

U.S. ARMY OFFICE OF ECONOMIC
AND MANPOWER ANALYSIS

**Army Talent Management:
Officer Corps Case Study**

COURSE

NOTEBOOK

January 2013

West Point, New York 10996

Army Talent Management: Officer Corps Case Study

Contents

LESSON 1 <i>Intro: the Case for a Talent Focused Strategy</i>	1
LESSON 2 <i>Defining Talent (Part 1)</i>	3
LESSON 3 <i>Defining Talent (Part 2)</i>	5
LESSON 4 <i>Retaining Talent</i>	7
LESSON 5 <i>Accessing Talent</i>	9
LESSON 6 <i>Developing Talent</i>	11
LESSON 7 <i>Evaluating Talent</i>	13
LESSON 8 <i>Employing Talent</i>	15
SUPPORTING CHARTS	17

INTENTIONALLY BLANK

LESSON 1: The Case for a Talent Focused Human Capital Strategy

Overview: Consider the U.S. commitment to an all-volunteer military, its global engagement in an era of persistent conflict, and evolving changes in its domestic labor market. Taken together, do they suggest the need for a new and comprehensive human capital strategy recognizing the interdependency of accessing, developing, retaining and employing talent? How might building a talent-focused strategy around this four-activity human capital model better posture the Army for success? What are the national security implications of status-quo personnel management?

Required Readings & Materials

- Colarusso, Lyle and Wardynski. “The Case for a Talent Focused Human Capital Strategy.” *Course Reader*, 1-39 [Ch. 1] (39 pages).
- Coumbe, Arthur. “Overview.” *History Reader*, 1-17 [Ch. 1] (17 pages).
- Video. “Introduction – Towards an Officer Corps Strategy.”
- Video. “47th Annual U.S. Army Senior Conference - Introduction” (00:00-00:51).

Supplemental Materials

- Video. Interview with GEN Martin Dempsey.
- Video. Interview with GEN (R) John Abizaid.
- Video. Interview with GEN (R) Gordon Sullivan.

INTENTIONALLY BLANK

LESSON 2: Defining Talent (Part 1)

Overview: What is talent? Who has it? What’s the difference between “competent” and “talented?” Given that the Army currently benchmarks against the former, how does shifting focus towards the latter change things? If the Army embraces “talent,” what role does talent management play?

Required Readings & Materials

- Colarusso, Lyle and Wardynski. “Defining Officer Talent.” *Course Reader*, 41-62 [Ch. 2] (21 pages).
- Gardner, Howard. “Multiple Intelligences after Twenty Years.” Paper presented at the American Educational Research Association, Chicago, IL, April 21, 2003, 1-14 (4 pages).
http://www.consozionettuno.it/materiali/B/697/773/16/Testi/Gardner/Gardner_multiple_intelligent.pdf
- Video. “Towards an Officer Corps Strategy – Defining Talent.”
- Video. “47th Annual U.S. Army Senior Conference - Defining Talent Plenary Session” (00:55-09:10)

INTENTIONALLY BLANK

LESSON 3: Defining Talent (Part 2)

Overview: Over the years, the Army has needed both specialists and generalists. How does it accommodate both deep and broad talent? What talents should the United States Army seek in its officers? Lastly, the pathway to general officership and command is relatively narrow in the Army's current officer career model - how does the Army change a culture that defines success narrowly?

Required Readings & Materials

- Colarusso, Lyle and Wardynski. "Employing Officer Talent." *Course Reader*, 171-173 [Ch. 6].
- Colarusso, Lyle and Wardynski. "Evaluating Officer Talent." *Course Reader*, 193-194 [Ch. 7].
- Coumbe, Arthur. "Officer Talent." *History Reader*, 19-35 [Ch. 2].
- Article. "Army Establishes Cyber Command." <http://www.army.mil/news/2010/10/01/46012-army-establishes-army-cyber-command/>

Supplemental Materials

- Video. Interview with MG Gregg Martin.
- Video. Interview with Senator Jack Reed.
- Video. Interview with GEN (R) Carl E. Vuono.

INTENTIONALLY BLANK

LESSON 4: Retaining Talent

Overview: For many years, the Army has focused on retaining the right quantity of officers. How does the Army retain talent instead of simply retaining numbers? How can it retain the right talent across all phases of the 30-year officer career model? Can the Army expand its use of lateral entry to lessen the stress caused by low retention? Lastly, the Army has increased officer accessions to meet increased requirements at the mid-career level. What affect has this has upon talent retention in the Officer Corps?

Required Readings & Materials

- Colarusso, Lyle and Wardynski. “Retaining Officer Talent.” *Course Reader*, 63-96 [Ch. 3].
- Coumbe, Arthur. “Retaining Officer Talent.” *History Reader*, 37-64 [Ch. 3].
- Video. “Towards an Officer Corps Strategy – Retaining Talent.”
- Video. “47th Annual U.S. Army Senior Conference – Retaining Talent Plenary Session” (15:05-21:00)

Supplemental Materials

- Colarusso, Lyle and Wardynski. “Chapter 3, Appendices A thru E.” *Course Reader*, 205-229 (24 pages).
- Video. Interview with GEN Martin Dempsey.
- Video. Interview with LTG (R) Buster Hagenbeck.
- Video. Interview with LTG (R) Joseph DeFrancisco.

INTENTIONALLY BLANK

LESSON 5: Accessing Talent

Overview: The Army Officer Corps embodies a unique profession whose culture and core warfighting abilities take years to develop. This necessarily limits lateral entry and means the Army must live tomorrow with much of the officer talent it brings in today. But due to private sector competition, Army accessions must be dynamic. Consider - how does the Army identify the right market in which to focus its officer accessions efforts and how does it market itself to targeted prospects? The Army's multiple officer procurement programs provide a wide range of options to recruit talent – how does it determine the "appropriate" source of commission mix? What role does education play in the accessions of Army officers? And lastly, new accessions give the Army a chance to diversify its talents. But how does it know which diversity it needs? How does it go about acquiring it?

Required Readings & Materials

- Colarusso, Lyle and Wardynski. “Accessing Officer Talent.” *Course Reader*, 97-133 [Ch. 4].
- Coumbe, Arthur. “Accessing Officer Talent.” *History Reader*, 65-93 [Ch. 4].
- Video. “Towards an Officer Corps Strategy – Accessing Talent.”
- Video. “47th Annual U.S. Army Senior Conference – Retaining Talent Plenary Session” (21:05-26:02)

Supplemental Materials

- Video. Interview with LTG (R) Benjamin Freakley.
- Video. Interview with MG Arthur Bartell.

- Video. Interview with LTG (R) Daniel Christman.

LESSON 6: Developing Talent

Overview: Despite success in this area, authorized strength and inventory mismatches, an inverse relationship between responsibility and formal developmental time, and sparse non-operational development opportunities are serious challenges the Army must address in the developmental arena. Exploring these challenges within the context of human capital theory, consider the following: How does the Army develop deep talents that also span the entire spectrum of requirements, from war-fighter to regional expert to enterprise manager? Aside from education, professional military training, and service in key positions, what types of additional developmental opportunities could the Army provide? How does the Army anticipate future requirements and adjust its developmental programs accordingly? And lastly - signaling theory suggests that individuals possess credentials to signal their talent. How can the Army best use signals - visible signals such as uniforms as well as invisible signals sent by the types of credentials it retains and rewards - to enhance productivity and to incentivize the development of the talents that the Army needs?

Required Readings & Materials

- Colarusso, Lyle and Wardynski. “Developing Officer Talent.” *Course Reader*, 135-164 [Ch. 5].
- Coumbe, Arthur. “Developing Officer Talent.” *History Reader*, 95-124 [Ch. 5].
- Video. “Towards an Officer Corps Strategy – Developing Talent.”

- Video. “47th Annual U.S. Army Senior Conference – Developing Talent Plenary Session” (26:07-33:40)

Supplemental Materials

- Video. Interview with GEN Ray Odierno.
- Video. Interview with MG Robert Williams.
- Video. Interview with BG Ed Cardon.
- Video. Interview with BG H.R. McMaster.

LESSON 7: Evaluating Talent

Overview: Today’s Army officer evaluation system exhibits two particular flaws – rating inflation and generic information. Students will consider the ways in which this hampers the Army’s ability to discern the talents and productive potential of each individual. Questions that will guide discussion include: What is the role of an evaluation system within an organization? How does a talent management imperative affect the current officer evaluation system? What is required of a talent-focused evaluation system? Does using the OER as a promotion tool limit its use as a development, credentialing, and talent matching tool? Lastly, how can the Army align incentives to engender accurate evaluations of individual skill, knowledge, and behavior in support of job matching?

Required Readings & Materials

- Colarusso, Lyle and Wardynski. “Evaluating Officer Talent.” *Course Reader*, 165-175 [Ch. 6].
- Coumbe, Arthur. “Evaluating Officer Talent.” *History Reader*, 125-133 [Ch. 6].
- Video. “47th Annual U.S. Army Senior Conference - Evaluating Talent Plenary Session” (09:15-15:00)

INTENTIONALLY BLANK

LESSON 8: Employing Talent

Overview: Effective talent employment is at the core of the Officer Human Capital Model. It can unleash the full productive potential of the Army's greatest asset – its people. In this class session, students will consider the Army's past and present employment practices. How has it matched individual officer talents against specific work requirements? Does the Army's current assignment paradigm develop the depth and breadth of talent it needs to meet the challenges of the 21st century? Does it lead to optimal officer productivity and foster career satisfaction? Does the Army know enough about the officer talent it possesses, as well as the requirements for that talent? And lastly, how can the use of technology systems improve officer talent management? Note: During this lesson, students will be introduced to the Army Green Pages, a web-based talent management system recently piloted by the U.S. Army.


Required Readings & Materials

- Colarusso, Lyle and Wardynski. "Employing Officer Talent." *Course Reader*, 177-203 [Ch. 7].
- Coumbe, Arthur. "Employing Officer Talent." *History Reader*, 135-154 [Ch. 7].
- Video. "Towards an Officer Corps Strategy – Employing Talent."
- Video. "Introduction to Green Pages."
- Video. "47th Annual U.S. Army Senior Conference – Employing Talent Plenary Session" (33:50-38:25)

Supplemental Materials


- Video. Interview with LTG (R) Robert Van Antwerp.
- Video. Interview with LTG Thomas Bostick.
- Video. Interview with LTG Robert Caslen.

SUPPORTING MATERIALS - CHARTS




U.S. ARMY
ARMY STRONG.

Office of Economic & Manpower Analysis
Department of Social Sciences, United States Military Academy




Towards an Officer Corps Strategy

Supporting Analysis



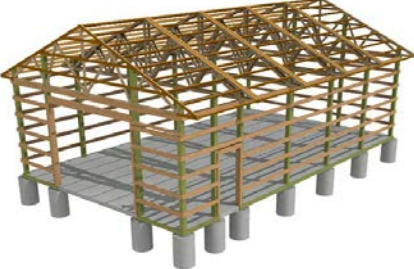
2

The Framework of a Talent-focused Officer Corps Strategy must be **"Built to Code"**



Building Code:

- > Theory
- > Data
- > Analysis



The Strategy

- Policy
- Resources
- Organizations

←

Must Conform to the Framework

Theory:

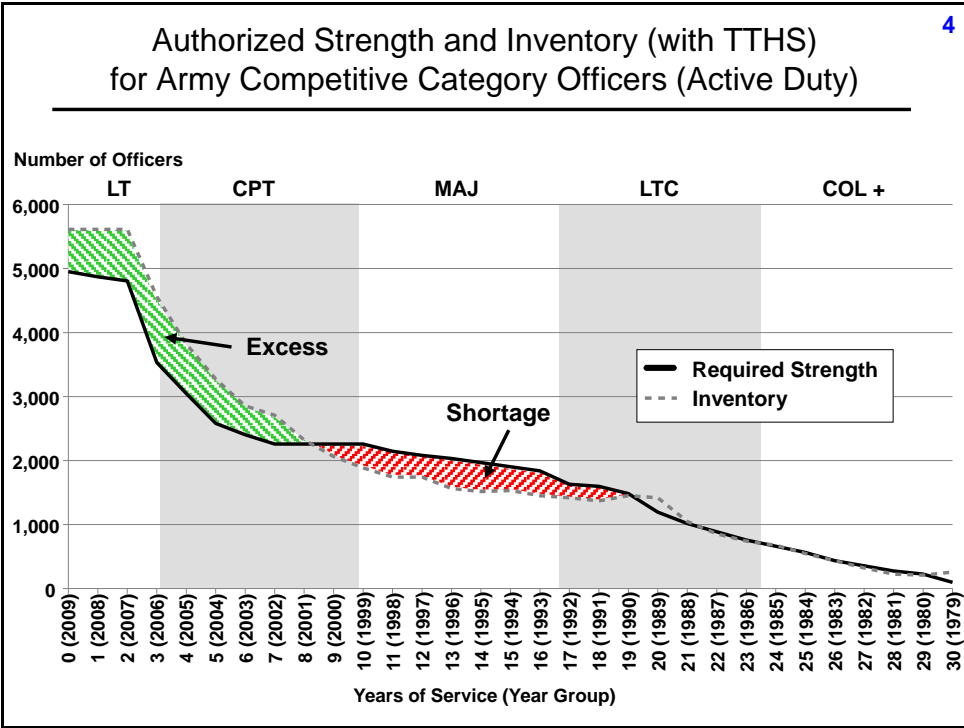
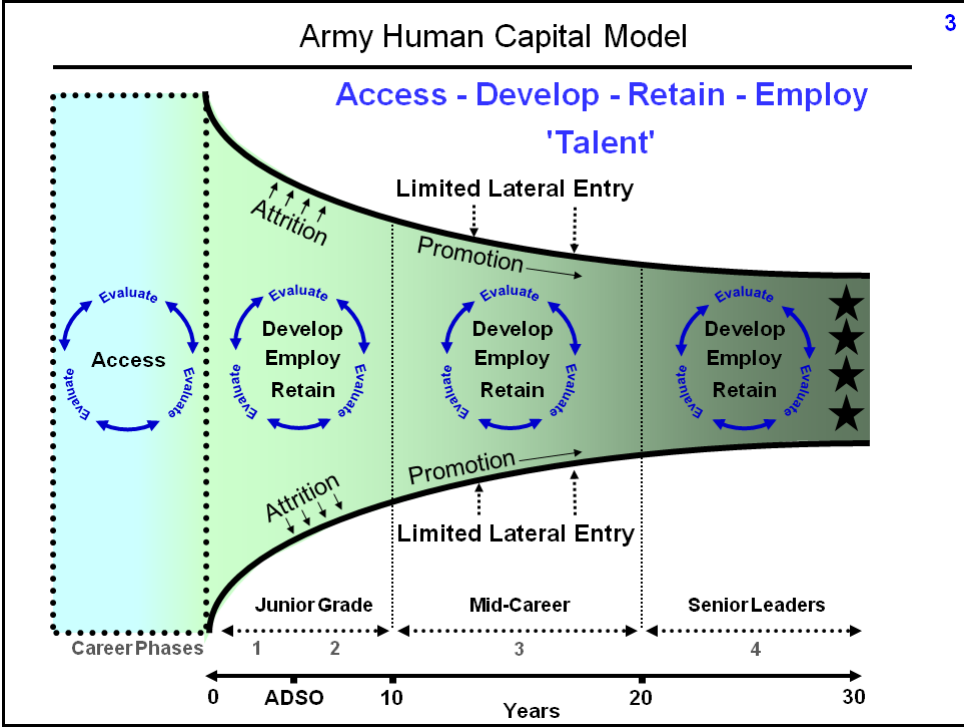
- ✓ Economic
- ✓ Human Capital
- ✓ Behavioral
- ✓ Opportunity Cost
- ✓ Time Inconsistency
- ✓ Asymmetric Information
- ✓ Principal - Agent
- ✓ Moral Hazard
- ✓ Equilibriums

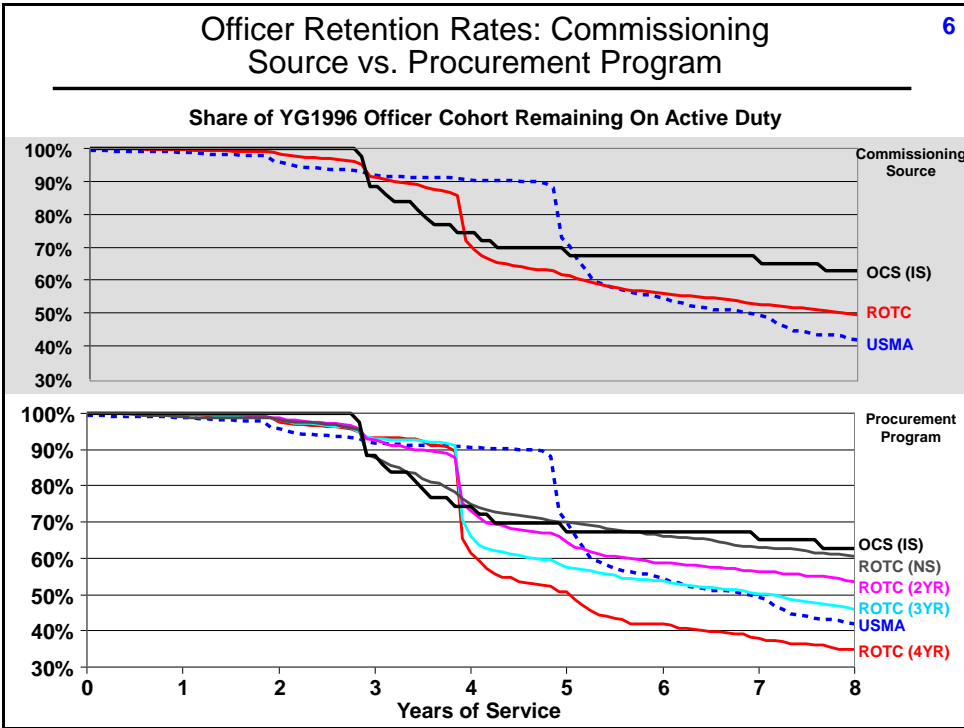
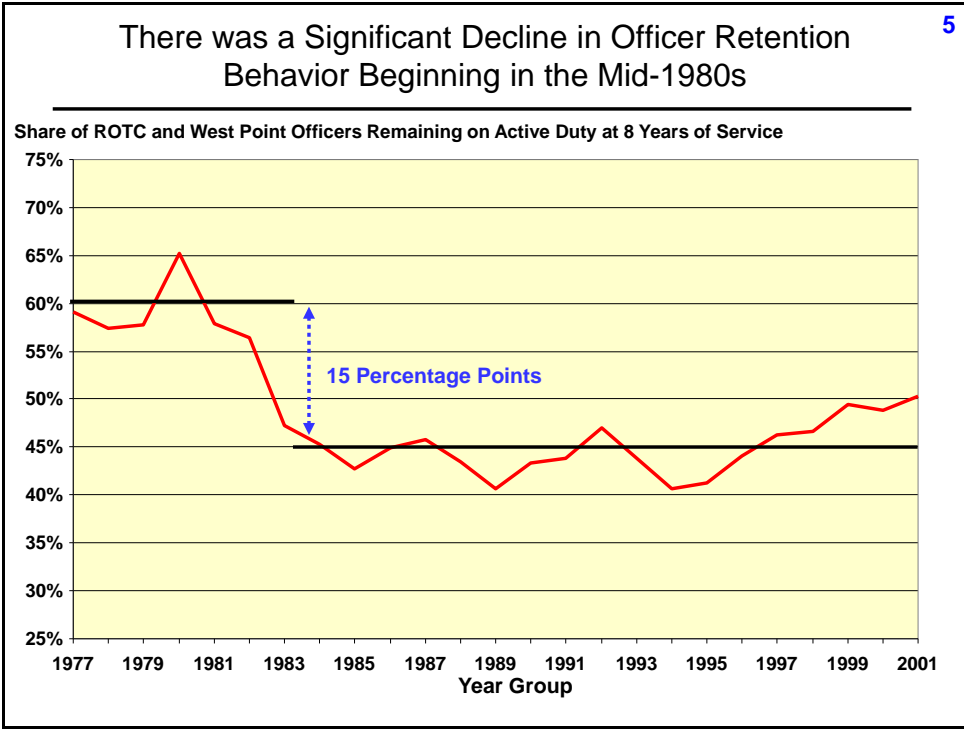
Data:

- ✓ Accurate
- ✓ Granular
- ✓ Aggregate
- ✓ Actionable
- ✓ Relational
- ✓ Representative
- ✓ Selection Bias
- ✓ Incentives
- ✓ Over Time

Analysis:

- ✓ Piloting and Testing
- ✓ Causality
- ✓ Statistics
- ✓ Distributions
- ✓ Risk
- ✓ Trends
- ✓ Steady State
- ✓ Marginal vs. Average
- ✓ Multivariate

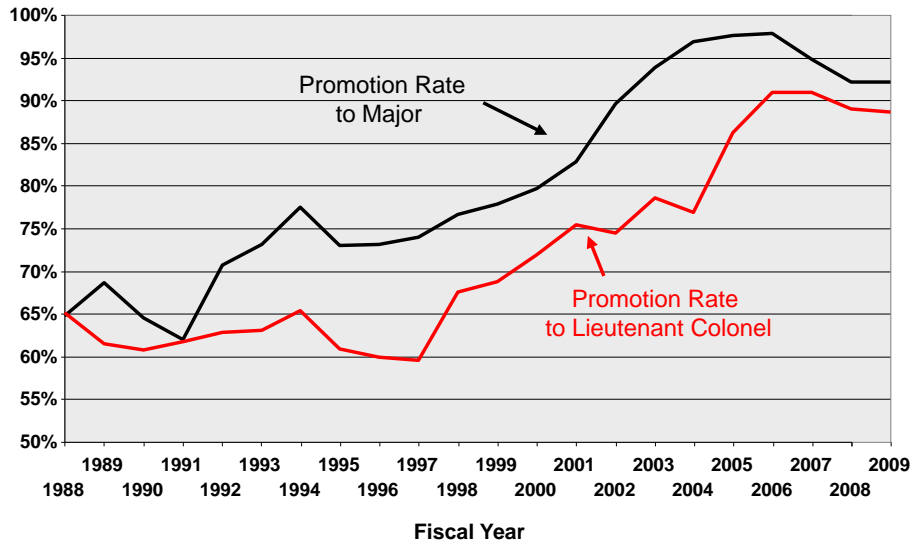




Promotion Rates to Major and Lieutenant Colonel

7

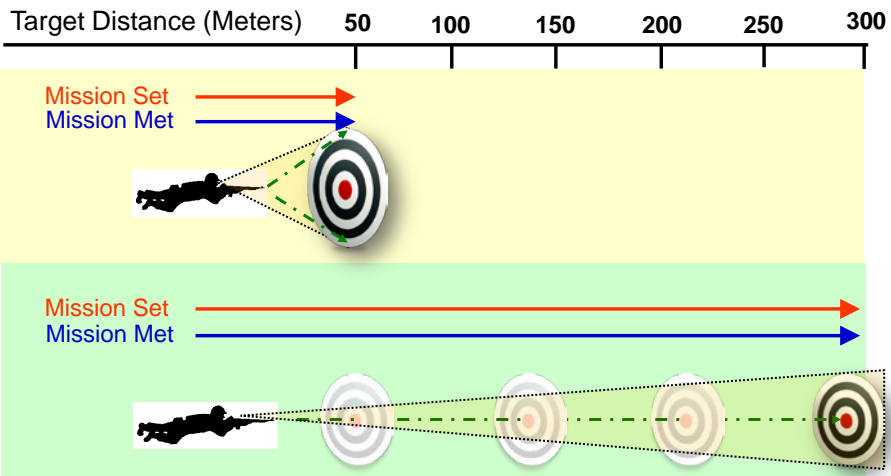
Competitive Category Primary Zone Promotion Rate by Fiscal Year

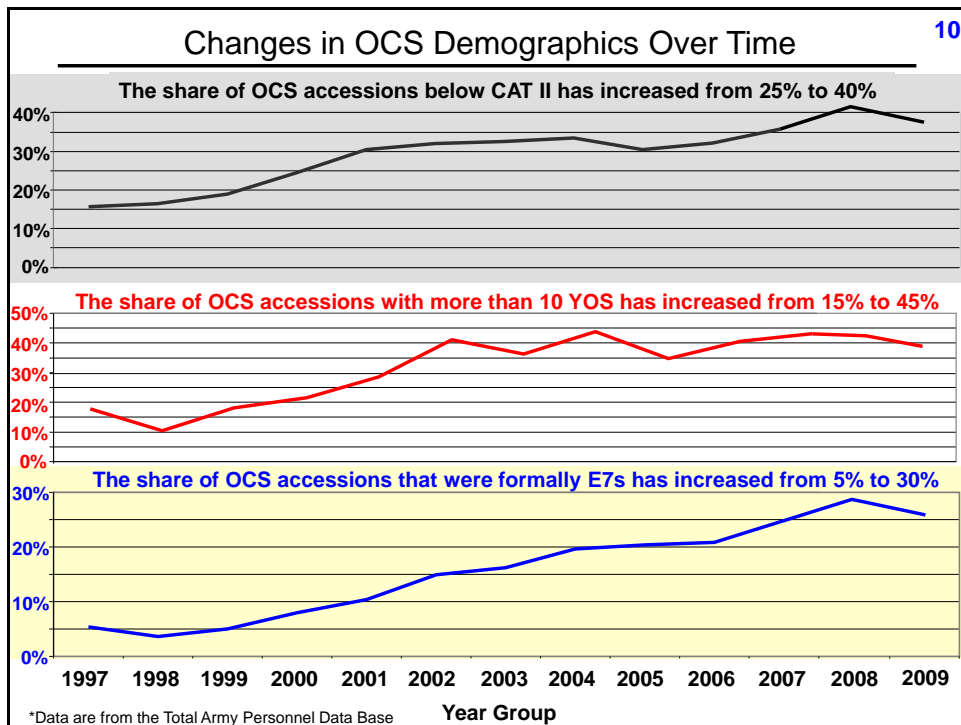
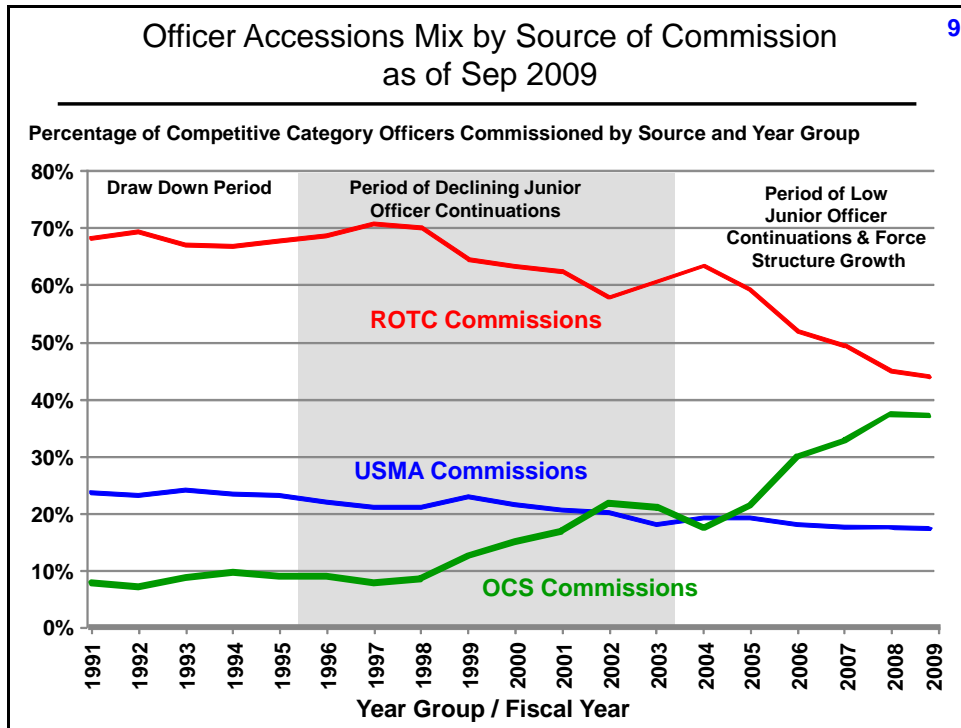


Strategies Help Organizations Avoid Time-Inconsistent Decision Making

8

**Time-Inconsistency is short-sightedness,
"a disproportionate focus on short-term requirements"**

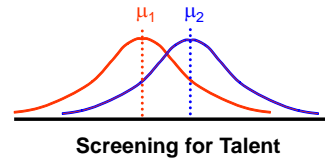




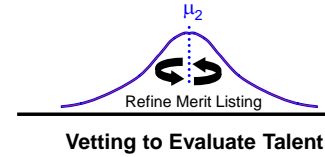
Screening, Vetting, and Culling for Talent

11

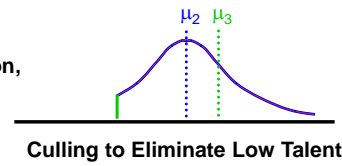
Selecting officers with high potential talent increases average talent levels from μ_1 to μ_2



Rigorous vetting determines officers' order of merit listing

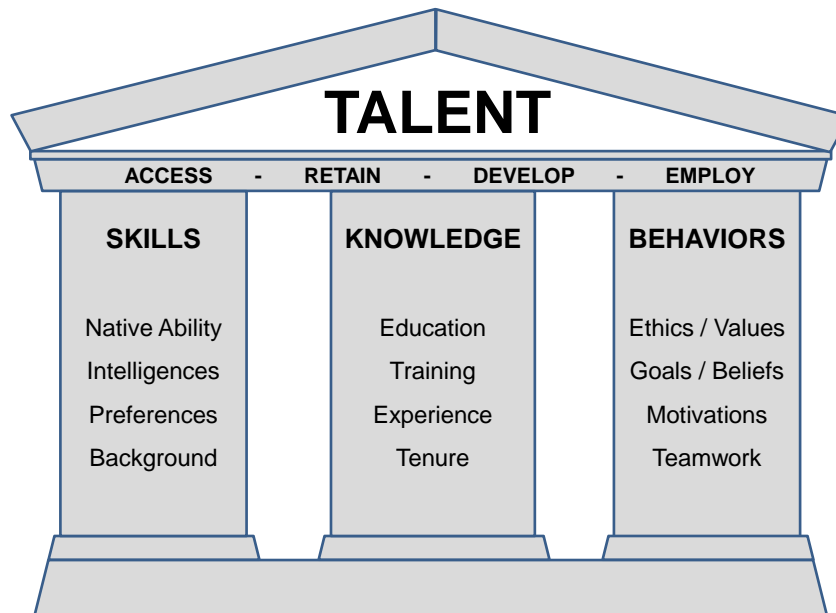


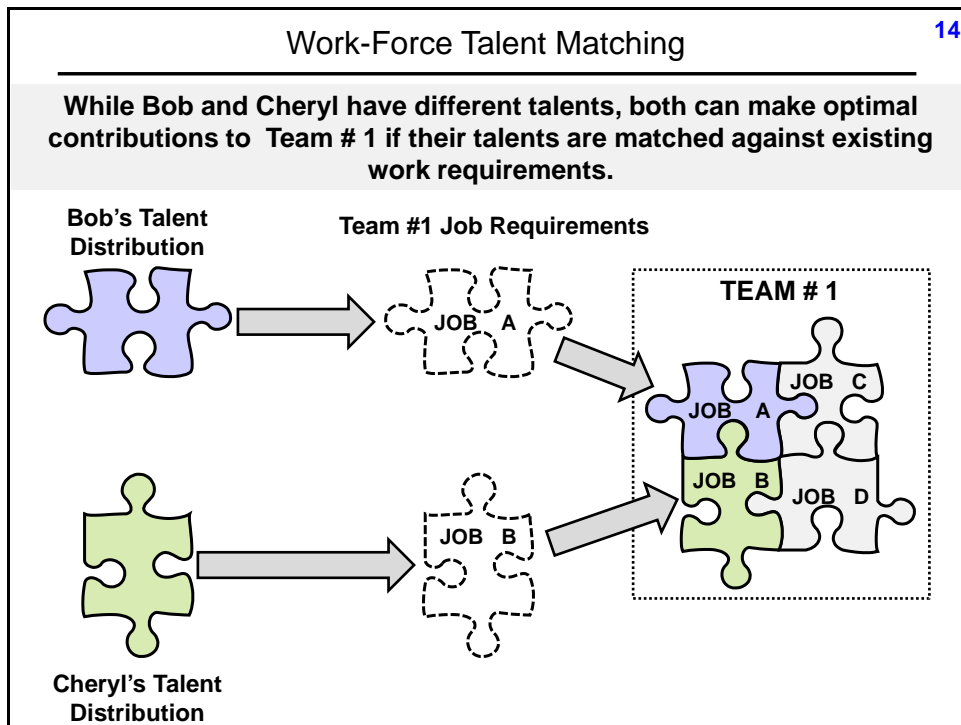
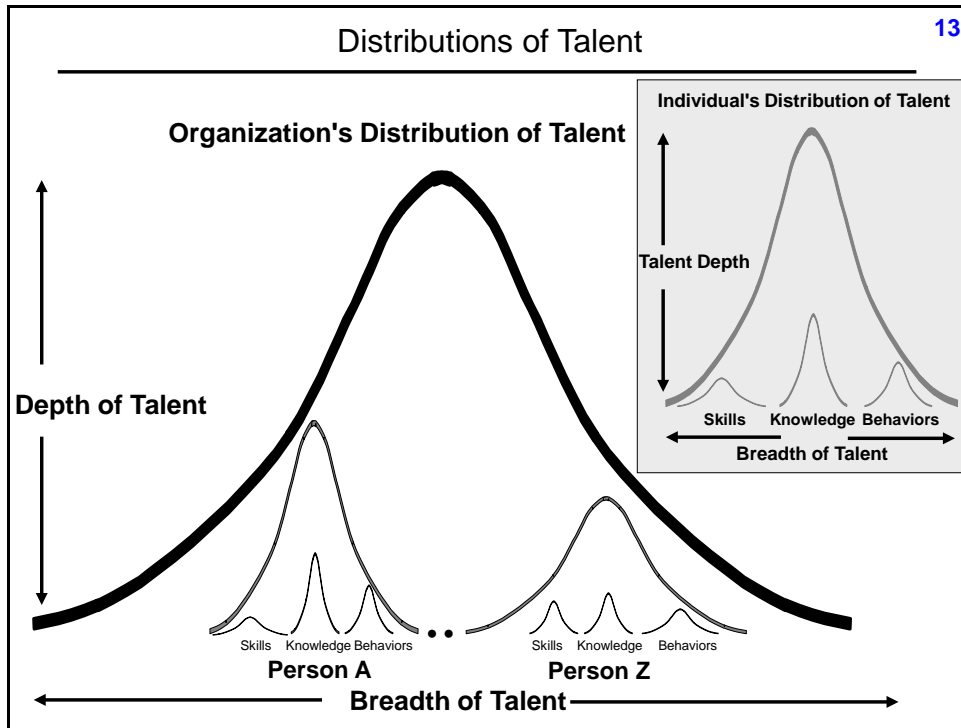
Culling removes the lower tail of the talent distribution, further increasing average talent levels from μ_2 to μ_3 .



Dimensions of Talent

12

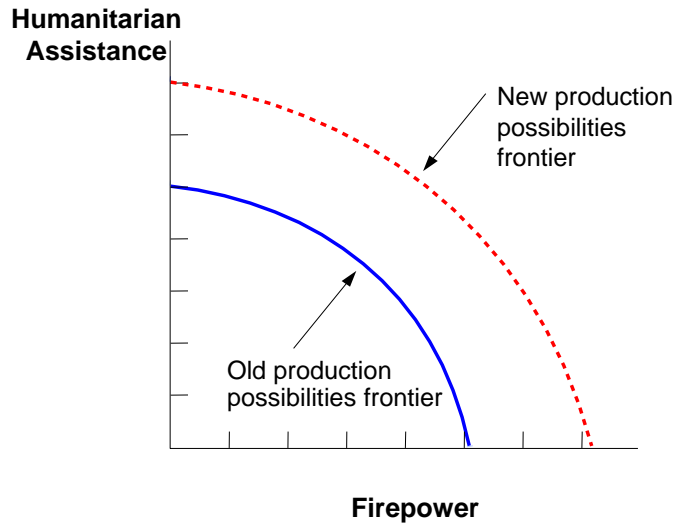




Talent Management Can Lead to Increased Production

15

Aligning Talent (Skills, Knowledge, Behaviors)
Against Requirements



Talent Flight Reduces Workforce Productivity

16

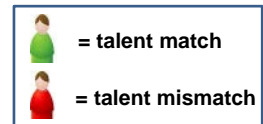
① 10 advancement opportunities: 10 people apply. 3 others choose to leave.



② Talent mismatches cannot be culled without creating workforce shortages.

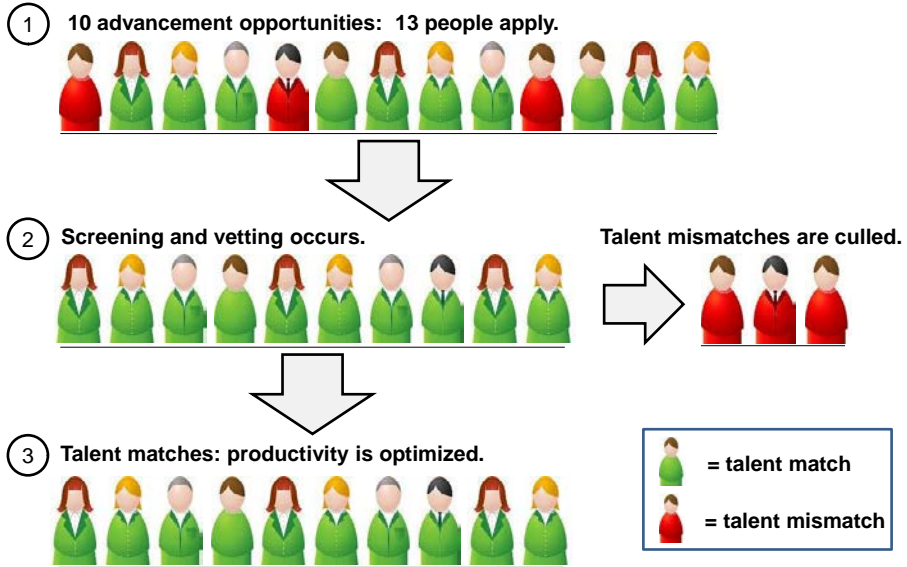


③ Talent mismatches: productivity is reduced.



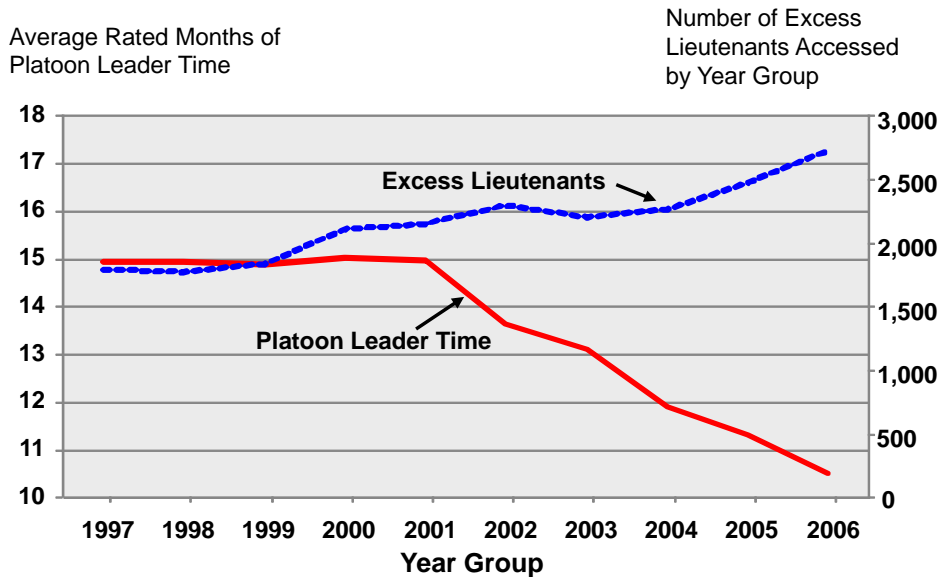
Talent Retention Optimizes Workforce Productivity

17

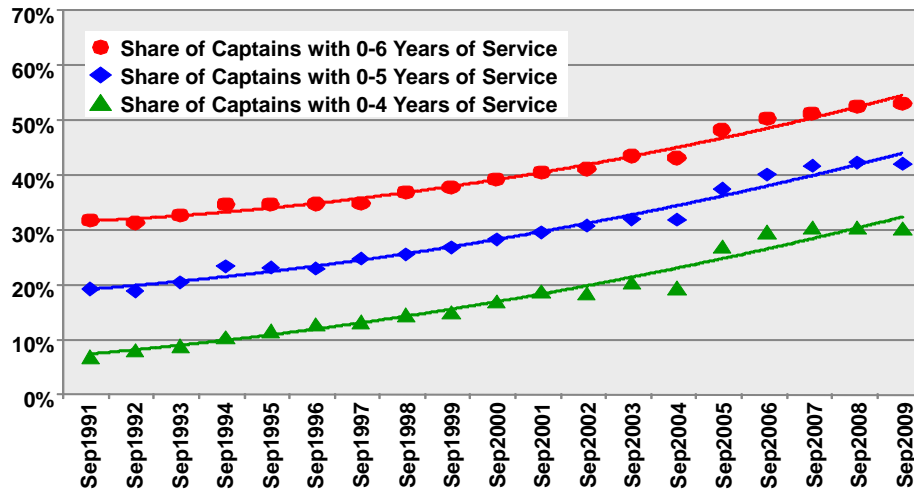


Over-Accessing Officers is Undercutting Developmental Opportunities for Lieutenants

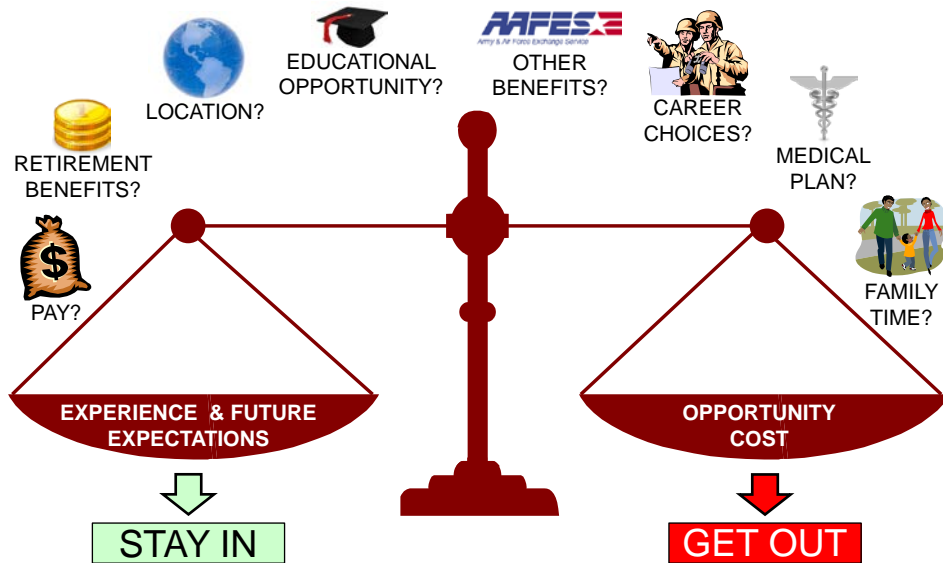
18



The Share of Captains with Less Experience is Increasing 19



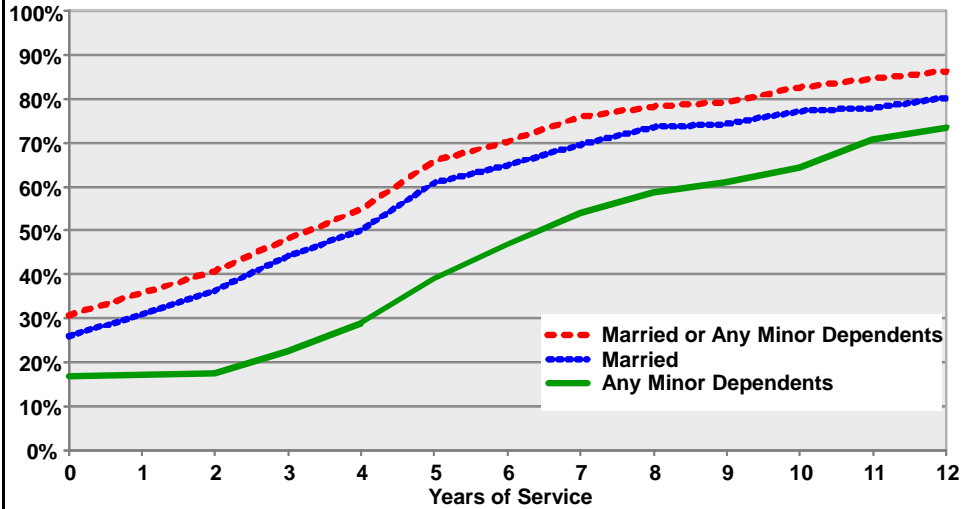
The Decision to Stay in the Army Weighs Experience-to-Date & Future Service Expectations Against Opportunity Cost 20



The Value of (and Need for) Family Medical and Other Benefits Increases With Time in Service

21

Share of Officers with Dependents by Years of Service



Officer Career Satisfaction Program Results

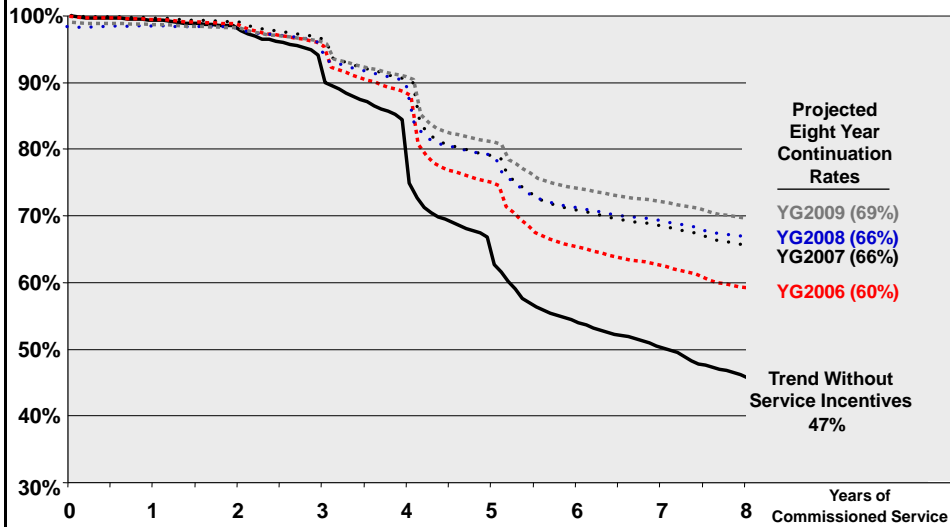
22

Year Group	Branch for Service Cadets	Graduate School for Service Cadets	Post for Service Cadets	Total Participants [Eligible Cadets] (Participation Rate)	Contracted Man-Year Gain	Expected Eight-Year Continuation Rates [w/o Incentives] (with Incentives)
2006	749	271	116	1,133 [3,338] (34%)	3,231	[47%] (60%)
2007	878	487	164	1,529 [3,391] (45%)	4,485	[47%] (66%)
2008	840	564	191	1,450 [3,366] (43%)	4,673	[47%] (66%)
2009	969	560	247	1,583 [3,547] (45%)	5,208	[47%] (69%)
TOTAL	3,436	1,882	718	5,698 [13,642] (42%)	17,596	[47%] (67%)

The Officer Career Satisfaction Program Raises Officer Retention Rates by 50%

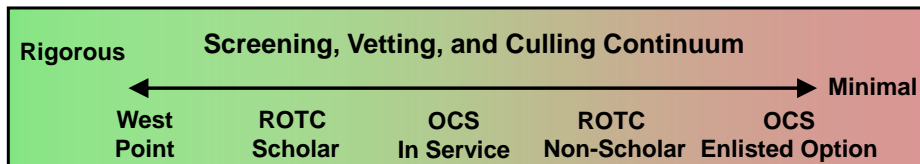
23

Percent of Competitive Category Officers Remaining on Active Duty Through 8 Years of Service



Screening, Vetting, and Culling Continuum

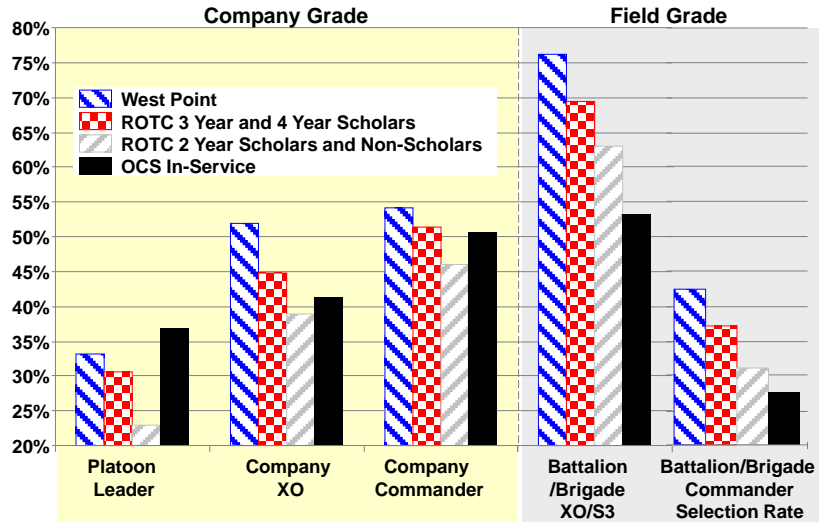
24



Performance and Selection to Command

25

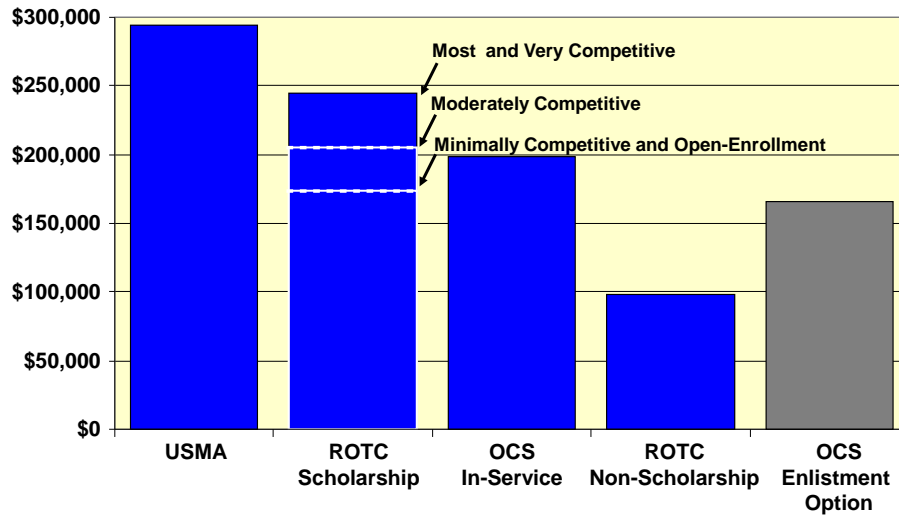
Percent of Officers Receiving an "Above Center of Mass" on Their First OER by Position or Percent Selected for Battalion or Brigade Commander



Average Cost of Commission

26

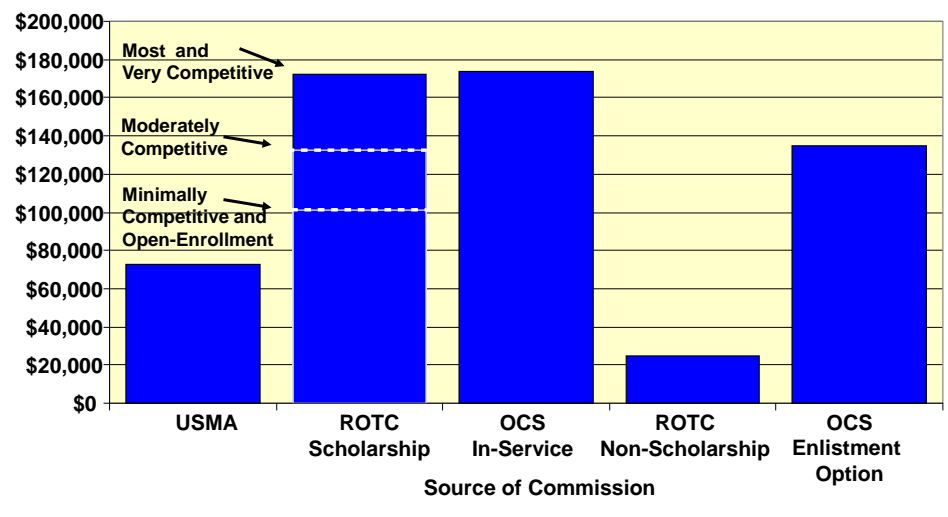
Average Cost of Commissioning by Source of Commission



Marginal Cost of a Commission by Source

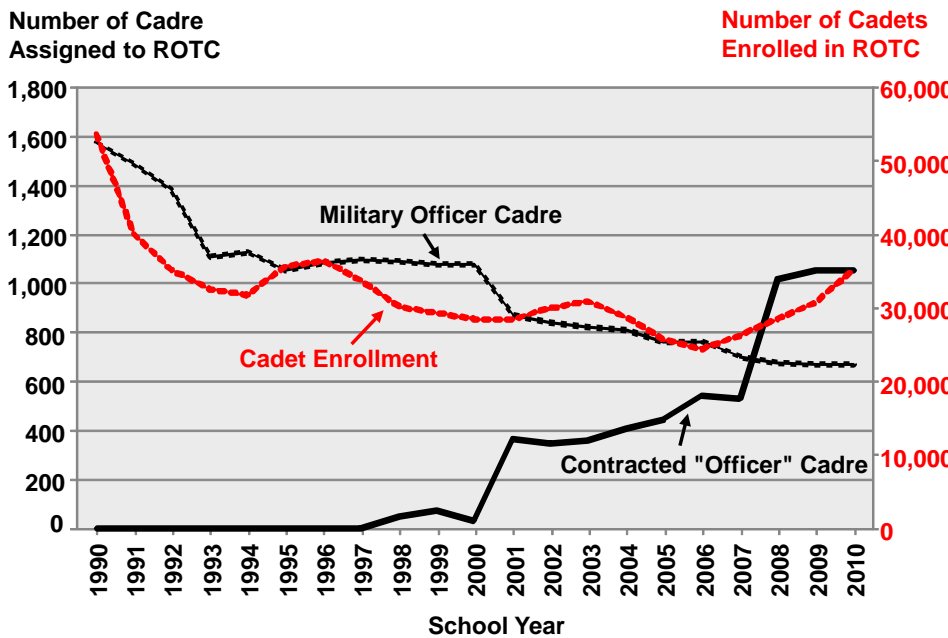
27

Marginal Cost of Commissioning by Source of Commission



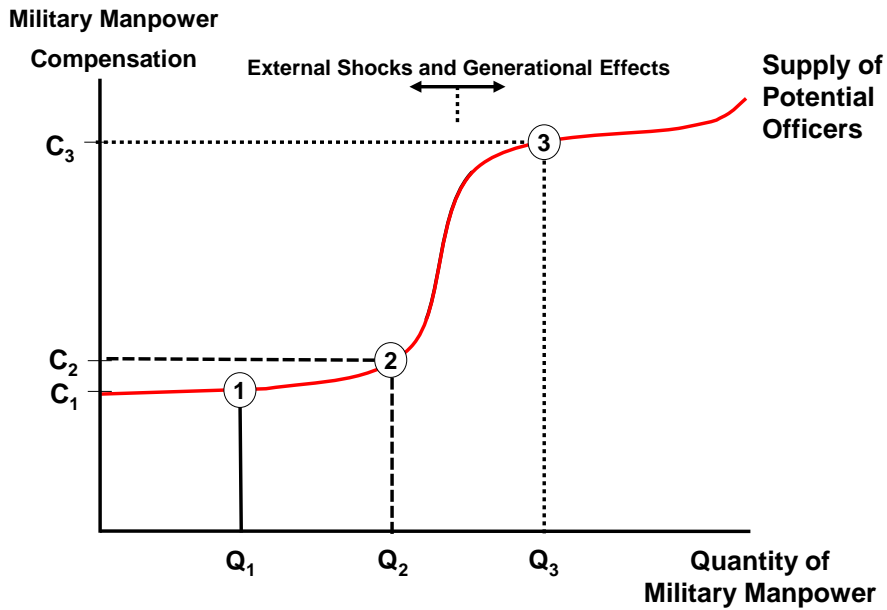
Gutting of ROTC

28



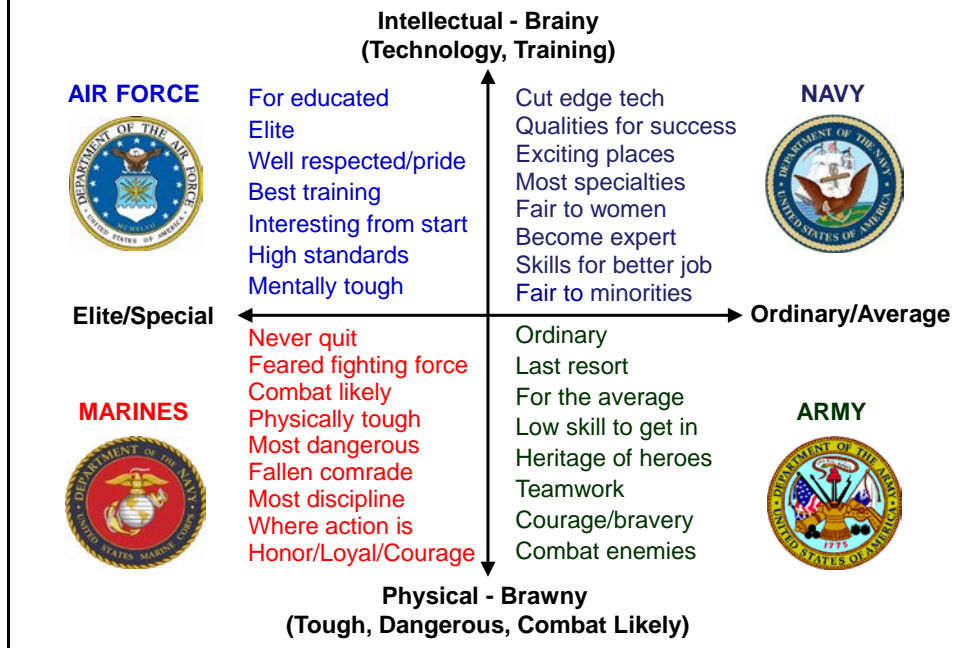
S-Shaped Officer Supply Curve

29



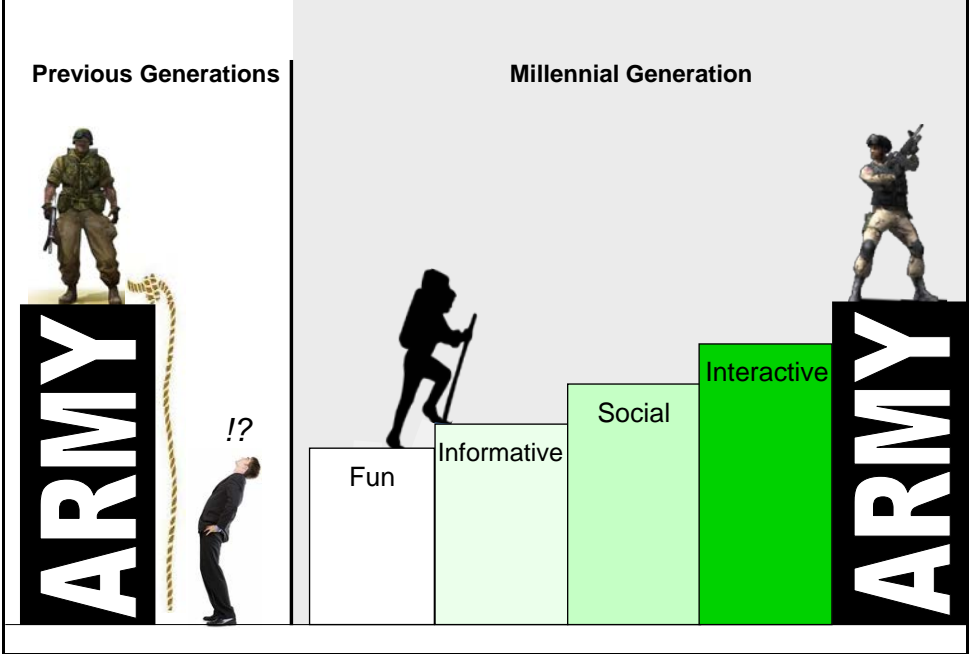
Public Perceptions by Branch of Service

30



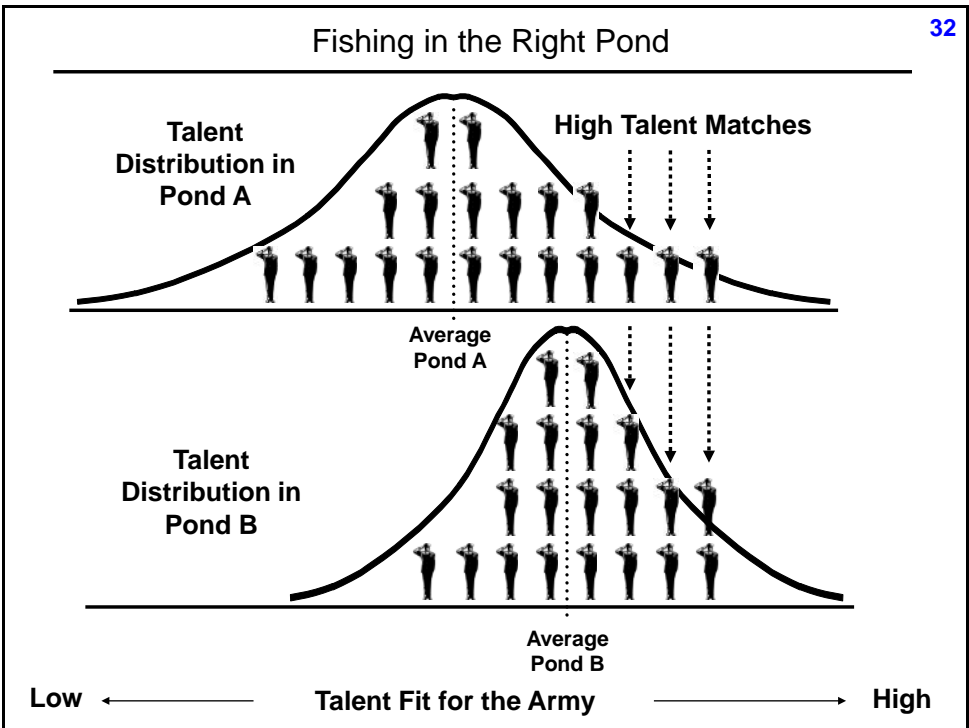
Approaching the Army as a Profession

31



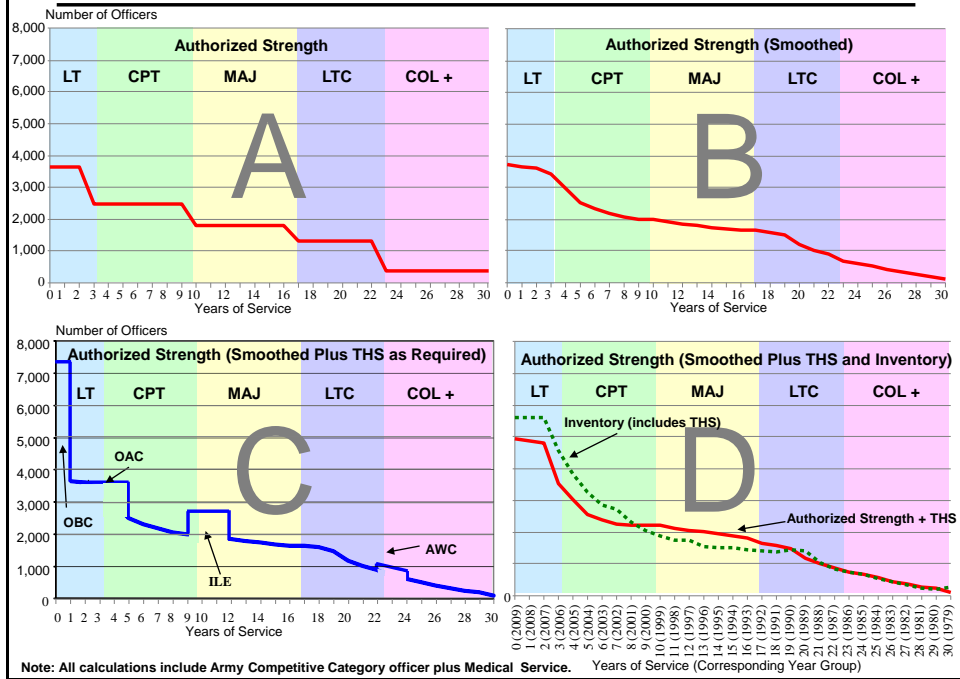
Fishing in the Right Pond

32



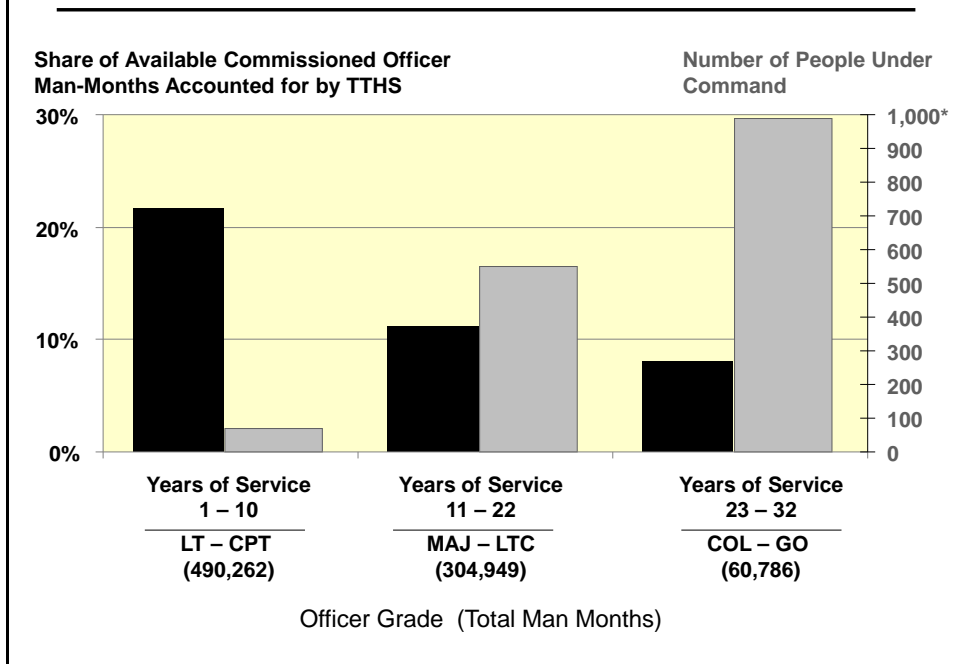
THS and Authorized Strength/Inventory Mismatches

33



Development Time is Inversely Related to Rank

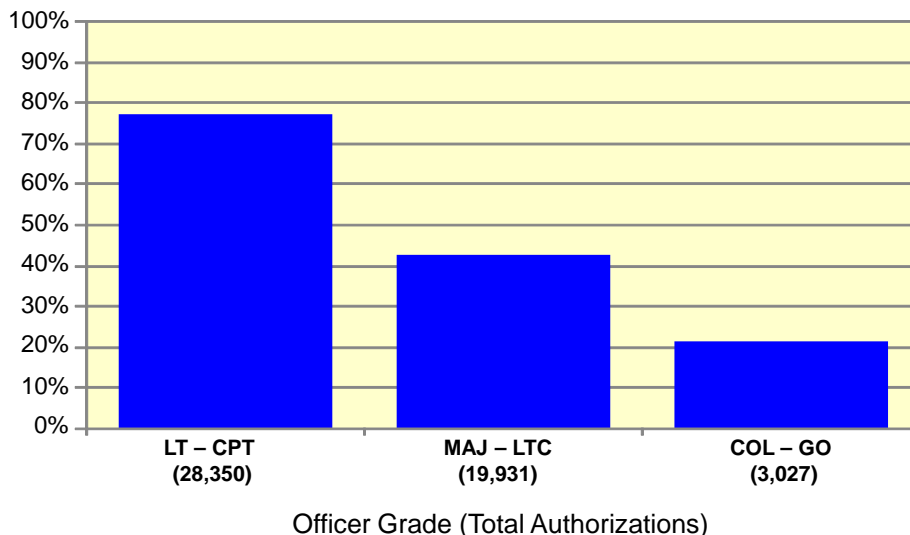
34



Declining Operational Billets With Increasing Rank

35

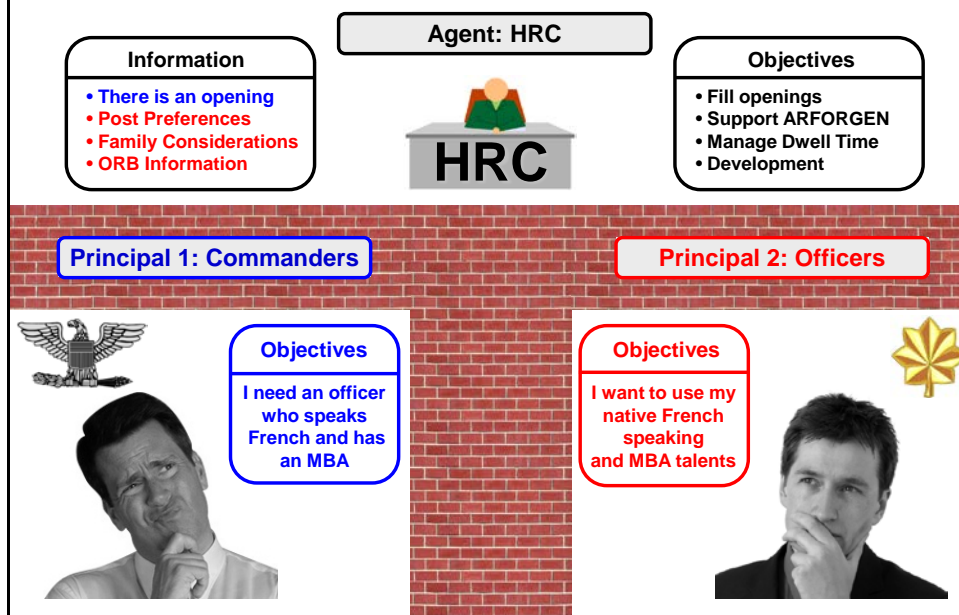
Share of ACC Commissioned Officer Billets Which Reside in MTOE Units



Note: Statistics shown above were derived from authors' calculations based on Active Army Authorization Data dated 30 September 2008. All calculations include Army Competitive Category officer plus medical service.

Overcoming Principal-Agent Problems Requires Aligning Information and Objectives

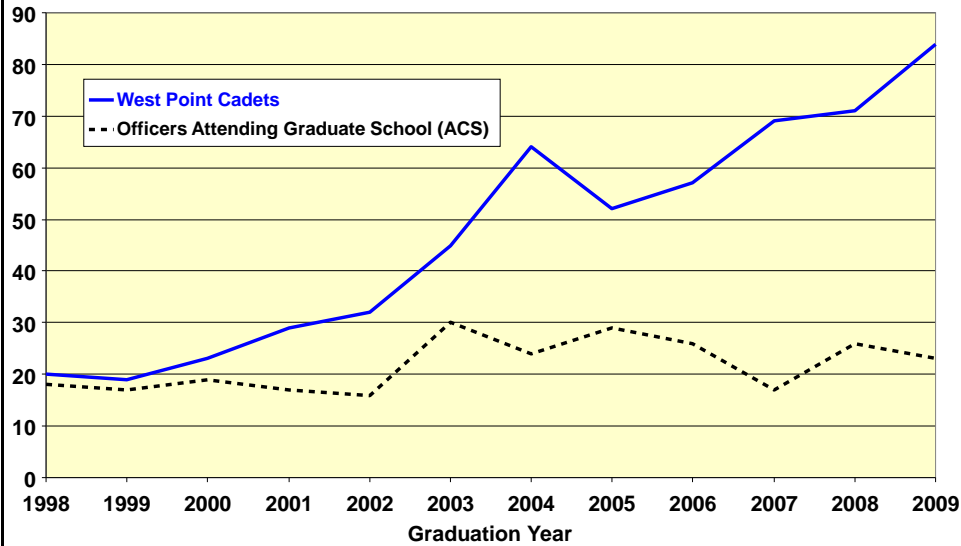
36



Individuals in a Free Market Respond More Rapidly to Changing Demand than Command Directed Enterprises

37

Number of Individuals Majoring in Middle Eastern Studies



Green Pages Reveals Both the Talents the Army Possesses and the Talents it Demands

38

