



Department of Defense INSTRUCTION

NUMBER 1322.23

May 20, 2011

Incorporating Change 1, Effective November 30, 2016

~~USD(P&R)DCMO~~

SUBJECT: Secretary of Defense ~~Corporate~~*Executive* Fellows ~~Program (SDCFP)~~*(SDEF)*

- References:
- (a) DoD Directive 1322.23, "Secretary of Defense Corporate Fellows Program (SDCFP)," February 22, 2005 (hereby cancelled)
 - ~~(b) DoD Directive 5105.82, "Deputy Chief Management Officer (DCMO) of the Department of Defense," October 17, 2008~~
 - ~~(c) Section 2013 of Title 10, United States Code~~
 - ~~(d) Deputy Secretary of Defense Memorandum, "Functional Transfer of Secretary of Defense Corporate Fellows Program (SDCFP) Oversight Responsibilities," August 25, 2009~~
 - (c) *DoD Instruction 1322.06, "Fellowships, Scholarships, Training with Industry (TWI), and Grants for DoD Personnel," November 15, 2007*
 - (d) *DoD Directive 5124.02, "Under Secretary of Defense for Personnel and Readiness (USD(P&R))," June 23, 2008*
 - (e) *DoD Instruction 1300.19, "DoD Joint Officer Management (JOM) Program," March 4, 2014*
 - (f) *Secretary of Defense Memorandum, "Force of the Future: Maintaining our Competitive Edge in Human Capital," November 18, 2015*
 - (g) *Memorandum of Agreement (MOA) Between Washington Headquarters Services (WHS) and Office of the Under Secretary of Defense for Personnel & Readiness (OUSD(P&R)) to Realign the Secretary of Defense Corporate Fellows Program (SDCFP) Functions and Resources, June 6, 2016*
 - (h) *Deputy Chief Management Officer Memorandum, "Proposed Realignment of Authority for the Secretary of Defense Corporate Fellows Program," July 28, 2016*

1. PURPOSE. This Instruction reissues Reference (a) as a DoD Instruction, in accordance with the authority in References (b), (c), ~~and~~ (d), (e), (f), (g), and (h) to establish policy and assign responsibilities for the ~~SDCFP~~*SDEF*.

2. APPLICABILITY. This Instruction applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD

Field Activities, and all other organizational entities within the DoD (hereinafter referred to collectively as the “DoD Components”).

3. DEFINITIONS. See Glossary.

4. POLICY. It is DoD policy that:

a. The ~~SDCFPSDEF~~ operates under the ~~oversight and supervision authority, direction, and control~~ of the ~~Deputy Chief Management Officer (DCMO) Under Secretary of Defense for Personnel and Readiness (USD(P&R)) for matters concerning program management of the SDCFP and associated responsibilities, with oversight provided by the Assistant Secretary of Defense for Readiness (ASD(R)), through the Deputy Assistant Secretary of Defense for Force Education and Training (DASD(FE&T))~~.

b. The Director, ~~SDCFPSDEF~~, and administrative support personnel comprise a special program ~~at the National Defense University (NDU) within the Office of the USD(P&R)~~. The Director, ~~SDCFPSDEF~~, reports to the ~~President, NDU-USD(P&R), or delegated official~~, on all administrative matters.

5. RESPONSIBILITIES. See Enclosure 1.

6. PROCEDURES. See Enclosure 2.

7. RELEASABILITY. ~~UNLIMITED. Cleared for public release.~~ This Instruction ~~is approved for public release and~~ is available on ~~the Internet from~~ the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.

8. EFFECTIVE DATE. This Instruction is effective ~~upon its publication to the DoD Issuances Website May 20, 2011~~.



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Enclosures

1. Responsibilities
2. Procedures

Glossary

ENCLOSURE 1

RESPONSIBILITIES

1. ASD(R). Under the authority, direction, and control of the USD(P&R), the ASD(R):

a. Provides all necessary administrative support and funding for facilities, staffing, travel and per-diem, training, information management, and contract services associated with the SDEF program.

b. Provides resource management and administration, information systems, personnel, travel, contracting, logistic, and security support associated with the SDEF program.

12. DIRECTOR, SDCFP SDEF. The Director, ~~SDCFPSDEF~~, under the authority, direction, and control of the ~~DCMOUSD(P&R)~~, ~~except for administrative matters for which the Director reports to the President, NDU, shall will:~~

a. Organize, direct, and manage the ~~subject~~SDEF program and all assigned resources, ~~including those provided by the President, NDU~~. This includes *establishing and operating an orientation* training program fully preparing ~~SDCFPSDEF~~ military officers and civilian employees to:

(1) Operate and learn in a civilian business environment.

(2) Be fully aware of the challenges to the DoD that may have solutions derived from this environment.

(3) Complete the program at an education level on par with Military Service Senior Fellowship Program contemporaries and fulfill ~~those any~~ Military Service requirements necessary to warrant ~~sSenior sService sSchool~~ credit.

b. Research prospective sponsoring institutions and solicit their participation in the program.

c. ~~Annually~~ ~~Sselect~~, subject to the Secretary of Defense's approval, sponsoring institutions to which ~~SDCFP-SDEF~~ members will be assigned ~~annually~~ and provide a list of these institutions to the Military Services by February 1.

d. Determine, in consultation with sponsoring institutions, the work plan for *military officers and civilian employees* assigned to the ~~SDCFPSDEF~~.

e. ~~Make As necessary, visits to~~ sponsoring institutions *during pre- and post-assignment of SDEF members to obtain progress reports from the SDCFP members, their mentors, and supervisors finalize all aspects of the SDEF member's assignments and receive feedback for future assignments.*

f. Annually, during the academic year, visit sponsoring institutions to get progress reports from the SDEF members and their mentors and supervisors. Annual visits will be conducted to measure the effectiveness and efficiency of the program, as well as relevant training needs, together with the ability to make assessments of any additional resource needs for planning purposes.

fg. ~~When a military officer's assignment to SDCFP is complete, and after the sponsoring institution provide input, submit the officer evaluation and/or fitness report, using appropriate Military Service directives and forms, for Secretary of Defense's endorsement.— Submit program and performance evaluations as follows:~~

(1) For military officers, prepare, sign, and submit the evaluation or fitness report, with the sponsor's letter of evaluation as an attachment, using appropriate Military Service directives and forms.

(2) For civilian employees, endorse and forward performance evaluations through the employee's administrative office.

gh. Develop budget requirements for program activities and operations and submit budget requests to the ~~President, NDU~~ servicing budget officer in the office of the DASD(FE&T).

hi. Ensure that ~~SDCFPSDEF~~ members:

*(1) Meet periodically ~~throughout~~ during the academic year with the Secretary ~~of Defense~~ or ~~the~~ Deputy Secretary of Defense *and senior DoD officials* to provide insights gained while at their sponsoring institutions and receive guidance on management topics of personal interest for further observation.*

*(2) Provide individual written reports and compose a collective statement as to where information and other technologies are going, how corporations are exploiting these technologies to change organizationally and operationally, and how these and other insights might be exploited to change DoD and Military Service culture and operations. ~~SDCFPSDEF~~ members will brief these insights, as a group, to the Secretary ~~of Defense~~ or ~~the~~ Deputy Secretary of Defense; the Chairman ~~of the Joint Chiefs of Staff~~ or ~~the~~ Vice Chairman of the Joint Chiefs of Staff; the Secretaries *or Under Secretaries* of the Military Departments; the Service Chiefs *or Vice Chiefs*; ~~the President, NDU~~; and other appropriate senior OSD and Military Department civilian personnel; and general and ~~or~~ flag officers.*

j. Track SDEF member's post-assignment careers and help the DoD Component heads and OSD Principal Staff Assistants (PSAs) in matching member's follow-on and sequential career assignments to areas utilizing the special skills gained in their SDEF assignments.

23. GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE. The General Counsel of the Department of Defense shall:

a. Provide legal, including ethics, ~~advice, such as development~~ *counsel to include preparation* of appropriate memorandums of agreement with ~~SDCFPSDEF~~ sponsoring institutions.

b. Provide appropriate materials highlighting ethical and other restrictions for use during orientation training.

c. Respond, as necessary, to questions from SDEF members regarding conduct and event participation with their respective sponsoring institutions.

4. DoD COMPONENT HEADS AND OSD PSAs. *The DoD Component heads and OSD PSAs:*

a. Identify potential assignments within OSD for former SDEF or Secretary of Defense Corporate Fellows Program (SDCFP) members utilizing the special skills gained in their SDEF or SDCFP assignments (e.g., long-range planning, force structure, organization, acquisition of weapons and services, supply chain management, information technology, networks, cyberspace, command and control, and personnel).

b. Establish any SDEF or SDCFP assignment experience or career Military Occupational Specialty (or civilian equivalent) requirements for former SDEF or SDCFP member's utilization assignments.

c. Recommend and nominate to the Secretary of Defense, civilian employees for SDEF participation. Nominees must be in grades GS-14 or GS-15 and have demonstrated high Senior Executive Service potential.

35. SECRETARIES OF THE MILITARY DEPARTMENTS. *In addition to the responsibilities in section 4 of this enclosure, ~~T~~the Secretaries of the Military Departments ~~shall~~:*

~~a. Recommend and nominate to the Secretary of Defense a minimum of two active duty military members from each of the Military Services within their respective Military Departments and additional Reserve or Guard officers as desired, in grades O-5 or O-6, to participate in the SDCFP. Officers nominated for assignment to the program must have demonstrated high general and/or flag officer potential.~~ *Recommend and nominate to the Secretary of Defense, from each of the Military Services within their respective Department, the following for SDEF participation:*

(1) Active duty Military Service members. Nominees must be in grades O-5 or O-6 and have demonstrated high general or flag officer potential.

(2) Civilian employees. Nominees must be in grades GS-14 or GS-15 and have demonstrated high Senior Executive Service potential.

(3) Additional Reserve or Guard officers in grades O-5 or O-6 with demonstrated high general or flag officer potential, as desired.

b. Submit the nominations called for by paragraph 5a, annually, not later than the latest date on which one last of the following events to occurs:

(1) April 15.

(2) The latest date any of the Military Service's formal selection process for ~~SDCFPSDEF~~ nominees reports out.

(3) Two and a half months after the final list of sponsoring institutions and their geographic locations is provided to the Military Services.

c. Ensure nominated military officers have completed Joint Professional Education Phase II (JPME II) or, for Guard and Reserve officers, Advanced Joint Professional Military Education (AJPME) before reporting for duty to the SDEF office for in-processing and orientation training courses. This education is necessary for Service members to be assigned to follow-on or subsequent utilization assignments requiring JPME II. This requirement is waived for eligible military officers who have a scientific, technical, or professional military occupational specialty or equivalency, as described in Enclosure 11 to DoD Instruction 1300.19 (Reference (d)). In-residence education components of JPME and AJPME can be completed:

(1) Before Senior Service School or Fellowship Board selection; or

(2) En-route to the SDEF assignment. The distance learning portion of AJPME training may be completed while in the SDEF assignment.

bd. Provide administrative, personnel management, and appropriate funding for military officers and civilian employees assigned to the SDEF from their respective Military Departments, to include:

(1) Funded fellowship and/or training billets. ~~for SDCFP officers.~~

(2) Funding required for permanent change of station travel to and/or from their assignment at a sponsoring institution and temporary duty per-diem and travel expenses en route to attend ~~SDCFPSDEF~~ in-processing, orientation, and training (in the National Capital Region) or other designated training locations.

(3) Awarding Senior Service School credit to ~~SDCFPSDEF participants~~ *military officers*, as applicable, upon satisfactory completion of their assignment and completion of their Military Service's requirements for ~~sSenior sService sSchool~~ credit.

(4) Transfer of security clearances as follows:

(a) Top Secret clearances, permanently certified with passing authority, to the Director, ~~Security Division NDU~~ *Human Capital Management Office, Office of the USD(P&R).*

(b) Sensitive compartmented information clearances, transferred in status, if required by their assigned sponsoring institution, to the appropriate Washington area Military Service Special Security Office (SSO) and permanently certified with passing authority to the Defense Intelligence Agency SSO.

(5) ~~Designate and identify~~*Designating* a single point of contact within each Military Service for all matters concerning the ~~SDFPSDEF~~.

e. To the greatest extent practicable, ensure that SDEF military officers and civilian employees are placed in follow-on assignments or sequential tours that utilize the special skills gained in their SDEF assignments (e.g., long-range planning, force structure, organization, acquisition of weapons and services, supply chain management, information technology, networks, cyberspace, command and control, and personnel). SDEF military officers may be exempted from such assignments if they are slated for a follow-on command billet or a priority that the Military Department deems essential for career advancement.

~~4. PRESIDENT, NDU. The President, NDU, under the authority, direction, and control of the Chairman of the Joint Chiefs of Staff, shall:~~

~~—a. Provide all necessary administrative support funding for facilities, staffing, travel and/or per diem, training, information management, and contract services.~~

~~—b. Provide resource management and administration, information systems, personnel, travel, contracting, logistic, and security support.~~

~~—c. Make NDU's library, internet, and other research resources available for use by the member officers.~~

ENCLOSURE 2

PROCEDURES

1. The DoD, as an institution, will be more capable of meeting future challenges because the *military officers and civilian employees* coming from this program are *uniquely* familiar with *current corporate* innovation and transformational ~~issues~~ *ideas and practices*. *The best practices gleaned from the corporate world may be applicable to the challenges* of personal concern to the Secretary of Defense *and are challenges and which that* will likely confront future DoD senior ~~officers~~ *leaders as well*. During their time in this program and later in their careers, ~~SDCFP~~ *SDEF* members are expected to continue to network among themselves, top DoD officials, and contacts made during their *fellowship* tours. This program builds a unique cadre of *military officers and civilian employees* who understand not only the profession of arms, but also the nature of the strategic problems facing the DoD, and the organizational and operational opportunities made possible by *visionary and sometimes* revolutionary changes in information and other technologies. These *military officers and civilian employees* will be at the forefront of transforming defense strategy, military forces, and the supporting infrastructure. Specifically, the ~~SDCFP~~ *SDEF* shall establish a cadre of *military and civilian* leaders who:

a. Have an appreciation for how revolutionary changes in corporate long range planning, organizational and management innovation, and information and other technologies influence American society and business and how they may manifest themselves in ways affecting the culture and operation of the DoD over the next decades.

b. Are able, during their assignment to ~~SDCFP~~ *the SDEF* and throughout their careers, to conceive compelling operational and organizational innovations, and options derived from these revolutionary changes in information and other technologies.

c. Motivate and lead their Military Services toward innovative responses to revolutionary changes in information and other technologies, and challenge others to address these matters, thereby improving operational and organizational thinking throughout the DoD.

2. The ~~SDCFP~~ *SDEF* consists of a minimum of *four active duty military officers or civilian employees* from each of the Military Services. *Two of these four will be active duty officers in the grade of O-5 or O-6. The remaining two may be either, individually, an active duty officer in the grade of O-5 or O-6, or a civilian employee in the grade of GS-14 or GS-15. All must have* ~~who~~ *demonstrated high general or flag officer or Senior Executive Service potential. Additional Reserve and Guard officers and officers from the United States Coast Guard who meet the same criteria may also participate, for a maximum total of 16 officers* each year. *These Military officers and civilian employees* must have distinguished themselves in a variety of operational command, *supervisory, or* staff positions.

3. If any of the Military Services are unable to provide a minimum of four participants each year, that Service will provide written notification, through the appropriate chain of command, to the USD(P&R). As standard protocol, a Service will submit its written justification at least 90 days before the beginning of the annual program start date of July 1. This process will allow the

SDEF administrative office to plan to meet the appropriate resourcing needs and to modify training, to safeguard the full intent and integrity of the SDEF.

34. The ~~SDCFPSDEF~~ members shall meet regularly to discuss their experiences and periodically meet with the Secretary ~~of Defense~~ or ~~the~~ Deputy Secretary of Defense, other senior OSD and Military Department civilian personnel, and general and/or flag officers to report their observations and document their observations and recommendations in individual written reports, common findings, and group briefings.

45. The ~~SDCFPSDEF~~ shall select sponsoring institutions leading the *innovation, and often a revolution*, in business affairs *and information and technologies*, ~~and have~~ with a reputation for insightful long-range planning, organizational *and technological* innovation, and adaptation. The selection of sponsoring institutions will place special emphasis on corporations and other institutions that:

a. Successfully manage and exploit the revolution in information and other technologies, reshaping their organizational structures and methods of operation to remain competitive in a dramatically changed global business environment.

b. Are characterized by a strong strategic planning capability, constant innovation, and continuous efforts to exploit the principles behind time-based competition and cultivation of corporate organizational agility.

c. Are able to significantly advance an ~~assigned officer's~~ understanding of how the information revolution is influencing American society and business in ways that may influence the culture and operation of the DoD and how it might organize, equip, train, and experiment to fight in the future.

56. The ~~SDCFPSDEF~~ does not duplicate existing training and/or education or fellowship programs in the DoD (such as individual Military Service training and/or training with industry *(TWI)* programs or ~~the other~~ DoD Fellowship Programs) and will not be used *solely* to produce acquisition specialists or technologists.

67. ~~The Military~~ officers *and civilian employees* selected for ~~SDCFP~~*the SDEF* report for duty to the ~~SDCFPSDEF office on or about July 1~~*office in late June*, to begin approximately one month of in-processing, ~~and~~*orientation, and training* courses. When ~~completed~~*this one month period is completed*, ~~SDCFPSDEF~~ members report to their sponsoring institutions to begin their training assignments. *In June of the following year, military* ~~O~~officers are available for transfer to their next assignment ~~in June of the following year and civilian employees may return to their former positions or apply for open positions.~~

78. Military officers *and civilian employees* who satisfactorily complete a ~~SDCFPSDEF~~ assignment may receive Senior ~~s~~Service ~~s~~School education credit and incur the same active duty service *or continued service agreement* obligation their respective Military Service, *or other DoD Component*, imposes for this education level. This obligation is served concurrently with any outstanding ~~s~~Service *or civilian employment* obligation.

89. When assignment to the ~~SDFPSDEF~~ is complete, *military* officers not returning to the field for command or other assignments deemed essential by their Military Services for advancement to higher grades will be assigned to *follow-on utilization* positions in DoD Components involved in ~~strategic management~~ issues of innovation and transformation (e.g., long-range planning, ~~net assessments, and experimentation with respect to~~ force structure, organization, ~~doctrine, or~~ *acquisition of weapons and services, supply chain management, information technology, networks, cyberspace, command and control, and personnel*).

910. Similarly, DoD Components will assign SDEF civilian employee members to similar follow-on assignments for a tour utilizing special skills gained in SDEF assignments.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

<i>AJPME</i>	<i>Advanced Joint Professional Military Education</i>
<i>ASD(R)</i>	<i>Assistant Secretary of Defense for Readiness</i>
DCMO	Deputy Chief Management Officer
<i>FE&T</i>	<i>Force Education and Training</i>
<i>JPME</i>	<i>Joint Professional Military Training</i>
NDU	National Defense University
<i>PSA</i>	<i>Principal Staff Assistant</i>
SDCFP	Secretary of Defense Corporate Fellows Program
<i>SDEF</i>	<i>Secretary of Defense Executive Fellows</i>
SSO	Special Security Office
<i>TWI</i>	<i>Training with Industry</i>
<i>USD(P&R)</i>	<i>Under Secretary of Defense for Personnel and Readiness</i>

PART II. DEFINITIONS

These terms and their definitions are for the purpose of this Instruction.

Military Services. The Army, the Navy, the Marine Corps, and the Air Force.

~~SDCFPSDEF.~~ A program, authorized under ~~section 2013 of title 10, United States Code~~ (Reference (b)), consisting of a rotating group of select *military* officers *and civilian employees* from each of the Military Services, OSD, and DoD Components who spend a year in training assignments at sponsoring institutions, e.g., corporations, companies, and commercial enterprises that have earned a reputation for insightful long-range planning, organizational and management innovation, and implementation of new information and other technologies.