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Abstract

The 1994 White Paper on Defence signalled a continuation of declining resources for the CF; including personnel resources. Personnel reductions were put into effect through the use of HR practices such as the Force Reduction Plan, Alternate Service Delivery, limited recruiting, and restrictions on conversion of Terms of Service.

Downsizing had intangible legacy effects akin to layoff-survivor sickness. In addition, continued ASD initiatives and high operational and personnel tempo served to exacerbate the situation and led to more attrition. As well, the cuts eroded capability and fostered mistrust in the leadership of the CF and the organization itself. In addition, the strength of the CF declined far below the target of 60,000 personnel and the CF experienced a severe shortage of manpower.

As was the case in applying HR practices to decrease the size of the CF, the response to the Recruiting Crisis was again reactive and narrowly focused. To make matters worse, internal demographics signal a pending exodus of skilled and experienced personnel, while external demographics indicate that the type of recruit who joined the CF in the past is becoming scarcer; and perhaps more importantly, that the CF will have to compete for skilled and educated recruits in a tight labour market.

The mistakes of the recent past have largely been a result of a reactive and narrowly focused HR system. The CF is a complex organization and the HR crisis it faces is no less complex. In order to recover from the crisis, Strategic HR must view the organization holistically; and HR practices must be broadly focussed and designed to meet the long term HR needs of the organization. Only in this manner can the CF HR cycle of crisis management be broken.

With continued difficulty in the fields of recruitment and retention, the Canadian Forces (CF) continues to weather a prolonged Human Resources (HR) Crisis; the contributing factors to which are many and varied. The 1994 White Paper on National Defence set the tone for severe resource reductions in the Department of National Defence (DND). From a Human Resources (HR) perspective, the Force Reduction Plan (FRP),¹ Alternate Service Delivery (ASD) initiatives,² lowered recruiting rates and disincentives to convert Terms of Service (TOS),³ were instituted with an aim to meet reduction targets within DND. In the end, the targets were met, but the over-arching effect of these practices produced the recruiting crisis of 2000. By the time something was done about it, the Trained Effective Strength (TES)⁴ of the CF was approaching 53,000 personnel and was projected to drop even more dramatically. In reacting to the recruiting crisis, the CF focused only narrowly on recruiting, without taking into consideration the impact on training requirements beyond recruit training and other follow-on activities necessary to gainfully employ new enrolees.

¹“The decision was made in late 1991, and repeated in subsequent years, to offer a compensation package to entice members meeting specific criteria, to take early release or retirement.” This package, called the Force Reduction Program (FRP), was approved by the MND.” From Canada, Department of National Defence, “Audit of Force Reduction Program,” Ottawa: DND Canada, January 1997. 1/17.

²ASD was a Treasury Board program with the aim of encouraging managers throughout the federal government to develop initiatives to deliver services more efficiently. ASD could be provided by “other public agencies, not-for-profit [or] private sector enterprises.” Manager’s Guide to the Human Resource Implications of Alternate Service Delivery (ASD), Treasury Board Secretariat of Canada. http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/tb accessed 4 Apr 04.

³Members of the regular forces serve voluntarily. Non-Commissioned Members (NCMs) initially sign-on for a 3 year TOS, followed by a second 3 years. The next TOS is an intermediate engagement which takes them to 20 years of service (YOS), and if offered an Indefinite Period of Service and agreeing to it, the member may serve to Compulsory Retirement Age, which is 55 years of age. For officers, the first TOS is for a period of nine years, but the IE and IPS are the same. TOS are linked to pension and other benefits. In this regard, it is important to point out that insofar as pensions are concerned, NCMs could receive an unreduced annuity upon completion of 25 YOS (in reality 24 YOS + one day), officers up to and including the rank of Lieutenant-Colonel could do the same upon completion of 28 YOS (27 YOS + one day) and Colonels and Flag Officers had to have completed 30 YOS (29 YOS + one day). A bill to amend the Superannuation Act such that all members will receive the unreduced annuity at 25 YOS, is pending.

⁴TES refers to the number of trained personnel who are fit and available to perform the full range of duties required within their rank, and trade or classification.

In short, truly *Strategic HR*⁵ practices and policies have been lacking. Instead, many of the HR practices employed have been reactive and narrowly focused as a result of a failure to view the organization holistically. It will be shown that HR practices such as FRP, ASD, limited recruiting, restrictions on conversion of Terms of Service, and the response to the recruiting crisis, among other HR practices, have been applied in this manner and this has had a lasting detrimental impact on the health of the CF. The CF is a complex organization and the HR crisis it faces is no less complex. In order to recover from the crisis, Strategic HR must view the organization holistically; and HR practices must be broadly focussed and designed to meet the long term HR needs of the organization.

In order to better understand the current situation, it will be necessary to review the events that transpired following the end of the Cold War. The 1994 White Paper on National Defence set the stage for continued personnel reductions. The reductions and commitments contained in the White Paper will be contrasted with the post-Cold War reality, which has had an impact on the CF's operational tempo. The FRP and the economies that were to have been achieved through implementation of ASD initiatives will also be analysed. In addition to these programs/initiatives, other HR practices such as limited recruiting, restrictions of conversion of terms of service, and additional personnel reductions beyond FRP will be reviewed, with a view to exposing how the CF came to be so critically short of personnel. Then, the recruiting crisis and reactions to that crisis will be reviewed. Following this, the complexity of the HR challenges facing the CF will be driven home through a review of internal and external demographics. In

⁵Strategic HR is the linkage between HR management practices and the strategic goals and objectives of the organization.

the end, it will be very evident that the HR practices employed to first reduce and then to rebuild the CF failed to take into consideration the complexity of the organization. Instead, the HR practices were narrow in scope and shortsighted. Although many initiatives have been put in place to mitigate HR challenges, this pattern of narrow application and shortsightedness continues to afflict the organization. In lieu of recommendations, some suggestions regarding how to meet the CF's HR challenges will be offered. And finally, the concluding section will reaffirm the need for Strategic HR solutions to focus on the holistic nature of the CF as an organization, in order to meet its future HR needs.

THE 1994 WHITE PAPER ON NATIONAL DEFENCE

With the fall of the Berlin Wall and the end of the Cold War, the major threat to Western democracies disappeared. With the threat gone, the argument was made that Canada would no longer require a military consisting of approximately 90,000 regular forces. The logic that permeated the government of the day was that a 'peace dividend' made sense. It was in this context that the 1994 White Paper on Defence and the subsequent Budget of 1995 were produced. As Joseph Jockel noted:

the major downturn in Canadian defence spending in 1995... is a result of the serious, and eventually effective, effort of Liberal Finance Minister Paul Martin to eliminate the gruesome federal deficit. The Cold War having been over for several years, defence spending appeared to be open to further cuts.... As a result, the defence budget dropped a full 23 percent, from \$12 billion a year in 1993-94 to \$9.4 billion in 1998-99.⁶

In keeping with the reductions forecast in the White Paper, some CF commitments were reduced. For example, the White Paper called for a reduction "in the

⁶Joseph T. Jockel, Joseph T. *The Canadian Forces: Hard Choices, Soft Power*, (Toronto: The Canadian Institute of Strategic Studies, 1999), 13.

level of resources devoted to traditional missions in North America.”⁷ However, reductions in Canada’s multilateral and bilateral commitments were few. The White Paper committed Canada to

remain actively engaged in the United Nations, NATO, and the Conference on Security and Cooperation in Europe, [and to becoming] more actively involved in security issues in Latin America and the Asia-Pacific region.⁸

In addition, insofar as UN deployments were concerned, the 1994 White Paper stipulated that:

Canada will increase its commitment of standby forces to the UN from a battalion, an air transport element, and a communications element to the vanguard component of its contingency forces – that is, two ships... one battle group, one infantry battalion group, one squadron of fighter aircraft, a flight of tactical transport aircraft, a communications element, and a headquarters element. If deployed simultaneously, this would represent a commitment of 4,000 personnel, which could then be sustained indefinitely.⁹

On top of the increased commitments to the UN and increased involvement in Latin America and the Asia-Pacific region, the “White Paper [affirmed] the need to maintain multi-purpose, combat-capable, sea, land and air forces that will protect Canadians and project their interests and values abroad.”¹⁰ To meet these commitments, force rationalization would be required. Since it was presumed that the majority of overseas deployments would involve peacekeeping, it was decided that the army needed to be increased. While the army would gain 3,000 personnel, the other services, especially the air force would bear the brunt of the force reductions.¹¹

⁷The 1994 White Paper on National Defence, in *Canada’s National Defence: Volume 1 Defence Policy*. Douglas L. Bland, ed. (Kingston: Queen’s University), 360.

⁸*Ibid.*, 360.

⁹*Ibid.*, 339.

¹⁰*Ibid.*, 359.

¹¹*Ibid.*, 354 and 358.

In spite of the allusion to increased involvement in South America and Asia and Canada's intent to retain multi-purpose, combat capable forces, the White Paper stated that personnel reductions would continue and that terms of service would be revised, with an emphasis on "renewable, short-term periods of service for members of the [CF]."¹² In keeping with the personnel reductions, with the closure of CFE, the majority of those forces returning from Europe would be disbanded. In the face of the budget cuts, the Canadian Forces continued with the Force Reduction Plan (FRP) and looked for further efficiencies through ASD to enable it to reach the force ceiling of 60,000 regular military personnel by 1999. The reductions announced in the White Paper were to be "accomplished through attrition, restrictions on recruiting, occupational reassignment and encouraged release through [FRP]."¹³

While the cuts announced in the 1994 White Paper may have made sense in terms of a supposed peace dividend, the post-Cold War reality saw an increased operational tempo for the CF. Whereas the adversary was no longer the Warsaw Pact, regional conflicts were on the rise. Certainly force rationalization made sense given the changed global situation, but deployments for CF personnel would prove to be on the increase, even as the CF underwent drastic reductions.

POST-COLD WAR REALITY

Initially, the reduction in the budget and the concomitant reduction in personnel may have appeared sound, but the reality is that the stability of the Cold War was shattered. With the increased instability, Canada's military was called upon as never before to support numerous peace operations. With the demise of the Soviet Union, the

¹²*Ibid.*, 350-351.

¹³1995 Budget Impact Statement: National Defence, 14.

world became embroiled in a myriad of regional entanglements. Many countries that seemed only to be held together by the glue of a strong, maternal USSR came undone and threatened the stability of their regions. Western nations like Canada found themselves increasingly called upon to come to the aid of less fortunate States. As former Chief of the Land Staff (CLS), Lieutenant-General Leach put it,

although the Cold War reduced the threat of global war and massive nuclear destruction, peace has not broken out.... The number of localized, violent disputes has increased dramatically. And Canada has been amongst the most active in trying to make a difference.¹⁴

This is borne out by Joseph Jockel, who noted that with the end of the Cold War, the CF “found itself busier than ever overseas as well as at home.”¹⁵ Major operations since the fall of the Berlin Wall have included the Gulf War 1990-91 (4500 personnel), Cambodia 1992-93 (240 personnel), Somalia 1992-93 (1,250 personnel), Yugoslavia 1992-99 (over 4,600 personnel), Rwanda 1993-96 (754 personnel), Haiti 1996-97 (750 personnel), African Great Lakes 1996 (354 personnel), 1998-99 Persian Gulf Operations (200 personnel), 1999-2000 Kosovo, including the air sub-campaign (over 1700 personnel).¹⁶ Since the time of Jockel’s writing, the CF has been involved in major operations in the Adriatic, the Persian Gulf, Afghanistan, the Balkans, East Timor, and most recently, in Haiti.

¹⁴Speech by LGen W. Leach, 5 November 1999, to the 1999 Atlantic Canada Diplomatic Forum. To further emphasize the point, General Leach went on to note that “Canadian Forces members were deployed on 65 missions during the last ten years compared to some 25 missions over the previous forty years. Today we have the largest number of CF members serving outside the country at one time then [sic] we have since the Korean war of almost 50 years ago.”

http://www.forces.gc.ca/site/newsroom/view_news_e.asp accessed 4 Apr 04.

¹⁵Jockel, *Hard Choices, Soft Power*. 17.

¹⁶*Ibid.*, 18-22. For expediency, only those operations with 200 or more personnel have been listed here. Jockel lists 46 UN missions – every one that Canada was involved in, including those which involved only one CF member.

Domestic operations have also taken their toll on the military and have included Oka in 1990 (several thousand troops), the Red River Flood in 1997 (8,700 personnel), the 1998 ice storm in Ontario and Quebec (16,000 personnel),¹⁷ Y2K, across Canada in 1999-2000 (many thousands of personnel involved), not to mention those deployed in the aftermath of the Swiss Air Crash, or battling forest fires in British Columbia, guarding the G8 in Kannanaskis, or continuously deployed throughout Canada in support of Operation Noble Eagle since the terrorist attacks in September 2001.

In the end, far from being able to sustain the deployment of a 4,000 member vanguard force, the CF would be hard pressed to meet its traditional commitments, let alone the new ones mentioned in the conclusion to the White Paper.

While the continued reductions to the CF were mandated in the 1994 White Paper, the Post-Cold War reality highlighted Canada's increased involvement in both foreign and domestic operations. In comparing policy and reality, it is clear that a disconnect between the directed reductions of personnel and the actual need for personnel, given the increased operational tempo. Notwithstanding the reality of the situation, force reductions were implemented in compliance with higher direction.

IMPACT OF FRP ON MORALE AND TRUST

As noted previously, the FRP was designed to help reduce the CF. With the 1994 White Paper, the target to meet was 60,000 personnel. The FRP was very successful in terms of meeting the force reduction targets, but due to the complexity inherent in people and large organizations, it also impacted CF negatively. In the end, it left some members feeling disenfranchised, as will become evident shortly.

¹⁷Ibid., 25.

Defenders of the FRP will point out that it was voluntary and no one was forced to leave the service who wanted to stay. While this is true, the wording of each of the programs was such that if insufficient voluntary releases resulted under the program, releases would be directed in order to meet the targeted reductions.¹⁸ This was even envisioned in the wording of the 1995 defence budget: “Directed release of military personnel [would]... be used as a last resort.”¹⁹ In this context, it matters little that forced releases were not required since there was a threat that they would be imposed. In truth, many personnel who remained beyond the FRP felt disenfranchised because the social contract²⁰ was broken. The social contract is linked to ultimate liability, as well as the idea that if the member does right by the CF and serves with honour, the CF will do right by the member. Put simply, it is the idea that if a member takes care of the organization, the organization will take care of the member. In the context of *potential directed releases*, it was clear that the organization had ceased to abide by the terms of the perceived social contract.

As for personnel who had only just enrolled in the CF before the first FRP rolled out, or those who had more than ten years service but who hoped for a career in the CF, many were left wondering where it would all end, and whether the CF was still a viable

¹⁸The author was employed as a Personnel Administration Officer at the Base and Unit level throughout the FRP period and was the local Subject Matter Expert directly involved with administering the FRP in each of its iterations. Each set of FRP instructions, distributed yearly throughout the program, included reference to directed releases.

¹⁹1995 Budget Impact Statement: National Defence, 14. See also, Department of National Defence, *Audit of Force Reduction Program* (Ottawa: DND, Canada, January 1997), 1/17.

²⁰The Social Contract is not a physical, signed document. Rather, it is a perceived contract or bond between the service member and the CF that he/she serves.

career option. For survivors of the FRP, the qualitative impact has been one of mistrust of the organization.²¹

This premise can be strengthened through a review of the evidence that has been gathered from sources who have written about downsizing from a military, government or private sector perspective. For instance, Tomasko noted, “successive layoffs over several years have a greater negative effect on morale.”²² And, taking the US army as an example of downsizing and the results thereof, McCormick noted, “the attractiveness of a military career has... been undermined by the uncertainty caused by downsizing. Prolonged personnel reductions have made officers apprehensive about their prospects for a military career.”²³ It is important to conduct down-sizing with precision, rather than over a period of years. According to Tomasko, the keys to successful downsizing are to “use a rifle, not a shotgun, continually manage size and shape [of the organization], and go after more than costs and jobs.”²⁴ In addition, he stipulates that the desired outcomes of downsizing should be recognized and planned for from the beginning.²⁵ Unfortunately, the target to be reached via FRP kept changing from year to year.²⁶ Instead of pinpointing certain MOCs that were overborne in certain ranks, the FRP approach was far more like a shotgun than a rifle.

Aside from the CF experience with FRP, downsizing has had a profound effect on other armed services and private-sector corporations. Whether the downsizing occurred

²¹Little or no documentary evidence of this exists within DND as writings regarding the qualitative impact of FRP on such issues as morale and trust has been lacking.

²²Robert M. Tomasko, *Downsizing: Reshaping the Corporation for the Future* (New York: AMACOM, 1987). 205.

²³David McCormick, *The Downsized Warrior: America's Army in Transition* (New York: New York University Press, 1998). 122.

²⁴Tomasko, *Downsizing: Reshaping the Corporation for the Future*. 57.

²⁵*Ibid.*, 58-59.

²⁶Canada, Department of National Defence. *Audit of Force Reduction Program* Ottawa: DND Canada, January 1997. i/iv.

in the private sector or within government departments, including the military, it was often done haphazardly, with what now would seem predictable results. When it comes to downsizing in the private sector,

even private companies have been ineffective in downsizing, and those that have been successful (particularly when cuts have been deep) are few. Many have managed the downsizing process poorly, suffering declines in productivity, increased costs, and the loss of their finest performers.²⁷

Other authors have also noted that downsizing did not produce the expected outcomes.

Often, there were no residual cost savings; there were fewer remaining employees to do the work and the result was a loss of production.²⁸

As well, the US army has experienced similar results:

Between 1990 and 1996, the [US] army underwent a 40 percent reduction in its budget and a 35 percent cut in its end strength. Budget cuts have resulted in a plans/resources mismatch that exists across all the services, but particularly within the army, and which worsens by the day. Moreover, the incremental nature of budgetary cuts [has] made it difficult for army leaders to plan effectively for the future. The prolonged uncertainty of downsizing has undermined the vitality of America's army.²⁹

The effects of downsizing in the US Army mirror the situation the CF finds itself in today. As McCormick writes, “a smaller army, combined with a national commitment to an expanding range of unprecedented, nontraditional military missions, has stretched the organization to full capacity.”³⁰ The results from the American Army example can easily be translated to the CF experience, since FRP was conducted over a span of five years and there was great uncertainty and anxiety regarding the future.

²⁷McCormick, *The Downsized Warrior*. 111.

²⁸A. Templer, R. Cattaneo, D. De Cenzo, S. Robbins. *Human Resource Management, Canadian Edition*, (Toronto; John Wiley & Sons, Inc., 1999), 150.

²⁹McCormick, *The Downsized Warrior*. 61-62.

³⁰*Ibid.*, 123.

Still, some have argued that the FRP could not have had such a negative impact on personnel since there were people who hoped that the program would continue, and one day, apply to them. However, this was simply a manifestation of those who were contemplating release as they were drawing near to their pension gates, and an FRP would have sweetened their retirement plans. With this in mind, many personnel actually delayed their releases to keep themselves eligible should the FRP continue and as a result, natural attrition rates dropped dramatically throughout the FRP years.³¹

The CF experience with FRP was akin to what private companies were experiencing with their downsizing efforts. Indeed, it seems a truism that “too many companies have downsized without regard to the people dimension of the process”³² With downsizing the attitude towards employees shifted from a perception of value or asset to one of debit or cost. This had a dramatic psychological impact on employees as noted by David Noer, who wrote of the effects of ‘layoff survivor sickness’ and argued, “its root cause... is a profound shift in the psychological employment contract that binds individual and organization.”³³ He further noted that

words commonly used to describe the symptoms of layoff survivor sickness are *anger, depression, fear, distrust, and guilt*. People with survivor sickness have often been described as having a reduced desire to take risks, a lowered commitment to the job, and a lack of spontaneity.³⁴

Compare the words used above to describe the symptoms of layoff survivor sickness and its effects with McCormick’s view of the effects of downsizing on the US Army. He

³¹Canada, *Audit of Force Reduction Program*. 4/17.

³²Templer, et.al. *Human Resource Management*. 40.

³³David M. Noer, *Healing the Wounds: Overcoming the Trauma of Layoffs and Revitalizing Downsized Organizations*, (San Francisco: Jossey-Bass Publishers, 1993). 3.

³⁴*Ibid.*, 13. emphasis in the original.

found that officers mistrusted military and civilian leaders regarding promises that downsizing would soon end.³⁵ In addition to the lack of trust, he also noted that

the magnitude of the recent downsizing and the prolonged accompanying uncertainty has undermined the professionalism of the U.S. Army. Morale, career expectations, and organizational commitment... have fallen, careerism has risen, and initiative has declined in the post-Cold War army.³⁶

It is clear that there are similarities between the climate and behaviours described by McCormick and the effects of layoff survivor sickness described by Noer. Unfortunately, the psychological impact of downsizing can be extremely long-lasting. In reviewing the long-term effects of lay-off survivors, Noer noted that “symptoms have persevered and evolved over time within the organization. Survivors seem more tired and depressed. They seem to have been ground down by five years of job insecurity and flux.”³⁷ These feelings are common amongst lay-off survivors regardless of whether they belong to the public or private sector.

The impact on morale and the feelings of mistrust are long-lasting. As noted above, mistrust of leaders and the system have an over-riding debilitating effect on military organizations. McCormick found that “instability and continued reductions... dampen new recruitment... breed uncertainty, mistrust, and anxiety, and ultimately undermine military effectiveness.”³⁸ FRP was very successful in meeting the targeted reductions to the CF. However, people and organizations like the CF are complex and in spite of its success, the FRP has had a lasting debilitating effect on the CF insofar as retention and recruitment are concerned. It will be important to keep this in mind since

³⁵McCormick, *The Downsized Warrior*. 122-123.

³⁶*Ibid.*, 156.

³⁷Noer, *Healing the Wounds*. 83.

³⁸McCormick, *The Downsized Warrior*. 200.

these lasting effects must be dealt with successfully if the CF is to meet its retention and recruiting challenges.

However, FRP was not the only program to impact the CF in this way. In order to fully understand the magnitude of the problem the negative impact of ASD initiatives must be explored as well.

ASD INITIATIVES

The hey-day of ASD was the period 1995-1998, and it was one of the tools utilized to shrink the forces down to 60,000 personnel. Proponents of ASD argued that a service or function could be out-sourced provided it was not a core military competency or function. As Colonel Hines put it, “The recent appeal of contracted delivery of support services and training has been to both reduce the costs of delivering services and reduce the number of uniformed personnel performing “non-core” support functions.”³⁹ One of the earliest ASD initiatives was in the realm of Personnel Support Programs (PSP). Among other things, the PSP Strategic Plan dated November 1994 proposed the conversion of the majority of the military positions utilized to deliver personnel support programs to Non-Public Funds (NPF) positions.⁴⁰ This would be a means to deliver the service within DND, but without a vast majority of military personnel. It was a form of ASD, and resulted in the demise of the Physical Education and Recreation Officer/Instructor (PERO/PERI), classifications. 728 military positions were reduced, while 534 new NPF positions were created, for a net reduction of 194 military positions from the

³⁹Col Glynne Hines, *Alternate Service Delivery: “Managing To Get It Done Right.”* Toronto: Canadian Forces College National Securities Studies Course Paper, 2002. 13.

⁴⁰PSP personnel are now NPF personnel, which means that while they are employed within DND, they are neither members of the CF, nor members of the public service.

PSP.⁴¹ Several other ASD initiatives were explored and one of the most extensive was the contracting out of the majority of Base support functions at 5 Wing Goose Bay. However, the projected savings from ASD never fully materialized. As the Auditor General's report of 1999 stated: "with regard to the savings objectives of ASD, the audit concluded that projected savings would not be achieved in the foreseeable future."⁴²

The real benefit of ASD is that where military positions have been reduced below the 60,000 personnel ceiling, they can be reassigned where needed, through changes to manning establishments. In the case of the Canadian Contractor Assisted Program (CANCAP),⁴³ where the positions are deployed, there is no gain for manning establishments. One of the goals in the CANCAP project charter was to reduce the number of deployed support positions in order to allow over-stretched support trades to regenerate. While the burden on the support trades that were bearing the brunt of Canada's lengthy involvement in Bosnia has been lifted, other missions have been undertaken such that the proposed "pause" for regeneration did not come to fruition. However, the CANCAP project has allowed the CF to improve its ability to sustain operations elsewhere.

There have been benefits associated with ASD initiatives within the forces, but while there have been improvements in sustainability and establishment adjustments, there have been dangers as well. The danger with ASD initiatives like that in Goose Bay is that they threaten the idea of a stable work-force and this in turn leads to problems with

⁴¹Department of National Defence, *Personnel Support Programs Strategic Plan 1995/6 – 1999/2000*. (Ottawa: DND Canada, November 1994). The entire passage regarding PSP was paraphrased from page 15.

⁴²The Auditor General's Report, Chapter 27, November 1999. article 27.17 in Hines, *Alternate Service Delivery*: 13.

⁴³CANCAP involved contracting out support functions at Canadian camps in the Former Republic of Yugoslavia.

both retention and recruitment. In this regard, the effects of ASD can be likened to those discussed in the previous section on FRP. The pursuit of ASD initiatives meant that personnel within the Department had to be concerned about their future within the organization since DND seemed to be constantly seeking ways to outsource. The impact on morale, the increased stress and breaking the social contract that were linked to FRP apply equally to ASD.

One only needs to reflect on the Supply Chain Project (SCP) that was being contemplated in the late nineties and early in the new millennium to see the same effects. The SCP was an ASD initiative on a large scale. It would have seen a reduction in supply and transport MOCs, with embedding of military personnel in the civilian contractor's company that won the bid to manage the supply chain within the CF.⁴⁴ For a period of three years, while the project was under study and review, many military and civilian personnel at CF Bases and supply depots across the country worried about their future. In spite of the fact that the military trades involved were ones that always deployed on CF operations overseas, and in spite of the fact that they too were suffering from attrition and lack of recruiting, an ASD initiative in the magnitude of the SCP was undertaken. In many instances, members took their release in anticipation of the project being approved. In the end, wisdom prevailed and the CF did not go forward with the project.⁴⁵ Unfortunately, the very fact that it was contemplated in the first place, led to turmoil within the affected trades, and the mistrust that developed led to early release for some.

⁴⁴Department of National Defence, *Request for Proposal Supply Chain Project*. 700ZZ.W0159 –0-AA01/D, Ottawa: DND, 2000. Chapter 3, 19, and Annex F, F-1/1.

⁴⁵DND/CF Backgrounder: MA&S Optimization – December 2002.
<http://www.forces.gc.ca/site/newsroom/vi>

Although there were some positive outcomes related to ASD initiatives, there were negative outcomes as well. As was the case with FRP, turmoil and mistrust were a lasting legacy of ASD initiatives as well. Again, the complexity of personnel and the organization they serve must be taken into consideration when HR strategies are being contemplated. Only by doing so will such outcomes be avoided. And they must be avoided in the future, if the CF is to meet its strategic HR objectives regarding retention and recruitment.

RESTRICTIONS TO CONVERSION OF TOS

As has been noted above, the budget and personnel reductions announced in the White Paper led to great upheaval within the CF and DND. In addition to the legacy effects of FRP and ASD, changes to Terms of Service (TOS) were also announced in the 1995 budget. TOS would be shorter and renewable, based on the exigencies of the service. This meant that conversions of TOS from Intermediate Engagement (IE) of 20 years of service (YOS) to Indefinite Period of Service (IPS), were not performed automatically. Instead, many personnel who were approaching the IPS gate were offered an extension to their TOS through a Continuous Engagement (CE) of three years or five years. This only served to further exacerbate the feelings of mistrust and uncertainty that accompanied the FRP and ASD years, as it sent the message that personnel had been given only a three or five year extension to their employment within the CF. Faced with job insecurity, personnel were thus encouraged to seek alternate employment to assure their future beyond the CE. The result was increased voluntary attrition, and it was not as easily predicted as attrition at the 20 YOS and 25 YOS pension gates, since it was expected that personnel on a CE would sign for another CE if offered. Again, a short-

sighted and narrowly focused HR policy that had been designed to better control and predict the health of the force structure within the CF, instead had a negative impact on personnel and the organization. The complexity of people and the CF again proved too much for such an approach. But beyond the conversion of TOS problem, there were other HR practices that impacted negatively on the CF and its personnel.

HR – AIR FORCE EXAMPLES

Two Air Force examples will again highlight the fact that narrowly applied; shortsighted HR practices negatively impact the organization.

In a recent review of reasons personnel sought voluntary release between the early and late nineties, it was revealed that the reasons air force personnel were leaving shifted dramatically toward posting issues, civilian opportunities, not getting credit for a job well done, MOC becoming obsolete and a feeling that they were unlikely to get promoted.⁴⁶

The analysts concluded that insofar as the air force statistics were concerned, the results are likely due to “the amalgamation and reorganization of the 500 series Air MOCs that took place in the 1990s.”⁴⁷ While the analysts recommend that further investigation may be warranted to determine the validity of this assumption, experience bears it out.

Interestingly, in the late 1990s the 500 series career managers were indicating that the trades were all over-borne and strongly recommended that those who had job opportunities “on the outside” should take advantage of them, since no FRP would be offered. Not surprisingly, many left and very early in the new millennium, it became painfully evident that the 500 series were short of experienced technicians. The result

⁴⁶Trend Analysis of Reasons People Seek Voluntary Release from the CF: Comparing Element, Gender, and First Official Language, August 2001. The foregoing discussion regarding the changing trends of why personnel are leaving the CF was derived from Table 7, on page 18.

⁴⁷Trend Analysis of Reasons People Seek Voluntary Release from the CF: Comparing Element, Gender, and First Official Language, August 2001. 21.

has meant delays in maintenance schedules, at minimum and accidental destruction of pricey airframes at worst.

In addition to the plight of the 500 series MOCs, in 1999, the Commander of 1 Canadian Air Division, with the agreement of the Chief of the Air Staff (CAS) directed a reduction of over 100 Air Force personnel in order to generate O&M funds which could be used to assist the air force in transitioning to a new force structure.⁴⁸ This reduction exercise was conducted in the fall/winter of 1999/2000, with the positions to be deleted from the establishments in the 2000 Active Posting Season (APS). Given that the cuts to personnel were meant to be traded off for additional money, the thrust of this initiative was incongruent with people being the number one priority of the CF.⁴⁹ Again, these practices were shortsighted and narrowly focused. The complexity of the organization and its personnel were hardly considered in applying these HR ‘solutions.’ Indeed, they were being applied at the very point in time when attrition of personnel was leading to a dire shortage of CF personnel. In the future, the organization must be viewed holistically, so that the impact of decisions throughout the organization can be considered and such negative outcomes can be avoided.

ASD INTO THE NEW MILLENIUM

In spite of the negative impact that ASD initiatives have on HR strategies designed to retain and attract personnel, the fact remains that some within the CF continue to pursue ASD initiatives in the face of retention and recruiting problems. Some students of the Command and Staff Course and the National Security Studies Course at

⁴⁸MGen L.C. Campbell, *CC3 FY 99/00 Establishment Reductions* (1 Canadian Air Division: file 1905-1 (A7 Force Dev) 27 January 2000).

⁴⁹Canada, Department of National Defence. *At a Crossroads, Annual Report of the Chief of the Defence Staff, 2001-2002*. Ottawa: DND Canada, 2001. iii.

Canadian Forces College (CFC) continue to write on the subject. For example, Colonel Hines noted that since 2001, the emphasis on outsourced services has moved from “economy” to “effectiveness” as DND attempts to rationalize the strategic objectives of the ASD program and provide better guidance and management of these initiatives.”⁵⁰ It is certainly better to focus on effectiveness and not simply cost savings and personnel reductions. However, in search of this effectiveness, the CF cannot afford to alienate the very military personnel who continue to serve nor those prospective personnel it hopes to attract and recruit.

Colonel Hanrahan, another CFC student, is a proponent of extensive downsizing and ASD. While he acknowledges that “most ASD efforts have been focused on reducing total operating costs,” he goes on to note that greater effectiveness can be gained as well. He posits that there are many opportunities to apply ASD within the CF and that these opportunities should be pursued, especially those that free uniformed resources to be applied to military tasks.⁵¹ He argues that the majority of personnel in the CF should be employed at the operational level, and postulates that “the DND/CF goal should be to maximize the number of operational units and soldiers, sailors and airmen in them.”⁵² He goes further, stating the “initial goal for DND/CF should be to go from operational personnel availability of 23,000 out of 60,000 personnel, that is 38%, to an operational personnel availability of 60%, or 36,000 personnel, within three years.”⁵³ In order to meet this goal, he argues that large headquarters should be reduced in size and

⁵⁰Hines, *Alternate Service Delivery*. 4.

⁵¹Mike Hanrahan, “Strategic Change, a Profession of Arms Focus.” (Toronto: Canadian Forces College National Securities Studies Course Paper), 2002. 13.

⁵²*Ibid.*, 9.

⁵³*Ibid.*, 10.

“tasks that are best done by experts outside the department (ie. [Information Management], IM infrastructure and base services) could be delivered through ASD.”⁵⁴

His goal of an operational personnel availability of 60 percent is a lofty one, and a laudable one. However, along with the ASD of base services, the benefits of any such initiative must be weighed against the likely outcomes and especially against the Strategic objectives of the CF and the Strategic HR plans that coincide with those objectives. Perhaps most importantly, one must keep in mind that the greatest strains insofar as operational tempo is concerned, rest on the support trades.⁵⁵ With a desired sustainment ratio of four personnel in reserve for every one deployed⁵⁶, it is not difficult to see that wholesale outsourcing of base services would have an adverse effect on sustainability in addition to sending the wrong message to serving personnel and prospective personnel.

ASD strategies simply run counter to attracting and retaining personnel. However, where small-scale efficiencies can be realized through means other than losing military expertise through ASD they should be explored. The objective should be to reassign displaced personnel to other positions within their rank and MOC given the shortfalls in experienced personnel. Should it be necessary to dissolve an MOC, it is recommended that affected personnel be offered compulsory occupation transfer (COT) to another MOC.⁵⁷ COT is much better than voluntary occupation transfer (VOT), but it

⁵⁴*Ibid.*, 16.

⁵⁵National Defence, *Annual Report of the CDS: An Honour to Serve 2000-2001*. Ottawa: DND, 2000. 21.

⁵⁶*Ibid.*, 21. “The ‘sustainment ratio’... is required to ensure Forces members have the time to train for their mission, serve abroad, and take leave and receive professional development when they return home.

⁵⁷Compulsory Occupation Transfer is preferable to the member as pay and benefits are protected. This was the manner through which the former Administration Clerk, Finance Clerk, CEP Technician MOCs were amalgamated while minimizing the impact on the personnel involved.

has inherent risks associated with it: Since rank and pay are protected, personnel transferred to a new MOC may find themselves resented by those already trained and working within the MOC. That said, the benefits to those whose MOC was lost to ASD deserve to be taken care of, and they must know up front that they will be. Perhaps the risks associated with COT will be cause to reflect before implementing an ASD initiative that will damage the fragile fabric binding members to the CF.

The message that ASD initiatives send is that the organization is down-sizing at worst or in a state of constant flux at best. While small-scale initiatives that will not result in outright down-sizing are encouraged, large scale ASD initiatives fly in the face of the Strategic HR goals of recruiting and retention and give people the wrong perception of the CF. Large scale ASD initiatives such as the SCP do too much damage insofar as retention and recruitment goals are concerned. One of the central premises of this paper is that the CF is a complex organization that must be viewed holistically in order that sound HR decisions are made. Keeping this in mind, there is no negative impact to the HR requirements of the CF caused by ceasing to entertain ASD initiatives. On the other hand, there is much to be gained: renewed trust in the organization – both in terms of those who serve, and those whom the CF wishes to attract. In short, a moratorium on large scale ASD initiatives (on the scale of the SCP or larger) should be put in place as soon as possible. As noted above, this would go a long way to rebuilding trust within the organization.

REBUILDING TRUST WITHIN THE ORGANIZATION

As noted previously in the sections on FRP and ASD, the legacy of these programs was a lack of trust, feelings of uncertainty, and lowered morale. Because

downsizing is known to have these effects, HR practitioners recommend taking steps to ensure trust is not lost: “Walton Burdick, in charge of IBM’s human resources function, feels very strongly that full employment practices must involve a mutual commitment based on mutual trust,” in order for people to adapt to the changed workplace, whether it means retraining or reassignment.⁵⁸ Unfortunately, not all organizations have the benefit of knowing from the outset *how* the downsizing will be put into effect and *who* will be affected by it. This was the case with the CF and FRP making mistrust a likely long-term outcome. The problem the CF faces today is that it must rebuild trust in the organization and it must build this trust in the very personnel who survived the extreme cuts due to FRP and who faced the ASD threats of the early to late 90s and into the new millennium. There was evidence that the symptoms were akin to layoff survivor sickness, and it is imperative that these problems be addressed in order to improve not only retention in, but attraction to the CF. In that vein, it is worthy to return to the work of Noer.

To rebuild organizations to help them deal effectively with the remnants of layoff survivor sickness, Noer noted that it was crucial to rebuild trust. He recommended the following types of HR strategies to assist in the rebuilding process: flexible and portable benefit plans; blurring of the lines between full-time and part-time employees; rewards that are not simply tied to promotions; a management system that empowers employees and gives them autonomy; non-traditional career paths; employee choice and accelerated diversity recruiting to build loyalty and responsibility; and short-term job-planning which does not encompass signing up for life; and finally, no assumption of caretaking throughout a career.⁵⁹

⁵⁸Tomasko, *Downsizing*. 212.

⁵⁹Noer, *Healing the Wounds*. 158.

It is heartening to note that insofar as the strategies outlined by Noer apply to the CF, similar strategies have been incorporated in CF HR plans. On the other hand, little has been said of the lasting impact that FRP and ASD have had on the CF's own lay-off survivors. Interestingly, a recent health survey conducted on behalf of the department found that CF members are more likely to be suffering from depression than the average Canadian. As well, "there was a three-fold increase in the number of mental health related cases reviewed by the Surgeon General's office [between 1999 and 2001]."⁶⁰ It was not possible to link this finding to operational stress injuries (OSI), or Post-Traumatic Stress Disorder (PTSD), since many of the respondents had not been deployed. There may be a link between the findings in the survey, the trend noted by the Surgeon General and lay-off survivor illness, an issue that warrants further examination, but is beyond the scope of this paper.

THE RECRUITING CRISIS

According to Major Jeff Tasseron, a growth economy helped to entice personnel to leave the military for civilian jobs and the overall result of these factors produced "unexpected rates of attrition and acute personnel shortfalls."⁶¹ While it is certainly the case that these shortfalls existed, there is debate as to whether the attrition rates should have been unexpected. As Peter Kasurak put it

the department was slow to react to what it finally described as a "crisis" brought on by six years of financial restraint during which it hired fewer than half the people it lost. Personnel forecasters warned as early as 1996

⁶⁰Major C. Evans, "Assessing Individual Wellness in the Canadian Forces: Presentation to the CDS Issues Seminar." Canada, Department of National Defence. Ottawa: DND. September 2003. 6.

⁶¹Major Jeff Tasseron, "Military Manning and the Revolution in Social Affairs." *Canadian Military Journal* 2, no. 3 (Autumn 2001): 58.

that an aging military would face a staff shortage, but remedial action was not taken until 2000.⁶²

This is further confirmed by Rouleau, who noted: “Despite the recent emergency measures put in place, one must realize that the CF was heading to a... TES below 50,000 personnel before the crisis was only finally acknowledged by senior leadership in the spring of 2000.”⁶³

Even with remedial action being initiated in 2000, the problem grew worse. By 2002, there was “severe under-representation in the 2 to 11 YOS [NCM] cohort, which is a direct consequence of lack of recruitment in the FRP years and the continued low recruitment levels up until 2001.”⁶⁴ The FRP and low recruitment levels have also negatively impacted the officer population, leaving a large gap: “As the current 12 to 20 YOS cohort retires, there will be very few personnel with the requisite experience available to replace them.”⁶⁵ By the time the recruiting engines were restarted, the CF strength had fallen to approximately 53,000 all ranks. In some MOCs the situation was so desperate that signing bonuses were offered. For example, in 2000, Canada offered \$85K signing bonuses to medical students for the first time, but

no one took it because the Provinces are offering more than \$85K. So [Canada] offered \$225K, signed two doctors and are in negotiations with a third for a four-year commitment. Canada is considering a bonus of \$40K for officers with degrees which [is not] very competitive with civilian firms which offer more money as well as expensive cars.⁶⁶

⁶²Peter Kasurak, *Legislative Audit for National Defence: The Canadian Experience*. (Kingston: Queen’s University, 2003). 47.

⁶³Denis Rouleau, “Revolution in Recruiting Affairs: a Necessity.” Toronto: Canadian Forces College National Security Studies Course Paper, 2002. 3.

⁶⁴Moorhead, Patricia and Zegers, Antony. “Comparing Observed and Stable Population Profiles Within the Canadian Forces,” Department of National Defence, Ottawa, December 2003. 7.

⁶⁵*Ibid.*, 7.

⁶⁶“Strategic Human Resource Symposium for Senior Leaders.” ed. Schefflen, Ken. Arlington: June 2001.21-22.

Various signing bonuses and other pragmatic or utilitarian approaches have been made in an attempt to fill shortfalls in key MOCs or severely depleted MOCs.

Based on problems like those discussed above, it appears that the senior Leadership has agreed that HR is a key enabler to assist the CF to meet its strategic objectives. This was signalled with the release of *Military HR Strategy 2020* a strategic level document that lays out the HR strategy of the CF. *HR 2020* states:

The CF will require the right number of motivated and qualified people to ensure integrity of operations on behalf of Canadian society, and further recognises that the active inclusion of a diverse representation of Canadians is an integrated component of this goal. CF recruitment is sustained by images of an organisation that: is relevant to individuals and communities in Canadian society; solicits membership based upon valid, reliable, transparent and defensible military requirements (both current and projected); and maintains continuous contact with Canadians through competent, professional recruiting staff and the use of the most relevant media options available.⁶⁷

In essence, the CF is hiring the right people at the right time to meet bona fide military requirements. Key to this discussion, is that the policy is in keeping with the aim of diversity in the CF and speaks of portraying the organization as relevant to Canadians. Beyond this generic statement regarding recruiting, *HR 2020* states the CF will develop recruitment and retention strategies that will position a military career as a profession of choice.⁶⁸ More specific to the recruiting crisis, a recruitment strategy has been developed that states:

The Recruitment Strategy is a major initiative to correct critical shortages in the near and mid-term. The Critical elements in the strategy are: Improved advertising and attraction by “branding” the CF as an “employer of choice” and targeted attraction to critically short occupations; increased internal communications to serving members; establishment of effective

⁶⁷Canada, Department of National Defence. *Military HR Strategy 2020: Facing the People Challenges of the Future*. Published under the auspices of the Chief of the Defence Staff, (Ottawa: ADM HR Mil, November 2002). 16.

⁶⁸*Ibid.*, 21.

relationships and partnerships with educational institutions and guidance counsellors; Use of recruiting incentives on a selective basis to improve attraction into critically short occupations; use of the full range of entry programs, including the use of component transfer, occupational transfer and an increased use of programs that recognize civilian skills and training to reduce training requirements; improved efficiency of recruiting procedures and improved basic training that reduces training losses; and focus on a diverse applicant pool.⁶⁹

Recognizing the severity of the recruiting crisis, the strategic plan calls for a recruiting surge from 2002 up to, and including 2005, with steady state being reached in 2006 when signing bonuses will end. Interestingly, 2004 will see the ASD of recruiting being evaluated, with a decision to be taken in 2005-06. As noted above, ASD initiatives send the wrong message to those the CF wants to attract. Recruiting through ASD is simply incongruent with recruiting goals.

In any event, in spite of the implementation of the recruiting surge to deal with the crisis, recruiting targets have not been met, and have only nearly been met when one takes into consideration recruiting across the reserves as well as the regular forces. This methodology only serves to skew the picture since what concerns the regular force most is the state of the regular force. In spite of the fact that quotas have not been met, some within the department have been convinced that the crisis is over and the recruiting problem solved.

There is a belief now within DND that the recruiting problems are no longer an issue, and that the CF is doing well again in filling its personnel requirements. Despite recent relative success, and from a pure numbers point of view, there are many Military Occupations (MOCs) still critically undermanned, regardless of the “Corporate Recruiting Blitz” that has at best temporarily masked the problem.⁷⁰

⁶⁹*Ibid.*, 22.
⁷⁰ Rouleau, *Recruiting Improvement Study*. 14.

However, to illustrate that the recruiting crisis has not been resolved, Rouleau quotes a study by DELTA Partners, published in September 2000:

In FY 2000, approximately 28% of the CF recruiting targets for the Regular Force were not met. For the first quarter of FY 2001, the shortfall reached 42%. In addition, about 36% of the total 107 Military Occupational Categories (MOCs) were considered to have reached a critical stage with respect to manning levels.⁷¹

The bottom line is that recruiting targets for the regular forces have not been met, and attrition continues to outpace recruiting additions. The recruiting crisis then, is far from over. In support of the need for continued recruiting, Moorhead and Zegers argue that the CF must maintain “stable recruitment patterns now and [into] the future. [Through this means], the CF will gradually attain a state of long-term stability...[and] reflect a CF demographic that is both healthy and sustainable.”⁷²

Insofar as the difficulty encountered with recruitment of people into the CF to meet military personnel requirements is concerned, Major Tasseron stated that “changes in the demographic composition of the recruitable cohort combine with potential immigrant attitudes towards the military to render the CF unpalatable as a career choice”⁷³ It is true that the military has for some time been a bastion of white Anglo-Saxon men, and that visible minorities do not generally have favourable views regarding a career in the military. However, perhaps more unsettling is Praxis survey data which indicates that the majority of young, well-educated Canadians do not see the CF as a career of choice. “Reputational survey data suggests that among [this group], no more than 35 percent agreed that the CF represented a good career choice, with about the same

⁷¹DELTA Partners in Rouleau, *Recruiting Improvement*. 2.

⁷²Moorhead and Zegers, “Comparing Observed and Stable Population Profiles Within the Canadian Forces,” 33.

⁷³Tasseron, “Military Manning and the Revolution in Social Affairs,” 58.

amount disagreeing strongly.”⁷⁴ The same Praxis survey found “a positive correlation between lower income and education and military acceptance [which] clearly indicates that the CF has some way to go towards establishing itself as “the employer of choice” among the most educated members of the youth population.”⁷⁵

Tasseron focuses much of his attention on this segment of the Canadian population, generation Y, as the major source of potential recruits for the CF. He is speaking of them when he says “In the current tight job market, education and a broad range of life skills have taken on new importance as guarantors of personal security, particularly to a generation who have seen the effects of industrial downsizing on specialist Gen X and Baby Boomer populations.”⁷⁶ Acknowledging the need to do something to attract this segment of the population, it seems almost in desperation that he says “the military must be overhauled to conform to Gen Y (and others’) expectations. Accomplishing this will require review and revitalization of everything from uniforms to physical standards and internal norms of conduct to external relations with Canadian Society.”⁷⁷ In contrast, Brian McKee argued that rather than recruiting from the traditional 17 to 24 age bracket, the CF could target “older, more skilled people [which] will allow us to acquire the necessary knowledge base without the huge investment in training and education that otherwise would be needed.”⁷⁸ McKee does not suggest that the CF recruit strictly from the older target group, only that the CF should not target only the younger group, at the risk of not attracting more skilled workers from the older group.

⁷⁴Praxis Survey in Tasseron, “Military Manning.” 59.

⁷⁵*Ibid.*, 59.

⁷⁶*Ibid.*, 60.

⁷⁷*Ibid.*, 60.

⁷⁸Brian McKee, “A Response to ‘Military Manning and the Revolution in Social Affairs.’” *Canadian Military Journal* 3, no. 1 (Spring 2002): 72.

In effect, he argues for recruiting from the broad range of Canadians who are eligible to serve in the CF. He goes further, stating that the CF must strive to “be reflective of the values of Canadian society as a whole, not just one generation, as Major Tasseron asserts.”⁷⁹ McKee amplifies Tasseron’s argument regarding changing how the CF does business, when he argues that enticing applicants will require a “shift in focus [and] continued efforts to address quality of life issues, assistance in balancing work and family commitments, and allowing flexibility in career paths.”⁸⁰

This last issue, focusing on quality of life issues is germane to another facet of diversity: attracting women to the CF and retaining them. The CF has been trying for years to attract greater numbers of women to non-traditional jobs (read combat-related positions). This is true of all services, but perhaps more so for the army:

the advertising message is that combat careers are open to women. However, the army must address the negative attitudes of many women towards military careers. A poll conducted by the Environics Research group revealed that women do not believe that they have equal career opportunities in the military and are much less interested than men in joining the Canadian Forces.⁸¹

Whether the CF focuses its attention on attracting more visible minorities, including women; or on generation Y, X, or the last remnants of the eligible baby boomers, they will find themselves up against stiff competition. However, there is a maxim in recruiting that must be followed: “The first goal of recruiting... is to communicate the position in such a way that job seekers respond because the more applications received, the better the recruiter’s chances for finding an individual who is

⁷⁹*Ibid.*, 73.

⁸⁰*Ibid.*, 73.

⁸¹Templer, et.al. *Human Resource Management*. 163.

best suited to the job requirements.”⁸² The follow on to this is that the position information must be communicated honestly. As Ankersen and Lethong noted, recruiters must be diligent and take care not to build up the expectations of recruits such that they wish to enrol in “a CF that does not exist.”⁸³ As has been mentioned above, many members of the CF are distrustful of the organization. Many Canadians also remember the scandals of the mid to late nineties, and are sceptical of the military because of the legacy of downsizing and aging equipment. It goes without saying that Canadian Society as a whole deserves to know the truth about the CF, its capabilities *and* its shortfalls. The image of the organization is of paramount importance in attracting or repelling potential recruits. Every member of the CF shares the responsibility for maintaining and enhancing the positive image of the CF. Doing so with integrity will go a long way toward convincing the Canadian public that the CF has something to offer as an employer.

RETENTION

Even if recruiting of new personnel matched attrition of experienced personnel, the result would be a net loss of knowledge and skill that will take many years to replace, given the long training time and build up of experience that only comes with years of service and a breadth of employment. The legacy issues of downsizing through the use of FRP and ASD, voluntary attrition and a paucity of recruiting throughout the lean years beyond the White Paper all had an adverse effect on maintaining the Trained Effective Strength (TES) of the CF. The FRP was accompanied by reductions in intake, normal attrition (for those in non-FRP trades), and an increasing pressure to outsource through

⁸²*Ibid.*, 164.

⁸³Christopher Ankersen and Losel Lethong, “Birds in Hand: The Need for a Retention Based Strategy for the CF” *Canadian Military Journal* 2, no. 2. (Summer 2001): 49.

Alternate Service Delivery (ASD). “The officer reductions under FRP in the 1990s created a massive gap in the production process. The officer profile became one that was dramatically skewed towards an older generation with only a small number of young officers being developed to succeed them.”⁸⁴ This should not come as a surprise given that the normal attrition rate for officers at the 20 YOS gate in 1990 was 5.3% but had risen to 17.4% by 1996.⁸⁵ The same process and problems occurred within the NCM population affected by the FRP, “at the 20 YOS point, NCM attrition went from 7.1% in 1990 to 26.2% in 1996.”⁸⁶ As it stands, there is a bulge of personnel that is rapidly reaching the 20 years of service (YOS) pension gate. Behind this bulge, there is a gap in trained, experienced personnel to fill the places of those who will retire.

HR 2020 is the key document regarding HR strategies in the CF. In discussing retention, *HR 2020* indicates:

In order to retain the right number of motivated and qualified people, the CF will engage in systematic, planned and coordinated retention strategies. The CF of 2020 will be an environment conducive to retention under a fully integrated HR framework that balances individual and organisational interests. Strategies must be integrated across the board and developed and implemented in an open and transparent way. They will include all necessary programs and incentives to ensure that the right personnel are engaged within the organisation and are committed to the operational mission. Meeting our Retention objective is dependent upon meeting our objective in Transition. CF members’ commitment to the organisation will be enhanced when transition policies allow for increased flexibility of career through the MOC structure, and when movement is facilitated between components of the Defence Team.⁸⁷

⁸⁴ Major R.B. Irwin, “Officer Production Challenges: Understanding and Managing Human Resources of Change.” Toronto: Canadian Forces College Command and Staff Course MDS Paper, 2003. 16.

⁸⁵ Moorhead and Zegers, “Observed and Stable Population Profiles Within the Canadian Forces.” 2.

⁸⁶ *Ibid.*, 2.

⁸⁷ Department of National Defence. *HR 2020*, 16.

The key message from this passage is that the CF recognizes that retention of personnel is an issue that requires action, and various policies and mechanisms will come into play to assist the organization to retain its members. *HR 2020* goes on to state that

Key to the [retention] strategy are initiatives that strengthen the social contract. Besides living up to our obligations to provide fair pay and tangible benefits, security, equitable treatment and support, retention is to be seen as a leadership responsibility consistent with building a retention culture.⁸⁸

It is important to highlight that embedded in the last passage is the idea that retention is linked to strengthening the social contract between the CF and the member. Central to the CF's aims in this regard should be a reaffirmation in the organization's commitment to the member and a concerted effort to rebuild the trust that was so damaged in the aftermath of FRP and large-scale ASD initiatives. It is heartening to note that these aims are recognized as a matter of leadership and that responsibility has been placed upon leadership within the CF to build a culture that fosters retention. In that regard, *HR 2020* outlines initiatives that will be undertaken to promote retention:

Key to the retention strategy are initiatives to develop flexible terms of service, create opportunities for flexibility of career fields, improve participation in employment and career decisions, maintain policies to ensure a harassment free work-place, a fair and effective performance evaluation process, effective mechanisms to resolve conflict at the lowest level, providing members with adequate spiritual, medical, dental, social and other support, developing policies that support military families and recognising exceptional performance through a system of honours and awards.⁸⁹

HR 2020, is a follow-on document based partially on the work of Commander Okros' paper "Into the 21st Century: Strategic HR Issues"⁹⁰ prepared for the Defence

⁸⁸*Ibid.*, 21.

⁸⁹*Ibid.*, 21-22.

⁹⁰Cdr A. Okros, "Into the 21st Century: Strategic HR Issues" prepared for the Defence Management Committee 1999.

Management Committee in 1999. The foregoing passage regarding retention initiatives stems from his proposal that “motivation and long-term retention will increasingly be based more on organizational culture, fair treatment, and developmental opportunities than on salary levels.”⁹¹ To amplify the requirement to focus on these areas, Okros noted that several Quality of Life issues had become dissatisfiers for CF personnel; these include:

reduced cost moves, lack of promotions, uncertainty over future ASD or downsizings, and potential pension amendments as well as growing reality that continued reductions of non-operational positions is making postings to bases and HQs highly stressful.⁹²

In addition to these disincentives to retention, Okros posited that the cumulative effect of continued high personnel tempo throughout one’s career in the CF has the potential to “reduce commitment, increase burnout and contribute to elevated unscheduled attrition.”⁹³

Interestingly, in his work on downsizing and the US army, McCormick also noted the requirement to improve QOL and provide members with benefits other than pay. He advocated incorporating full-time post graduate education into the careers of most officers to help “create and sustain a vibrant intellectual climate” within the officer corps.⁹⁴ In addition, McCormick stressed the importance of advanced military professional education. McCormick argued that the benefit of post-graduate education and advanced military education would help to reaffirm that the military profession was

⁹¹*Ibid.*, 9.

⁹²*Ibid.*, 7.

⁹³*Ibid.*, 8. It is important to point out that Okros was not referring simply to high ops tempo. He noted that with the high tempo, whether the member is deployed or at a static unit, there was a detrimental cumulative effect.

⁹⁴McCormick, *The Downsized Warrior*. 181-182.

valued by the organization while at the same time providing the member with tangible and positive affirmation that his or her service own continued contribution was valued.⁹⁵

Another example of providing for better QOL comes from an international Information Technology (IT) consulting firm, which

launched the Career Managers program to enhance the firm's promote-from-within policy. The program's sole focus is to support employee's career aspirations and provide them with client assignments and training that will support their desired career path. Since the introduction of Career Managers, voluntary turnover has dropped from 25 percent to 12 percent. Linking job posting and career development has not only enhanced commitment and retention: it has also given the firm an edge in recruitment [because the program's success with employees has spread to potential applicants] .⁹⁶

This example is interesting from a CF perspective because the organization already has a career management system. However, it is important to point out the main differences between the system incorporated at this IT company and the CF career management system. The system at LGS very clearly focuses on the needs of the employee and the needs of the organization to make a "fit." The CF system is geared first and foremost to the "exigencies of the service" and the needs of the member are secondary. While it is recognized that the needs of the CF must be of primary importance, it must also be recognized that more effort could be made to match member's needs with those of the CF. As Commander Okros pointed out, retention is not only about putting benefits in place to improve QOL, it is also about removing uncertainty and alleviating anxiety over postings, promotions and professional development.

The CF has made great strides in improving QOL and initiatives such as those outlined in *HR 2020* have gone a long way toward rebuilding some faith in the social

⁹⁵*Ibid.*, 183.

⁹⁶Gary Dessler, Nina D. Cole, Virginia L. Sutherland, *Human Resources Management in Canada, Canadian Eighth Edition*, (Toronto: Pearson Education Canada, Inc., 2002), 207.

contract between the organization and the member. Nevertheless, much remains to be done. Annex D to *HR 2020* indicates that the retention strategy was to be put into place in 2002-03 and that it is to be reviewed in 2005 and validated in 2011 and 2016.⁹⁷ However, leadership within the CF is now convinced that the organization's attrition rate is the same as that experienced by other western militaries, that is, around seven percent per year, and retention is not so much of a concern. Drawing such a conclusion seems to negate the goal of reviewing and then validating the strategy. However, it may be linked to the aforementioned paper on "Recent Attrition Patterns in the Canadian Forces" in which one of the main conclusions drawn by the authors was that "recent (1997/98) attrition patterns are not dramatically different from historical attrition rates observed over the period 1982 to 1998."⁹⁸ Drawing the conclusion that there is no real difficulty with retention because attrition rates have been stable is fallacious. Such a conclusion fails to take into consideration the years of service of the majority of personnel who are approaching an exit gate. As noted by Woodill and Bender, "a large number of officers is quickly approaching the high attrition 20 YOS point...[and] there is an even greater imbalance in the experience profile [for NCMs]."⁹⁹ When this is taken into consideration, it becomes clear that the skewed demographic within the CF due to the residual effect of massive releases under FRP and the paucity of recruiting that accompanied it means that our most experienced personnel are leaving, and this trend will continue at least until 2006, with no corresponding group of experienced personnel to take their place.

⁹⁷Department of National Defence, *HR 2020*, Annex D, 39.

⁹⁸Dr. A. Jesion and M. Sidhom, "Recent Attrition Patterns in the Canadian Forces." Ottawa: NDHQ. PDF Version, February, 2000. 29.

⁹⁹G.E. Woodill, and P.R.S. Bender, "Assessing the Organizational Wellness of the Canadian Forces: Presentation to the 2003 CDS Issues Seminar," Ottawa: DND Canada, September 2003. 4.

It was due to this very issue that senior leaders within the HR organization contemplated retention bonuses only a scant three years ago. The plan was to offer a large retention bonus on an optional basis to members converting from 20 YOS to an IPS, with the intent that the first five years would be obligatory service. With bonuses in place, it was felt that attrition of experienced personnel would be stemmed, and the HR system would also be better able to predict attrition beyond 25 YOS, leading to greater certainty with respect to retirement planning.¹⁰⁰ With the belief that there is no longer an attrition problem, initiatives such as retention bonuses are likely a thing of the past.

In addition to the bulge of experienced personnel who will depart the CF in the near future, there is another bulge of attrition within the group with less than three years of service. The very people the CF took great pains to attract in order to solve the recruiting problem, make up a large percentage of releasing personnel.¹⁰¹ Thus the CF faces three serious HR problems, retention of experienced personnel, retention of recent enrolees and recruitment of new enrolees.

RECRUITING –RETENTION – TRAINING DISCONNECT

The foregoing dilemma serves to highlight the disparate HR focus in the CF. It is this disparate approach that has placed the CF in jeopardy of not having sufficient numbers of trained and experienced personnel to fulfill its mandate. As noted previously, it was recognized that there was a recruiting crisis and great strides were made to solve the recruiting problem. Then, without any supporting data to back it up, the conclusion

¹⁰⁰Ken Schefflen ed., “Strategic Human Resource Symposium for Senior Leaders,” June 2001, 18. In the spring of 2001 Canada’s top personnel in ADM HR Mil attended this symposium that included representatives from the US Services, along with the UK, New Zealand and Australia. In discussion that ensued from the presentation on Canada’s Long Term Human Resource Plan, given by BGen Hearn, DGMHR Policy and Planning, Canada outlined the retention bonus.

¹⁰¹Historical data indicate a loss of 30% of new enrolees within the first three years of service. No current data is available, but it is suspected that the rate would actually be higher given the delays experienced beyond recruit training.

was drawn that the crisis was solved. Next, the retention dilemma was recognized; and again, almost as quickly, deemed to be successfully dealt with. But there are those who dispute that these HR problems have indeed been resolved.

Ankersen and Tethong correctly point out that recruiting alone cannot reverse the personnel shortage within the military. They also note the problems to be encountered by recruiting thousands of personnel without setting in place increased school capacity to train them. As they put it, “the first step to getting out of a hole is to stop digging. Retention of trained men and women in the CF must become a real priority. A strategy that combines recruiting and retention is needed, and needed now.”¹⁰² Their vision of retention starts with stemming the attrition at the front end. They astutely noted the disconnect between recruiting and training: “recent VCDS manning priorities promoted recruiting billets as Priority 2 positions, while those in training establishments remained priority 3.”¹⁰³ The dramatic surge in recruiting to resolve the manning crisis in the CF should have been accompanied by a surge in follow-on training establishments. However, as noted above, this was not the case. Instead, the narrow focus applied to the recruiting crisis meant that recruiting became the only focus and when the recruiting engine was restarted, already stretched personnel had to be transferred to recruiting stations and training establishments to train recruits. The recruiting input has far exceeded the output of the schools – which means many personnel who were enticed to join through focused recruiting ads, cannot be trained to effective status before they reach three years of service.

¹⁰²Christopher Ankersen and Losel Lethong, “Birds in the Hand: The Need for a Retention Based Strategy for the CF,” *Canadian Military Journal* 2, no. 2 (Summer 2001): 44.

¹⁰³*Ibid.* 46.

It is these disenfranchised people who account for the current high rate of attrition within the first three YOS. Hence, one facet of the recruiting, retention, training disconnect.

Ankersen and Lethong contend that

each and every talented, fully trained and experienced person that can be convinced and encouraged to remain in the CF equals ten people that need to be attracted, enrolled and trained. Every possible effort should be made to ensure that the CF is the kind of place where this talent wants to remain.¹⁰⁴

While they offer no proof of this ratio, their observation is no less significant.

Experienced personnel are valuable assets that have been likened to “human capital.”

They are vital to the well-being of the organization and are extremely difficult to replace quickly. Retaining experienced personnel reduces the burden on recruiting and training; perhaps Ankersen and Lethong were not so far wrong in placing their value at ten to one for new enrollees. The main thrust of their argument is that HR is multi-faceted. The HR problems the CF is experiencing are many and the solutions which must be applied need to be equally as varied. No one HR strategy can resolve all of the issues.

As Ankersen and Lethong point out, the HR problems must be treated holistically and in both the short and long terms.¹⁰⁵ A recurring theme is that people want good leadership and they want to be “led by people of vision and integrity.”¹⁰⁶ This dovetails well with previous material that argued for a focused, holistic approach to HR strategies. Leadership within the CF must portray that the organization has a vision; that it is going places. Integrity in communicating this vision is key to both recruitment and retention.

¹⁰⁴*Ibid.*, 47.

¹⁰⁵*Ibid.*, 48.

¹⁰⁶*Ibid.*, 47-48.

In any discussion of recruitment and retention, demographics must be factored in. Internal demographics signal the requirements for retention and recruiting strategies. Conversely, external demographics indicate the recruiting pool that is available and provide some indication as to the recruitment strategies that might be utilized to attract applicants.

ADDING DEMOGRAPHICS TO THE MIX

Demographic trends are important – both externally, as they affect the recruiting pool, and internally, as they can shape retention strategies, training requirements, and other facets of HR. The CF must get its HR strategies right if it wishes to have any success in increasing diversity internally, and in turn becoming more attractive to an increasingly diverse recruitment pool.

Internal Demographics

The recurring theme of the legacy effects of the FRP, ASD and slowed intake has had an impact insofar as internal demographics are concerned.¹⁰⁷

The current demographic profile of the... CF following program review/downsizing [depicts] an older work force which will experience extremely high turnover starting around 2005. Thus the current career stagnation will be replaced by rapid advancement and a shortage of skilled or experienced personnel to fill vacant positions.¹⁰⁸

This aging workforce is largely made up of the last of the Baby Boomer generation and Generation Xers, who find “flexible work arrangements, continuous skill development and a balance between work and personal life... increasingly important.”¹⁰⁹ In addition to being an older workforce, the CF largely consists of white Anglo-Saxon males. The

¹⁰⁷While these issues have been covered to some extent previously, it is important to review them again, in the context of demographics.

¹⁰⁸Cdr A. Okros, *Into the 21st Century*. 7.

¹⁰⁹Dessler, et.al. *Human Resource Management*. 20.

organization does not reflect the diversity inherent in today's Canadian Society. As well, with the aging of the workforce and changing attitudes toward social mores and behaviours, the CF has noted that:

throughout the last decade, significant changes have occurred in personal lifestyles. People are drinking less... and socializing less after hours; they are exercising more and staying at home more; spouses are demanding a direct say in policies and programs which affect them; and working spouses are the norm rather than the exception.¹¹⁰

These changes must be taken into consideration when determining the HR strategies that are best suited to retain CF personnel. Analyzing the trends outlined above might translate to more opportunities for professional development, greater flexibility in moving between the reserves and the regular forces, less money for Messes and more money for Sports and Recreation Centres. More working spouses might translate to a need for day care and after-school care. Spouses wanting a direct say regarding policies and programs might translate to better access to Military Family Resource Centres Boards and perhaps more town hall meetings to facilitate communication. These examples emphasize the need for HR policies to be more flexible and to be geared toward enhancing Quality of Life.

Although the foregoing discussion serves to illustrate, in broad terms, the impact that internal demographics have on HR policies, it is not the intent to leave the impression that developing strategies to deal with demographic trends is as easy or as straightforward as the examples provided above. The intent was only to illustrate that internal demographics must be studied, and their effects taken into consideration when formulating HR plans. As well, before moving on to external demographics, it is

¹¹⁰Department of National Defence, Personnel Support Program (PSP) Strategic Plan 1995/96 – 1999/2000, 9.

important to remember the feelings of anxiety and mistrust that are prevalent in personnel who have survived extensive cuts. Perhaps this is the most important facet of the internal makeup of the CF. As has been mentioned, leadership must take an active role to assuage the mistrust to facilitate the building of a strong organization, ready to meet the challenges ahead.

External Demographics

As McKee noted, “to recruit and retain a [skilled group of workers, the CF] will have to compete more directly with others in the private and public sectors. We will also need to be more competitive in our work conditions and benefits....”¹¹¹ In order to compete for the scarce skilled workers who are potential recruits, one must know something about them. There are five trends in the sphere of external demographics that will be discussed here: the aging population; the increasing minority population; the increase in women in the workforce; increasing education coincident with increasing illiteracy; and the impact of generation Y;

The majority of the Canadian population is aging. Combine this with a declining birthrate and there is an implied need to increase immigration in order to ensure the population does not stagnate. Between 1996 and 2001 immigration “represented more than 50% of the Canadian population growth.”¹¹² The majority of immigrants come from Asia and Eurasia, and it is of no small importance that by 2016, nearly 24 percent of the total available youth aged 17 to 24 will comprise visible minorities; that is to say, close to

¹¹¹Brian McKee, “A Response to Military Manning.” 73.

¹¹²Denis Rouleau, “Revolution in Recruiting Affairs.” 4.

1 million people.¹¹³ This is important to consider, since recruiting strategies will have to be adapted to attract applicants from this pool of potential recruits.

Canada is not alone in this regard. The UK, like other western countries, is seeing a shift toward an ageing population¹¹⁴ and an increase in visible minorities. Another shift “of particular significance to employers is the increasing number of women in the work force with dependent children. Between 1976 and 1998, participation rates for mothers with children under age three doubled from 32 percent to 64 percent.”¹¹⁵ Recruiting strategies will have to incorporate job flexibility and QOL initiatives in order to attract more women. Insofar as literacy and education are concerned,

The good news is that many Canadians are highly educated.... The bad news is that a startlingly high proportion (43 percent) have only marginal literacy skills, defined as the ability to understand and use printed and written documents in daily activities and to achieve goals and to develop knowledge and potential.¹¹⁶

On a positive note, generation Y is known to be more tolerant of diversity and as more generation Y applicants are attracted to the military, perhaps some of the distaste for the military among minorities, including women, will abate.

In broad terms, in the majority of cases the CF has instituted strategies to attract people who fit these emerging demographic trends. Unfortunately, the CF continues to fall far short of its recruiting targets for visible minorities, including women. It is clear that the CF must do better in this regard. As the Canadian population becomes increasingly diverse, and the recruiting pool continues to shrink, it is imperative that the

¹¹³*Ibid.*, 5.

¹¹⁴ Christopher Dandeker and Fiona Paton, *The Military and Social Change: A Personnel Strategy for the British Armed Forces* (London: Centre for Defence Studies, 1997), 3.

¹¹⁵Gary Dessler, et.al. *Human Resources Management*. 24.

¹¹⁶*Ibid.*, 21.

CF adopt the right HR strategies to meet its manning requirements. The CF must determine why recruiting amongst visible minorities (including women) has been so poor; and aggressively strive to amend strategies to ensure success.

The trend toward increasing education rates but lower literacy in young Canadians will have an impact on the CF. While higher education rates in potential recruits are positive, the increased trend in illiteracy is not. It may mean that additional training initiatives will have to be implemented to deal with the issue. In any event, if and when such personnel are hired, the lasting effect may be increased instructional time and, potentially, a burden on training facilities to improve literacy rates.

As Greer notes, demographic trends must be studied and HR plans put into effect to deal with them, for in the future,

major changes include an aging workforce, the baby boom age glut, the baby bust labor shortage, increased racial diversity, and greater feminization of the workforce. These developments, particularly the variations in growth across different age cohorts, will have major implications for the career potential of individual workers. Planning will be necessary to avoid age bulges, age gaps, and surpluses in job categories or job families.¹¹⁷

Similarly, McKee noted that the CF must prepare itself to meet the challenges of the Revolution in Military Affairs (RMA) and as part of that “radical reorienting of military affairs, we must, as Human Resources specialists, become more knowledgeable about the nature of the changing society in which we find ourselves.”¹¹⁸ A clear picture of the demographics will assist CF HR strategists to better meet the challenges of the future.

One such challenge facing the CF is the Revolution in Military Affairs (RMA).

THE RMA – HR IMPLICATIONS

¹¹⁷Charles R. Greer, *Strategic Human Resource Management: A General Management Approach*, Second Edition. (New Jersey: Prentice Hall, 2001). 57.

¹¹⁸McKee, “A Response to Military Manning.” 73.

Two of the priorities listed in the 2001 Defence Plan, “Putting people first” and “optimising force structure to meet capability requirements,” are central to the RMA.¹¹⁹ *HR 2020* also acknowledges that the RMA and demographics converge such that “the new workforce composition of the CF is educated and highly talented.”¹²⁰ Recognizing this is the first step, doing something about it entails putting policies and strategies into effect to both attract and retain personnel, to ensure the culture supports life-long learning and to ensure the force is geared to take advantage of and improve upon the technologies which enable the RMA to continue to unfold. As Okros noted, “a key challenge will be competing for the new, high demand knowledge workers: individuals who will be self-sufficient, [and] rely on their own expertise.”¹²¹ These are the workers required to meet the challenge posed by the RMA, and these very workers are in high demand throughout the public and private sectors.

While *HR 2020* acknowledges the importance of the RMA and attracting skilled, knowledge workers to meet its challenges, several factors pose problems. As has already been noted, the CF must not only retain such workers, it must also attract them. As noted previously, retention problems still exist and the CF continues to find it difficult to attract a sufficient quantity of quality applicants to fill military requirements to keep pace with the RMA. The retention issues are partially the lasting legacy effect of FRP and ASD. Attraction problems can partly be attributed to these effects as well, but more so, it is a matter of believing in the future of the organization.

¹¹⁹Elinor C. Sloan, *The Revolution in Military Affairs: Implications for Canada and NATO*. Kingston and Montreal: McGill-Queen’s University Press, 2002. 125.

¹²⁰Department of National Defence. *HR 2020*, 20.

¹²¹Cdr. A. Okros, *Into the 21st Century*. 8.

As Sloan stated, “DND has placed front and centre in its most recent planning documents the priority of strengthening the Canadian forces’ ability to recruit, train, and retain highly skilled personnel. These are the people that will be at the centre of a future Canadian RMA force.”¹²² However, Sloan also noted that force reductions and cuts to the budget in the 1990s “appear to have had a direct impact on Canada’s ability to maintain its military capability. A report of the auditor general in 1998 stated that repeated budget cuts had had a serious impact on both the numbers of people in uniform and the state of capital equipment.”¹²³ In this regard, what the CF holds itself out to be: a multi-purpose combat-capable force contrasts sharply with its inability to sustain operations. As Sloan puts it:

Canada enters the RMA debate against a backdrop of a stated intention of maintaining forces for the range of military operations and the unanswered question of whether reduced defence spending and force reductions since the end of the Cold War have significantly diminished its military capabilities.¹²⁴

There is no doubt that the CF is in a precarious position insofar as meeting the increased demands of the RMA is concerned, and Sloan argues that the trade-offs of personnel against capabilities are unsustainable. In the end, she concludes that new money is required:

For Canada...troops *and* equipment need to be set above a certain level if [Canada is] to make a meaningful contribution to future coalition operations. In the end, if Canada is to avoid political and operational marginalization in international forums and multilateral missions, there is no alternative to increased defence spending.¹²⁵

¹²²Sloan, *Revolution in Military Affairs*.138.

¹²³*Ibid.*, 140.

¹²⁴*Ibid.*, 140.

¹²⁵*Ibid.*, 146. Emphasis in the original.

Unfortunately, new money was not forthcoming in the last budget announcement and it is yet to be determined whether defence roles will be sustained or expanded as a result of the next Defence Review and White Paper.

With or without new money, the CF needs a strong, central, strategic vision and concomitant objectives. These objectives must be stated clearly throughout the CF, and they must be communicated effectively to Canadian society at large. In turn, cohesive HR strategies must be put into place to meet the objectives and achieve the vision. In short, the CF must make its plan known in spite of the uncertainty of our times, and regain the trust of both its members and society.

STRATEGIC HR & ITS ROLE

In the aftermath of disparate strategies to counter attrition and improve recruitment, most notably the recruitment strategy of 2000, it seems that leadership within the Canadian Forces (CF) is convinced that the problem has been resolved. However, although CF Personnel Statistics as of 8 Dec 03 show that the Regular Force has increased to 61,662, of that number, 8,133 or slightly more than 13 percent of the total regular forces are undergoing basic training and 901 are pending release, medically restricted and etc, leaving a total of 52,628 Trained Effective Strength (TES). Of these, 950 are undergoing advanced training; 86 are on maternity leave, 551 are on parental leave and 8 are in detention, leaving a total of 51,033 personnel available.¹²⁶

The Human Resources (HR) crisis can hardly be considered over when attrition rates of experienced personnel are high, and projected to be even higher as the bulge of experienced personnel reach their 20 year pension gate within the next few years. In addition, the crisis cannot be considered resolved when one sees the high attrition rate

¹²⁶CF Personnel Statistics as of 8 Dec 03, prepared by DMHRR 2-3, CF Pers Stats 031208.

amongst newly enrolled personnel and the projected difficulty in attracting sufficient recruits from the emerging demographic remains high. Several factors have contributed to the current HR Crisis now afflicting the CF. The over-riding principle in each of the actions taken to resolve the HR crisis of the day is one of limited scope and narrow focus. FRP, ASD, lowered recruiting rates, and the response to the recruiting crisis each impacted negatively on the CF due to the narrow scope that was applied to HR issues. It has been made obvious that the cumulative results of these initiatives have left the CF in a difficult situation. In order to get back on track the CF must rely on Strategic HR.

As noted previously, HR has a strategic role to play within the organization.

There is delineation between the strategic level and strategic action:

The term “strategic HR” recognizes the HR department’s partnership role in the strategic planning process, while the term “HR strategies” refers to the specific HR actions that the company uses to achieve its aims.¹²⁷

For the CF, *HR 2020* amplifies the human resource strategy presented in *Beyond 2000*.

“All future HR policies, programs and projects” pertaining to the regular and reserve components of the CF will emanate from the strategic objectives outlined in *HR 2020*.¹²⁸

In this document, the HR mission is “*to develop and implement plans, policies and programs to recruit, develop and retain people to effectively support the CF in all operations it is asked to perform. The ability of the CF Human Resource System to accomplish this mission is central to the readiness and capability of the CF* (Emphasis added).¹²⁹ These may sound like lofty goals, but they are absolutely essential to the success of the CF.

¹²⁷Dessler et.al., *Human Resource Management*. 62.

¹²⁸Department of National Defence, *HR 2020*, 1.

¹²⁹*Ibid.*, 3.

As previously pointed out, FRP of the 90s and ASD initiatives of the nineties and into the new millennium, were reactionary HR responses to crises caused by budgetary and force rationalization crises of the day. The continued pursuit of ASD initiatives and the negative legacy of both of these programs were incongruent with the strategic goal of a sustainable, multi-purpose, combat-capable military. This is perhaps forgivable, since they started out as the best-guess solutions to seemingly insurmountable and short-term requirements to cut the size of the CF; without a long-term Strategic HR vision as an end state. But it was without doubt a strategic error on a grand scale not to identify the looming HR crisis by the late 1990s, for it was towards the end of that decade when the disjointed HR policies being applied were rapidly bringing about a devastatingly low TES for the CF. Unfortunately, the recruiting and retention crises were upon the CF in full force before anything was done. The recruiting valve remained in the off position for too long, but before it was turned back on, inputs to the document that would become *HR 2020* were being produced, so there was resident HR expertise available to sound the alarm bell. It was surprising, then, to note that the recruiting crisis was met with a shortsighted response: *Recruit!* The response was narrow in scope and pertained only to resolving the recruiting crisis. Initially, scant attention was given to follow-on training and only later did the focus shift, somewhat, toward retention. This has been the new reality of strategic HR within the military.

With *HR 2020*, the CF has its Strategic HR document to provide guidance. But, as Commander Crewe noted,

The CF have received many recommendations for change in HRM and have produced good HRM initiatives; however, the recommendations and initiatives are not coordinated under a coherent HRM strategy. The CF also lack clear strategic direction regarding the place of HRM within the

organization. The only strategic objective that senior officers surveyed identified as having a HR focus is to 'become an employer of choice.'¹³⁰

The idea of congruency and cohesiveness of HR strategies cannot be over-stressed. Its importance can be likened to the principles of war as it ensures adherence to the selection and maintenance of the aim, concentration of force and economy of effort. As Dessler noted:

Strategic HR management is largely about integration and adaptation. Its concern is to ensure that: (1) human resources (HR) management is *fully integrated* with the strategy and the strategic needs of the firm; (2) HR policies *cohere* both across policy areas and across hierarchies; and (3) HR practices are adjusted, accepted and used by line managers and employees as part of their everyday work. (Emphasis added).¹³¹

The CF has a Strategic HR document, why is it that its HR policies are incongruent? One answer may be found in reviewing its HR model. The CF model of the various HR processes at play can be found in *HR 2020* where it is depicted as an HR personnel cycle that begins with the identification of HR requirements, then moves to recruitment and selection, followed by development or training, with a branch to continuous learning or directly to employment and deployment, and from there to transition, ready for release, and back to identifying HR requirements.¹³²

In this model, the HR cycle is depicted as just that: a cycle; with each process viewed as a series of separate and distinct parts in a continual loop. Is there any wonder then, that each HR crisis that arose was treated as a separate problem that had to be

¹³⁰George Crewe, "Towards a Stable and Effective Military Workforce: Strategic Human Resource Management Challenges and Changes for the 21st Century." Toronto: Canadian Forces College Command and Staff Course MDS Paper, 2002. 63.

¹³¹Charles R. Greer, *Strategic Human Resource Management*. Upper Saddle River: Prentice Hall, 2001. 123.

¹³²Department of National Defence, *HR 2020*, 8.

resolved in isolation of any of the other HR processes? We may never know if it was as simple as being stuck in such a stove-pipe paradigm.

A better HR model which offers a good alternative comes from Templer.¹³³ It is a good wiring diagram regarding strategic HR planning processes, but it does not include training and development, employee relations/communications plan, compensation & benefits, performance appraisals and motivation. A linear diagram such as this provides a good picture, but the missing processes/functions contribute to the HR picture, and should either have been depicted in the model or explained. Although the Templer model is an improvement over the one depicted in *HR 2020*, its deficiencies detract from its utility.

In the end, the model that depicts the HR processes must be viewed as being both dynamic and holistic. It must depict a series of converging and merging stages, each of which has an impact on, and is impacted by, the other functions at all times. While the CF strategic HR planning process appears circular, in reality strategic HR is much more complex than that, as each of the processes occurs simultaneously and therefore overlaps each of the other processes. Because of the complexity of the HR system it becomes evident that when confronted with an HR problem of the magnitude of the recruiting or retention crisis much thought is required in formulating the plans and getting the strategies right so that the desired outcomes are achieved.

As noted by Woodill and Bender, 37 percent of NCMs and 41 percent of officers stay in the CF longer than 20 years. “These figures represent the life cycle of HR decisions, [and it must be taken into account that] decisions taken to resolve one issue

¹³³A. Templer, et.al. *Human Resource Management*. 142.

often contribute to conditions that give rise to other issues after a period of time.”¹³⁴

Thus it is that decision making and strategizing must take into consideration the complexity of the HR system:

To properly understand and analyze the HR dimension of the CF, it is imperative that one recognizes that it is a highly complex system. HR policies cover all aspects of a member’s career from recruitment, training, professional development, through employment and deployment to eventual release from the CF. The decision-making process with regards [sic] to HR matters must be cognizant of the interactions of these decisions on the whole of the HR system and be aware of their longer term consequences.¹³⁵

Similarly, Tracey Aker et.al. argued that “*in the future the Human Resource function must move from being perceived as a residual activity to taking precedence over*

equipment.”¹³⁶ As well, in a report regarding the CF recruitment improvement study,

Delta Partners highlighted the need for an integrated, holistic approach to HR strategy.¹³⁷

In the end, these are the most important aspects to remember about Strategic HR and its role in meeting the objectives of the CF. HR strategies must focus on the fact that the CF and its personnel are complex. HR strategies must be derived with that primary fact in mind so as to arrive at solutions that are holistic in nature.

SUGGESTIONS IN LIEU OF RECOMMENDATIONS

The paper included only one recommendation, which was to place a moratorium on large-scale ASD initiatives in the magnitude of the Supply Chain Project. This recommendation was made given that there are no negative impacts on the CF or its personnel. The positive aspect of acting on this recommendation is that it will prove very

¹³⁴G.E. Woodill, and P.R.S. Bender, “Assessing the Organizational Wellness of the Canadian Forces: Presentation to the 2003 CDS Issues Seminar,” Ottawa: DND Canada, September 2003. 2.

¹³⁵*Ibid.*, 2.

¹³⁶Tracey Aker et.al. “Development of HR 2020: A Review of External Driving Factors.” Ottawa: DND, December 2000. 34.

¹³⁷Delta Partners, “Canadian Forces Recruiting Improvement Study (Draft Report), Canada, Department of National Defence. Ottawa: DND, September 2000. 4.

effective in improving the trust personnel have in the organization. This in turn will improve retention and recruiting prospects.

There is good reason for not making more recommendations along the way. The major point that needed to be driven home is that the organization and its personnel are complex and that HR solutions needed to take this into consideration. Complex solutions require more study and require modelling before implementation in order to get the desired outcomes. One such solution which could be modelled would be: deferring language training and leadership training with a view to reducing the training backlog beyond recruit training; another would be the idea of retention bonuses for conversion from 20 YOS to IPS. This solution would require more studying and modeling as well, as it will have an impact on several other HR issues. Each of these solutions could have ripple effects and thus bear scrutiny.

Conversely, simple solutions or quick fixes might involve increasing the number of HR post-graduate billets with a view to training military strategic HR practitioners; rebuilding a military HR occupation is another avenue that could be explored. The caveat regarding this last solution is that rebuilding the occupation would have minimal impact on the organization, whereas building the occupation from the ground-up could have several ripple effects.

CONCLUSION

It has been shown that the effects of downsizing through FRP, ASD, disincentives to convert TOS all had legacy effects akin to layoff-survivor sickness. In addition, the atmosphere of continued ASD initiatives and high operational and personal tempo served to exacerbate the situation and led to more attrition. To make matters worse, the cuts

eroded capability and fostered mistrust in the leadership of the CF and the very organization itself, both inside and outside the military. To alleviate this mistrust, leadership must communicate frankly the Strategic Vision of the CF, and leaders must proactively foster a culture of retention by displaying that personnel and what they do is valued. Only in this manner can trust be regained and the organization gain new value in the eyes of those who serve, and those who might be attracted to serve.

Insofar as ASD is concerned, it is simply incongruous with goals of retaining and attracting personnel. Its effects do more to harm the overall organization than to help it become more effective. Therefore, it is recommended that a moratorium of all grand-scale ASD initiatives be put into effect.

Acting upon this recommendation and exploring the other suggestions made in the preceding section will place the CF well on its way to improving retention and to attracting new recruits. Everyone wants good leadership, and everyone wants the organization they are part of to have a Vision; to know where it is heading and to strive to get there purposefully. The CF cannot afford to lose its most experienced personnel in the next few years. Attrition, especially of the most experienced people cannot be allowed to go unchecked. A simple comparison of one experienced person lost and one new enrollee gained is much too simplistic, as it takes years to “grow” and develop that experienced person. Extra emphasis must be placed on retaining experienced personnel.

As noted throughout the paper, HR strategies and their outcomes overlap each other. The excellent work regarding pay and benefits and QOL initiatives must be continued and not allowed to lapse. Only through these mechanisms does the CF compete on the human level, and these initiatives are key to retention and recruiting

strategies. More ways to assist working mothers should be incorporated into these strategies as well. In trying to decrease the attrition of new enrollees, it is recommended that the lengthy up-front training be reviewed. One suggestion would be to delay (not cancel) the Second Language Training to beyond the first three years of service. Of course resources, scarce as they are, must be diverted to recruit

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