UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

PERSONNEL AND
READINESS

Message from the Under Secretary

APR 1 8 2006

I am pleased to present the Office of the Under Secretary of Defense for Personnel and Readiness' (OUSD-P&R) Strategic Plan for Fiscal Years 2005-2009. This plan sets forth our strategic goals, program objectives and strategies that will guide our activities over the next five years as we continue to ensure human resources are trained, capable, motivated and ready to support the Department's mission.

The more we strive to clearly define our goals within the mission, the more we must implement strategic thinking and planning to facilitate our efforts. With each update to the OUSD-P&R's strategic plan, our mission and our resolve grow stronger. This plan and its predecessors are clear benchmarks to help us reach our goals.

I am proud of the OUSD-P&R's accomplishments and this strategic plan for the future. The United States armed forces have maintained the peace in some of the world's most strategically vital regions. However, our forces must change to confront our new threats and enemies. The American public can expect our dedication to recruit and retain individuals to support the Department so we will be successful of responding to the broad continuum of emergent threats both now and in the future.

Going forward, I believe that the OUSD-P&R is well positioned to face the demands of the future and I am confident that the OUSD-P&R's staff is committed to working together to achieve the goals and objectives outlined in this strategic plan.

David S. C. Chu

2006 - 2011

Strategic Plan

INTRODUCTION

This is the revised integrated strategic plan for the Office of the Under Secretary of Defense for Personnel & Readiness (OUSD (P&R)). It defines OUSD (P&R)'s mission and major goals. Our mission and goals reflect recognition that *people are central to mission accomplishment and that the Department of Defense (DoD) must remain capable of anticipating and responding to emerging threats.*

Respectively, designing, implementing, and maintaining an effective and flexible force will be critical to achieving the Department's goals. Equally important will be the consistent, committed, and persistent OUSD (P&R) leadership to implement the strategies, collaboration, and team building across OUSD (P&R) needed to cascade and sustain the human resources life cycle.

This plan provides the framework for decisions related to the programming and budgeting process, and the development and implementation of supporting plans. This living document will remain flexible while promoting constancy of purpose for long-term strategic guidance and maintaining direction during personnel changes.

THE DEPARTMENT OF DEFENSE MISSION

Provide for the common defense.

The major changes in the global security environment in the 21st century are reflected throughout the highest level within DoD guidance. Specifically, the September 2002 *National Security Strategy* (*NSS*) describes how America's military forces must transform for operational and national success. As stated within the *NSS*:

> ***"We must also transform the way the Department of Defense is run, especially in ...recruiting and retention." "Innovation within the armed forces will rest on experimentation with new approach to warfare,***

strengthening joint operations, exploiting U.S. intelligence advantages, and taking full advantage of science and technology."

"The unparalleled strength of the United States armed forces and their forward presence has maintained the peace in some of the world's most strategically vital regions. However, the threats and enemies we must confront have changed, and so must our forces. A military structured to deter massive Cold War-era armies must be transformed to focus more on how an adversary might fight rather than where and when a war might occur. We will channel our energies to overcome a host of operational challenges."[1]

To reach transformational success, the Department must continue to sustain and nurture its all volunteer force, particularly during this time of high operations tempo to support the Global War on Terrorism and our operational engagements. This will require a continual review and refinement of our Social Compact Programs to enhance the quality of life; and the continued attention to the discovery of best ways to recruit, retain and employ talent.

Today, our commitment to our people far exceeds that of any other employer. This is attributed to people not being viewed as short-term costs, but as long-term assets that are the foundation to our success.

THE OSD PERSONNEL AND READINESS MISSION

The President's Management Agenda focuses on cross-cutting initiatives requiring federal government-wide action. We support the goals set out in this agenda and particularly the initiative of strategic management of human capital which is our organizational foundation. Our mission is to:

Ensure human resources are recruited, trained, capable, motivated, and ready to support the DoD mission so that the Department remains capable of responding to the broad continuum of emergent threats both now and in the future.

---

[1] President George W. Bush, *National Security Strategy*, (Whitehouse Edition, 2002), Section 9. [Online] Available: http://www.whitehouse.gov/nsc/nss9.html.

The judgment, creativity, and fortitude of our people will be essential to reach future success. Leaders must recognize and enhance the value of their people. Personnel must continue to be trained and motivated to contribute to organizational success. Through our assertive efforts, the Department will remain a world-class employer of first choice, attracting, and retaining our nation's finest people.

The Department must be able to adapt quickly to changing demands. This requires a readiness reporting system that is based on the capabilities of forces of all sizes and constructs as well as the ability to demonstrate the consequences of deficiencies relative to a broad array of potential scenarios. Our forces are actively conducting a broad array of current missions. We need to reduce the stress resulting from these commitments while maintaining enough residual capability to execute other missions when called.

THE OSD PERSONNEL AND READINESS GOALS

To accomplish the Personnel and Readiness mission, we will promote effective policy and business practices which will allow us to reach the following goals:

(1) Attract, retain, develop and motivate high quality, diverse,and sufficiently sized military forces to meet mission requirements.

Recruiting, developing and retaining high quality, diverse people is our central focus. We will continue to carefully identify requirements and tailor compensation and other programs to achieve those objectives. We will continuously review and improve personnel management to generate business practices, policies, and procedures that reflect our commitment to the men and women of the Department.

(2) Posture the force for the future.

We will advance innovations in policy, compensation, legislation, and programs to meet current and future force management needs. Key elements of our future work include implementation of the Human Capital Strategy and the foreign language program envisioned by the Quadrennial Defense Review, enhancing our capability in stability operations, and improving joint officer management. To this end, we will

work collaboratively across the Department, with the Interagency and with the Congress to identify emerging issues in the Force Management; engage research and analytics to identify options, and propose optimal solutions.

(3) Implement the National Security Personnel System (NSPS) and ensure that it is flexible, agile, credible, trusted and fiscally sound.

NSPS is the centerpiece of the transformation of the Department. It is designed to provide the flexibility necessary to support the DoD mission and effectively manage the civilian workforce, with the right person, at the time, and at the right place.

NSPS will promote a results-oriented performance culture in which the performance and contributions of the DoD civilian workforce are more fully recognized and rewarded. The new Human Resource policy will unequivocally change the way DoD civilians are hired, evaluated, compensated, rewarded, disciplined, and the method labor-management program responsibilities will be fulfilled to promote our security interest and better serve the public. We will evaluate the implementation of NSPS to ensure its successful implementation and fairness to employees.

(4) Ensure the Department of Defense systematically plans and forecasts workforce requirements to support the DoD mission with a trained and ready civilian force.

We will constantly review and evaluate the make up of its workforce to ensure success in meeting mission requirements. Not only must the right people be available to do the job, but also a system must be in place to ensure that as conditions or missions change the civilian force is trained and ready to meet the challenge.

We will also determine the best structure to provide optimal results at the lowest cost. It includes recruiting, training and succession plans that bring in the best talent available to the Department, trains them to carry out the functions of their positions and adapt to changes and identifies those individuals most suited for leadership positions.

(5) Ensure that DoD's civilian workforce is capable, high performing, results-oriented, and richly diverse as America itself.

As transformation continues, there will be increasingly greater pressures on the civilian workforce to be more responsive, accurate, and customer-focused. We will ensure that recruiting efforts must be highly effective and sustainment issues must be identified and dealt with effectively. As the demand for high quality and effective workforce continues, we will ensure that it does not exclude any group from entry into the workforce or block its upward movement, for to do so is to risk the loss of valuable talent.

(6) Provide a DoD HR Community that is strategically aligned and customer focused, and provides measurable, leading-edge results.

With the emphasis on building and maintaining a highly effective, results-oriented workforce, the quality of the Human Resources community will dramatically impact attainment of those goals. The implementation of NSPS changes the way we do business. Highly skilled individuals under the previous system are now beginning to face situations where their knowledge is inadequate to the task at hand. As such, we will take steps to ensure that the workforce is conversant in the new HR system that lessons learned are institutionalized and that commonalities in process, style and language are identified and shared. We will also revise our personnel management processes to ensure a continued focus on results that support the Department's mission and goals.

(7) Integrate the active and reserve military, civilian employees, and support contractors into a diverse, cohesive total force and a rapidly tailorable joint force structure.

In order to improve our effectiveness, we will continue to maximize our workforce through a more seamless integration of the total force – we must create a continuum of service. We will be functionally integrated to maximize individual performance while recognizing the uniqueness, and capitalizing on the strengths of the people who comprise the total force. Organizations will be structured so they can be easily tailored in order to optimize and integrate the use of the knowledge, skills, and abilities of each individual in the accomplishment of the DoD mission. Information systems applications will be developed to capture the competencies of the billets, the demand, as well as the competencies of the individuals. Also, organizations and forces must be flexible and responsive to the requirements of the Combatant

Commanders in order to meet the challenges of the twenty-first century.

(8) Promote the transition of the Reserve Components (RC) to an "operational reserve", in addition to their traditional role as a strategic reserve.

We will recognize that the National Guard and Reserve are primarily an on-call force, but they are being called upon to play an even more integral part in the day-to-day accomplishment of the Department's operational requirements. We must adapt policies, practices, and force management approaches to support this critical change, and provide the Guard and Reserve with the manning, training, equipping, resourcing, and basing essential to their success. We will establish policies and pursue statutory changes to remove barriers to the implementation of a "continuum of service" construct. We will re-engineer mobilization and demobilization policies and procedures and we will further strengthen and encourage the employer support of our Guard and Reserve members, while looking to reduce the burdens and economic impact of their employers. In addition, we will strive to solidify the Reserve component roles in Homeland Defense and Civil Support mission areas by developing policies which leverage their capabilities and community basing.

(9) Enhance quality of life for the total force and support military members, their families, and retirees across the full human resource life cycle.

To support the total force, our military families, and retirees, we will pursue initiatives that reflect our commitment to all of those who are serving as well as those who have served. We will provide training, equipping, resourcing and basing essential to success on and off duty. We will focus on quality of life initiatives across the full human resource life cycle from recruiting through retirement. We will provide continued, seamless support to our military personnel and their dependents as the military personnel cross from active to reserve status and back, as they deploy and redeploy, and as they leave military service to enter the private sector as veterans or retirees.

(10) Provide the Joint Force with best-in-the world Operational Medicine/Force Health Protection (FHP), homeland defense and high-quality health care for beneficiaries.

To maintain our high quality health care we will transform the medical force so that future medical support is fully trained and aligned with joint force concepts. We also will transform the infrastructure of the Military Health System to reduce excess capacity/infrastructure and operate jointly in Multi-Service markets. We will become a more customer-focused and performance-based organization, that anticipates and responds to the changing nature of healthcare. We will leverage science and technology, so that new medical products and services are rapidly developed and deployed and we will transform the TRICARE benefit to reinforce the appropriate use of resources.

(11) Provide appropriate education, training, and development of the total force to meet joint coalition/ international mission requirements.

To maintain a state of readiness, we will strive to support the life long learning continuum so the total force has the background and experience that will ensure that our people can perform the missions assigned. We will assist organizations to identify the skills and characteristics needed among leaders and employees to achieve success and make the appropriate investments to train and develop people to reach the required competencies needed by the Department. Critical skills and competencies such as foreign language ability and cultural knowledge must be identified, developed, and nurtured in the force.

(12) Support the readiness of the total force for peacetime, contingency, crisis, and war fighting and post conflict stability operations.

To meet the nation's time-sensitive requirements for military forces, we will make effective decisions regarding the readiness of our active and reserve component organizations. We will provide a comprehensive, integrated set of accurate and timely information on personnel, equipment, and training readiness indicators, so that leaders will then have critical

knowledge available to communicate, evaluate, and decide on appropriate force readiness issues.

(13) Measure and protect the ability of forces to conduct assigned missions.

To meet the needs of force and operational commanders, we will continue the development and implementation of the Defense Readiness Reporting System. This system provides a registry of the ability of forces to conduct assigned missions. This system will also provide detailed information on the resources and training status. Our goal is to provide a scenario assessment capability to inform both risk analyses and force management decisions.

(14) Reduce injuries for our civilian employees and military members and aviation mishaps.

We will create and foster a zero preventable accident culture throughout the Department to continue to strive and protect our most viable assets – our military and civilian workforce. With estimated $3 billion expenditure per year in accidents, we must ensure that all personnel are accountable to act responsibly. We will also use the best practices and garner the resources for their application across the Department to ensure success.

(15) Promote an environment that is supportive, respectful and harassment free to get the most out of each individual.

We will establish policies and business practices which promote a caring, nurturing environment that demonstrates our commitment to our people while ensuring the accomplishment of the DoD mission. We also will foster an organizational culture that stresses respect, is free of harassment and unlawful discrimination and assault, is results oriented, and is focusing on accountability, teamwork, employee involvement, and empowerment to maximize efficiency and performance.

(16) Inform and educate U.S. citizens worldwide of their right to vote; foster voting participation; protect the integrity of, and enhance, the electoral process at the Federal, state and local levels; and promote effectiveness and efficiency in the administration of the Uniformed and Overseas Citizens Absentee Voting Act.

We will ensure that every Uniformed Service member and their voting-age family members and all U.S. citizens residing outside the U.S. are aware of their right to vote and that they have the opportunity to freely participate in the absentee voting process. We will endeavor to utilize new technology to simplify and improve the absentee voting process, while maintaining its integrity and providing readily available absentee voting assistance throughout the world through a network of Voting Assistance Officers. We will encourage the states and territories to eliminate barriers that make it difficult for U.S. citizens to participate in the absentee voting process.

(17) Provide effective management of OUSD (P&R) to meet mission and organizational needs.

We will manage our P&R resources in the most effective and productive manner using best business practices, continually improving and refining our policies, practices, and processes and incorporate evolving technology. We will ensure the effective integration of activities throughout the organization to minimize duplication of effort. Goals will be set, measured and progress evaluated on how well we support the Department. A continuing dialog with stakeholders and customers should help to guide the articulation of programs and policies.

ORGANIZATION

Today, the Under Secretary of Defense for Personnel and Readiness leads nine areas of responsibilities, each with a senior management leader. Two offices are headed by Assistant Secretaries of Defense: Health Affairs (HA) and Reserve Affairs (RA). Seven offices are headed by Deputy Under Secretaries of Defense: Program Integration (PI), Readiness (R), Plans (P), Military Personnel Policy (MPP), Civilian Personnel Policy (CPP), Military Community and Family Policy (MC&FP), and Equal Opportunity (EO).

An organizational layout of the USD (P&R) construct is depicted below, along with its missions. USD (P&R) and its associate offices report to the Deputy Secretary of Defense and the Secretary of Defense.

The Under Secretary of Defense for Personnel and Readiness is responsible for providing overall leadership of the broad areas of responsibility assigned to the office, with specific responsibility to:

- **Integrate the accomplishment of goals by all subordinate organizational elements**

- **Represent human resource issues to the Secretary of Defense, the Deputy Secretary of Defense, and the other Under Secretaries of Defense (Finance, Policy, and Acquisition, Technology, and Logistics)**

- **Access and manage the force through developing effective policy and business practices to:**

    - **Support effective management of military and civilian personnel to meet manpower requirements**
    - **Support enhanced quality of life**
    - **Maintain a diverse and capable work force supported by equal opportunity principles**

Health Affairs is responsible for enhancing DoD and the Nation's security by providing health support for the full range of military operations, sustaining the health of all beneficiaries and supporting homeland defense by:

- **Providing medical policy, oversight, and analysis necessary to sustain a healthy, hyper-fit, and medically protected force throughout their service to the nation**

- **Project military health capabilities worldwide to support the full range of military operations including combat service support and casualty care**

- **Develop and deploy medical countermeasures**

- **Deliver affordable quality health care to eligible beneficiaries**

Reserve Affairs is responsible for preparing reserve forces by developing effective policy and business practices to:

- **Serve as the principal advisor acting through USD P&R to the Secretary of Defense on National Guard and Reserve matters**

- **Integrate Reserve Component capabilities in the total force**

- **Ensure the proper management of RC personnel, appropriate compensation and benefits are provided to RC personnel and families, and the effective utilization of reserve manpower**

- **Oversee the management of the Guard and Reserve equipment support, readiness and sustainability, and facilities**

- **Provide oversight for effective training and career development of the reserve components**

- **Ensure adequate resourcing of Guard and Reserve functions**

- **Gain and maintain active support from all public and private employers for the men and women of the National Guard and Reserve.**

Program Integration is responsible for integrating crosscutting functions across P&R by developing effective policy and business practices to:

- **Oversee total force manpower requirements determination, justification, apportionment, and execution**

- **Oversee interoperable manpower and personnel management systems**

- **Coordinate participation in the planning, programming, and budgeting system; coordinate the legislative interface across P&R; and coordinate the research program across P&R**

- **Lead the P&R information management and business process-reengineering program**

Readiness is responsible for ensuring force readiness through developing effective policy and business practices to:

- **Ensure the readiness of the total force for peacetime, contingency, crisis and war**
- **Develop and implement the Defense Readiness Reporting System (DRRS)**
- **Implement the Secretary's Mishap Reduction Goal**
- **Implement training programs that provide dynamic joint capabilities-based training across the full spectrum of Service, Joint, Interagency, Intergovernmental and Multinational operations**
- **Sustain ranges and operating areas needed to support future training**
- **Continue leadership of the Advanced Distributed Learning Initiative for the Department**

Plans is responsible for ensuring for the Department that the foreign language program supports the Services and Combatant Commands in their assigned missions; overseeing and implementing the President's Management Agenda; implementing corrective and preventive actions on sexual harassment and assault; and establishing processes and measures to advance human resource issues and monitor the accomplishment of goals.

- **Oversee the accomplishments of the four goals of the Defense Language Transformation Roadmap and the Defense Language Program**
- **Oversee the accomplishments of the Force Management Risk strategy for all of Personnel and Readiness**
- **Oversee the corrective and preventive actions on sexual harassment and assault**
- **Oversee the accomplishments of the President's Management Agenda for all of DoD**

- **Manage the Defense Human Resources Board – identify and deliberate major human resource issues within the Department**

- **Establish and manage the human resources "balanced scorecard" to chart progress toward USD (P&R)'s organizational goals**

Military Personnel Policy is responsible for ensuring military personnel policies and programs support the Services and Combatant Commands in accomplishing their assigned missions; and contributing to the long-term well-being of the Armed Services and their military members.

- **Oversee officer and enlisted personnel management policy affecting retention, reenlistment, separation, and retirement**

- **Develop, review, and analyze policies, budgets, and plans for active duty enlisted recruiting and officer commissioning programs**

- **Develop and oversee implementation of personnel policies that maintain fair and competitive compensation and entitlement systems**

- **Manage the Disability Evaluation System (DES); Military Awards and Decorations; Congressional Fellowship Program; utilization of women in the military; frocking policy; assignment policies; Stop Loss Program; OSD Intern Program; military active duty strength; advanced civilian education, and the requirements of the Defense Acquisition Workforce Improvement Act (DAWIA)**

- **Provide for collaborative ministries to the Armed Forces. Advise leaders of the military, military chaplaincies, ecclesiastical endorsing organizations, and federal agencies in matters of policy, guidance, information, and resources for ensuring the free exercise of religion for the Department of Defense**

- **Ensure that uniform travel and transportation regulations are issued pursuant to Title 37, United States Code, for members of the seven Uniformed**

Services (Army, Navy, Air Force, Marine Corps, Coast Guard, Public Health Service, and National Oceanic and Atmospheric Administration) and for civilian employees of DOD issue uniform regulations implementing the Federal Travel Regulation.

Civilian Personnel Policy is the Department's human resource policy office. CPP formulates plans, policies, and programs to manage the department of defense civilian work force effectively, efficiently, and humanely. CPP supports the Military Departments and Defense Agencies with policy leadership and with personnel services through the Civilian Personnel Management Service. The Office also manages the nonappropriated fund personnel system and provides guidance for the foreign national employment program within the Department.

- **Develop and issue civilian personnel plans, policies, and programs**
- **Oversee the Department's civilian drawdown and workforce reshaping, ensuring that they are implemented humanely and efficiently**
- **Prepare plans and programs to streamline and improve personnel management**
- **Manage the Department's Defense Leadership and Management Program**
- **Develop legislative and regulatory proposals to achieve the administration's human resources goals**
- **Develop the research base necessary for informed policy making in all areas of civilian personnel management**

Military Community and Family Policy is responsible for fulfilling our commitment to underwrite troop and family support as embodied in the Social Compact to:

- **Ensure community support programs respond to the needs of troops and families in military communities**

- **Provide quality dependent schools overseas and as required by statue**

- **Provide cost effective grocery and exchange services**

Equal Opportunity (EO) is responsible for the oversight of Department policies to achieve and maintain a mission-ready diverse force infused with EO/EEO principles and processes.

- **Oversee and evaluate DoD Component implementation of Federal civil rights laws, Executive Orders, regulations issued by standard setting agencies, and SecDef policy issuances for military and civilian personnel**

- **Develop plans, policies and outreach programs that foster recruitment and effective management of a diverse workforce including adequate representation of women, minorities and persons with disabilities**

- **Oversee the Defense Equal Opportunity Management Institute as a center of excellence providing leading-edge training, education, and research in diversity management and equal opportunity**

Oversee the Defense Department Advisory Committee on Women in the Services.

- **We will provide advice and recommendations on matters and policies relating to the recruitment and retention, treatment, employment, integration and well-being of women in the Armed forces. In addition, we shall provide advice and recommendations on family issues related to the recruitment and retention of a highly qualified professional military.**