The breakup of the Soviet Union and the end of the Cold War profoundly affected the military forces of the United States. The “peace dividend” decreased both the force structure and the budget. Both the active and reserve components were reduced, as were the number of troops deployed outside of the continental United States (CONUS). Our national strategic objectives, and the military policies and plans that support those objectives, changed dramatically. The new military strategy placed a greater reliance on strategic mobility to project capable forces where needed throughout the world.

The nature of the demands for military forces has also changed. Although the focus is still on successfully conducting two Major Regional Contingencies (MRCs), the U.S. military has become involved in an increasing number of missions typically characterized as Operations Other Than War (OOTW). The combination of these factors has contributed to concern over the readiness of our military forces.1 To avoid a “hollow force,” questions are being posed about readiness.

1“[W]e have made people and readiness our top priorities.” William J. Perry, Annual Report to the President and the Congress, February 1995, p. iii. The numerous research efforts and investigative groups addressing various concepts of readiness is one measure of the interest in readiness issues. At RAND, there have been a number of readiness-oriented studies in the Army’s Arroyo Center, Project AIR FORCE, and the National Defense Research Institute. The bibliography provides a list of recent studies published on various aspects of readiness.
the level and distribution of resources across various military Services and activities.

The connection between resources and readiness has always proven difficult to quantify. Part of the problem is the complexity of the concept of "readiness." Various definitions of the term have been offered, and the term itself is used for a variety of purposes and at various levels of the military hierarchy. For example, the terms personnel readiness, materiel readiness, unit readiness, joint readiness, and force readiness have all been discussed and analyzed in recent years.

Complicating the problem is the fact that the relationship between resources and readiness is not direct. Resources buy "things," but those "things" do not constitute readiness. They are inputs to readiness that must be combined to produce a combat-oriented output measure that could answer the question, "Ready to do what?" In addition, readiness has a time dimension. If there is a desire to increase readiness, decisionmakers must know not only how much such an increase would cost, but also how long it would take to attain it.

People form a major element of the military force structure, and personnel costs are the largest component of the defense budget. To attract and manage their personnel successfully, the Services allocate various resources to a range of activities. To assist in this allocation, they use a variety of models. From a resource-to-readiness perspective, important questions include how these models work, how well they work, and how useful they are for making the connection between resources and readiness.

This report documents research on how current models can help in understanding the relationship between resources and personnel readiness. It describes two models, ELIM and MOSLS, used by the Army to manage its personnel strength and suggests where these models "fit" in the relationship between resources and readiness.²

²The Enlisted Loss Inventory Model (ELIM), formerly call ELIM-COMPLIP, is used by the Army to manage its enlisted personnel strength at the aggregate level. The Military Occupational Specialty Level System (MOSLS) manages enlisted strength at the grade and MOS level of detail.
The research augments and complements a prior effort examining a similar question for materiel readiness.

**PROJECT OBJECTIVE AND APPROACH**

The objective of the research was to understand how current models might be used to predict and measure personnel readiness. Four tasks were undertaken to accomplish this objective:

1. Develop a framework for describing and measuring personnel readiness.
2. Identify the various personnel models used by the Services and the Office of the Secretary of Defense (OSD).
3. Describe in detail how and how well a selected subset of these models work.
4. Assess the feasibility of using these models to help predict and measure personnel readiness.

We reviewed the substantial literature on readiness, personnel activities, and the models used to help manage those activities. We also interviewed a wide range of people in various personnel-oriented organizations of the Services and OSD, soliciting their views on personnel readiness and their expertise on the models of interest. The framework we present for examining the relationship between resources and personnel readiness synthesizes various aspects of this wide body of research and the knowledgeable opinions of Service and OSD personnel managers.

**OUTLINE**

Chapter Two provides a framework for personnel readiness, including a description of the attributes that define it and the activities that contribute to those attributes. The chapter also lists the various models used by OSD and the Services to help manage personnel activities. Chapter Three reviews the U.S. Army strength management process and how the two most important models, ELIM and MOSLS, are used in that process. Chapter Four provides an overview of ELIM and MOSLS, including a listing of the inputs, outputs, and processing
approaches. Chapter Five describes where these two models fit in the personnel readiness framework and how they can help in understanding the relationship between resources and personnel readiness. Two appendices provide more detailed descriptions of ELIM and MOSLS.