

Statement of

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Educating and Training Civilian Employees in the Department of Defense

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Mr. Chairman and Members of the Subcommittee. I am pleased to be here today to provide testimony about matters affecting the training, education, and development of civilian employees in the Department of Defense (DoD).

DoD is widely acknowledged to be the premiere organization for transforming raw talent into highly competent performers in a wide range of fields. The Department has extremely well-developed programs for training soldiers, sailors, airmen, and marines in how to perform in situations likely to recur as well as for educating them to cope effectively with the unexpected. Its blend of work experience with classroom training, distance learning, and formal academics has been designed to prepare all military members with the knowledge and skills necessary to perform effectively and to prepare for future assignments.

This excellence stems in part from its unique structure and legal authority. The military is a closed system, in that one enters at a low level and works up; because there is no lateral entry, anyone wishing advancement must develop higher-order knowledge and skills while already in the service. Also, the "up-or-out" system permits the Department without prejudice to end the service of those who do not work to improve their knowledge and skills, or to decide to keep only those who do the most for self-improvement. Promotion is based on performance as well as potential, as individuals are frequently assigned to positions where they are then given the necessary education and training. Also, within the authority of Title 10 of the U.S. Code, the Military Departments can specify absolute requirements for certain positions

For the civilian workforce, however, matters are less clear-cut. Governed primarily by provisions within Title 5, civilians are not regarded as competitive for jobs unless they have already demonstrated possession of the requisite knowledge, skills, and abilities. In other words, they are generally expected to arrive at a job with the necessary education and training already achieved. Because people can enter the civil service at any level, some managers in the Federal sector have

been reluctant to invest in education or training of the existing workforce because of the belief that fully qualified people exist outside and need only be recruited.

Another key difference is that military rank resides in the person, while civilian rank resides in the position. Therefore, when a military member goes to education or training, it is seen as part of his or her job, as something appropriate to the current rank. For civilians in the Department, mobility is more constrained, and education or training must often be accomplished after hours or on weekends.

As a result of these systemic differences, the Department has long invested more in the military members (whose future it controls) than in the civilians (who are part of a Federal-wide system). That said, however, I must note that DoD has begun transforming its approach to civilian education and training. Over the years, the Department has made a considerable investment in educating its civilian employees, but not always in systematic ways. However, the Department's mission is becoming increasingly more complex while the number of employees continues to decline, requiring that everyone be able to do more with less than before. Therefore, DoD must make a serious, systematic investment in its employees.

Let me set the stage for describing that investment by summarizing some of the changes that DoD faces. Over ten and a half consecutive years of downsizing have brought significant changes in the DoD civilian workforce in terms of age, occupational profile, grade, and educational level. As Fiscal Year 1989 ended, DoD employed about 1.15 million civilians (including those in both military and civilian functions, but excluding workers paid from nonappropriated funds), of whom 10 percent were local nationals. By March 2000, the number had declined to 727,000, a drop of 37 percent, with the number of local nationals falling by 56 percent. Among our workers who are U.S. citizens, major changes include the following:

- **An increase in the average age.** This has risen already from 41.6 to 45.9. Further, the number of employees younger than 31 has dropped by 77 percent, while the number in their 30s has fallen 52 percent. Fully a third of current workers are aged 51 or older. These factors present potential problems in the orderly transfer of institutional knowledge.
- **Increasing professionalization.** While there has been a decline in all major areas, the sharpest drops have been in clerical (-67 percent) and blue-collar (-48 percent) occupations. As the decade began, blue-collar workers accounted for just over 29 percent of our workforce; the share has fallen under 24 percent, primarily because of the base closure process. At the same time, the share of the total workforce in professional, technical, and administrative jobs has risen. The smallest absolute decline has come in professional jobs.
- **Improvement in educational levels.** Data in this area understate actual academic achievement. However, we do know that fewer than 10,000 current employees entered DoD with less than a high school diploma; this figure is some 77 percent smaller than it was a decade earlier. For higher levels of education, there has been very little decline. Of those known to have entered DoD employment with at least one advanced degree, the decline has amounted to only 3 percent across the decade. The jobs that remain in DoD, therefore, seem to be those requiring more advanced education and training than those in the past.

During this decade, then, the Department has seen a profound shift in the expectations it has of its workforce. Outsourcing, base closure, and technological advances have worked to reduce the number of positions requiring limited education and training. Simultaneously, advanced technology, contract oversight, and a more complex mission have generated the need for more advanced education and capacity. Reduced hiring and the aging of the Baby Boom generation have combined to increase average pay and grade level. Taken together, these factors have produced a workforce that is very different from its predecessor of a decade earlier.

To add complexity to the situation, the United States has achieved an unemployment rate of less than four percent, making competition for talent extremely difficult. As a public-sector employer, we face salary constraints that make it difficult for us to attract top-flight talent in a wide range of areas, most notably in computer science, information technology, and a range of other scientific and technological fields. Therefore, we are working hard to develop tools that can permit us to invest more in the training and education of those we already have, as well as those we hope to attract in the future.

Approaching this problem systematically has required research into what education and training is already being provided, research into future needs, and development of appropriate programs. The balance of my testimony will address those three areas.

Education and Training Being Provided

Historically, management of educational programs for DoD civilians has been highly decentralized, with no central records of courses, certification, educational attainment, costs, or standards. While this approach has permitted tailoring of programs to meet organizations' needs, it has not necessarily served to guarantee quality, administrative efficiency, economy, or adequacy to meet requirements. Therefore, at the request of the Under Secretary of Defense (Comptroller) (later the Deputy Secretary of Defense) in mid-1997, my office surveyed educational institutions, educational and professional development programs, career developments, and external providers of program support to the Fourth Estate, that is, all parts of DoD outside the three Military Departments.

We found that the Fourth Estate is a major sponsor of postsecondary education and professional development for civilians. There are some 20 educational institutions, 37 educational or professional development programs, 37 career development programs, and at least 40 external providers and 68 external support programs. These varied considerably, from week-long seminars to multi-year degree programs, but most of the offerings are short. The determination of requirements was highly decentralized, and the career development programs varied widely in scope, impact, and sophistication. For additional information, in 1998 we updated the survey of educational institutions enrolling civilians to include those sponsored by the three Military Departments. Findings remained consistent with the earlier work.

Several key principles underlay the reports' recommendations and were stated explicitly in December 1997:

- The Department of Defense is committed to employing the most highly qualified civilians possible and to investing in their development as managers, leaders, and functional specialists.

- DoD is committed to *excellence* in education and professional development, from quality of curriculum to teaching methods, from facilities to student selection, from fiscal integrity to academic rigor. That which is not excellent should be improved, turned over to an entity providing excellence, or abandoned.
- Joint education of military members and civilians greatly benefits the Department, its Components, and the participants, and should therefore be encouraged.
- Investments in education and professional development should be coordinated and leveraged for maximum benefit to the Department, its Components, and the participants.

These principles have continued to guide the Department's actions.

Research into Future Needs

Two DoD studies, one not yet published and the other recently released, provide useful insights into future civilian work requirements. First, my office and the Joint Staff sponsored the "Future Warrior/Future Worker" study by the RAND Corporation. The study asks the question: Given anticipated changes in future defense missions, organization, and technology, in what specific ways will work change and will workers need to change? To perform this comprehensive study of civilian and military occupations, RAND has employed skilled occupational analysts from North Carolina State University, the Institute for Job and Occupational Analysis, and the U.S. Air Force Occupational Measurement Squadron. While the final report will not be published until this summer, several broad themes have emerged, indicating that the future DoD workforce will need better problem-solving skills, more advanced technical skills, the ability to stay current, and an enhanced service orientation.

It would probably be useful for the subcommittee to know some of the detail of the civilian workforce aspects of the study. Using the Occupational Information Network (O*Net) of the Department of Labor, RAND transformed 1,122 occupations into 46 clusters. (On the civilian side, this grouped 592 occupations into 39 clusters.) The analysts used *Joint Vision 2010* and other information in assessing how the nature of work in these occupational clusters would change by 2010. They analyzed work characteristics along 232 dimensions that fell into five domains: work context, generalized work activities, knowledge, skills, and abilities.

RAND's preliminary projections indicate the greatest degree of change in two clusters: maintenance specialists and computer specialists. By contrast, relatively little change in the nature of work was indicated in the large science and engineering cluster. Overall, future requirements include increased emphasis upon a service orientation, active learning, systems evaluation, negotiation, understanding of technology design, visioning, monitoring, identification of downstream consequences, an ability to synthesize and reorganize, and critical thinking.

The as-yet-unpublished results suggest that the nature of work in DoD and the set of employee characteristics needed to perform future civilian missions will evolve rather than change dramatically in the next ten years. This evolutionary change implies a major role for training and

employee development for our current workers to ensure that they keep abreast of future technical developments while improving their problem-solving skills and service orientation.

From another perspective, my office has been working with the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics on assessing the future acquisition and technology workforce, which constitutes the largest occupational segment of the defense civilian workforce. This effort has led to the identification of critical competencies necessary for success. The report, entitled *The Future Acquisition and Technology Workforce*, recommends measures that will allow DoD to realize a vision of a workforce that will be smaller, highly talented and motivated, adaptable, knowledgeable of commercial business practices and information technology, and able to operate in a dynamic, rapidly changing environment. Since our research has indicated that DoD stands to lose up to half of the current workers in key defense acquisition occupations to retirement and other causes over the next five to seven years, there is particular urgency to taking action in response to this assessment. This study forms the basis of an evaluation of acquisition training, education, and development that will help shift the Defense Acquisition University's curriculum toward focusing on preparing people to meet future needs.

Given the subcommittee's interest in assessing future training and development requirements for the civilian force, the acquisition workforce study provides useful insights. The working group was tasked with projecting the future acquisition and technology environment, functions, and critical knowledge, skills, and abilities. The study projected an environment that will be more dynamic, uncertain, and global, requiring greater industry-government cooperation, increased compatibility with electronic operations, and more familiarity with a wide range of acquisition functions and business skills. Emerging acquisition functions will demand a workforce with broader acquisition and business knowledge, skills, and abilities. The competencies necessary to perform in this environment and to accomplish these functions increasingly emphasize what the report calls "universal" competencies as opposed to "functional" competencies that pertain to a particular career field. These universal competencies encompass personal, organizational, managerial, and leadership knowledge, skills, and experience. Core functional skills remain essential, but there is a growing emphasis on personnel who understand multiple functions and have strong business skills.

This study takes place against a background of substantial commitment by the Congress and the Department to the training, education, and development of the defense acquisition workforce. In enacting the Defense Acquisition Workforce Improvement Act, or DAWIA, Congress recognized that systematic training and education of the acquisition workforce is fundamental to performance. The program of training, education, and experience administered by the Defense Acquisition University recognizes this mandate.

In addition, the Under Secretary of Defense for Acquisition, Technology, and Logistics initiated a policy of continuous learning in 1998. In his memorandum, Under Secretary Gansler wrote that "meeting increased performance expectations in the rapidly changing defense acquisition environment requires workforce members to be current with reforms, adaptable, flexible, and willing to accept risk and exercise leadership." To that end, civilian and military acquisition professionals must participate in continuous learning activities that augment the minimum education, training, and experience standards established for certification purposes. Those who

have completed the certification requirements for the positions they occupy must earn a minimum of 80 Continuous Learning Points every two years. Continuous learning activities include updated technical training, leadership training, academic courses, developmental assignments, and professional activities.

From another perspective, our Intelligence Community has been assessing its educational and training needs to develop an IC Workforce with a "community" perspective and strategic outlook. The community has studied competencies, characteristics, and attributes necessary for success. This research has led to the development of training objectives for each item, along with a draft Curriculum Guide that provides guidance to prospective Intelligence Community Officers.

Development of Programs

In the early 1990s, DoD managers were pleased that implementation of the Goldwater-Nichols Act had been yielding an officer corps that was more highly educated with a stronger joint perspective than ever in the past. However, there had not been a similar investment on the civilian side. To the contrary, civilians tended to remain occupationally stove-piped despite the fact that their jobs were becoming broader and their responsibilities more complex. They had very few opportunities for developmental assignments and little exposure to national security decision-making. Clearly, a change was needed.

That change came when, in response to recommendations from the Commission on Roles and Missions of the Armed Forces, DoD created its Defense Leadership and Management Program (DLAMP). Since its Directive was signed in 1997, DLAMP has been DoD's first systematic, Department-wide program to prepare civilians for key leadership positions at the GS-14, GS-15, and Senior Executive Service levels. Designed for DoD employees currently at the GS-13, 14, and 15 levels, DLAMP has three core requirements:

- a one-year rotational assignment outside one's occupation or Component;
- at least a three-month course in professional military education at the senior level (with a focus on national security decision making); and
- at least 10 advanced-level graduate courses in subjects important for Defense leaders (in a format similar to a Defense-focused MBA).

These activities are completed over six to ten years, while participants also meet any specific requirements for their particular occupation. Competitively chosen for admission, each participant has a personal mentor to provide guidance throughout the multi-year effort.

Currently recruiting for its fifth class, DLAMP now has some 1,100 participants. Currently, 83 are enrolled in the 10-month Professional Military Education (PME) courses at Senior Service Schools for the 1999-2000 academic year; 98 have already completed one of these 10-month courses with their military counterparts. Team-taught graduate courses began on February 23, 1998. As of two years later, the program has conducted 82 graduate courses, with 1,227 students

in attendance. Approximately 65 additional graduate courses will be conducted through the remainder of Fiscal Year 2000. In addition, this program is serving as a model for similar efforts in several other countries.

The program's diverse appeal is evident by the backgrounds of participants. For example, 31 percent have backgrounds in administration and management; 21 percent in research and engineering; and 10 percent in business. In addition, 8 percent come from accounting and budget; 7 percent from the social sciences; 6 percent from personnel; and the balance from mathematics, physical sciences, law, and other areas. Currently 37 percent are female, and 63 percent male.

The success of DLAMP has heightened awareness of the need for similar investments in the civilian workforce in other areas, both in terms of leadership skills and in terms of occupational knowledge. Because our research has indicated that higher-level DoD positions are filled overwhelmingly by people who have spent some time within the Department, it is essential that DoD invest in its civilian cadre. To that end, the Defense Science Board's Task Force on Human Resources Strategy recently issued a strong endorsement of DLAMP's expansion and a recommendation for a DLAMP preparatory program for employees at the GS 9-12 levels. This was accompanied by a recommendation to expand efforts to recruit and develop interns on both the specific occupational tracks and on the higher levels as Presidential Management Interns. To add strength to this area, the Task Force said that DoD should continue with its planned efforts to seek legislative flexibility to permit payment for degrees and certificates in relevant fields of study.

Already, DoD sponsors the Executive Leadership Development Program (ELDP) for prospective leaders at the GS-12 and GS-13 levels. This year-long, joint program provides immersion weeks in the activities of each Military Service, as well as several Functional Areas. It serves as excellent preparation for DLAMP and other activities.

For individuals who have reached senior executive ranks, The Office of the Secretary of Defense sponsors the two-week APEX Program, which is the civilian version of CAPSTONE for one-star General and Flag Officers. The course covers DoD goals and priorities; the Joint Chiefs and Joint Commands; Component plans and perspectives; acquisition; budget and financial administration; personnel and resources; leadership; logistics; diversity; ethics; integrity; conflict of interest; and protocol. In addition, for senior civilian and military leaders, OSD sponsors the Executive Seminar Series, consisting of a dozen short courses on topics ranging from privatization to communications skills.

In addition to the Functional and Fourth Estate Programs described earlier, the Department also offers a range of educational opportunities through the individual Military Departments. The Air Force, for example, uses the military model of Life Cycle management for its centrally managed, functionally led career programs, which started in 1976. The 15 career programs range from civil engineering to public affairs, logistics to personnel. Further, the Air Force has successfully integrated the selection processes for DLAMP and its own Civilian Competitive Development Program to ensure the best possible allocation of resources and assignment of people.

The Army also has a centrally managed and funded system for recruiting, retaining, developing, and advancing individuals along career progression patterns. Just under 40 percent of the Army's civilians participate in the 22 occupationally oriented career programs, with the largest representations in engineering and science, information missions, comptroller areas, materiel maintenance management, contracts and acquisition, and supply management. For leader development, the Army sponsors courses for interns, supervisors, managers, and executives, with mid-level courses offered through the Army Management Staff College and Senior Service Schools.

Operations within the Navy are more decentralized, with the focus shifting over one's career from the functional and technical to leadership development. For example, in the area of financial management, the Navy sponsors a two-year trainee program, followed by mid-level courses in comptrollership, and a graduate-level financial management program. In 1995, the Navy's Civilian Leadership Development established requirements and guidelines for the design of command and activity programs providing leadership training to civilian employees at the GS-9 through GS-15 and equivalent levels. Also, after benchmarking with several private-sector organizations, the Navy has developed an executive lifelong learning model, which includes centralized development of senior civilians and use of a 360-degree assessment option.

Beyond all of these programs, individual DoD offices sponsor seminars, workshops, and short courses in a wide range of areas to meet specific needs, from mastering PowerPoint to functioning as an Executive Secretary to understanding the Congressional process.

Conclusion

As mentioned earlier, DoD must cope with the realities of an aging workforce. Indeed, this year, the oldest Baby Boomer turns 54, with retirement eligibility coming in 2001. Over a third of our workforce is over age 50. Therefore, in the coming decade, we face greater-than-normal losses in experienced employees, keener competition for new talent, accelerated technological change, and continued fiscal constraints. Therefore, it is imperative that we have a civilian force that is more "joint" in perspective, that welcomes diversity, and that can adapt to change readily.

The Department of Defense has long recognized that the effective management of human capital calls for a well-tuned program of training, education, and development, with structured education and managed assignments playing an increasing role. From our experience on the military side, we have learned that training - in its broadest sense - is not like a light switch that can be turned on and off at convenient or critical times. Rather, training, education, and development are like the electrical grid without which organizations cannot function effectively. That is why we are expressly dedicating resources to investing in our civilian workforce through appropriate training, education, and professional development.

This concludes my remarks. Thank you again for the opportunity to discuss civilian workforce development. I will be pleased to answer any questions that you may have.