

STATEMENT BY

LTG MICHAEL D. ROCHELLE
DEPUTY CHIEF OF STAFF, G1
UNITED STATES ARMY

BEFORE

SUBCOMMITTEE ON MILITARY PERSONNEL
HOUSE ARMED SERVICES COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES
FIRST SESSION, 110TH CONGRESS

AUGUST 1, 2007

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE ARMED SERVICES COMMITTEE

Chairwoman Davis, Representative McHugh and distinguished members of the Committee, thank you for providing us the opportunity to appear before you today on behalf of America's All – Volunteer Army. The Army, over 1 million strong, is proudly serving the Nation around the globe and continues to grow in order to meet the demands of current and future operations. I realize that the hearing's focus is on highlighting current recruiting and retention successes and I welcome the opportunity to talk with you about one of our Army's highest priorities.

Even with the All-Volunteer Army at war for the fifth consecutive year, we continue to grow the Army in order to sustain combat operations and to defend the Nation's vital interests around the globe. Our commitment to winning, protecting our Soldiers and caring for our Families is unparalleled.

We are strengthened by those men and women who do join, and by their willingness to stay with us. They are mothers, fathers, sons and daughters---heroes whose incalculable willingness to sacrifice comprises the foundation of this country's strength.

Soldiers like Sergeant Leigh Ann Hester, the first woman awarded the Silver Star for direct combat action against an enemy, who, while escorting a convoy in Iraq, dismounted from her armored Humvee in a counterattack against an ambush resulting in the killing of 27 insurgents and the capture of seven more. Or Private Stephen C. Sanford who received two potentially fatal gunshot wounds, this after already having

been shot in the leg once and twice in the back in a series of attempts to evacuate wounded fellow Soldiers from a house in Iraq, ceasing his remarkable efforts only after being incapacitated by his own loss of blood. Of special note, we currently have 60 Soldiers formerly enrolled in the Army Wounded Warrior Program who, in spite of being qualified for medical separation and disability compensation, have elected to stay on the Army Team.

Clearly, these are heroic acts by tremendous young American men and women. Equally inspiring are the qualified young military applicants across the Nation who remain willing to serve today with the full knowledge of the sacrifice such service may entail.

Congress' continued commitment to providing the resources and flexibilities needed to recruit and retain heroes like these, and to ensure they receive the quality of support and care they so richly deserve, is absolutely essential.

Recruiting

We have accomplished much over the past several years. By recruiting more than 170,000 men and women into all three components annually we continue to sustain the world's best All-Volunteer Army. It is an All-Volunteer Army that is being recruited under conditions not foreseen when established in 1973. Army Soldiers continue to be confident, adaptive, and competent.

We are working aggressively to close FY07 successfully. We remain ahead of the glidepath to achieve our FY07 recruiting mission, and I am confident we can achieve that goal as we prepare to meet the challenges for FY08 and beyond. With your continued support, we will position ourselves to not only man and to grow the Army, but to assure a quality All-Volunteer Army in the future.

Recruiting qualified young men and women in a highly competitive environment is extremely challenging. Competition with industry, an improving economy, lower unemployment, decreased support from key influencers, the media, and the continuing Global War on Terror present significant challenges.

Our ability to recruit in this environment requires a national commitment. All service to Nation is honorable and worthwhile; service as a Soldier in the preeminent land power on earth ranks at the very top of that honored list. That is a message that needs a wider chorus of voices to be effectively communicated. The wife of an Army staff sergeant said it best: "they became heroes when they enlisted." We need more heroes in each of our components, now and in the future.

I fully anticipate that recruiting next year and beyond will remain challenging and will, therefore, require additional innovative approaches and authorities. The future may very well require renewed authorities such as those provided in NDAA 06.

Incentives & Enlistment Bonuses

The Army must retain a competitive advantage in a very competitive recruiting market. The last true advantage was the Army College Fund, which previewed in 1982. We are now counting on the Army Incentive Fund (AIF) to serve as the next-generation program to provide the Army with an enduring competitive market advantage.

The Army is a values-based institution and the Army Incentive Fund offers incentives that promote these values and attract individuals who are innovative, capable and willing to take intelligent risks, and marked by an entrepreneurial spirit; recruiting and retaining Soldiers with these qualities will prove key to meeting the Army's future manpower needs. The AIF is expected to be a viable recruiting attraction in markets that have not responded to other incentives, and is expected to mirror the success of the Army College Fund. The AIF will initially offer Soldiers the option of money for a down-payment on a home or seed money to start a business. With a central funding mechanism (a no-year money fund), AIF could potentially "plug-and-play" new options that may be required to meet evolving Soldier needs. The Army asks for Congressional support in the creation of value-based incentives and ultimately we request your support for no-year money fund. With Congressional support for this initiative, we will move another step in the right direction toward growing the All-Volunteer Force.

In the absence of a no year money fund, the Army has been unable to implement the AIF and, consequently, the programmed budget for enlisted incentives is currently projected to under-execute in FY07. This funding will instead be used to cover incentives required to retain the company grade officers the Army needs to successfully wage the global fight against terror.

Collectively, the authorities to pilot these temporary additional recruitment incentives are important keys for mission accomplishment. We have learned much in our efforts to use these authorities and we will continue to rely on your support for these authorities and our efforts to implement them.

Enlisted Retention

A key indicator of our Soldiers' commitment and high morale is our retention rates. The Active Army achieved all retention goals for the past nine years, a result that can be directly attributed to the Army's leadership and the motivation of our Soldiers to accept their "Call to Duty".

In fiscal year 2007, the Active Army must retain 62,200 Soldiers to achieve overall manning levels and we are on track to accomplish this mission. All three components are currently above their retention goals. Specifically, the Active Army achieved 101% of its year-to-date mission, the Army Reserve achieved 119% of its year-to-date mission, and the

Army National Guard achieved 107% of its year-to-date mission. Once again, a robust bonus program is important to continuing success in the Army's retention goals.

Although we have seen no downward trends in overall retention, we monitor our enlisted mid-career reenlistment rates closely. We adjusted our incentive programs to target this population of Soldiers. Mid-career soldiers between their 6th and 10th year of service are bearing the brunt of multiple deployments. In spite of this, retention rates for the Army's mid-career Soldiers have increased from 82% at the end of November 2006 to over 94% at the end of June 2007. Accordingly, as the end of the fiscal year approaches, we are confident that we will achieve not only our aggregate enlisted retention objectives, but specifically those for the mid-career enlisted force.

We do know that Soldiers are most concerned with the limited time at home between deployments and they would like more predictability and stability. The Department's recent decision to adhere to no less than 12 months dwell time at home station is our strong commitment to Soldiers and their families.

Officer Retention and Accessions

Our officer corps continues to lead the Army and its Soldiers in superb fashion. We consistently monitor both the health and growth of our

officer corps and, consistent with authorities, have implemented a number of strategies to sustain the Army's officer leadership.

The Army must increase company grade officer retention to keep up with the growth driven by modularity. While the Army's FY07 loss rate is projected to equal the 10-year average of 8.5%, we must reduce this rate to 5% if we are to sustain the growth needed to meet future requirements. A strategy focused on near, mid-term, and long-term retention will provide not only for retention of many of the Army's best and brightest officers, but will concurrently contribute to sustained growth.

As part of this retention effort, the Army developed a menu of options that is available to officers upon promotion to captain and prior to their completion of their active duty service obligation (ADSO). This menu provides officers a choice of incentives in exchange for an additional 3 years of active duty service. Officers can elect assignment to get their post of choice or branch/functional area of choice; attend a military school or obtain language training; attend a fully-funded graduate degree program; or receive a Critical Skills Retention Bonus (CSRB).

Further, the Army implemented a Pre-commissioning Program in FY06, allowing Cadets to select a branch, post or graduate school for an additional service obligation of three years. This program has proven successful in just one year, with 1100 officers participating in FY06 and 1600 expected to participate in FY07. The Army expects this program to

drop loss rates of both USMA and ROTC scholarship commissioned officers beginning in FY10 (by 702 officer's total) when these officers would have completed their normal ADSO (4-years for ROTC scholarships and 5-years for USMA). Now, we will retain these officers through 7 and 8-years respectively.

United States Military Academy cadets may agree to serve 3 years beyond their 5-year obligation; scholarship ROTC cadets agree to serve their 4-year obligation plus an additional 3 years of active duty service; and non-scholarship officers agree to serve their 3-year active duty obligation plus an additional 3 years. In FY06, over 1100 cadets from USMA and ROTC signed up for this program. In FY07, we expect over 1500 cadets to sign up for one of these programs, increasing the retention rate for USMA and ROTC year group cohorts to 58% by year 2010.

In 2006, we offered an additional 200 fully-funded graduate school opportunities to serving captains, beyond the 412 graduate school opportunities we previously provided. Officers participating in this program serve an additional 3 months for each month they attend school. We plan to send another 200 officers to graduate school in academic year 2007.

In October 2006, the Army established an Officer Retention Branch as part of a new campaign designed to retain more of our best officers. Unit commanders are getting more involved in officer retention. We intend

to manage this program like to the highly successful enlisted personnel retention program.

Concurrently, the Army has successfully grown the officer corps over the last several years through increased officer promotion selection rates and earlier pin-on times to both captain and major. For example, the captain promotion pin-on time has dropped from 42 months to 38 months, and the major promotion pin on time dropped from 11 years to 10 years. Additionally, promotion selection rates to captain and major are between 95 – 98%. While promotion rates are high, we continue to select the "best qualified" officers.

To meet the long-term needs of a larger officer corps, the Army is increasing its Army Competitive Category (ACC) officer accession mission by up to 300 officers each year over the next 3-years. Accessions will increase from 4600 in FY06 to 4900 in FY07, 5200 in FY08 and 5500 in FY09 and beyond. This increase in officer accessions will ensure the Army has enough captains and majors 4-10 years from now.

In FY06, IAW Title 10 authority, USMA increased the number of officers they accepted into their 4-year degree program. This will result in an additional 100 officers produced through USMA in FY10 and beyond.

In addition, we are leveraging other accession programs such as the "Blue to Green" Inter-service Transfer Program. To date, we have accessed over 325 officers into the Army from the Air Force, Navy and

Marines. We expect to access another 200 officers from the other services in FY07. We have also partnered with the Merchant Marine Academy and have contacted over 10,000 former officers that have separated in the past 24-months to offer them the opportunity to serve again.

Through continued service, approximately 250 Reserve Component officers volunteered to transfer to the Active Component. Additionally, we encourage those who served honorably to serve again through a retiree recall or a call to active duty. Today, we have approximately 700 retirees serving on active duty in a retiree recall status.

Our current officer accession mission is the highest in 30 years. To assist in meeting this mission we will rely heavily on OCS. Though we increased accessions in USMA (by 100 in FY06) and ROTC, those commissioning sources have longer lead times to produce officers. OCS is critical in meeting today's manpower needs. Since it takes time to increase production through USMA and ROTC (e.g., 2-4 years), as a short-term measure, the Army intends to maximize production from Federal OCS with 5 companies. Federal OCS production is expected to increase from 1,435 in FY06 to 1,735 in FY07 and 1,985 in FY08 to FY10. The OCS bonus will help attract NCOs to go to OCS and become officers, especially as we increase the FY08 OCS mission from 1700 to 1950. Further, increases in ROTC production are planned over the next 4-years from 4000 in FY07 to 4200 in FY08, 4500 in FY09 and 5100 by FY10.

Provided resources continue to flow, ROTC production is expected to reach 5350 by FY11. As ROTC production increases, more officers will be sent to the Reserve Components and we project that we will be able to begin reducing Federal OCS production by roughly 200.

The Army is confident the implementation of these strategies will grow the officer force and will enable us to meet our manning needs by FY10 (vice FY13 or later if we relied on traditional approaches for growing the force).

Conclusion

America's Army is strong. We will meet our commitments worldwide and will provide the best-led, best-trained and best-equipped Soldiers to combatant commanders. We urge your continued support to resource our Army, to maintain and grow it to meet America's global commitments.

We also urge your support as national leaders to influence and encourage all American's to answer this Nation's call to duty. To ensure our Army is prepared for the future, we need full backing for our programs and approval of the FY08 President's Budget request.

I thank you for the opportunity to appear before you today and I look forward to answering your questions.