize advancement over longevity.

TRAINING

Closely related to the task of manning the Fleet is the need to train the Fleet, and here, too, there are significant challenges. Given our many and wide-ranging operational commitments, current resource and manning levels require that we husband, prioritize, and optimize training opportunities even more carefully than before. Every single time a ship gets underway or a pilot climbs into the cockpit, maximum training value must be gained from the experience.

Mission-focused training is a key ingredient. For example, ships conducting counter-drug (CD) operations are now specialists in that mission. Since they do not have an immediate need to launch Tomahawk missiles or engage hostile submarines in the CD mission, their training focuses on skills to fight the war on drugs.

Other training improvements and successes include:

- Greater use of computer simulation technology to substitute for some live training. In some cases this is actually better training, too.

- Smarter scheduling of unit- and group-training events, where better training in a shorter period of time is realized by conducting more tightly focused evolutions.
- Expanded use and faster implementation of high-tech training networks. For example, the Battle Force Tactical Training (BFTT) system, now being installed in some battle groups, will allow networked units to conduct battle group training with realistic scenarios, using their own ship's systems, while still in port.

IDTC reform also offers improved training by allowing commanding officers to focus more time on the specific type of training needed by their crews. To that end, the basic phase of IDTC has been streamlined and shortened.

So far I have addressed two crucial aspects of Atlantic Fleet readiness: Sailors, and the training of Sailors. The third area is maintenance.

MAINTENANCE

An aggressive regional maintenance program giving strong efficiencies and better planning and execution has been implemented. Additional implementation will magnify the benefits of regionalization.

The requirement for maintenance has many parameters. One factor is the age of the system. Another is its complexity. Another factor is the cost of parts to make repairs. Sometimes the best decision is to do minimal maintenance on a system, because it will soon be taken out of the inventory. All of these factors are considered in managing the maintenance workload, assigning priorities, and making budget decisions. We are working hard to make our limited resources fund our highest priority maintenance and spare parts programs.

But maintenance also involves another significant, crucial factor—namely, the human cost of material readiness. Sailors recognize the age, serviceability, and future utility of ship and aircraft systems. When assets are approaching the end of useful life, the Navy must have a plan for replacement rather than simply working maintenance technicians harder. Working Sailors harder to maintain equipment that they know should be retired is demoralizing, and indicative of poor business practices.

With that in mind, I would like to say that the Fleet and I are very grateful for your continued support of key force recapitalization

programs, such as the F/A-18 E/F, CVN-77, DD-21, and *Virginia*-class SSN.

Cannibalization is sometimes a necessary—though undesirable—maintenance action, especially with older air and sea systems in the Fleet's aircraft and ships. No one likes to cannibalize a platform that must later be made whole. It's double the work, and may be more than double the cost. Careful review of surface, air, and submarine cannibalization shows no overall adverse trend. Surface and aviation trends have been fairly steady. Submarine cannibalizations had been increasing until a few months ago, when they returned to previous levels.

Current levels of ship depot maintenance will not ensure long-term readiness. As mentioned above, too many depot-level maintenance actions are being de-scoped or deferred due to funding limitations. That is, ships are going into maintenance periods as scheduled, but they are not receiving all of the maintenance required to keep them in optimal material condition throughout their expected service life. Most deferred or de-scoped maintenance is in the area of widely distributed systems (well deck and bilge painting, fuel and other piping systems, habitability) and does not usually affect current operations. It has been a manageable situation, but the long-term cost could erode future readiness. A recently implemented condition-based approach to ship maintenance

allows the Atlantic Fleet to mitigate the risk of deferring many traditionally time-based maintenance actions, while conserving its repair budget.

Recently, the serious damage to USS RADFORD has been added to the Fleet's maintenance scope. Navy headquarters and shipyard personnel, private shipbuilders, and the Naval Sea Systems Command are engaged in this repair.

There has also been high interest in the Fleet's ordnance stocks, particularly Tomahawk missiles. I can't go into much detail on this subject at an unclassified level. I can say the Fleet is still fit to fight, but as a force provider, I would be more comfortable with a few more arrows in my quiver as I await the introduction of the Tactical Tomahawk.

REGIONALIZATION OF SHORE INFRASTRUCTURE

In addition to regionalization of maintenance, regional planning and management are being extended to other shore support functions. The total shore infrastructure is greater than that needed for a fleet of the current size. Through shared-use and regional management of resources, we are able to better manage Fleet infrastructure and enhance support of the Fleet. Finding efficiencies within the system results in

better utilization of funds needed for important sustainability, operational, and quality of life programs. Regionalization makes it possible to realize both immediate and long-term efficiencies and savings.

Within the Atlantic Fleet, three regional commands have been established to oversee the activities of shore commanders. Regional commander responsibilities include physical security, housing, family service support and other quality of life programs, ordnance, and real property management.

TECHNOLOGY

With respect to technological advances, this is a very exciting time for the Navy. The IT-21 (Information Technology for the 21st Century) initiative and the Cooperative Engagement Concept (CEC) promise to launch the Navy robustly into the 21st century. IT-21 is a Fleet-driven reprioritization of C4I (Command, Control, Communications, Computers, and Intelligence) Programs of Record to accelerate the Fleets' transition to a PC-based Tactical/Tactical Support warfighting network.

Vice Admiral Hank Giffin, Commander Naval Surface Forces Atlantic, puts it more simply. "IT-21 provides the right information to

the right place at the right time. With the click of a mouse, Sailors can access a variety of sources and retrieve information required to perform their duties worldwide. It will allow Battle Groups to operate on a 'smart-push, demand-pull' system. For example, the Battle Group commander can 'push' urgent information to units while at the same time the users can 'pull' other information from a variety of sites including military and non-military web pages. Sailors will be better informed than ever on the current world situation; they will have real-time access to necessary tactical information; and they will also stay directly in touch with home."

The Cooperative Engagement Concept networks the distributed assets of ships and aircraft into a very quick, responsive, accurate, lethal force. It's not just a step forward in improving the Fleet's operational effectiveness; it's a quantum leap. CEC is a project of unprecedented complexity, and difficult challenges are only to be expected. Those challenges will be met with vigor and technical rigor. There are particularly knotty problems with interoperability, and solutions will require the teamwork of the Navy headquarters, the Fleet staffs, the relevant Program Managers and others. It's a tough road, but the destination will be reached. The Fleet demands total success.

UNDERFUNDED/UNMET REQUIREMENTS

From my perspective as head of the Atlantic Fleet, my top underfunded/ unmet priorities are:

- **Depot-level ship maintenance.** The present amount of depot-level ship maintenance does not protect the material condition of the Fleet's ships in the long term. To ensure that ship readiness in the future is not compromised, the Fleet should have increased funding for depot-level ship maintenance.
- **IT-21.** This is one of CNO's highest unfunded priorities. I strongly support the need to fund this program, at the earliest opportunity, to allow Fleet forces to have the added capability and flexibility gained through this technology.
- **Tomahawk remanufacture.** I urge the soonest possible remanufacture of these critical missiles to fill the Fleet's "quiver."
- **Maintenance of Real Property.** This should be funded as necessary to arrest deterioration of mission-related infrastructure, so that mission support and quality of life requirements can be fully met.

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Ladies and gentlemen, this completes my survey of the immediate challenges facing the Atlantic Fleet. You now have some examples of how the Fleet and the Navy at large are meeting those challenges, one by one. But the key to success is smarter organization, afloat and ashore.

BATTLE GROUP INTEGRITY

The most significant reorganization in the Atlantic Fleet is the implementation of "Battle Group Integrity." Battle Group Integrity keeps the component ships of a battle group together, through deployments and between deployments. That is, the same ships deploy with the same carrier, for each deployment, and they go into maintenance during the same periods. With the same team of units training together and deploying together, we reduce the amount of time and human effort (and money) spent on the learning curve. Rather than forming a different team for each deployment, the previous method, we get ready quicker and more efficiently, using less time and effort.

The Fleet was inefficient. The Fleet has changed.

Implementing Battle Group Integrity took a lot of work. It's complex, with a lot of moving parts. I'm very proud of the many, many Atlantic Fleet personnel who worked hard to build the maintenance,

training, operating, and modernization schedules that make Battle Group Integrity possible.

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Let me close by setting my testimony in "the big picture." The global economy is seeing unanticipated and unprecedented growth. This global economy is being pushed by the U.S. economic engine, fueled by low unemployment and a Dow Jones average of 10,000. Key to this growth has been the proliferation of multinational corporations, many U.S.-owned or -partnered, that have improved their profitability and efficiency through the free exchange of goods and services around the entire world.

It is no exaggeration to say that this boon to the global economy—that is, free trade—is due in very large part to the diligence and professionalism of the United States Navy. Since World War Two, the Navy has held open for peaceful commerce the sea lanes on the oceans, the air lanes above the oceans, and the cable paths beneath the oceans.

The Navy must maintain the people, the purpose, and the power to never fall short of its readiness to ensure Freedom of the Seas, along with the air above and the ocean floor beneath.

I say again, the Atlantic Fleet is ready. It is ready to go anywhere and to execute its missions. And that fact is due to the talent, dedication, constant sacrifice, and superb professionalism of the American Sailor. The Navy and the nation owe Sailors the best; we cannot let them down. To that end, your continued support is essential.

I thank you, Mr. Chairman, and your committee, for the opportunity to speak with you about the Atlantic Fleet. If there are any questions, I will be happy to respond.