

Canadian
Forces
College

Collège
des
Forces
Canadiennes



THE FIGHT TO RETAIN TALENT: SENIOR OFFICER RETENTION AND THE NEXT CANADIAN FORCES PERSONNEL CRISIS

Major S.R. Murphy

JCSP 38

Master of Defence Studies

Disclaimer

Opinions expressed remain those of the author and do not represent Department of National Defence or Canadian Forces policy. This paper may not be used without written permission.

© Her Majesty the Queen in Right of Canada, as represented by the Minister of National Defence, 2012

PCEMI 38

Maîtrise en études de la défense

Avertissement

Les opinions exprimées n'engagent que leurs auteurs et ne reflètent aucunement des politiques du Ministère de la Défense nationale ou des Forces canadiennes. Ce papier ne peut être reproduit sans autorisation écrite.

© Sa Majesté la Reine du Chef du Canada, représentée par le ministre de la Défense nationale, 2012.

CANADIAN FORCES COLLEGE - COLLÈGE DES FORCES CANADIENNES

JCSP 38 - PCEMI 38

**THE FIGHT TO RETAIN TALENT: SENIOR OFFICER RETENTION AND THE
NEXT CANADIAN FORCES PERSONNEL CRISIS**

By Major S.R. Murphy

This paper was written by a student attending the Canadian Forces College in fulfilment of one of the requirements of the Course of Studies. The paper is a scholastic document, and thus contains facts and opinions, which the author alone considered appropriate and correct for the subject. It does not necessarily reflect the policy or the opinion of any agency, including the Government of Canada and the Canadian Department of National Defence. This paper may not be released, quoted or copied, except with the express permission of the Canadian Department of National Defence.

Word Count: 17 783

La présente étude a été rédigée par un stagiaire du Collège des Forces canadiennes pour satisfaire à l'une des exigences du cours. L'étude est un document qui se rapporte au cours et contient donc des faits et des opinions que seul l'auteur considère appropriés et convenables au sujet. Elle ne reflète pas nécessairement la politique ou l'opinion d'un organisme quelconque, y compris le gouvernement du Canada et le ministère de la Défense nationale du Canada. Il est défendu de diffuser, de citer ou de reproduire cette étude sans la permission expresse du ministère de la Défense nationale.

Compte de mots:

TABLE OF CONTENTS

TABLE OF CONTENTS.....	i
LIST OF FIGURES.....	ii
ACKNOWLEDGEMENTS.....	iii
ABSTRACT.....	iv
INTRODUCTION.....	1
CHAPTER 1 – UNDERSTANDING THE ENVIRONMENT.....	9
External Demographics Affecting Retention.....	9
Canadian Forces Senior Officer Demographics.....	13
Societal Pulls and Factors Affecting Retention.....	21
CHAPTER 2 – AN EXAMINATION OF THE CANADIAN FORCES MILITARY PERSONNEL RETENTION STRATEGY.....	28
The CF Retention Strategy and Retention Culture.....	29
Organizational Commitment and the CF.....	34
Measuring Effectiveness through CF Members’ Feedback.....	37
CHAPTER 3 – LESSONS IN RETENTION.....	43
Officer Retention and the US Army.....	44
The Australian Defence Forces Experience.....	49
Retention Incentives and Civilian Corporations.....	54
Career Management in Civilian Corporations.....	56
CHAPTER 4 – CHALLENGES IN STRATEGY IMPLEMENTATION.....	61
Fiscal Realities.....	61
CF Culture and the Profession of Arms.....	65
The Career Management Challenge.....	67
CHAPTER 5 – RECOMMENDATIONS FOR STRATEGY REFINEMENT.....	71
CONCLUSION.....	78
BIBLIOGRAPHY.....	83

LIST OF FIGURES

Figure 1.1 - Steady-State Population Profile and Current Population Profile 2007/2008.....	14
Figure 1.2 – Distribution of the Population of the Regular Force.....	15
Figure 1.3 – Officer Population Profile by YOS and Rank as of 31 March 2009.....	16
Figure 1.4 – Officer Attrition Rates by YOS.....	17
Figure 1.5 – CF Officer Stress Levels in Comparison to Civilian Managers.....	26
Figure 2.1 – CF Exit Survey Results – Expectations.....	39
Figure 3.1 – Rankings over Time 2008 Top Reasons for Leaving the ADF.....	50

ACKNOWLEDGEMENTS

I would like to thank Dr. Alan Okros of the Canadian Forces College for his provision of guidance, advice and assistance in drafting this paper. Most importantly, I would like to thank my wife, Bronwyn, for her unwavering support.

ABSTRACT

The future labour market will be a competitive one wherein demand for educated, experienced and talented leaders will exceed supply. A confluence of external factors will create this demand for talent while at the same time, a host of internal issues afflicting the CF risks causing its educated, experienced and talented leaders, specifically the senior officer cohort, to consider other employment options, potentially leaving the CF with an institutional leadership deficiency. There is the likelihood that there will be a fight to retain talent for which the CF is arguably, unprepared.

Civilian organizations across the world and foreign militaries alike are recognizing and in some cases already experiencing retention challenges, more specifically, challenges in retaining talent. Accordingly, they are working diligently to better comprehend both the nature of the challenge and the expectations of their members with a view to modifying and adapting their current retention strategies. Efforts to retain talent are becoming a core aspect of modern business operations strategy.

The CF however is seemingly somewhat of a laggard in this respect. Its Military Personnel Retention Strategy is broad-based, sourced with shallow data, and is consequentially rendered ineffective in targeting the senior officer cohort in the fight to retain talent. For this critical reason, it is essential for the CF to refine its current retention strategy, such that it becomes better able to deliver targeted effects and such that it becomes better equipped to meet the employment expectations of its members.

This paper examines these issues in greater detail, revealing retention related areas of dissatisfaction of CF members, strategies being pursued by other organizations as well as challenges in implementing a more targeted strategy to address senior officer retention.

INTRODUCTION

*As talent becomes more elusive it will be increasingly tough to keep great people. Employers must get single minded about putting in place a strategic and integrated plan*¹

Dr. Paul Davis

The Canadian Forces (CF) competes with a diverse range of civilian sector organizations and other governmental departments to attract new waves of the nation's best and brightest. These people are described in multiple defence departmental statements and publications as being, the CF's most precious resource and in the words of former Chief of Military Personnel, Major-General Semianiw, "the most valuable component of national defence."² Accordingly, it is logical to assume that a key cohort of military personnel of great value to the CF is the nation's best, brightest and experienced leaders, those who sit on the cusp of assuming senior leadership roles, those who will lead the forces, its people, policies and actions into and beyond the Defence 2020 and Canada First Defence strategies.

As the future domestic and global security environment may be best, yet understatedly described as complex, the importance of solid institutional and senior leadership within the CF and the implied requirement to retain our top leaders cannot be understated. Surging growth rates in the third world, economic imbalance and global

¹ Dr John Davis, "How to Retain Talented Employees?" International Quality & Productivity Center, <http://www.iqpc.com/redcontent.aspx?id=66038> (accessed 20/02/2012).

² Standing Committee on National Defence, *Recruitment and Retention in the Canadian Forces* (Public Works and Government Services, Ottawa: Speaker of the House of Commons, [March 2010, 40th Parliament, 3rd Session]), http://www.parl.gc.ca/content/hoc/Committee/403/NDDN/Reports/RP4393616/403_NDDN_Rpt02/403_NDDN_Rpt02-e.pdf (accessed 11/01/2012), 1.

resource disparity will continue to produce intra-state and intra-regional conflict. Failed and failing states will also continue to breed insurgencies and transnational criminal activities, all of which pose a legitimate threat to Canadian ideals. Consequently, the CF will require not only leaders but rather, the best leaders that exist within the senior officer cadre, those who possess the highly sought after balance of knowledge, common sense and applied leadership, to ensure the CF and its soldiers are able to meet the demanding challenges that lie ahead. Moreover, talented senior officers employed in leadership positions at all levels and those employed as staff officers at the strategic and operational levels will continue to remain an indispensable asset well into the future.³

In a competitive labour market, the CF recognizes the demands posed by the future security environment and consequently expends great effort in developing, analyzing and monitoring recruitment strategies to ensure that it has the number of soldiers necessary to meet anticipated political and military strategic goals. It can be assessed that the CF works diligently, within the confines of an already over-stretched personnel budget, to ensure that the CF is an attractive career option for aspiring members. The Canada First Defence Strategy (CFDS) highlights recruitment as being a priority for the CF, stressing the requirement to recruit, “the best and the brightest that

³ “The strategic level is the level of conflict at which a nation, or group of nations, determines national or alliance security aims and objectives and develops and uses national resources to attain them. This is the level that establishes corresponding military strategic objectives, defines limits and assesses risk pertaining to the concerted use of all instruments of national power.” “The operational level is the level at which campaigns are planned, conducted, and sustained to achieve military strategic objectives within an area of responsibility (AOR). Plans and direction at this level link tactics with military strategy by establishing joint operational-level objectives that are necessary to achieve strategic-level objectives.” Directly cited from: Department of National Defence, Canadian Forces Joint Publication 3-0, *Operations* (Ottawa, Department of National Defence, 2010), 1-2.

Canadian communities have to offer.”⁴ In fact, until intake targets were recently met, the past several years have seen a focus on, “aggressively recruit[ing] people from across the country.”⁵ One must question however if the CF has placed an equal degree of emphasis on retention or whether there is simply a naïve assumption, or almost an arrogant notion, that the CF will always be able to retain the best leaders and senior staff officers possible.

Unfortunately for the CF, it does not and will not exist within a skilled-labour employment vacuum. Skill-sets possessed by senior officers such as applied leadership, project management, analytical thinking, bilingualism and post-graduate education, are critical in leading the CF through its future challenges. It is assessed that these same skill-sets are also of great value to the CF’s employment competitors, competitors who recognize, implement and remain adaptive to strategies and concepts focused on increasingly important employment issues such as work-life balance and stability and who are equally prepared to negotiate terms of reference with prospective leaders.

Consequently, an undeniable requirement can be derived for the CF to ensure it acts both pragmatically and proactively to ensure strategies and tools are implemented to retain this specific cohort. For an institution whose retention strategy broadly states that it will foster a culture of retention and commitment, placing an emphasis on, “recognition, fairness, consideration and respect for members and their families”, one must ask if the CF’s retention strategy is adequately targeted towards the senior officer

⁴ Department of National Defence, *Canada First Defence Strategy* (Minister of National Defence, [June 2008]), 16.

⁵ Patricia Bell, "Top General Promotes Recruitment Drive" *The Ottawa Citizen*, sec. National News, 24 August 2009, <http://www.cbc.ca/news/canada/story/2009/08/24/natynczyk-arctic-recruit.html> (accessed 27/03/2012).

cohort to actually be effective.⁶ Are the CF's personnel policies and initiatives sufficiently focused to address what could be a critical retention issue? Moreover, is there even a requirement to do so?

Understanding national and labour market demographics and their impact on the CF is of great importance in retention strategy development. For instance, within the next 10 years, approximately 25-30% of labourers will be over the age of 55, potentially looking to retire.⁷ This stands to produce that which the Canadian Conference Board refers to as a, "mass exodus of baby boomers" from the Canadian labour market, which stands to create leadership voids within other governmental organizations and private sector corporations across the country.⁸ Accordingly, one could argue that these same organizations will be actively recruiting executives with applied leadership experience and a strong work-ethic. It is rational to deduce that some senior officers could be susceptible to this societal pull, which begs the question as to whether or not the CF's retention strategy can guard against it.

In order to frame the issue, it is also important for one to understand the overall profile of the CF officer demographic. Research presented in this paper will show that military officers are experiencing high levels of job stress and unmatched levels of operational tempo, all the while conceivably struggling to achieve the elusive yet desirable concept of work-life balance. Does the CF retention strategy adequately

⁶ *Military Personnel Retention Strategy*, 5000-1 (CMP), (19 July 2009), A-1/1.

⁷ "Study: Projected Trends to 2031 for the Canadian Labour Force," *Statistics Canada, the Daily*, <http://www.statcan.gc.ca/daily-quotidien/110817/dq110817b-eng.htm> (accessed 11/01/2012).

⁸ Conference Board of Canada, *Canadian Outlook Long-Term Economic Forecast: 2010*, [March 2010], <http://www.conferenceboard.ca/e-Library/abstract.aspx?did=3503> (accessed 11/01/2012).

address these issues? Furthermore, there is already a precious ‘middle ground’ of experienced officers, those who currently have between 15 and 19 years of service and are the talent pool from which the next CF senior leaders will emerge. This group of officers, arguably the same group that are experiencing high operational tempo, is fewer in numbers than the cohort it follows, and may potentially be attracted to outside employment opportunities, jobs offering wage parity or greater and jobs that provide better levels of stability and work-life balance. Is this a catalyst for the CF to develop a targeted retention strategy aimed at senior officers?

Undeniably, the issues raised are some of the pressures that result from choosing to serve in the CF and undeniably, the profession of arms is distinct from other professions. For all members of the CF, the concepts of ‘service before self’ and ‘service to country’ imply a level of self-sacrifice that impose upon certain niceties and benefits enjoyed by other professions, to include family stability, pay bonuses and flexible work hours. However, it is commitment and devotion to service espoused by our senior officers that drives them forward and enables them to look past these tangible benefits; or is it? Is the CF mistakenly relying on the concept of loyalty as a strategy to retain senior officers, those who are set to assume senior leadership responsibilities within the next ten years? Current CF personnel management reports seem to indicate that there will be a sufficient number of officers to fill attritional voids and to assume leadership roles well into the future; however, it can be suggested that this analysis falls short.⁹ It is not

⁹ Department of National Defence, *Canadian Forces Personnel Management Report FY 2010/2011 Four Quarter Report* (Chief of Military Personnel, [31 March 2011]), Accessed via Defence Wide Area Network: http://cmp-cpm.forces.mil.ca/dgmp/dmpsc/engraph/cf_pers_mgt_report_e.asp (accessed 28/01/2012).

merely the question of whether or not there will be a sufficient number of senior officers retained that is at issue but rather it is the retention of talent that needs to be examined. After all, the CF has stated that it wants the best. Does the CF's retention strategy account for retaining talent?

This paper submits that the CF is not aggressive enough in its retention strategy. This is especially concerning at the senior officer rank levels of Major (Maj) and Lieutenant-Colonel (LCol), wherein internal promotion criteria are creating a product that meets an external demand. Moreover, the compounding strength of societal pull factors and the lack of attention to addressing CF members' expectations risk losing the talent, that is to say the commanders and staff officers, that will be required for the CF to succeed in the future, in what will be a competitive talent-oriented, managerial level labour market. Consequently, the CF must refine its retention strategy such that it allows for targeted initiatives to positively influence senior officer retention.

In examining this position, the first section of this paper will aim to understand national demographics and the environment the CF will have to contend with in the next decade. The Canadian demographic profile will be sketched out, illustrating an exodus of baby-boomers from the workforce and the creation of a competitive, talent-oriented labour market. The CF officer demographic profile will also be explored to determine if there is a justified cause for concern over senior officer retention. The final portion of this section will examine the people behind the numbers, discussing factors affecting career choices and how the emergence of new values, representative of Canadian society at large, drive the requirement for adaptation and whether or not the CF's retention strategy is effectively responsive.

The second chapter of this paper will provide an overview of the current CF retention strategy. Its principles will be explored along with the retention culture that exists within the CF, relating them to foundational concepts of organizational commitment and behaviour. Important to note is that the CF retention strategy outlines four specific types of attrition, and this paper will focus solely on attrition that is deemed to be voluntary and avoidable.¹⁰ This chapter will also examine the effectiveness of the CF retention strategy through feedback obtained from CF members and correlate key themes of dissatisfaction with factors proposed in Chapter One as being influential to career choices and societal pulls.

The third chapter of this paper will explore lessons in retention from other organizations, chiefly foreign militaries and businesses from the civilian sector, in order to determine their applicability to the CF. Chapter Four will explore assessed challenges that the CF faces in developing and implementing its retention strategy. Fiscal constraints, military culture, the distinctiveness of the military profession and challenges in career management will be discussed as factors potentially limiting flexibility in strategy development. Finally, the last chapter of this paper will propose concepts for the way-ahead, suggesting areas of potential refinement to ensure the CF retains its best senior officers.

The importance of retaining talent should be of critical concern to the CF. The complexities of the future security environment demand nothing short of the best leaders

¹⁰ Department of National Defence, *The Canadian Forces Retention Intervention Process* (Chief of Military Personnel, [14 July 2004]), <http://www.cmp-cpm.forces.gc.ca/pd/pi-ip/08-03-eng.asp> (accessed 13/01/2012).

the CF has to offer. The military cannot afford to lose senior officers in what will be competitive talent-oriented labour market.

CHAPTER ONE – UNDERSTANDING THE ENVIRONMENT

Building a new social contract that fits today's economy also requires that we recognize the seismic shifts in both families and the workforce that have taken place since our basic employment policies and institutions were put in place. Most policies and institutions were designed to serve the 20th century's industrial economy and a workforce dominated by a male breadwinner with a wife at home taking care of family and community responsibilities.¹¹

Thomas Kochan

In order to understand the nature of the retention challenge the CF could face in the upcoming decade and the importance of developing a retention strategy targeting senior officers, it is necessary for one to comprehend the climate that exists, both internal and external to the CF. Accordingly, this chapter will discuss national demographics, illustrating a void that will be left within the managerial and executive level strata of private sector organizations and other governmental departments by baby-boomer retirement. Further, CF demographics will be examined, illustrating an already precarious manning situation as a result of previous personnel management decisions that has resulted in a diminished pool of senior officers. Lastly, this chapter will present factors for consideration in career and life decisions of CF members, factors that must not be ignored in the fight to retain talent within the CF upper echelons.

External Demographics Affecting Retention

The baby-boomer cohort is arguably the largest driving factor that will affect the national labour market within the upcoming decade. This influential group, born between 1946 and 1965, will be retiring from the workforce in large numbers during the upcoming

¹¹ Thomas Kochan and Debbie Shulman, *A New Social Contract: Restoring Dignity and Balance to the Workplace* (Washington, DC: Economic Policy Institute, [22 February 2007]), 7.

decade.¹² With CIBC economists noting the national average age of retirement as 62, the oldest of the baby-boomers will be turning 66 this year, indicating that Canada is on the front end of a massive retirement wave.¹³

Conservative estimates presently indicate that 25% of the Canadian labour market consists of people aged 55 and over. Statistics Canada however notes that in 2011, a staggering 31% of national labourers were in fact over the age of 55.¹⁴ It is also essential for one to understand that within the next decade, the number of seniors in terms of a percentage of the overall population will increase steadily towards 20%.¹⁵ There are two important deductions that can be drawn from these statistics. Firstly, the overall growth rate of the labour force will decrease sharply within the span of the next decade, seeing the current annual labour force growth rate of 1.5% drop to a forecasted low of 0.2% for a five-year period.¹⁶ This indicates that there will be fewer people entering the job market as new labourers, yet no change to the number of employment positions that will potentially need to be filled. If this holds true, demand could exceed supply creating plenty of job opportunities for those who are dissatisfied in their current line of work.

¹² Statistics Canada, "Census Snapshot of Canada - Population (Age and Sex)," *Canadian Social Trends* catalogue no. 11-008, <http://www.statcan.gc.ca/pub/11-008-x/2007006/article/10379-eng.pdf> (accessed 13/01/2012).

¹³ Emanuella Enenajor, "Solving Canada's Participation Rate Puzzle," *Economic Insights CIBC World Markets Inc* (22 December 2011), 1.

¹⁴ Diana Wyman, "Recent Trends in Canada's Labour Force Participation Rate," *Canadian Economic Observer* December 2011, <http://www.statcan.gc.ca/pub/11-010-x/2011012/part-partie3-eng.htm> (accessed 11/01/2012), Chart 3.7.

¹⁵ Christopher Ragan, "Two Policy Challenges Driven by Population Aging," *Policy Options* October 2010, <http://www.irpp.org/po/archive/oct10/ragan.pdf> (accessed 12/01/2012), 73.

¹⁶ Martel Laurent, Eric Caron-Melenfant, et al, "Projected Trends to 2031 for the Canadian Labour Force," *Canadian Economic Observer* August 2011, <http://www.statcan.gc.ca/pub/11-010-x/2011008/part-partie3-eng.htm> (accessed 13/01/2012).

Secondly and perhaps more importantly for the purposes of this paper, the departure of baby-boomers will create vacancies to be filled within the senior ranks of organizations across the country by a significantly smaller, “baby-bust cohort”, indicating that demand for educated, experienced leaders could also potentially exceed supply.¹⁷ These points are well recognized within the private sector. In 2010, the Canadian national publication, *Human Resources Management Guide*, conducted a survey of over 160 top human resource leaders across the country and the results were telling. Listed as being among the greatest perceived challenges facing organizations today are the requirement for coherent retention strategies and the need for, “building leadership capacity.”¹⁸ In a separate survey of senior executives from multiple Fortune 1000 companies, including Canadian firms, studies indicate that increasing an organization’s competitiveness by way of implementing a talent management process as part of a viable business strategy is a top priority.¹⁹ As such, it is assessed that the CF will also need a retention strategy that guards against a competitive pull from outside organizations that looks to potentially draw away senior officers to fill leadership vacancies.

The fact that labourers and the population in general are aging cannot be refuted; what can be argued however is the level of impact it will have on the labour market. Firstly, it can be argued that a mass retirement of baby-boomers is unlikely as many within this cohort are choosing to work longer, either out of economic necessity or personal desire. Research from Statistics Canada illustrates that there is a growing trend

¹⁷ Statistics Canada, *Census Snapshot of Canada - Population (Age and Sex)*.

¹⁸ Alan Price, "Ongoing Competition for Talent," *Human Resources Management Guide*, <http://www.hrmguide.net/canada/jobmarket/employment-weaknesses.htm> (accessed 13/01/2012).

¹⁹ *Ibid.*

of Canadian seniors working past the age of 65.²⁰ Secondly, the future labour market shortage fails to account for the intake of talent from a growing immigration population. As the province of Ontario's economic strategy notes, immigration is a key factor in ensuring positive growth in the labour force and baby-boomer retirement can be off-set by establishing policies that recognize foreign credentials.²¹ Based on these arguments, the competitive pull perceived on the senior officer cohort is certainly diminished.

Although these arguments certainly offer mitigation strategies to deal with a massive drain in the labour force, to view them as a comprehensive strategy to completely clot the future bleeding of people from the labour force is irrational. A 2007 International Public Management Association sponsored study of over 350 public management professionals found that even with such mitigation strategies, over 50% of respondents felt that there was insufficient talent within their organizations to fill gaps left by retiring baby-boomers.²² Further studies conducted by the Canadian Labour and Business Centre found that 57% of public sector managers and approximately 50% of and private sector managers consider critical skill shortages in the future to be a, "serious problem."²³ Additionally, 2007 research conducted by Human Resources and Skills Development Canada (HRSDC) concluded that the senior management domain within

²⁰ Statistics Canada, "Still Working After Retirement" *Canadian Year Book 2008*, http://www41.statcan.gc.ca/2008/70000/ceb70000_001-eng.htm (accessed 31/03/2012).

²¹ Ministry of Finance, "Ontario's Long-Term Report on the Economy" (Province of Ontario: 2010), 13.

²² Glenn Davidson, Stan Lepeak, Elizabeth Newman, "The Impact of the Aging Workforce on Public Sector Organizations and Mission", (International Public Management Association for Human Resources: February 2007), 11.

²³ Canadian Labour and Business Centre, Viewpoints 2002 The Perspectives of Business, Labour and Public Sector Leaders, *Skills and Skill Shortages* (Canadian Labour and Business Centre, [August 2002]), 10.

the business, finance and administration fields would, “face shortage pressures over the next ten years.”²⁴ This provides ample evidence to suggest that there will be significant talent-oriented, executive level employment competition within the next decade.

From a CF perspective, these statistics ought to be of significant concern as they indicate the future existence of an environment wherein senior officers, highly educated and possessing an abundance of applied leadership experience, will be in demand to fill vacant private and public sector management positions. Interestingly, it is the CF’s own professional military education system for senior officers that assists in building a product that meets external demands, a concept that will be discussed in following portions of this paper. This challenge, looming on the CF human resource management horizon, is compounded by several additional factors that also warrant investigation.

Canadian Forces Senior Officer Demographics

The leadership and senior officer talent deficiency that the CF may experience will not solely be the result of a private sector pull on CF personnel. As this section of the paper will illustrate, there are compounding issues within the military human resources management realm that will exacerbate the situation.

The CF personnel profile with regard to force strength and years of service is depicted in Figure 1.1. Although data is representative of 2007 and is inclusive of all ranks, it serves to identify trends in the overall CF demographic. Firstly, the greatest

²⁴ Human Resource and Skills Development Canada, “Looking Ahead: A 10-Year Outlook on the Canadian Labour Market: Current and Future Labour Market Shortages in Canada”, http://www.hrsdc.gc.ca/eng/publications_resources/research/categories/labour_market_e/sp_615_10_06/shortages.shtml (accessed 28/03/2012).

percentages of CF personnel exist within two brackets: those with less than six years of service and those who now have greater than 22 years of service (YOS).

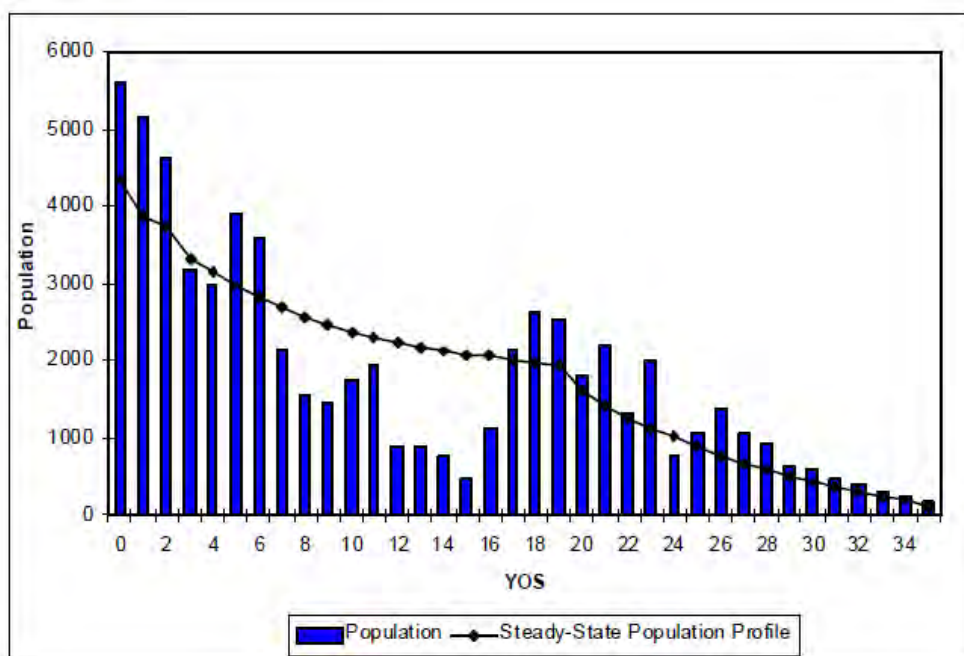


Figure 1.1 - Steady-State Population Profile and Current Population Profile, 2007/2008
Source: Review of Attrition and Retention Research for the Canadian Forces²⁵

One of the key drivers of this outcome was the Force Reduction Plan (FRP) that was introduced in the 1990s to intentionally reduce force strength.²⁶ It sent attrition rates surging from 6% to 12% in the senior officer and non-commissioned officer corps and

²⁵ Nancy Otis and Michelle Straver, *Review of Attrition and Retention Research for the Canadian Forces* (Department of National Defence, [October 2008]), 40.

²⁶ The CF FRP was designed to intentionally reduce force strength in occupations that were deemed to be over-strength based on estimated needs for force strength after directed downsizing from 85 000 to 60 000 service personnel. Members of specific trades and rank levels were offered enticing packages to release from the CF. Approximately 14000 members released under the FRP. (Department of National Defence, *Recruiting and Retention in the Canadian Forces*, <http://news.gc.ca/web/article-eng.do?m=/index&nid=448289>, [accessed 29/03/2012]).

drastically reduced recruiting inflow.²⁷ The long term outcome of the FRP was the creation of an unequal distribution of personnel, as depicted in Figure 1.2. As these numbers are based off of 2006 data, one must note that this unequal distribution of personnel has now shifted to the right and comprises those personnel who now have 15 to 19 YOS.

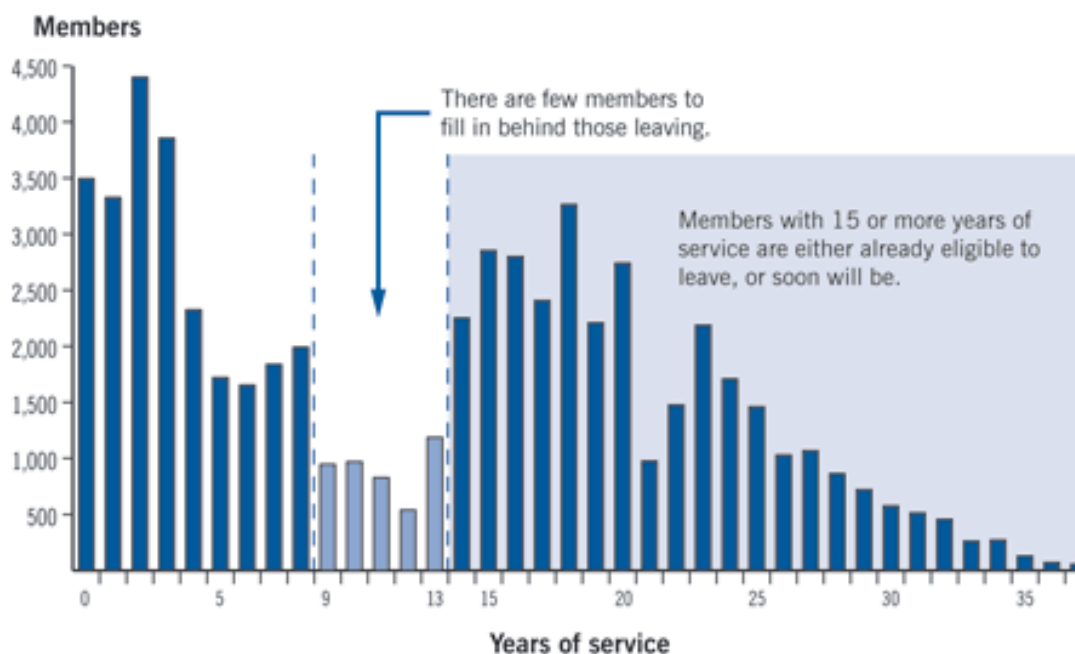


Figure 1.2 – Distribution of the Population of the Regular Force
Source: May 2006 Status Report of the Auditor General of Canada²⁸

More current officer specific data outlined within the CF's *Annual Report on Regular Force Personnel* highlights these same points and specifically identifies a

²⁷ Christopher Ankersen, "The Personnel Crisis," in *Canada without Armed Forces?*, ed. Douglas Bland (Kingston, Ontario: Queens University School of Political Studies, 2003), 55-82, 68.

²⁸ Office of the Auditor General of Canada, *Status Report of the Auditor General of Canada: Chapter 2 - National Defence - Military Recruiting and Retention* (Office of the Auditor General of Canada, [May 2006]), 54.

deficiency of officers that are following the current CF senior leaders. While comparing preferred manning levels of officers to actual trained effective strength, the CF has 13% less officers than required to fill positions.²⁹ Supporting previously mentioned CF demographic trends, Figure 1.3 depicts an unequal distribution of officers serving between what would now once again be the 15 to 19 YOS mark.

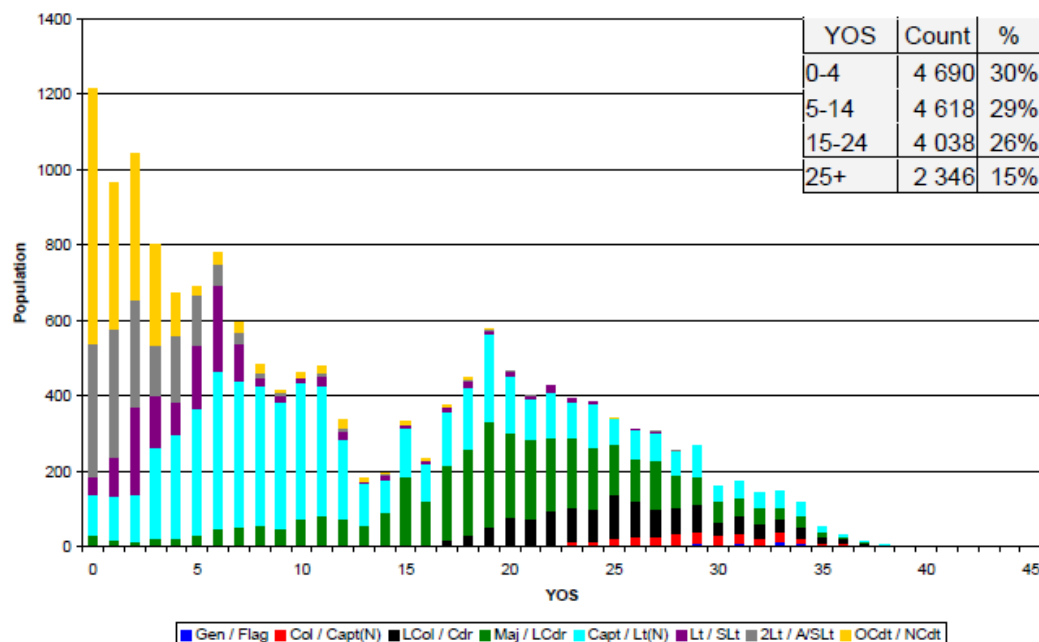


Figure 1.3 – Officer Population Profile by YOS and Rank as of 31 March 2009
Source: Canadian Forces Annual Report on Regular Force Personnel 2008/2009³⁰

It is critical to understand two important tie-ins to the deficiency that exists within the officer population profile. Firstly, the segment of the officer population profile that is under-strength is the same cohort on which the CF relies to complete the largest portion of its staff work; from this perspective, it is assessed as the true horsepower that enables

²⁹ Department of National Defence, *Annual Report on Regular Force Personnel 2008-2009*, ed. Director General Military Personnel Research and Analysis, (February 2010), 42.

³⁰ *Ibid.*, 6.

the institution to function. Secondly, and perhaps more importantly, the CF cannot recruit or easily replace the experience held by this group; building a senior officer with the proper balance of knowledge and experience is a process that requires a great deal of investment and time. From a retention perspective, this gives cause for the CF to ensure it builds an effective retention strategy for its future senior leaders, especially due to the increased societal pull factors which will become a more prevalent factor in the future.

On top of this, CF officer attrition, albeit slowly, is growing. During the period 2009-2010, the officer attrition rate grew to 7%, a rate that is only expected to decrease slightly over the next several years.³¹ What is concerning, yet not unsurprising, are the spikes in officer attrition rates at the 20 and 25 YOS points. As depicted in Figure 1.4, attrition rates at the 20 YOS mark are approximately 20%. Superimposed on the baby-

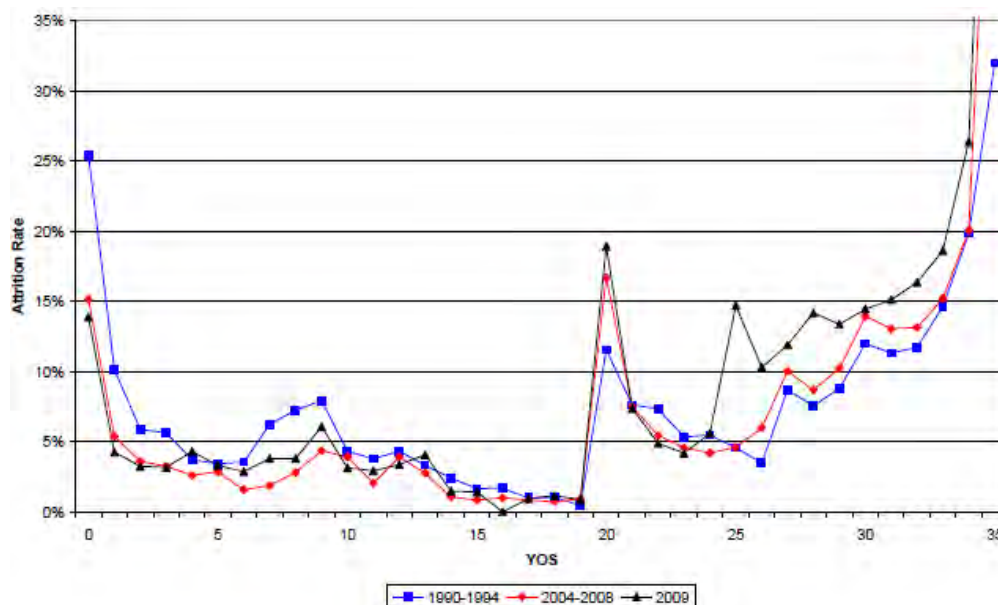


Figure 1.4 – Officer Attrition Rates by YOS

Source: Canadian Forces Annual Report on Regular Force Personnel 2008/2009³²

³¹ *Ibid.*, 42.

³² *Ibid.*, 30.

boomer retirement timeline, these high attrition rates at the 20 and 25 YOS points, what effectively amounts to career continuation decision points for CF senior officers, will be occurring at relatively the same time.

Additional studies conducted by Defence Research and Development Canada (DRDC) support these findings, noting that the historical attrition rate at the 20 years of service mark is approximately 15%.³³ Although lacking any substantive evidence, DRDC researchers also suggest that attrition rates could be expected to be greater among those with higher levels of education.³⁴ As will be discussed later, this presents an interesting paradox in demanding that our senior officer corps obtain greater and greater levels of education, deemed as being necessary for career progression.

Thus, to summarize what should be a situation of concern: firstly, a large percentage of the CF, including the bulk of its current senior officers, will be retiring in the upcoming decade; secondly, the follow-on group, those to whom present day institutional leaders will pass the torch, is under-strength as a result of previous human resource management policy decisions; and lastly, external demand and competition for this same cohort will be high. These statistics and trends paint a picture of too high a rate of attrition in an already under-strength cohort, a key strategic challenge noted by the CF Chief of Military Personnel (CMP) to which the CF must respond.³⁵ If the CF does not have effective retention tools in place, the organization risks losing its senior officers to the competition.

³³ Otis and Straver, *Review of Attrition and Retention Research for the Canadian Forces*, 30.

³⁴ *Ibid.*, 23.

³⁵ Department of National Defence, *The Fight of Today: Military Personnel Planning and Management Document FY 2009/2010* (Chief of Military Personnel, March 2009), 1.

Another interesting perspective from which senior officer retention can be assessed lies in an examination of the nature of work being done by senior officers. Statistics reveal that within the Army, almost 70% of LColts are employed in some sort of staff capacity versus approximately 15% employed in a command capacity.³⁶ As previously noted, the horsepower that is provided by officers working within a staff officer capacity is vital to the CF's functioning and therefore needs to be assessed as talent. Supporting this point, the Senate Standing Committee on National Defence noted the importance of the senior staff officer, citing the need for, "experienced . . . mid-level officers . . . who can take on complex staff issues from planning to project management."³⁷ The deduction to be made is that a CF senior officer retention strategy cannot be command specific, but rather it must target both commanders and senior staff officers.

An argument can be made that supports the bleed of a certain percentage of the senior officer cohort from the CF, be it natural or otherwise, in that the organization is not short officers but rather improperly structured. As a result, preferred manning levels are representative of a force structure that is not optimally designed to function effectively. As noted in Lieutenant-General (LGen) Leslie's *Transformation Report 2011*, the 'tail' of the CF, that is to say personnel working in headquarters and staff positions (a large percentage of which are senior officers), grew 40% from 2004 to 2010.³⁸ One of the

³⁶ Department of National Defence, Army LColts Career Manager Briefing, 31 January 2012. Percentages are representative of Combat Arms, Engineer and EME officers.

³⁷ Senate Standing Committee on National Security and Defence, *Four Generals and an Admiral: A View from the Top*, Government of Canada, 12.

³⁸ Department of National Defence, *Report on Transformation 2011* (Department of National Defence, [6 July 2011]), xi.

report's key recommendations is the reduction in numbers of such personnel and the elimination of redundant staff positions at operational and strategic levels.³⁹ A reduction in the senior officer cohort is therefore required out of fiscal necessity and organizational structure, ultimately indicating that there is no senior officer shortage, but rather PML levels are inflated. Additionally, when senior officer manning levels are examined in greater detail, with the exception of some stressed trades, it can be rationalized that there are no immediate forecasted personnel problems. For example, total effective strength of infantry, armour and artillery officers are all within 3% of PMLs, with an expectation that all army officer trades will be in a, "healthy state by 2014".⁴⁰

The fallout of this argument however is that promotion rates are decreasing and in some cases stagnant. The promotion forecast to the rank of Colonel in 2012 for Army LColts is 0-3%, meaning that nine of 240 eligible LColts will be promoted, and for some trades, notably the Artillery, there are no promotions forecasted to the rank of Colonel.⁴¹ The net result is a highly competitive internal environment with a low probability for advancement. Consequently, the talent that is relied upon to provide the horsepower for the organization to function effectively is left with a disincentive for performance and for remaining with the CF. It is in such circumstances that the influence of societal pull factors and the increased marketable skills of the senior officer cohort, such as increased education levels and bilingualism, will have the greatest impact on talented senior

³⁹ Leslie, xii, 23.

⁴⁰ Department of National Defence, *Army LColts Career Manager Briefing*.

⁴¹ Department of National Defence, *Army LColts Career Manager Briefing*. Eligible for promotion includes only those LColts who have entered the promotion zone and is not the total number of LColts in the applicable Army trades.

officers voluntarily leaving the CF. Simply stated, the CF risks losing talented members of this cohort unless there are innovative retention initiatives put in place.⁴² From a pure numbers perspective, there may not be cause for alarm as a steady rate of attrition is a good thing; however from a talent perspective, a possible outcome is that top performers will be the ones pulled to outside organizations while the CF is left with the middle of the pack, those who don't have the skill-sets and applied leadership experienced that will be in demand. This is certainly contradictory to the CF's stated desire to retain, "highly trained and experienced" personnel.⁴³

The implications of the internal demographic trends and statistics provided thus far are not necessarily lost on current CF leadership. As noted in the CF's retention strategy, the "distortion in CF YOS demographics makes the retention of skilled and experienced personnel particularly important to overall capability."⁴⁴ The compounding nature of the external environment however creates all the more necessity to act. Before examining what the CF's is doing, or failing to do, to retain talent, it is first necessary to examine factors affecting career decision-making and societal pulls.

Societal Pulls and Factors Affecting Retention

In order to understand how to retain CF senior officers, it is important for one to understand present-day societal values and factors influencing career decisions. It could be suggested that the changing nature of Canadian societal values has spawned changes

⁴² Cornerstone On Demand, *Two Sides of the Same Coin: Using Succession Management and Career Development to Improve Talent Mobility* (Cornerstone On Demand, [2010]), 6-7.

⁴³ Department of National Defence, *Military Personnel Retention Strategy*, 1.

⁴⁴ *Ibid.*, 2.

in the younger and middle portions of the CF demographic, changes to which our human resources policies have not yet fully adapted. In his research spanning CF personnel issues presented in *Canada Without an Armed Forces*, Chris Ankersen notes that much like Canadian society in general, the newly enrolled soldier is now concerned with, “maximizing individual welfare” and is not ready to put aside individual well-being nor personal freedoms for the greater good of an organization.⁴⁵ These societal characterizations stand in stark contrast to the very nature of military service and the notion of ‘duty before self’, a concept which the CF publication, *Duty with Honour*, deems to be a fundamental requirement for CF members.⁴⁶

It would be naïve however to believe that only new soldiers recruited into the CF espouse these characteristics; changing societal values affect all elements of the CF demographic, including its senior officers, those of whom the CF perhaps expects to continue to serve solely out of a sense of loyalty. Changing societal values and related CF member employment expectations are compounding factors to the statistics previously presented that demonstrate the potential outflow of talent from the CF senior leadership echelons. For this reason, it is important to understand both members’ expectations and societal norms, as they should form the foundation on which to build a retention strategy.

Firstly, the cost of living in Canada has increased steadily within the past decades, in many cases breaking the dynamic of the traditional military family, one wherein the

⁴⁵ Ankersen, *The Personnel Crisis*, 55-82, 68.

⁴⁶ Department of National Defence, *A-PA-005-000/AP-001, Duty with Honour: The Profession of Arms in Canada* (Kingston, ON: Canadian Forces Leadership Institute, 2009), 27.

service spouse remains at home or possesses an employment skill-set that is extremely portable. The dual-income family is the new norm within the nation, with 65% of Canadian families having both partners working outside of the home.⁴⁷ The introduction of a military spouse not only working, but having a profession, necessitates geographic stability, a factor CF policy makers did not have to contend with in previous decades and one that creates great friction with the portability requirement expected of CF senior officers. Just recently, the Standing Committee on National Defence deemed this recognized juxtaposition to be, “especially problematic for CF personnel in their mid-career” and noted the absolute necessity of addressing the issue, less the CF risk losing its mid-level leadership.⁴⁸ The requirement to act on this issue was deemed by the committee to be, “imperative.”⁴⁹ Interestingly, according to CMP’s retention strategy campaign plan, there has been no action yet taken to deal with this issue.⁵⁰

To fully comprehend the effect of the dual-income family dynamic on CF senior officer retention, one needs to also examine education levels. Statistics from 2007 indicate that over 15% of the officer corps possessed some form of post-graduate education.⁵¹ Although current data is unavailable, post-graduate education is now considered in most unofficial internal circles to be a pre-requisite for promotion to LCol and as such, the percentage of senior officers with some form of post-graduate education

⁴⁷ Statistics Canada, "Women in Canada: Economic Well being," *The Daily* (16 December 2010, <http://www.statcan.gc.ca/daily-quotidien/101216/dq101216c-eng.htm> (accessed 28/01/2012)).

⁴⁸ Standing Committee on National Defence, *Recruitment and Retention in the Canadian Forces*, 2.

⁴⁹ *Ibid.*, 2.

⁵⁰ Department of National Defence, *Military Personnel Retention Strategy*, A-1/1.

⁵¹ Department of National Defence, *Annual Report on Regular Force Personnel 2006-2007*, ed. Director General Military Personnel Research and Analysis, (January 2008), 17-18.

is believed to be significant. Derived from this point, one can make an assumption that educated military officers will choose or have partners with a similar level of education; the impact of which is interesting. Taking the perspective that the majority of service spouses are women (based on the large percentage of men in the CF), Statistics Canada has noted that with increasing levels of education in women, there is a growing percentage of cases wherein the wife earns more than the husband in dual-income families, currently measured at 30%; this statistic has climbed steadily in the past several years.⁵² It is not difficult to deduce that CF senior officers, approaching or having already obtained pensionable service and looking to balance two professional careers, risk being lost to external employment that provides family stability, enabling support to their respective partner's career requirements. This poses a major retention challenge for the CF and the only recognizable tool within the CF's retention strategy to dissuade a member from choosing to do so is the power of persuasion of one's immediate superior.

Secondly, another important societal consideration which has changed over the years is the concept of work-life balance. No longer is the average Canadian able to fully commit his or her energy solely on achieving the expectations of an employment organization. Additional factors such as having both parents working, caring for aging relatives and a faster paced society in general have resulted in greater work-life stress. As can be expected, studies conducted by the Canadian National Research Network indicate that two of the most important factors influencing career decisions for Canadians

⁵² Statistics Canada, *Women in Canada: Economic Well being*. This male-centric perspective is based on the fact that females represent 16% of the overall officer corps, with even less representation in the senior officer ranks. For example, females only account for 1% of General Officers (Department of National Defence, *Annual Report on Regular Force Personnel 2008-2009*, edited by Director General Military Personnel Research and Analysis February 2010, A-9).

are work-life balance and job stress.⁵³ Employers prescribing to what human resource management expert Linda Duxbury describes as being, “the dated myth of two separate worlds [work and family]” will only lead to high turnover and poor production; this is especially true in a knowledge-based economy, wherein demand exceeds supply.⁵⁴ This change in thinking has essentially, “transformed the Canadian workplace” in that employers must consider the familial impacts of their employment expectations.⁵⁵

This concept is not lost on the CF as its retention strategy highlights the requirement to respect CF members’ families. Yet despite this stated position, CF Retention Survey results would lead one to believe that the CF is failing to achieve its objectives, an issue explored in detail in the following chapter. At this time, it is more relevant to understand the private sector pull that is magnified if the CF fails to address the work-life balance issue, along with the associated issue of stress. Research conducted by Statistics Canada presented in Figure 1.5 illustrates significantly higher levels of job stress and job dissatisfaction among military officers than that experienced by their civilian counterparts. Assuming that these statistics continue to hold true and that stress levels are linked to an inability to achieve a work-life balance, there is a definite risk of losing senior officers to organizations that are able to meet this important driver in career decision-making. Equally as concerning is the possibility that talented future leaders may

⁵³ Graham Lowe, *21st Century Job Quality: Achieving what Canadians Want* (Ottawa, Ontario: Canadian Policy Research Networks, [September 2007]), 44.

⁵⁴ Linda Duxbury and Chris Higgins, *Work-Life Balance in the New Millennium: Where are we? Where do we Need to Go?* (Ottawa, Ontario: Canadian Policy Research Network, [October 2001]), 4.

⁵⁵ Human Resources and Skills Development Canada, "The Changing Face of Canadian Workplaces," Government of Canada, http://www.hrsdc.gc.ca/eng/labour/employment_standards/fls/resources/resource01.shtml (accessed 19/01/2012).

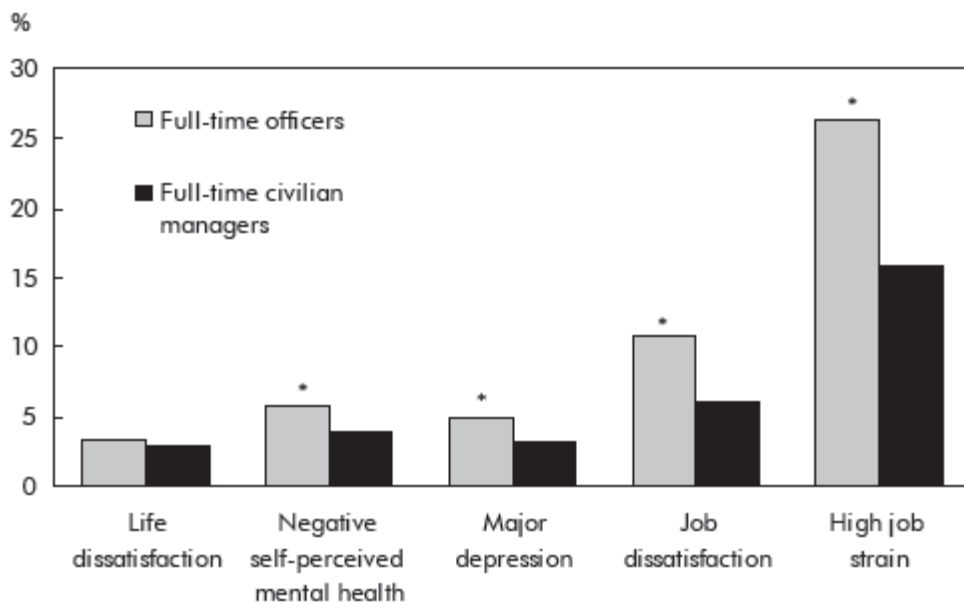


Figure 1.5 – CF Officer Stress Levels in Comparison to Civilian Managers
 Source: Statistics Canada, Canadian Community Health Survey Cycle 1.2, 2002⁵⁶

make career decisions that will effectively take themselves out of the career advancement stream in hopes of achieving a better work-life balance.

In summary, already having to contend with a diminished officer cohort to follow current CF senior officers, there are multiple compounding factors that stand to drain talented leaders and staff officers from the ranks of the CF. The demand for experienced managerial level leaders outside of the military created by the retirement of the baby-boomer cohort risks pulling away senior officers who are facing increasing internal competition for promotion. Moreover, this same cohort, argued as more likely to have educated and working spouses, is also looking to establish greater stability and greater work-life balance while the institution is demanding more and more of them. In this

⁵⁶ Jungwee Park, "A Profile of the Canadian Forces," *Perspectives on Labour and Income* 9, no. 7 (July 2008), 25.

regard, the CF must be provide provide flexibility to its members, as retention strategies that fail to account for the family dynamic will falter; as such, the retention mantra of the US military, “recruit the soldier, retain the family”, should be used a guide for CF retention initiatives.⁵⁷

These and other issues will be examined in the following chapter as this paper moves on to explore the CF military personnel retention strategy.

⁵⁷ Cindy Williams, “Paying Tomorrow’s Military” *Regulation*, (Massachusetts Institute of Technology [Summer 2006]), 29.

CHAPTER TWO – THE CANADIAN FORCES MILITARY PERSONNEL RETENTION STRATEGY

*Rather than the traditional “one-size-fits-all” retention strategy, a targeted personalized approach will be required if you expect to have a reasonable chance to retain your top talent.*⁵⁸

Dr John Sullivan

The CF refined its military personnel retention strategy in 2009, highlighting the requirement to retain experienced members in order to maintain its, “operational capability.”⁵⁹ This retention strategy guides the work being done by the CF Attrition and Retention team, a group initially formed in 2003 with a more focused purpose of developing policy to support branches of the military experiencing attrition problems within specific trades.⁶⁰ Important to note is the fact that neither the CF retention strategy nor the Attrition and Retention team have directly addressed senior officer retention.⁶¹

This chapter will provide an overview of the CF retention strategy and examine whether or not the CF is meeting its own outlined objectives. This will be done through analyzing the strategy using various organizational behaviour and psychology concepts as well as through assessing retention related feedback obtained via sanctioned departmental surveys.

⁵⁸ Dr John Sullivan, "10 Predictions for 2012: The Top Trends in Talent Management and Recruiting," *Talent Management*, <http://www.ere.net/2011/12/05/10-predictions-for-2012-the-top-trends-in-talent-management-and-recruiting/> (accessed 20/02/2012),1.

⁵⁹ Department of National Defence, *Military Personnel Retention Strategy*, 1.

⁶⁰ Department of National Defence, *The Canadian Forces Retention Intervention Process*, B-1.

⁶¹ Irina Goldenberg, Team Leader Attrition and Retention Team, Chief of Military Personnel. Email correspondence with author, 18/01/2012, with permission.

The CF Retention Strategy and Retention Culture

The CF retention strategy is a strategic level document outlining several lines of operation to reduce attrition levels at both the initial career stage of CF members as well as the 20 YOS point. The chief strategic objective is to, “reduce attrition by building a retention culture and fostering greater commitment through such values as recognition, fairness, consideration and respect for members and their families.”⁶² Possessing six lines of operation, those deemed as being most applicable to senior officer retention include: Personnel Tempo, highlighting the need to reduce tempo and to mitigate adverse effects; Career-Family Balance, listing high tempo and the importance of stability as being chief influences in career decisions; Career Management, noting the importance of the members’ voices in the process; and finally Leadership, the line of operation responsible for establishing cohesion and for monitoring influences affecting retention.⁶³

To understand the CF retention strategy, it is necessary to understand the concept of retention-culture, as it is the underpinning of the strategy itself. Building a retention culture describes a process by which respect and loyalty are nurtured, creating long-term commitment to an organization. Business and organizational behaviour strategists differ on how best to attain this commitment, however most agree that it is based on understanding the motivators of personnel, meeting their needs and being able to, “see the world through their eyes”, as described by the President of Coyne PR, a highly ranked

⁶² Department of National Defence, *Military Personnel Retention Strategy*, A-1/1.

⁶³ *Ibid.*, 6-8.

employer within the United States.⁶⁴ In essence, a retention culture, as is the case with the CF retention strategy, aims to create a *social contract* between an organization and an employee, wherein the member feels a strong desire to remain with an organization based on his or her personal needs being fulfilled.⁶⁵ In other research, this same concept has been referred to as a, “*psychological contract*”, which includes a common and shared understanding, between employer and employee, of employment expectations from each other’s perspective, which is used to positively affect commitment levels and retention.⁶⁶

That which must be emphasized is that the present day *social contract* extends beyond the organization and a singular employee. No longer can an organization expect employee commitment based on the provision of simple needs, for example salary and basic benefits. As Thomas Kochan, professor of business management at MIT explains, organizations must be prepared to meet the more complex needs of not only employees but also the expectations of society at large; perhaps most importantly and as previously alluded to in the first chapter, organizations must also meet the needs of a member’s family. With both parents now working outside the home and other factors making life more challenging, the new *social contract* must, “build strong and durable families” and it must provide employees with, “the flexibility and resources to meet their dual

⁶⁴ Paul Holmes, "Retention: Compensation; Job Satisfaction; Balance and Cultural Fit," *The Holmes Report*, <http://www.holmesreport.com/opinion-info/6427/Retention-Compensation-Job-Satisfaction--Balance-and-Cultural-Fit.aspx>.

⁶⁵ Major Deborah Howe, *Retention: 'if we Build it, they Will Stay' Building and Sustaining a Retention Culture in the Canadian Forces*, [10/09/2007]), (accessed via Defence Wide Area Network 28/01/2012).

⁶⁶ Abdul Mutalib Mohamad Azim and Aminah Achmad, "Work-Family Psychological Contract as a Mediator in the Relationships between Work-Family Factors and Organizational Commitment," *International Journal of Business and Social Science*, 2, no. 22 (December 2011), http://www.ijbssnet.com/journals/Vol_2_No_22_December_2011/26.pdf, 232.

obligations to be productive workers and good parents and citizens.”⁶⁷ Demanding workloads, frequent postings and high levels of operational tempo imposed upon senior officers create a friction with the concept of a new *social contract*. The implication is that if the CF does not readily adapt to meet the changing expectations of its members, it will certainly risk losing talented senior leaders to those organizations wherein the expanded *social contract* is recognized as the foundation of a committed working relationship.

One could argue that the CF has recognized the importance of the *social contract* and is working towards striking a balance between meeting members’ expectations and the demands of the service. In fact, one of the assessed core strengths of the CF retention strategy is that it is theoretically sound, outlining multiple initiatives to be developed in support of building of a retention culture through the establishment of a *social contract*. It is aiming to achieve its obligations that extend beyond the workplace in terms of controlling operational tempo and providing additional services for families. Furthermore, what cannot be dismissed in the *social contract* are the obligations of the employees. As argued in *A New Social Contract for the New Millennium*, employees are expected to commit themselves to the mission of the organization to which they belong.⁶⁸ In the case of the CF, this necessitates that, at times, members be away for extended periods of time and that they also maintain a certain degree of portability. As such, this

⁶⁷ Kochan and Shulman, *A New Social Contract: Restoring Dignity and Balance to the Workplace*, 2.

⁶⁸ Anne Osborne Kilpatrick, “A New Social Contract for the New Millennium” *Public Administration and Management*, 4, no 3, (Charleston, SC: 1999), 177.

creates an inevitable friction between the demands of the profession and perhaps unrealistic work-life balance expectations of members.

To refute these points, one must understand that the establishment of a *social contract* is truly derived from actions, not from the mere formulation of a strategy. This is where the CF's *social contract* as a means of building retention encounters challenges. The CF retention strategy deals with the issue of retention by addressing grouped measures of dissatisfaction, in response to which strategic policy is adapted. It is an approach referred to as "broad-based" retention initiative development and can be categorized as being focused on influencing a wider grouping of personnel vice a particular sub-set.⁶⁹ Such an approach can be a slow, measured and rightfully deliberate process that may or may not meet the expectations of smaller sub-sets of the overall organization and are certainly not geared towards anyone individual.

At the coalface, the CF retention strategy relies on the power of persuasion whereby immediate superiors engage their subordinates in an attempt to dissuade any request for release from the CF. Outside of personal influence, which is variable and inconsistent, there are no tangible tools provided to truly retain talent. Therefore, if a strategic policy does not meet the social contractual needs of a talented CF member, there is little that can be done to immediately affect that member's decision to release. The CF's broad-based approach does not readily enable the *social contract* to be, "renegotiated regularly and frequently", assessed as an element of vital importance if a

⁶⁹ David G. Allen, *Retaining Talent: A Guide to Analyzing and Managing Employee Turnover* (Alexandria, VA: SHRM Foundation, 2008), 14.

strategy is to be effective.⁷⁰ In the case of an experienced, educated senior officer who may have a job offer from an outside organization, the current retention strategy demonstrates a key weakness in that it lacks adaptability and responsiveness. As such, it presents itself as a strategy that is focused on retention as an issue of numbers and not one of talent, assessed as being a major shortfall. In order to retain talent, a retention strategy should be responsive to the needs of an individual or smaller sub-group of personnel. In this way, incentives and other tools utilized in retention are able to be tailored to an individual's needs and expectations.⁷¹ The pros and cons of such a strategy will be discussed in the following chapters of this paper. Suffice it to say at this point that a targeted retention strategy focused on the senior officer cohort, particularly at the 20 and 25 YOS point is lacking.

Supporting these points, research conducted by the Directorate of Military Personnel Research Analysis (DGMPRA) indicates that, “one-size-fits-all strategies”, that have been applied in the past for personnel management issues may indeed not be successful in the future and that there is a requirement for strategic “rethinking” of approaches that should include an, “increased focus on individuals.”⁷² This fundamental concept is one that is continuously observed within the best practices of successful organizations across the globe. As the impact of societal factors on retention become ever more apparent, there is a growing realization that, “if an institution fails to

⁷⁰ Osborne Kilpatrick, *A New Social Contract for the New Millennium*, 177.

⁷¹ *Ibid.*, 24.

⁷² Department of National Defence, *Putting People First* (Chief of Military Personnel; Director General Military Personnel Research and Analysis, [27 July 2009]), Accessed via Defence Wide Area Network: <http://cmp-cpm.forces.mil.ca/dgmpira-dgrapm/pub/rp-pr/index-eng.asp>.

demonstrate that it genuinely values personal investment in retention efforts, the roots of such an enterprise will be shallow and thus, lack transformational power.”⁷³ In this regard, it appears that the CF’s retention strategy is lacking.

Organizational Commitment and the CF

Although this paper is not designed to be focused on organizational culture nor psychology, these social sciences certainly weigh heavily on the topic of retention. Within these domains, there are two key concepts that merit discussion as they are influential in the formulation of retention strategy.

The first of such concepts is that of organizational commitment. As the CF retention strategy looks to build the commitment levels of its members, it is essential to understand what that really means. In the context of organizational theory, the Meyer and Allen commitment model is an accepted framework to use in assessing retention strategies. The model considers commitment using three sub-groupings: *continuance commitment* (degree to which a member needs to stay with an organization); *affective commitment* (degree to which an individual wants to stay with an organization); and finally, *normative commitment* (degree to which a member feels obliged to stay with a particular employer).⁷⁴ The CF is focused primarily on building the *affective commitment* levels of its members as a means of addressing retention, as is the trend in most

⁷³ Dr Jim Black, *Creating a Retention Culture* (Greensboro, NC: SEM Works, [30/05/2010]), <http://www.academicagroup.ca/sites/academicagroup.ca/files/Creating%20a%20Retention%20Culture.pdf>, 8.

⁷⁴ Ranya Nehmeh, *What is Organizational Commitment, Why should Managers Want it in their Workforce?* (Swiss Management Center University,[05/2009]), http://www.swissmc.at/Media/Ranya_Nehmeh_working_paper_05-2009.pdf, 3.

organizations. From a theoretical perspective, it would appear that things are on the right track; however, whether or not the institutional policies being implemented by the CF are truly building the *affective commitment* levels it seeks to achieve is completely at issue. As this paper moves on to explore other dimensions and experiences in retention, this decision will be left to the reader. As previously pointed out however, the challenges that this paper proposes the CF is experiencing in adapting to the demands of the *new social contract*, are directly correlated with the challenge to increase *affective commitment*.

The second important aspect of organizational culture that pertains to retention is the concept of Person-Organizational (P-O) fit, a term that can be defined most simply as, “the compatibility between people and organizations”; the better the match between the values of an individual and those of an organization, the greater the performance will be of both parties and the greater the chance of ensuring long-term retention.⁷⁵ The CF retention strategy is built on maximizing P-O fit, categorically stating that it aims, “to optimize the fit between individual attributes and CF values.”⁷⁶ Those in support of using a P-O fit model as a foundation to build retention argue that, “P-O fit is the key to maintaining the flexible and committed workforce that is necessary in a competitive business environment.”⁷⁷ As pointed out, the concept is engrained in the CF retention strategy, which adheres to the mantra of, “if we build it, they will stay”, which seeks to

⁷⁵ Tomoki Sekiguchi, "Person-Organization Fit and Person-Job Fit in Employee Selection: A Review of the Literature," *Osaka Keidai Ronshu* 54, no. 6 (March 2004), <http://nationalcenteroflanguageassessment.com/Documents/P-O%20Fit%20Model.pdf>, 182.

⁷⁶ Department of National Defence, *Military Personnel Retention Strategy*, 4.

⁷⁷ Sekiguchi, *Person-Organization Fit and Person-Job Fit in Employee Selection: A Review of the Literature*, 182.

exploit the relational components of the *social contract* as a means of building *affective commitment*.⁷⁸

The issue however in relying solely upon P-O fit to build a strong retention culture is that it partially ignores other factors that can influence the person-organization relationship, which must be considered in building a strong *social contract* and *affective commitment*. Accordingly, the CF retention strategy should expand its base and incorporate the concept of a dynamic Person-Environment (P-E) fit model, a model that considers the impact of additional influences on the relationship between the member and the organization.⁷⁹ Such a model acknowledges that there are multiple variables that can affect work related outcomes, and that manipulating these variables leads to different results for individual members. A study from Cornell University indicates that, “considerable research has linked person-environment fit to many positive organization-specific outcomes”, including commitment levels and job performance.⁸⁰

If the CF’s retention strategy were to focus more on building P-E fit vice P-O fit, it could become more effective on an individual level instead of attempting to affect generalities. As P-E fit considers the influence of external variables on the employer-employee relationship, it would inherently drive the need to produce responsive retention tools that are adaptive to multiple retention cases. In turn, the *social contract* between individual members and the CF would become stronger, as adaptive retention tools are best able to meet individual members’ employment expectations. This leads to the

⁷⁸ Howe, *If we Build it, They will Stay*.

⁷⁹ Tomoki Sekiguchi, "Toward a Dynamic Perspective of Person-Environment Fit," *Osaka Keidai Ronshu* 55, no. 1 (May 2004), 178-180.

⁸⁰ <http://www.timothy-judge.com/Bretz%20&%20Judge%20JVB%201994.pdf>, 33.

conclusion that *affective commitment* within the senior officer cohort can be most immediately impacted by a targeted strategy that offers a certain degree of individualization, such that the expectations of a diverse range of members can be addressed. It would seem that the rigidity of the CF retention strategy does not enable it to achieve its desired effect.

Current research in the field of organizational culture considers P-O fit to be a sub-set of P-E fit, which could lead one to the conclusion that the previous arguments presented are nothing more than semantics.⁸¹ For this reason, it must be stressed that the overarching P-E fit model reinforces the fact that there are other variables that need to be accounted for in building retention; focusing on creating strong P-O fit is important but should not be seen as a panacea in building retention.

Measuring Effectiveness through CF Members' Feedback

The issues raised thus far beg the question of whether or not the current CF retention strategy is hitting the mark. The answer partially lies in data collected through two mechanisms, the CF Exit Survey and the CF Retention Survey, the results from which assisted in the development of the CF retention strategy. Implemented in 2005, the former was introduced as a means to, “allow leaders to better understand and address personnel shortfalls and foster a more committed workforce” while the latter is focused on understanding the reasons members decide to release and has been administered several times since its inception in 2003 (2002/2003, 2003/2004, 2005/2006, and

⁸¹ Kamarul Zaman Ahmad, “The Mediating Effect of Person-Environment Fit on the Relationship between Organisation Culture and Staff Turnover” *Asian Social Science*, 8, no 2, February 2012 (College of Business Administration Abu Dhabi University), 64.

2007/2008).⁸²⁸³ Both surveys are voluntary, administered to all ranks of the CF and as is the case with the Exit Survey, can be used as a measure of effectiveness for the strategy itself.

There are some methodological challenges with the CF Exit Survey, namely the relatively low sample sizes used for strategy development. Response rates for the Exit Survey were just over 12% during the period of 2008 until 2011, which raises questions surrounding the legitimacy of the conclusions drawn from the data.⁸⁴ These low response rates mean that the CF can only make generalizations about retention mechanisms and member expectations, which in turn restrains the CF from developing a targeted strategy, one that could potentially assist in senior officer retention. Regardless, the general trends identified from the Exit Survey data indicate that the greatest areas of dissatisfaction of members voluntarily leaving the CF are career management, family stability and posting related issues.⁸⁵ A more concerning trend from this data analysis however is presented in Figure 2.1, which measures CF members' individual expectations against the CF's ability to meet them. For example, results indicate that with regard to work-life balance and family matters, the CF's approach and practices are not meeting the expectations of CF members; in fact, they are significantly inferior. Applying the fundamentals of the *psychological contract* concept, one can deduce that this misalignment of expectations

⁸² Department of National Defence, *Administering the CF (Regular Force) Exit Survey* (Chief of Military Personnel, [12 May 2005]).

⁸³ Otis and Straver, *Review of Attrition and Retention Research for the Canadian Forces*, 5.

⁸⁴ Kathy Michaud, *Voluntary Attrition & the CF Exit Survey* (Briefing Provided to PSEL: Director General Military Personnel Research and Analysis, [23 February 2011]), accessed via Canadian Forces Defence Wide Area Network..

⁸⁵ *Ibid.*

with performance leads to lower levels of *affective commitment*, and could be a catalyst for release. Although, data collected from the CF Retention Survey tended to be more

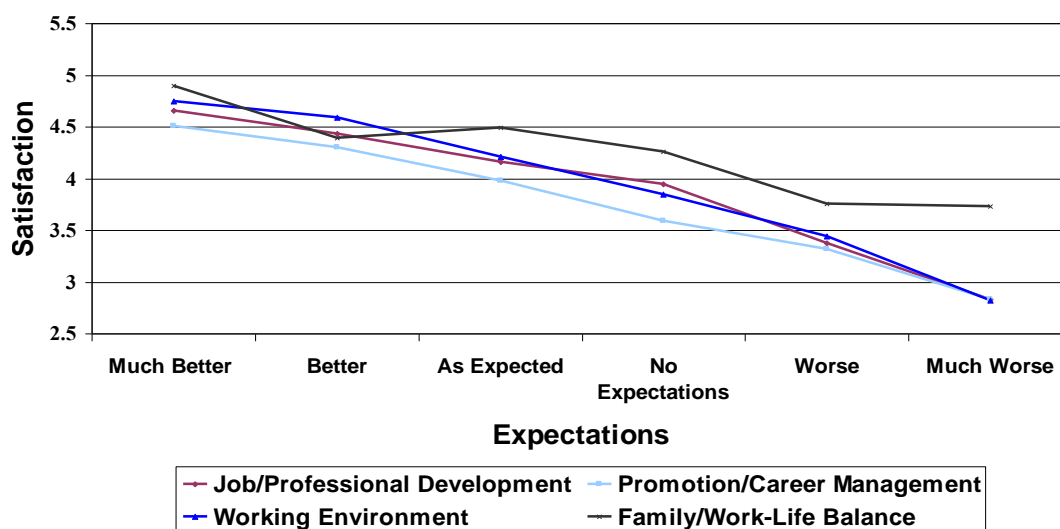


Figure 2.1 – CF Exit Survey Results - Expectations
 Source – DRDC Voluntary Attrition & the CF Exit Survey⁸⁶

occupation-specific, one of the main issues of dissatisfaction was noted once again as being career management, supporting the position that members' career expectations are not being met.⁸⁷ This is especially concerning if the trend applies to senior officers and for the CF, it once again highlights the importance of engaging with members to determine their expectations and then working to meet them; a responsive, adaptable retention strategy is required to achieve this capability.

Another feedback tool and measure of effectiveness for the CF retention strategy is the 'Your-Say Survey', a research project that uses targeted surveys as a feedback

⁸⁶ Michaud, *Voluntary Attrition & the CF Exit Survey*.

⁸⁷ Otis and Straver, *Review of Attrition and Retention Research for the Canadian Forces*, 8.

mechanism for strategic level human resource policies.⁸⁸ The most recent data from this survey from the Spring of 2011 indicates that 43% of respondents feel that there is often a conflict in attempting to balance work and family life and 23% identified that they would not remain in the CF for as long as they could (qualitative reasoning for not wanting to remain in the CF was not provided in the report).⁸⁹ These statistics have remained relatively stable over the past couple of years, with the number of members indicating that they would not remain with the CF decreasing significantly since 2009, as noted in the same report.

When superimposed upon the demographic analysis provided in Chapter One, these statistics provide cause for concern with regard to senior officer retention. Assuming that the 43% of respondents indicating dissatisfaction with work life balance is representative of senior officers, it stresses the need for the CF to target those senior officers with 15-19 YOS as it is already smaller in numbers than the cohort it follows. Moreover, it emphasizes the importance of addressing the dissatisfaction associated with career management, as it has a major impact on the key issues of stability and work-life balance and a negative impact on building a *social contract*.

Based on discussions with the author's peer group, it is judged that officers belonging to the 15-19 YOS cohort have maintained a high level of operational tempo throughout the past several years, seeing some members complete multiple deployments

⁸⁸ Sean Norton, *The Department of National Defence and Canadian Forces "Your-Say" Survey: Methodology and Preliminary Findings* (Department of National Defence, Directorate Human Resources Research and Evaluation, [2004]), <http://www.internationalmta.org/Documents/2004/2004048P.pdf>, 1.

⁸⁹ Department of National Defence, *Canadian Forces Personnel Management Report FY 2010/2011 Four Quarter Report* (Chief of Military Personnel, [31 March 2011]), Accessed via Defence Wide Area Network: http://cmp-cpm.forces.mil.ca/dgmp/dmpsc/engraph/cf_pers_mgt_report_e.asp (accessed 28/01/2012).

as well as professional development courses, all equating to an assessed imbalance on the work-life scale. Assessed as possessing high levels of both *affective* and *normative commitment*, members of this cohort have possibly moved multiple times during the same period in order to hit career advancement benchmarks, a portability requirement that is likely to continue into the future. It appears that although their *affective commitment* to the CF remains high, the friction that exists with their commitment level to their families is also at an all-time high and the predominant feeling is that more time and focus needs to be with their families. As such, there is indication that opportunities to achieve improved family stability and balance are welcomed by this cohort. More importantly, it can be argued that if the military is not flexible in meeting these expectations, educated, experienced and talented officers could potentially look outside of the CF in order to achieve these desires. This informal assessment reinforces the need for the CF to become more adaptive with its retention strategy through incorporating a P-E fit approach and building stronger *social contracts*.

Based on the information provided in this chapter, several important concepts have been revealed. Firstly, broad-based retention strategies cannot be expected to provide adequate results against all segments of the CF. In the fight to retain talent, retention strategies need to target specific sub-sets and need to be adaptable. Secondly, *affective commitment*, that which the CF is looking to build in its members, is best established through the establishment of a *social contract*; the challenge for the CF is that such a contract needs to be tailored to meet individual members' expectations, while the CF retention strategy aims to affect generalities. Lastly, if measured trends of dissatisfaction remain stable, statistics imply that a significant proportion of talent may

consider leaving the CF. These reasons provide the impetus for the CF to act, to expand beyond its broad-based retention efforts to ensure that it retains the most talented officers in the corps. *Affective commitment* levels are best impacted by striking individual *social contracts* with its senior officers, meaning that the CF must have flexibility in its retention initiatives such that it can adapt to meet varying expectations.

The concepts discussed thus far are not unique to CF. For this reason, it is essential to review how other militaries and organizations are approaching retention issues, such that the CF can maximize its efforts. The following chapter will review this very subject.

CHAPTER THREE – LESSONS IN RETENTION

The number one reported reason for separation among our respondents was limited ability to control their own careers. Frustration with a one-size-fits-all system was by far the most common complaint, with emphasis on bureaucratic personnel processes that respondents called “broken,” “archaic,” and “dysfunctional.”⁹⁰

Sayce Falk and Sasha Rogers, on officer retention in the US Army

The emphasis placed on retention strategies and the concept of retaining talent is of growing significance within most large organizations. Human Resource Management Professor, Dr. David Allen states it best in saying, “one of the most critical issues facing organizations today is how to retain the employees they want to keep.”⁹¹ As such, it is important to examine how other organizations are dealing with retention and more specifically, the fight to retain talent. Accordingly, this chapter will examine the retention strategies of other militaries, namely the United States (US) Army and the Australian Defence Force (ADF), as well as those used within the private sector, to determine how other agencies are addressing retention challenges. Best practices and key concepts will be explored and evaluated to determine their applicability to the CF. An exhaustive account of individual strategies will not be conducted; rather, the focus will be on presenting analysis with a view to uncovering different approaches and ideas surrounding how best to retain talent. The first retention strategy to be examined will be that of the US Army.

⁹⁰ Sayce Falk and Sasha Rogers, "Junior Military Officer Retention: Challenges and Opportunities" (Masters in Public Policy, John F. Kennedy School of Government, Harvard University), Executive Summary.

⁹¹ Allen, *Retaining Talent: A Guide to Analyzing and Managing Employee Turnover*, 1.

Officer Retention and the US Army

On a much larger scale, the US Army faces similar factors to those faced by the CF in developing a retention strategy. It of course has faced extremely high operational tempo, is subject to similar societal pull factors and the work-life balance paradox but perhaps more interestingly, the US Army faces a reduced officer cohort based on deliberate force reduction that occurred in the mid-1990s.⁹² Interestingly however, the *2009 US Army Posture Statement* suggests that the more immediate challenge faced by the US Army in the fight to retain talent is with its junior officer cohort.⁹³

Never-the-less, there is still a recognized need to possess a targeted strategy aimed at more senior levels. A commissioned study into US Army officer retention highlighted that societal pulls could potentially attract officers into the private sector and as such cautioned that the US Army needs to enhance its, “ability to retain [its] most talented officers.”⁹⁴ Ultimately the study recommended that the US Army needs to, “focus increased attention on retaining individuals who have completed 10 to 20 years of federal service”, however fell short on providing detailed strategies by which to do it.⁹⁵ The study emphasized the importance of building *affective commitment*, congruent with the CF approach to retention, and placed a high degree of importance on achieving

⁹² United States Government Accountability Office, *Military Personnel: Strategic Plan Needed to Address Army's Emerging Officer Accession and Retention Challenges*, [January 2007]), <http://www.gao.gov/assets/260/255612.pdf>, 7.

⁹³ United States Department of the Army, *2009 Army Posture Statement: Officer Retention*, (US Army, [7 May 2009]), http://www.army.mil/aps/09/information_papers/officer_retention.html (accessed 22/01/2012).

⁹⁴ Stephanie Payne, Ann Huffman and Trueman R. Tremble Jr, *The Influence Or Organizational Commitment on Officer Retention: A 12 Year Study of US Army Officers* (IBM Endowment for the Business of Government, [November 2002]), 18.

⁹⁵ *Ibid.*, 4.

appropriate levels of work-life balance. Additionally, one of the recommendations put forth in the report included a suggested move towards longer postings, enabling officers to achieve greater stability.

The concept of achieving greater geographic stability is equally applicable to the CF yet lies in contrast with the portability expected of officers, which one could argue is essential for career advancement. From a professional development perspective, the benchmarks senior officers need to meet in terms of job diversity, command, and leadership experience are difficult to attain in one geographic location. In fact, key findings of a 2005 commissioned RAND study of effective initiatives for US military retention support this position, indicating that the only way to offer greater geographic stability for officers is to focus on, “employability rather than promotability.”⁹⁶ This provides evidence that a similar mantra exists within the US military as the CF; if one wants to advance, one needs to sacrifice geographic stability. With the CF’s retention strategy listing, “reviewing means of improving geographic stability” as a task yet to be completed, it would appear as though the CF recognizes the importance of stability but has yet to figure out the portability-promotability paradox for senior officers. The corporate world however does have solutions, which will be explored in later sections of this paper.

Another strategy used by the US Army in its fight to retain talent is the utilization of retention bonuses, which have only just recently been offered to the US Army officer corps. Based on the critical shortage of officers at the Captain and Major rank levels, the US Army introduced the Critical Skills Retention Bonus (CSRB) in 2007, with some

⁹⁶ RAND National Defence Research Institute, *Creating New Career Options for Officers in the U.S. Military*, Research Brief (Santa Monica, CA: Rand Corporation, 2005), 1.

officers being offered up to \$35 000 (US) for an additional three years of service.⁹⁷ This initiative is arguably aimed at appealing more to *continuance* vice *affective commitment* levels of officers, a practice that is discouraged by some human resource managers as a means of building high retention. In fact, a CF internal report argues against such a strategy being pursued, indicating that transactional measures such as retention bonuses often only provide a short term solution to retention and are a cause of internal friction and perceived unfairness.⁹⁸ A report from the Strategic Studies Institute of the US Army War College investigating retention issues also argues against the use of retention bonuses in retaining talent, stating that the use of bonuses within the US Army, “may have succeeded in retaining greater numbers of officers . . . but it has reduced the quality of the corps.”⁹⁹

Interestingly, the overarching program of the US Army Officer CRSB program includes what is referred to as a, “menu of incentives”, which provides, “non-monetary retention tools for commanders at all levels that compare the benefits of military service to careers in the civilian sector.”¹⁰⁰ In essence, commanders are able to offer a host of

⁹⁷ Lt. Col Maura Gillan, "Captains Now Eligible for \$25K Retention Bonus," *US Army.Mil* (September 13, 2007), <http://www.army.mil/article/4848/captains-now-eligible-for-25k-retention-bonus/> (accessed 29/01/2012).

⁹⁸ LCol Martin Villeneuve, Tzvetanka Dobрева-Martinova and John G. Currie, *Buying Low Attrition or Building High Retention? That is the Question* (Ottawa: Department of National Defence, 2004), 8.

⁹⁹ Peter A. Buxbaum, "From Brain Drain to Internal Bleeding: Retention Problems in the US Military," *ISN Insights*, <http://www.isn.ethz.ch/isn/Current-Affairs/ISN-Insights/Detail?lng=en&id=129020&contextid734=129020&contextid735=128316&tabid=128316> (accessed 28/01/2012).

¹⁰⁰ United States Department of the Army, *2009 Army Posture Statement: Officer Retention*, (US Army, [7 May 2009]), http://www.army.mil/aps/09/information_papers/officer_retention.html (accessed 22/01/2012).

options to members, including post-secondary education, guaranteed duty stations, etc., as a means to establish a stronger *social contract*, by appealing to the varying expectations of its members. One US Army Brigade Commander reinforced the requirement to have, “Commander’s Discretionary Incentives”, retention tools used at the formation level in a transparent process that are, “tailored” and focused on meeting the individual expectations of top performers.¹⁰¹ Such a concept could have merit in a CF context and need not necessarily include strictly financial incentives.

Tim Kane, a senior fellow in research and policy at the Ewing Marion Kauffman Foundation, has also studied the issue of retaining talent within the US Army Officer Corps and quite bluntly states that the US Army needs to find an effective way to, “stanch the talent bleed.”¹⁰² He identifies the key area of dissatisfaction of the officer corps as being poor career management, citing the perception of unfair promotion criteria and the requirement to provide officers with a greater voice in their career as issues that need immediate attention. To draw a parallel to Kane’s study, CF Exit Survey results from the 2005-2008 period cite frustration with the career management system as being one of the most influential reasons for release.¹⁰³ Once again, the recommendations Kane puts forth as being essential in retaining talent circulate around the ideas of incentives and greater member involvement in career management.

¹⁰¹ David Dilegge, "The Officer Critical Skills Retention Bonus," *Small Wars Journal*, <http://smallwarsjournal.com/blog/the-officer-critical-skills-retention-bonus> , (accessed 27/01/2012).

¹⁰² Tim Kane, "Why our Best Officers are Leaving," *The Atlantic* January/February 2011, <http://www.theatlantic.com/magazine/archive/2011/01/why-our-best-officers-are-leaving/8346/>, 2.

¹⁰³ Michaud, *Voluntary Attrition & the CF Exit Survey*.

A retention tool that has demonstrated success in retaining members of the US Army junior officer cohort is the use of pre-commissioning incentives, wherein prior to commissioning, officers can agree to sign on for an additional three YOS in exchange for certain incentives, including posting selection and graduate level education options.¹⁰⁴ Although this strategy is geared towards a different cohort, it would seem as though a similar concept could be easily applied to the retention of senior officers in the CF. For example, a senior officer approaching a pre-determined YOS point and tiered at a specific level could be approached to re-sign an extended service contract while being offered otherwise unavailable incentives.¹⁰⁵

The previously referenced US Strategic Studies Institute study also argues that the key shortfall of the US Army retention strategy is that it is not focused on meeting the human needs of personnel, treating diverse groups of people as one, instead of as individuals with, “unique sets of talents” ultimately resulting in, “poor internal management.”¹⁰⁶ This speaks directly to the assessed weakness inherent in the broad-based CF retention strategy and gives cause to adjust it in the fight to retain talent. More

¹⁰⁴ Casey Wardynski, David Lyle and Michael Colarusso, *Towards a U.S. Army Officer Corps Strategy for Success: A Proposed Human Capital Model Focused upon Talent* (Carlisle, PA: Strategic Studies Institute, [April 2009]), 33.

¹⁰⁵ Department of National Defence, *Land Force Command Order 11-79 Army Succession Planning* (Ottawa: Land Staff G1, July 2008). A tool used in Army Succession Planning, Tiering is a term used in the Canadian Army to describe an officer’s assessed potential for advancement and to fill command and key appointments. There are different tier levels, with each tier level indicating a different level of command potential, which in turn provides the member with an assessed probability for advancement and promotion. Tiering at lower levels is conducted by an officer’s Regiment or Corps while succession planning of LColts and above is the purview of the Army. At each rank level, there is a limit to the level at which an officer can be tiered. For example, the maximum tiering level for a Major is limited to displaying potential for command at the formation level.

¹⁰⁶ Buxbaum, *"From Brain Drain to Internal Bleeding: Retention Problems in the US Military"*.

directly, it speaks to the importance of an engaged and mutually beneficial orientation towards career management, a topic that will be discussed in Chapter Four.

To summarize, the US Army is experimenting with various strategies in its desire to build *affective commitment* and to retain talent. Regardless of the tools used in retention, the one resonating theme in most studies is the importance of flexible career management. In an effort to continue to capture best practices, the issue of retention in the ADF will now be examined.

The Australian Defence Force Experience

Australia, more similar to Canada from an economic and military perspective than the United States, faces comparable challenges in terms of retention. With approximately 36% of the overall Australian workforce comprised of baby-boomers and an existent labour shortage in specific trades, the exodus of this cohort from the labour market over the next decade is expected to create both a, “frontline and management void in Australia.”¹⁰⁷

Facing a fairly high operational tempo, survey results of members of the ADF noted in Figure 3.2, in combination with the forecasted demand for management in the civil sector imply that officers of the ADF could potentially be swayed to release in order to achieve an improved work-life balance. As such, one of the strategic objectives of the ADF retention policy clearly seeks to, “establish and maintain the ADF as an employer of choice, by providing contemporary rewards for a competitive marketplace, and valuing

¹⁰⁷ Kevin Dwyer and Ngoc Luong Dwyer, *White Paper: Managing the Babyboomer Brain Drain: The Impact of Generational Change on Human Resource Management* (West Melbourne, Australia: Change Factory, [April 2010]), 2.

[its] people through flexibility and choice.”¹⁰⁸ It seems clear that this retention strategy is built upon the dynamic *person-environment fit* concept previously discussed in Chapter Two and also recognizes the importance of building *affective commitment* through a

Reasons for Leaving	Rank 2008	Rank 2007	Rank 2006	Rank 2005	Rank 2004	Rank 2003
To make a career change while still young enough	1	2	2	2	3	3
Desire for less separation from family	2	3	3	3	2	2
Desire to stay in one place	3	1	1	1	1	1
Impact of job demands on family/personal life	4	5	4	4	11	15
Insufficient personnel in units to do the work	5	7	10	7	15	19
Better career prospects in civilian life	6	4	5	6	4	4
Lack of control over life	7	6	11	8	21	22
Lack of job satisfaction	8	8	7	11	5	7
Little appreciation of the personal sacrifices made during my time in the ADF	9	9	6	5	-	-
Little financial reward for what would be considered overtime in the civilian community	10	10	9	12	7	8

Figure 3.1 – Rankings over Time 2008 Top Reasons for Leaving the ADF
Source: Review of the Australian Defence Force Recruitment and Retention Strategy¹⁰⁹

personalized *psychological contract* as a means to retain personnel.

One of the assessed strengths of the ADF retention strategy is its completeness.

Although not initially included in the retention strategy, key performance indicators (KPIs) were added and related to objectives such that initiatives looking to affect

¹⁰⁸ *Ibid.*, 14.

¹⁰⁹ Darren Moore, Damian Roche and et al, *Review of the Australian Defence Force Retention and Recruitment Strategy: Prepared for the Department of Defence* (Manuka, Australia: Noetic Solutions Pty Limited for Australian Department of Defence, [May 2010]), 19.

retention could be objectively measured.¹¹⁰ For example, targeted retention rates for rank levels are clearly defined for each fiscal year (FY). The importance of detailing KPIs as a part of any strategy are critical and as noted in a discussion paper by PricewaterhouseCoopers, KPIs provide a, “model for effective communication” in providing a means to assess strategy against desired outcomes.¹¹¹ Interestingly, within the CF retention strategy there is no mention of KPIs, either through qualitative or quantitative measures. KPIs do exist in terms of goals set in the CF Strategic Intake Plan and the forecasted attrition rate, both of which are analyzed quarterly in the CF Personnel Management Report.¹¹² However these KPIs appear to be more broadly focused and arguably do not provide the best measurement for retaining talent as they do not focus on a specific cohort, such as senior officers.

As is the case of the US Army, retention bonuses as a means of providing an incentive for retention are also used within the ADF with a clearly stated aim of, “encourag[ing] the member to continue to serve.”¹¹³ Unlike the US Army however, retention bonuses are offered to all ranks of the officer corps, including General Officers, and are geared towards retaining senior personnel, as the bonus is not offered until the 15 YOS point. The ADF also employs a “completion bonus scheme”, which can be offered to a distressed trade or rank level, seeing a cash bonus being provided to an individual

¹¹⁰ *Ibid.*, 2.

¹¹¹ PricewaterhouseCooper, *Guide to Key Performance Indicators: Communicating the Measures that Matter* (PricewaterhouseCooper LLP, [2007]), http://download.pwc.com/ie/pubs/guide_to_key_performance_indicators.pdf (accessed 26/01/2012), 8.

¹¹² Department of National Defence, *Canadian Forces Personnel Management Report FY 2010/2011 Fourth Quarter Report*.

¹¹³ Australian Department of Defence, *Pay and Conditions Manual*, ed. People Strategies and Policy Group, Vol. 1 (Australian Government, Department of Defence, 18 January 2012), G3.50.

member upon agreeing to an extended fixed period of obligatory service. Although predominately offered to enlisted ranks for a period of four years extended service, in the CF context the concept could be applied to other rank levels, including senior officers, if there were to be a spike in attrition.¹¹⁴

A 2010 commissioned review of the ADF retention strategy concludes that there is inconclusive evidence relating to the effectiveness of the various bonus initiatives. It does however offer that the use of bonuses could result in negative second order effects, such as developing a culture of financial reward expectation and a perception of unfairness, both potentially negatively impacting the *affective commitment* of members.¹¹⁵ This is a similar risk to that outlined in the cited US Army retention studies. Notwithstanding this risk, the final conclusion in the ADF retention review is that commanders should be given reasonable flexibility to use financial incentives as a means to retain talent but only when used cautiously, against a targeted and monitored cohort. In a 2009 speech given by then Australian Chief of Army, Lt Gen Gillespie, it was highlighted that monetary bonus initiatives were designed to be temporary until such time as more “enduring initiatives such as remuneration and policy reform could be implemented.”¹¹⁶ Interestingly enough however, the incentives still exist, providing possible indication that the use of financial incentives is not counter-productive to building *affective commitment* and that they have a place in the fight to retain talent.

¹¹⁴ *Ibid.*

¹¹⁵ Australian Department of Defence, *Review of the Australian Defence Force Retention and Recruitment (R2) Program*, ed. People Strategies and Policy Group (Australian Government, Department of Defence, August 2010), 30.

¹¹⁶ Lieutenant-General Gillespie Ken, *Skilling Australia*, 2 April 2009, http://www.army.gov.au/docs/skilling_australia.pdf (accessed 24/01/2012), 3.

In an effort to retain members, the ADF has also recognized the importance of providing personnel with a greater voice in their own careers. Responding to career dissatisfaction factors listed in Figure 3.1, several years ago the ADF adjusted its career management system in order to allow, “individual members to be their own career manager by providing [members with] flexibility and choice”, as explained by Lt Gen Gillespie, in his capacity as the Vice Chief of the Defence Force.¹¹⁷ In an address given to leaders of the Australian business community focused on skill retention in the Australian Army, he further highlights the need for the ADF to refine its strategy to promote stability and to ultimately broaden the mindset of the employee-employer relationship to include families.¹¹⁸ These are recognized areas for development within the CF’s retention strategy, in which, according to the most recent ‘Your-Say’ survey results, the CF is failing to adequately address.

A review of both the US Army and ADF retention strategies highlights what is assessed as being a key deficiency of the CF retention strategy, which is providing senior officers with a reasonable level of flexibility and choice. The case studies clearly indicate that both the US and Australian approach to retention is moving away from a broad-based, one-size-fits-all strategy and instead focusing on providing their respective members with options, thus integrating them into the process itself. In so doing, it is assessed that a stronger *social contract* is able to be established with individual members, resulting in higher levels of *affective commitment*.

¹¹⁷ Barry Rollings, "Taking Aim at Retention," *Navy* 50, no. 2.

¹¹⁸ Gillespie, *Skilling Australia*, 4-5.

The observations provided thus far provide a uniquely military perspective on the issue of retention. To broaden these perspectives, retention initiatives in the private sector will be discussed as a means to seek out lessons learned that can possibly be adapted to the CF retention paradigm.

Retention Incentives and Civilian Corporations

Although certainly not subject to the same bureaucratic constraints experienced by the CF, retention and the concept of retaining talent has become a dominant theme in many business strategies of major corporations. As pointed out repeatedly during this paper and reinforced again by Dr. David Allen, “More and more observers agree that a talent scarcity is looming”, necessitating organizations to act decisively to retain key personnel.¹¹⁹ As such, there are lessons that can be observed from the civilian sector and perhaps applied within a military context to assist the CF’s retention efforts.

One of the common concepts presented in both the ADF and US Army retention strategies is the use of incentives to retain targeted personnel. This same trend holds true within the private sector, with varying opinions as to the nature of incentives that should be offered. A point of particular importance stressed by Dr. Allen is the ill-placed focused on using incentives as a reactionary measure to fight attrition instead of as a proactive tool to build retention. In this regard, organizations must strive to understand the needs of specific cohorts to ensure that the, “right mix of incentives” are being offered to the right people.¹²⁰ In the context of CF retention, it would stand to reason that

¹¹⁹ Allen, *Retaining Talent: A Guide to Analyzing and Managing Employee Turnover*, 5.

¹²⁰ *Ibid.*, 11.

any future initiatives to retain talent would be best focused on stability and career management, two of the principal areas of personnel dissatisfaction noted by the previously referenced CF Your-Say Survey. Dr. Allen's study also notes that organizations will, "get the best returns on [their] retention investments if [they] use data collection and retention strategies that are tailored" towards a specific issue.¹²¹ This statement, in combination with the requirement to be proactive, should provide the impetus for the CF to further examine the issue of senior officer retention and to gather specific data on senior officers, less it become too late and the CF will be forced into a reactionary mode.

There are those however within the corporate community who believe that too much emphasis is being placed on the use of incentives as a means to retain personnel.

Respected CEO and philanthropist David Paine argues:

Too much emphasis today remains on compensation-based (extrinsic) motivation and incentives, along with competitive and political environments, that together undermine natural tendencies of loyalty that exist within many people.¹²²

Such an argument supports the notion that offering incentives is perceived as nothing more than buying loyalty; organizations are instead better served by concentrating on building P-O fit as a retention strategy.

Collectively however, the business world is discovering that a corporation cannot stick its head in the sand, ignoring the critical issue of meeting expectations of the *social contract*. Mel Stark, a Vice-President with the Hay Group warns that in an effort to

¹²¹ *Ibid.*, 15.

¹²² Holmes, *Retention: Compensation; Job Satisfaction; Balance and Cultural Fit*.

retain talent, meeting employee expectations and offering incentives is the, “one area where organizations can least afford to skimp.”¹²³ In short, offering rewards needs to be leveraged to maximize retention and the extent to which this is done needs to be in direct correlation with the assessed risk or likelihood of losing talented personnel.

A study examining the effects of benefits on retention conducted in 2005 by the renowned research organization, Aberdeen Group, concluded that the role and importance of incentives should not be taken for granted.¹²⁴ This is certainly not ground breaking, but what is interesting is that the incentives being discussed were basic benefits such as insurance packages and competitive salaries, the type of benefits wherein, one could argue, the CF has historically had a competitive advantage. Although the CF continues to offer great benefits, these same offerings are becoming more prevalent in major corporations, certainly more so than at the time of the 2005 Aberdeen Group report. With a more level playing field in terms of benefits being offered by the CF and those being offered by the private sector, it can be concluded that it is the race to address the critical factor of work-life balance using incentives that will have the greatest importance in attracting and retaining talent.

Career Management in Civilian Corporations

A second common theme observed in the examined foreign military retention strategies is the growing importance of engaged career management, a trend that holds

¹²³ Mel Stark and Mark Royal, "Think You can Afford to Gamble with Rewards?" *Talent Management*, <http://talentmgt.com/articles/view/think-you-can-afford-to-gamble-with-rewards/1> (accessed 28/01/2012), 1.

¹²⁴ Aberdeen Group Inc., *Retaining Talent: Retention and Succession in the Corporate Workforce* (Boston, MA: Aberdeen Group Inc., [December 2005]), 8.

true in the private sector as well. A recent Harris Interactive Survey of civilian employees found that a key factor in employee dissatisfaction is poor employee performance management processes, which is the same area identified by CF members as being an influential factor in deciding to release.¹²⁵ This fact is pushing corporations, those interested in retaining talent, to adopt a posture focused on what is labeled by some as being the, “21st century employment contract”, a contract wherein career paths are negotiated and there is mutual agreement of employment expectations vice a one-sided corporation dictated career plan.¹²⁶

There are those within the private sector who argue that even more is required if a corporation truly wants to retain key personnel, which is driving the emergence of a new take on career management called *talent management*, defined as being, “the additional processes and opportunities that an organization makes available strategically to a pool of people who are deemed to have talent.”¹²⁷ Focused on process as opposed to incentives, this concept highlights the absolute necessity of mutual employer-employee agreement in the career management process. It further stresses the need for organizations to be mentally flexible in diverting from the application of a standard career path template for all individuals. *Talent management* provides flexibility in career path planning by allowing an individual, one who is deemed to have talent, to temporarily detour from

¹²⁵ Jason Corsello, "Act Now to Prevent a Talent Exodus in 2012," *Talent Mangement*, <http://talentmgt.com/articles/view/act-now-to-prevent-a-talent-exodus-in-2012/1> (accessed 28/01/2012), 1.

¹²⁶ Suzanne Dibble, *Keeping Your Valuable Employees: Retention Strategies for Your Organization's most Valuable Resource* (New York, NY: John Wiley & Sons, 1999), 4-5.

¹²⁷ Olivier Serrat, "A Primer on Talent Management," *Knowledge Solutions* 76 (February 2010), <http://www.adb.org/documents/information/knowledge-solutions/primer-on-talent-management.pdf> (accessed 26/01/2012), 3.

what the organization's preferred career charting might be in order to achieve a personal expectation, for example, better work-life balance or stability. This concept is supported by Jason Corsello, Vice President of a global talent management corporation, in noting that in order to safeguard talent, organizations must reach out to provide these employees with the ways and means to flourish; if not, they may simply go elsewhere.¹²⁸ By being responsive and adaptable, a higher level of *affective commitment* is realized, resulting in more desirable long term performance effects for the organization. This is supported by research from the Barcelona Tech University, indicating that organizations adopting a "protean orientation" towards career planning and, "managing one's career development can deliver positive psychological outcomes, including career and life satisfaction, enhanced self efficacy and individual well-being", which all build *affective commitment* levels.¹²⁹

Although not all organizations are fully engaged in this process, at a minimum, most private sector organizations are adapting to ensure that members are, "partners in their own development", which implies a level of compromise by both parties in determining career plans.¹³⁰ This is a key observation for CF retention strategy refinement considering the level of dissatisfaction that exists with the career management system and the importance of work-life balance for CF members.

¹²⁸ Corsello, *Act Now to Prevent a Talent Exodus in 2012*, 3.

¹²⁹ Vicenc Fernadez and Mihaela Enache, Exploring the relationship between protean and boundaryless career attitudes and affective commitment through the lens of a fuzzy set QCA methodology (Intangible Capital [2008]), <http://upcommons.upc.edu/revistes/bitstream/2099/4853/1/QCA.pdf> (accessed 3/03/2012), 37.

¹³⁰ Melvin J. Scales, *Developing Talent. how Career Opportunities Drive Business Performance* (Right Management, [2010]), <http://www.right.com/thought-leadership/e-newsletter/developing-talent-how-career-opportunities-drive-business-performance.pdf> (accessed 28/01/2012), 3.

To summarize, observations from foreign militaries as well as from the private sector indicate that in the forecasted wake of baby-boomer retirement, retaining talented personnel will be a crucial part of the overall operations strategy for any organization. Moreover, understanding the motivators and expectations of employees will enable an organization to proactively develop processes and options to build high retention. In this regard, the CF does not want to be forced into a reactionary position and should therefore seek to explore emerging trends in business focusing on retaining talent and talent management.

Furthermore, the use of incentives has presented itself as an option in retaining talent as one that requires further research but at the same time, one that cannot be ignored as tool to be used cautiously to retain specific cohorts. The concepts of offering a menu of incentives and pre-commitment incentives were also demonstrated as being concepts possessing merit as part of a retention strategy. In a CF context, these ideas could easily be blended into a strategy that aims to provide members with choice. For instance, before reaching career points that demonstrate higher levels of attrition, namely the 20 and 25 YOS points, members could be given the opportunity to choose from a list of incentives which aim to affect their individual situation. In exchange, members would agree to serve for an extended period and perhaps commit to working in an unfavourable geographic location. To simply discount the option of using incentives, as the CF retention strategy does in stating that such an approach needs to be, “de-emphasized”, is argued as being an imposed restraint limiting creative options for the future.¹³¹

¹³¹ Department of National Defence, *Military Personnel Retention Strategy*, 3.

Perhaps one of the most important themes observed in retaining talent is the importance of not just engaging employees in the career management process but rather giving them a voice in establishing a career path that meets both employee and employer expectations. It is assessed that this is an area in which the CF requires the greatest degree of improvement. This area will be further discussed in Chapter Four.

The applicability of all these concepts in the retention of CF senior officers will be discussed in Chapter Five, as recommendations are put forth for strategy refinement. Before doing so however, it is important to understand the limitations under which the CF retention strategy must operate. Chapter Four will focus on this topic.

CHAPTER FOUR – CHALLENGES IN STRATEGY IMPLEMENTATION

...there is evidence to indicate that . . . the Canadian . . . armed forces [has] some of the characteristics of [a] dysfunctional, non-adaptive culture that [is] resistant to change.¹³²

Defence Research and Development Canada

Having examined the influence of the environment and the best practices of other organizations with regard to retention, this chapter seeks to better comprehend some of the more influential challenges that presently affect the implementation of the CF's retention strategy or could likely affect its refinement. Specifically, the fiscal realities faced by the CF as well as military culture and the uniqueness of the profession of arms will be discussed. Additionally, the CF's approach to the career management function and its impact on retention will be examined.

Fiscal Realities

In 2009, a Senate Standing Committee of National Defence report noted the importance of a sound retention strategy for the CF. The committee felt that work-life balance issues needed to be addressed and was seemingly confused as to why the CF was not planning on doing more to address retention, particularly in offering incentives. The report clearly states that, "retention packages and bonuses would obviously assist in solving the [CF's] personnel problems. Too many key people . . . are retiring to take

¹³² Defence Research and Development Canada, Report abstract "*Understanding military culture: A Canadian perspective*", by John English. Report no. DCIEM-CR-2001-047, <http://pubs.drdc-rddc.gc.ca/BASIS/pcandid/www/engpub/DDW?W%3DAUTHOR%3D'English'+ORDER+BY+REPDATE/DESC%26M%3D24%26R%3DY%26U%3D1> (accessed 22/02/2012).

their pensions and to go to better-paying jobs.”¹³³ Notwithstanding the debate surrounding the use of financial incentives as a retention tool, the question of whether or not such an option would be financially viable is of great significance.

The budget of the CF for FY 2010-2011 was approximately \$22 billion (CAD), with a projected 2% increase per annum for the next several years.¹³⁴ Based on the budget allocation, the Canada First Defence Strategy outlines a spending target of 51% of the budget allocation for personnel costs, a spending target that needs to be respected or else major projects and acquisitions could have difficulty being funded.¹³⁵ In actuality, personnel costs within the CF are substantially higher. LGen Leslie’s controversial *Transformation Report 2011* outlines that close to 60% of the budget in FY 2009-2010 went to personnel costs and unless substantial cuts are made, the report forecasts that the figure could climb to as high as 70% by 2015.¹³⁶ Although LGen Leslie’s report looks to, “insulate the front line forces . . . from cuts and reductions”, current spending figures would lead one to believe that there is no extra money for bonuses or incentives.¹³⁷ Moreover, now that the CF has ceased its combat mission in Afghanistan and has received funding for major procurement purchases, it is now likely that additional cash

¹³³ Senate Standing Committee on National Security and Defence, *Four Generals and an Admiral: A View from the Top*, 18.

¹³⁴ Steven Staples, "Military Spending in Canada," *Global Research.ca* (24 June 2011), <http://www.globalresearch.ca/index.php?context=va&aid=25091>.

¹³⁵ Department of National Defence, *Canada First Defence Strategy* (Minister of National Defence, [June 2008]), 12.

¹³⁶ David Pugliese, "Rising Canadian Forces and Civilian Personnel Costs: What Impact Will that have on Future Defence?" *The Ottawa Citizen*, sec. Opinion, 26 September 2011, <http://blogs.ottawacitizen.com/2011/09/26/rising-canadian-forces-and-civilian-personnel-costs-what-impact-will-that-have-on-future-defence/> (accessed 30/01/2012).

¹³⁷ Leslie, *Report on Transformation 2011*, 14.

injections into the departmental budget will be limited. As the Honourable John Manley concludes, “the Minister of Finance is hoping to get some fiscal savings out of the Canadian Forces.”¹³⁸

If the CF were to pursue the use of financial incentives to retain senior officers, it is difficult to assess what the cost of such a program would actually be. Although it is not within the purview of this paper to provide detailed costing assessments and possible budget allocations for retention package funding, it is essential to provide a projection of some kind. Research on the use of retention bonuses in the US Army found that each additional person-year of service after the offering of a re-enlistment bonus cost the department between \$8 292 (US) and \$15 513 (US).¹³⁹ By way of another example, with an overall budget marginally larger than the CF, the ADF spent \$65 million (AUS) in FY 2010-2011 on a broad range of retention bonuses, for a regular military force of approximately 59 000.¹⁴⁰

Considering the personnel cost situation outlined in LGen Leslie’s report, the offset of such a sum within the CF could prove difficult to find. However if the CF has managed to sustain itself over the past years and still spend \$2.7 billion (CAD) in FY 2009-2010 on civilian contractors, the presented cost associated with offering retention

¹³⁸ Chris Plecash, "High Ranking Cabinet Ministers Tight-Lipped on what's in Store for 2012," *The Hill Times Online* 12 Dec 2011, http://www.hilltimes.com/news/2011/12/12/high-ranking-cabinet-ministers-tight-lipped-on-what%E2%80%99s-in-store-for-2012/29105?page_requested=2 (accessed 28/01/2012), 2.

¹³⁹ Maj Mark Popov, "A Thousands Paper Cuts: Canadian Forces Attrition, Retention and the Confluence of Factors that Influence our People" (Masters of Defence Studies, Canadian Forces College JCSP 37), 94.

¹⁴⁰ Moore, Roche and et al, *Review of the Australian Defence Force Retention and Recruitment Strategy: Prepared for the Department of Defence*, 15.

bonuses in a proactive effort to retain talent seems, at the very least, worthy of further investigation. As Chris Ankersen notes in the *Personnel Crisis*, “it is strange that any organization would spend millions of dollars recruiting and training people and then let them leave for want of a few hundred dollars in salaries and benefits.”¹⁴¹

To expand on this very point, it is worth examining the cost incurred by the CF in not taking action to retain a senior officer. For a multitude of reasons, it is difficult to ascertain the true cost of developing a senior officer. Further research presented by Ankersen indicates that the cost of individual training required to develop an officer from enrolment to the rank of LCol is approximately \$525, 000.¹⁴² This cost is an average across all trade classifications, is based on 2000 data and does not include any specialized training. If one were to factor in the cost of education, postings and additional training, in real time dollars, the half-million dollar figure is arguably doubled. The point that must be made is that incentive bonuses appear to be a marginal cost when compared against the total investment and replacement cost of a senior officer.

Tighter budgets are a present-day reality, however incentives are still important and employers need to be creative in such offerings, finding different ways to appeal to the needs of members.¹⁴³ Some would argue however that the use of financial incentives have no place within a military, as it is a unique profession, built on a foundation of values that are not related to monetary value. The following section will examine this perspective.

¹⁴¹ Ankersen, *The Personnel Crisis*, 55-82., 58.

¹⁴² *Ibid.*, 78

¹⁴³ Mike Prokopeak, "Feeling the Benefits Squeeze, Employers Turn to Flex," *Talent Management* (7/12/2011), <http://talentmgt.com/articles/view/feeling-the-benefits-squeeze-employers-turn-to-flex>, 1.

CF Culture and the Profession of Arms

A second perceived challenge in the fight to retain talent lies within the very nature of military culture itself. The requirement to work to retain personnel is perhaps somewhat of a foreign concept to the CF, as one could argue that a military is built on a foundation of serving one's country wherein motivators for service are intrinsically based within one's self. The CF publication *Duty with Honour* states that, "duty motivates personnel" and posits that a sense of 'service before self' and sworn loyalty are all that are necessary to sustain the Canadian soldier.¹⁴⁴ It therefore implies that there is no requirement to provide additional motivators to enhance commitment. If the CF requires a person to be posted to a specific position, then that person obliges based on self-actuated *affective* and *normative commitment*. Based on this premise, it would be expected that senior officers would espouse an even greater sense of *duty* and in turn, higher levels of *affective commitment*. As Samuel Huntington writes, "the motivations of the officer are a technical love for his craft and the sense of social obligation to utilize this craft The combination of these drives constitutes professional motivation."¹⁴⁵ To some, these points could be interpreted as meaning that a senior officer's commitment is expected to be to the service, with personal needs such as stability and balance considered as subordinate and inconsequential; those senior officers who would accept a retention bonus or other incentive for service are not worthy of advancement.

¹⁴⁴ Department of National Defence, *A-PA-005-000/AP-001, Duty with Honour: The Profession of Arms in Canada*, 32.

¹⁴⁵ Samuel Huntington, *The Soldier and the State: The Theory and Politics of Civil-Military Relations* (Cambridge: The Belknap Press of Harvard University, 1957), 15.

However, in applying the concept of the *moral economy*, it would not only be naïve to believe *duty* to be the sole motivator of an officer but it would also be unjustified. At its core, the *moral economy* position stipulates that there is a level of social justice that needs to be respected between an employer and employee or superior and subordinate, wherein an institution cannot simply expect blind obedience and hard work; the institution has an obligated role to ensure that it is meeting the socially accepted needs of its members.¹⁴⁶ Moreover, the CF, as explained in *Duty with Honour*, is bound by the principle of *reciprocity* as a guiding tenet in the execution of its institutional duties. Based on this principle, the CF has a, “moral obligation to address members’ requirements.”¹⁴⁷

In the modern day CF and even broader Canadian context, these socially accepted needs and requirements, as has been argued in previous chapters, have expanded to include stability and work-life balance for employees. Undeniably and quite rightfully, there are certain expectations that come with being a senior military officer; some would argue that portability and high tempo are chief among them. However to believe that these expectations categorically supersede all other matters of the *social contract* is a dangerous position to adopt while working within a system that claims to, “recognize the increased importance of flexibility and choice in the career decisions of all CF personnel”, as is stated in CF’s retention strategy.¹⁴⁸

¹⁴⁶ Andrew Sayer, *Moral Economy* (Lancaster, U.K.: Department of Sociology, Lancaster University, [June 2004]), 3.

¹⁴⁷ Department of National Defence, *A-PA-005-000/AP-001, Duty with Honour: The Profession of Arms in Canada*, 69.

¹⁴⁸ Department of National Defence, *Military Personnel Retention Strategy*, 5.

There is an obvious friction that exists between the demands of the military profession and the growing importance of achieving work-life balance. Regardless, the CF, by virtue of its own doctrine, is duty bound to work diligently with its members, to ensure members' expectations are being considered. If this premise holds true, then the function of career management becomes an integral part of any retention strategy and must be flexible enough to offer members viable career options.

The Career Management Challenge

The subject of career management has arisen several times throughout this paper as a primary factor influencing retention. It is an issue that is addressed, on paper, within the strategic objectives of the military personnel retention strategy with an ambiguously stated target of developing an, “accessible, personalized career counseling process.”¹⁴⁹ The real question however is whether or not the approach is meeting the objective.

According to line of operation four within the CF retention strategy, members will be given more influence and choice in their own career management. The same document however contradicts this position in stating that there are factors that will, “significantly limit flexibility in personnel decisions.”¹⁵⁰ In essence, the CF is stating that members can have a voice in their career when the situation is favourable for the institution. When contrasted against the CF's own joint doctrine, which warns that in the challenging domain of personnel management there is, “more often than not, only one opportunity to ‘*get it right*’ ” and that institutional credibility can be lost if a personnel

¹⁴⁹ *Ibid.*, A-1/1.

¹⁵⁰ *Ibid.*, 5.

issue is not handled correctly, it appears that the CF is willing to risk not ‘*getting it right*’, when it comes to members influencing their own career management.¹⁵¹ The impact of such risk is that within a competitive talent-oriented labour market, senior officers may leave.

Previously presented trends in career management stress the importance of employee engagement and what might be best described as a ‘co-career’ management system, a process by which a subordinate and superior arrive at a mutually beneficial mid-term plan for advancement.¹⁵² Moreover, captured best practices indicate that when it comes to career management, leading organizations are engaged with employees to, “provide more than one way up in an organization” and that these same firms are moving away from viewing career management as a top-down driven process. To think that these concepts cannot be applied to a military context is rather archaic. Recent research conducted by the US Army Strategic Studies Institute concluded that the US Army needs to adapt its officer career management system and, “move beyond personnel accounting and into talent management.”¹⁵³ This same study criticized the US Army career management system for treating officers as numbers and warned that if officers expectations are not met, in this new era, societal pulls will draw them elsewhere.

The same critique can be made of the CF career management system in that there is one assessed track for senior officer advancement and to remain on that track, there is

¹⁵¹ Department of National Defence, *Canadian Forces Joint Publication 1.0 B-GL-005-100/FP-001: Military Personnel Management Doctrine*, ed. Director General Military Personnel (Government of Canada, June 2008), 5-1.

¹⁵² Dr Alan Okros, Personal communication with the author, with permission, 18/01/2012.

¹⁵³ Wardynski, Lyle and Colarusso, *Towards a U.S. Army Officer Corps Strategy for Success: A Proposed Human Capital Model Focused upon Talent*, 34.

little room for the concept of *co-career* management. Rather, the perception of the system is that senior officers are given the opportunity to advance so long as they meet the expectations of the institution, expectations that routinely trump the increasingly important factors of stability and work-life balance. It can be argued that if a senior officer makes a decision to pursue the latter, then the perceived implication is a permanent divergence from the one track for advancement. In this regard, the CF's numbers-oriented career management system takes the next person in line and focuses on the development of the new person, while discarding the former. This approach stands in contrast to a *co-career* management system, wherein a mutually beneficial plan that meets both the expectations of the institution and the individual allows for potentially more than one track for advancement. DRDC research recommendations suggest that improvement to the career management system and potentially addressing issues such as this could aid in "reducing mid and late-career attrition."¹⁵⁴ This is not a question of streaming senior officers into separate staff and command paths but rather understanding that institutional uni-directed career management systems risk losing talent.

There is no doubt that personnel management is complex and challenging; however, it is certainly not as challenging as the implications posed by a possible exodus of senior officers from the CF. For that reason, concepts such as *co-career* management merit further investigation and certainly meets the criteria of being an, "effective and innovative practice", words used by the Standing Committee on National Defence as to

¹⁵⁴ Otis and Straver, *Review of Attrition and Retention Research for the Canadian Forces*, 52.

the approach the CF should adopt in dealing with retention.¹⁵⁵ Moreover, from a talent retention perspective, career management is more than having the right person in the right place. Based on what has been observed from the presented research, it is equally about the processes and systems that an institution uses to manage the issue. As previously identified, collated data from the CF's Retention, Exit and 'Your-Say' Surveys indicate that the career management system is a primary source of dissatisfaction among CF members.¹⁵⁶ This should serve as an indicator of the requirement to adapt.

This chapter has identified several key challenges the CF faces with regard to implementing and refining its retention strategy. The present fiscal reality does not allow for much manoeuvrability in terms of implementing a retention strategy that incorporates financial incentives. Furthermore, there is a cultural aspect that calls in to question the very need to do so, citing the uniqueness of the military profession and an instilled sense of *duty* as the drivers that cause a professional officer to serve. Additionally, the complex career management system was briefly discussed, pointing to a system that is seemingly better designed to manage numbers vice talent. In the face of these challenges, strategies for retaining talented ought to be further pursued. The manner by which to do so will be explored in the next chapter.

¹⁵⁵ Standing Committee on National Defence, *Recruitment and Retention in the Canadian Forces*, 3.

¹⁵⁶ Otis and Straver, *Review of Attrition and Retention Research for the Canadian Forces*, 14.

CHAPTER FIVE – RECOMMENDATIONS FOR STRATEGY REFINEMENT

[A] retention strategy must be built upon sound theoretical concepts. It must focus upon talent, guard against systematic decision making errors, redress market failures, and create an employment climate that powerfully meets the expectations of officers with talents that are in demand. It must also be continuously resourced, executed, measured, and adjusted across several years and budget cycles. Absent this, systemic policy and decision making failures will continue to confound Army efforts to create a talent-focused Officer Corps strategy for success¹⁵⁷

Casey Wardynski

Evidence presented within this paper has identified that the CF risks losing senior officers to a competitive talented-oriented labour market if it does not proactively manage retention. Accordingly, this chapter suggests areas of refinement to the CF's current retention strategy and provides recommendations for further research. These recommendations aim to target what are thought by the author to be the fundamentals of retention and are developed using the following context: It is now the year 2018 and for the second straight year, there have been very high attrition rates in the senior officer cohort. What led to this problem?

Failure to Understand the Challenge

If such an instance occurred, at the foundation, it would be due to the fact that the CF failed to recognize the problem and was consequently unable to take action. Indicators of a future labour market oriented towards educated professionals with applied leadership experience are evident throughout statistical, academic, private sector and foreign military documents. Even the CF's own retention strategy acknowledges the,

¹⁵⁷ Wardynski, Lyle and Colarusso, *Towards a U.S. Army Officer Corps Strategy for Success: A Proposed Human Capital Model Focused upon Talent*, vi.

“strong competition” that will exist in the future.¹⁵⁸ Despite this however, the CF is not studying the impact the environment could have on the senior officer cohort. Moreover, current CF retention initiatives are broad-based, built on data collected with relatively low sample sizes, meaning that there is no targeted strategy designed to foster *affective commitment* within the senior officer cohort.

Accordingly it is recommend that the CF conduct research investigating expectations, career intentions and areas of dissatisfaction of senior officers, targeting the Major and LCol rank level. Regardless of the tool utilized for data collection, CF member participation should be obligatory with a view to provide a larger and more diverse sample size on which to base retention strategy and initiatives. As noted by management consultant Dr. Black, “effective retention is labour intensive” and as such, the CF must invest the time and effort to better understand this cohort.¹⁵⁹

In this regard, there exists an implied task of monitoring the challenge. One could argue that the CF regularly monitors retention via quarterly CF Personnel Management Reports; however, this appears to be inaccurate. It is assessed that personnel management reports monitor attrition, which accounts for numbers, not talent, which would not be made apparent via current reporting methodology. Moreover, any qualitative analysis on attrition rationale for a specific rank group via this reporting is somewhat subjective, as again, there is no data from targeted cohorts. It is therefore recommended that the CF regularly monitor the senior officer group in order to adapt the decisive points in its retention strategy as required. The need to proactively manage

¹⁵⁸ Department of National Defence, *Military Personnel Retention Strategy*, 1.

¹⁵⁹ Black, *Creating a Retention Culture*, 10.

retention through monitoring and more importantly, routinely adjusting approaches to both internal and external environmental factors is an important lesson learned in the civilian business community and one that is equally applicable for an effective CF retention strategy.¹⁶⁰

Lastly, it is recommended that the CF introduce key performance indicators into its retention strategy in order to objectively measure the success of its associated programs.

Failure to be Responsive

If the CF were to experience increased attrition at the senior officer level, at the fundamental level, it would likely be the result of a failure to be responsive to the expectations of its members. This paper has conclusively illustrated the importance of enabling retention tools, as part of a larger strategy, to be individualized and adaptive to members' needs, resulting in these tools being a major contributor in building *affective commitment*.

It is therefore recommended that the CF break from the mentality of attempting to build a, "one size fits all solution", which risks backfiring and having no impact on senior officer retention, and instead focus on developing a menu of incentives to offer targeted personnel.¹⁶¹ The basis of such a framework is the acknowledgement that every individual possesses unique motivators that will enhance *affective commitment*.

¹⁶⁰ Allen, *Retaining Talent: A Guide to Analyzing and Managing Employee Turnover*, 5-6.

¹⁶¹ *Ibid.*, 11.

Appealing to these needs or expectations should not be considered, “buying low attrition”, a stance that has potentially swayed the CF from adopting such a program, but rather a means to strengthen the *social contract* that exists between the institution and the member.¹⁶² With a view to retain talent, a menu of incentives, for example, could be offered to senior officers, those who have signed a 20 year pensionable engagement, at the 18 YOS mark and offered as a pre-incentive to sign an extension beyond 20 YOS. Such a menu of incentives could include registered education savings top-up programs for dependent children or retirement savings programs for members. It must be stressed that in implementing such a tool, the aim would be to provide the member with choice, such that each person becomes actively engaged in developing a unique *social contract*. Although cost is a key factor in building such an incentive program, it should not be seen as prohibitive for the CF. Further research into incentive programs costs and possible offsets is recommended.

If the CF were to experience a spike in the attrition rate of senior officers, it would also likely be the result of failing to address the work-life balance sought by many of its members. The foundation of the CF’s current strategy is building a *retention culture* through nurturing *person-organization fit*, aiming to match personal and institutional values. From the perspective of the senior officer cohort, the problem of this model is the friction that exists between the value of work-life balance and the institutional demand for portability and high personnel tempo. This highlights the

¹⁶² Tzvetanka Dobрева-Martinova, LCol Villeneuve Martin and et al., *Predicting Turnover in the Canadian Forces using Structural Equation Modeling* (Presentation to 46th IMTA Annual Conference, Brussels Belgium: [26 October 2004]), http://www.powershow.com/view/9b9b9-YzRIN/Predicting_Turnover_in_the_Canadian_Forces_Using_Structural_Equation_Modeling_flash_ppt_presentation (accessed 02/02/2012).

importance of the career management system, which will be discussed separately in the following section.

The concept of de-centralized incentive programs was briefly discussed in this paper, empowering commanders at lower levels with various tangible tools to directly impact attrition. Although this concept could work in larger militaries in the context of general retention, for the purposes of retaining talent and targeting the CF senior officer cohort it is recommended that any implemented incentive program remain centrally controlled.

Failure to Manage Talent

With stability and work-life balance being key retention factors, it is assessed that any experienced spike in senior officer attrition would be directly or indirectly linked to the career management system. Therefore, if the CF is truly looking to have a retention strategy that positively effects, “recognition, fairness, consideration and respect for members and their families”, it must be willing to occasionally detour from its directive approach to career management.¹⁶³ Best practices captured from the human resource management field clearly indicate that career planning and *talent management* are two-way streets, wherein expectations of both parties need to be incorporated into a career plan.

In an effort to retain senior officers, the CF should considering adopting a *co-career* management mindset, as discussed in Chapter Four. Such an approach would see the CF and members’ expectations being mapped out, leading to the development of a

¹⁶³ Department of National Defence, *Military Personnel Retention Strategy*, A-1/1.

mid-term employment plan (possibly four to five years) for individual members. Moreover, this approach could be linked to the previously introduced concept of *talent management*, from two perspectives. Firstly, officers who are tiered at a higher level or in the case of the Royal Canadian Air Force, placed on the ‘*O-List*’, could be offered the opportunity to develop an employment plan and potentially be provided with choices from a menu of incentives to address frictions created with greater institutional expectations and work-life balance issues.¹⁶⁴¹⁶⁵ Implementation of such an initiative could coincide with the initial tiering of an officer at a specific level. One could argue that the CF environmental and regimental succession planning processes address this point; however, to do so would ignore the fact that current CF succession planning is a top-down driven approach, wherein senior officers are dictated what they *must* to do to advance, and consequently ignores the principles of engagement, balanced input and multiple paths for career advancement, all of which have been presented as key requirements of any modern career management strategy.

Secondly, and as pointed out in Chapter One, the concept of talent should be expanded to include senior staff officers, those perhaps at subordinate tiering levels but

¹⁶⁴ Department of National Defence, *Land Force Command Order 11-79 Army Succession Planning* (Ottawa: Land Staff G1, July 2008). A tool used in Army Succession Planning, Tiering is a term used in the Canadian Army to describe an officer’s assessed potential for advancement and to fill command and key appointments. There are different tier levels, with each tier level indicating a different level of command potential, which in turn provides the member with an assessed probability for advancement and promotion. Tiering at lower levels is conducted by an officer’s Regiment or Corps while succession planning of LColts and above is the purview of the Army. At each rank level, there is a limit to the level at which an officer can be tiered. For example, the maximum tiering level for a Major is limited to displaying potential for command at the formation level.

¹⁶⁵ Department of National Defence, *Air Force Personnel Management - Officers*, Air Command Order 1000-7, (Chief of the Air Staff: 2004-08-11), 9. The “O-List” is an, “important tool for succession planning and career development. Their purpose is to identify those who have demonstrated high potential for executive rank and whose careers require additional attention to ensure that such potential can be realized.” Like the Army, air force officers are forced officers displaying potential are ranked from O1 to O3, with officers on the O1 list assessed as having the greatest potential for advancement.

who form the critical staff nucleus that keeps that institution functioning. As this group is perhaps more susceptible to societal pulls, the concepts of incentives and co-career management are equally as important a factor in their individual retention as is with those officers tiered at the highest levels; quite simply, “an employee who understands his or her career path is more apt to stay motivated — and to stay with the organization.”¹⁶⁶ For these reasons, further research into these issues is warranted.

Supporting the idea of co-career management and the notion that there is more than one way to get to the top, it is also recommended that the CF further explore the idea of regional career profiles, allowing senior officers to achieve greater levels of stability. The idea of regional career profiles is supported by the Standing Committee on National Defence with countless statistics, CF and foreign military derived, illustrating the importance of stability for soldiers; however the idea seemingly continues to lie in sharp contrast with the CF demand for senior officer portability.¹⁶⁷ The need and expectation of portability on the part of the CF is not dismissed as immaterial. Rather, it is essential to find a way to strike a balance; failure to correct this could prove disastrous for retaining talent.

¹⁶⁶ Cornerstone On Demand, *Two Sides of the Same Coin: Using Succession Management and Career Development to Improve Talent Mobility*, 2.

¹⁶⁷ Standing Committee on National Defence, *Recruitment and Retention in the Canadian Forces*, 3.

CONCLUSION

From a retention perspective, the upcoming decade is likely to prove a challenging one for the CF. A review of multiple sources clearly indicates that there will be a competitive talent-oriented labour market in the upcoming decade. A crucial cohort of the CF that stands to be the most impacted by the existence of such an environment is the senior officer cohort, a group which the institution will rely on heavily to lead the forces, its people, policies and actions into and beyond DND's Defence 2020 and Canada First Defence strategies.

External demographics paint a concerning picture for the current institutional leadership of the CF. Canada's baby-boomers, who comprise over 30% of the Canadian labour market, will be retiring in droves over the span of the next ten years, creating vacancies in managerial and senior positions nation-wide. Moreover, there is a significantly smaller "baby-bust cohort" following in its path, creating a labour-market environment in which demand for educated, experienced leaders will exceed supply.¹⁶⁸ Civilian corporations have recognized this looming challenge and as this paper has demonstrated, these organizations are treating retention, as well as the associated issues of *talent management* and building leadership capacity, as core aspects of their respective business operations strategy. An examination of best practices in retention from the civilian corporate community has revealed the importance of both personalized incentives and mutually beneficial career path planning as key tools in building *affective commitment* and consequently, retention. The manner in which these tools are utilized to

¹⁶⁸ Statistics Canada, *Census Snapshot of Canada - Population (Age and Sex)*

achieve high levels of retention is debated; what is not is the absolute necessity to act decisively to retain key personnel.

As this paper has illustrated, the retention challenge that is being created by external factors is only exacerbated by factors internal to the CF. Firstly, research indicates that there is a difference of 13% between preferred manning levels of officers within the CF and the actual trained effective strength, leading one to the logical inference that the CF cannot afford to lose even a minimal amount of senior officers.¹⁶⁹ Furthermore, the distribution of the officer population of the regular force depicts a deficiency within the group of those officers possessing between 15 and 19 YOS. This is a group that will reach pensionable service contractual requirements at the same time baby-boomers will be retiring; consequently, with the right credentials, they will be able to release with a pension and transition to civilian managerial position if they are sufficiently dissatisfied with elements of CF employment.

Based on the evidence presented in this paper, it is assessed that the CF is placing an inadequate level of emphasis on the issue of retention, and more specifically, on the concept of retaining talent. The drivers that are moving organizations worldwide to focus on such things have yet to resonate with the CF and as such, the institution is erroneously relying on a broad-based retention platform where in actuality, targeted sub-strategies are required.

Moreover, the voice of CF members clearly indicates dissatisfaction with the CF's ability to meet their expectations when it comes to the matters of work-life balance, family stability and career management. These issues have been demonstrated to be

¹⁶⁹ Department of National Defence, *Annual Report on Regular Force Personnel 2008-2009*, ed. Director General Military Personnel Research and Analysis, (February 2010), 42.

critical factors in career decision-making and are expectations that are representative of emerging societal values. The incorporation of these issues into a retention strategy are no longer ‘nice-to-haves’, they are ‘must-dos’ that require constant monitoring.

As a review of best practices has revealed, the competition is working diligently to address these issues in an effort to retain talent; the CF is seemingly not moving forward. When it comes to the issue of senior officer retention, the CF’s approach appears to be wrongly focused on numbers vice talent. The research presented in this paper has illustrated that organizations concerned with retaining talent are moving towards facilitative career management systems that provide members with more than one option for career advancement. Conversely, data collected through CF surveys and assessments indicates the existence of a career-management system that is top-down driven and perceived as inflexible. Such an approach is assessed as presenting a barrier to establishing strong *social contracts* with CF senior officers, which in turn has a negative impact on *affective commitment*.

Interestingly, the CF’s principle of *reciprocity*, which necessitates the CF to work to meet members’ expectations, is arguably being ignored when dealing with the senior officer cohort. Instead, the system seemingly assumes an officer’s sense of *duty* will override any of the areas of dissatisfaction that have been discussed throughout this paper; archaic organizational cultural norms, which suggest that there should be a sentiment of gratefulness on the part of the senior officer for allowing one the opportunity to progress in rank, are potentially standing in the way of progression.

Although the CF has developed initiatives to address retention, it is seemingly reluctant to acknowledge the true impact these studied factors could have on the senior

officer cohort. The consequential impact of not having a pragmatic and proactive strategy to retain talent presents a willingness to accept the risk of losing senior officers to outside organizations. In short, the CF must develop a targeted strategy aimed at senior officer retention if it wants to emerge as an employer of choice in the future labour-market.

The Canadian Forces Military Personnel Retention Strategy offers a broad-based approach to managing retention however offers little that is concrete or targeted towards the forecasted challenge. Consequently, it is recommended that the CF work to better understand the issue, which implies a more focused effort on understanding the expectations and intentions of the senior officer cohort. Secondly, in order to be effective, the CF retention strategy must be more responsive to those expectations. With our own governmental oversight committee highlighting the requirement for the CF to become more, “innovative” with its retention strategy, the CF should examine mechanisms by which it can proactively establish a stronger *social contract* with those whom it is targeting; this requires engagement, flexibility and adaptive retention tools.

Lastly, as it is undeniably linked to retention, the career management of senior officers needs to strike a better equilibrium between the expectations of the organization and those of the member. Recorded CF member dissatisfaction with work-life balance and stability, the captured best-practices of providing more than one way up in an organization and the illustrated move away from complete top-down driven career management systems should act as a catalyst to further examine the concept of *co-career* management in greater detail, as a mitigation strategy to the retention challenge.

As has been examined, neither money nor organizational culture trumps the requirement for continuous effort in working to retain talent. The complexities of the future security environment and the nature of warfare itself will demand that the CF grow and retain commanders and staff officers of the highest calibre: educated, experienced and able to lead. These personnel cannot afford to be lost to outside organizations due to an inflexible retention strategy. If the CF wants the best, its approach to retention must focus on talent and not numbers; as such, it will need to be adaptive, responsive and innovative. This subtle change will lead to targeted strategies that build *affective commitment*, ultimately leading to a stronger organization.

BIBLIOGRAPHY

- Aberdeen Group Inc. *Retaining Talent: Retention and Succession in the Corporate Workforce*. Boston, MA: Aberdeen Group Inc., December 2005.
- Ahmad, KamarulZaman. "The Mediating Effect of Person-Environment Fit on the Relationship between Organisation Culture and Staff Turnover" *Asian Social Science*, 8, no 2, February 2012 (College of Business Administration Abu Dhabi University).
- Allen, David G. *Retaining Talent: A Guide to Analyzing and Managing Employee Turnover*. Alexandria, VA: SHRM Foundation, 2008.
- Ankersen, Christopher. "The Personnel Crisis." In *Canada without Armed Forces?*, edited by Douglas Bland, 55-82. Kingston, Ontario: Queens University School of Political Studies, 2003.
- Australian Department of Defence. *Pay and Conditions Manual*, edited by People Strategies and Policy Group. Vol. 1 Australian Government, Department of Defence, 18 January 2012.
- . *Review of the Australian Defence Force Retention and Recruitment (R2) Program*, edited by People Strategies and Policy Group Australian Government, Department of Defence, August 2010.
- Azim, Abdul Mutalib Mohamad and Aminah Achmad. "Work-Family Psychological Contract as a Mediator in the Relationships between Work-Family Factors and Organizational Commitment." *International Journal of Business and Social Science* 2, no. 22 (December 2011).
- Bell, Patricia. "Top General Promotes Recruitment Drive" *The Ottawa Citizen*, sec. National News, 24 August 2009 , <http://www.cbc.ca/news/canada/story/2009/08/24/natynczyk-arctic-recruit.html> (accessed 27/03/2012).
- Black, Dr Jim. *Creating a Retention Culture*. Greensboro, NC: SEM Works, 30/05/2010.
- Buxbaum, Peter A. "From Brain Drain to Internal Bleeding: Retention Problems in the US Military." *ISN Insights* (10 May 2011), <http://www.isn.ethz.ch/isn/Current-Affairs/ISN-Insights/Detail?lng=en&id=129020&contextid734=129020&contextid735=128316&tabid=128316> (accessed 28/01/2012).
- Canadian Labour and Business Centre, Viewpoints 2002 The Perspectives of Business, Labour and Public Sector Leaders, *Skills and Skill Shortages* (Canadian Labour and Business Centre, [August 2002]).

- Carter, Rick. "The Baby Boomers: Are Fears of a Coming "Labour Shortage" and "Knowledge Drain" Well Founded?" Sandford Rose Associates Inc. <http://www.srexecutivesearch.com/baby-boomers> (12/01/2012).
- Conference Board of Canada. *Canadian Outlook Long-Term Economic Forecast: 2010*, March 2010.
- Cornerstone On Demand. *Two Sides of the Same Coin: Using Succession Management and Career Development to Improve Talent Mobility*: Cornerstone On Demand, 2010.
- Corsello, Jason. "Act Now to Prevent a Talent Exodus in 2012." *Talent Mangement* (06/01/2012), <http://talentmgt.com/articles/view/act-now-to-prevent-a-talent-exodus-in-2012/1> (accessed 28/01/2012).
- Cullen, LCol J. W. "The Perfect Storm: The Canadian Forces' Fight to Retain its People; how can it Win in this Competitive Talent Environment." Masters of Defence Studies JCSP 34, Canadian Forces College.
- Davidson, Glenn, Stan Lepeak, and Elizabeth Newman. "The Impact of the Aging Workforce on Public Sector Organizations and Mission", (International Public Management Association for Human Resources: February 2007)
- Davis, Dr J. "How to Retain Talented Employees?" International Quality & Productivity Center. <http://www.iqpc.com/redcontent.aspx?id=66038> (accessed 20/02/2012).
- Department of National Defence. *Administering the CF (Regular Force) Exit Survey*: Chief of Military Personnel, 12 May 2005.
- . *Air Force Personnel Management - Officers*, Air Command Order 1000-7, Chief of the Air Staff, 11 August 2004.
- . *Annual Report on Regular Force Personnel 2006-2007*, edited by Director General Military Personnel Research and Analysis January 2008.
- . *Annual Report on Regular Force Personnel 2008-2009*, edited by Director General Military Personnel Research and Analysis February 2010.
- . *A-PA-005-000/AP-001, Duty with Honour: The Profession of Arms in Canada*. Kingston, ON: Canadian Forces Leadership Institute, 2009.
- . *Army LCol's Career Manager Briefing*, Presentation to Army Officers at Canadian Forces College. Briefing 31 January 2012.
- . *Canada First Defence Strategy*: Minister of National Defence, June 2008.

- . *Canadian Forces Joint Publication 1.0 B-GL-005-100/FP-001: Military Personnel Management Doctrine*, edited by Director General Military Personnel Government of Canada, June 2008.
- . *Canadian Forces Personnel Management Report FY 2010/2011 Fourth Quarter Report*: Chief of Military Personnel, 31 March 2011.
- . *The Canadian Forces Retention Intervention Process*: Chief of Military Personnel, 14 July 2004.
- . *The Fight of Today: Military Personnel Planning and Management Document FY 2009/2010* Chief of Military Personnel, March 2009.
- . *Land Force Command Order 11-79 Army Succession Planning* (Ottawa: Land Staff G1, July 2008).
- . *Military Personnel Retention Strategy*. Chief of Military Personnel 5000-1 (CMP)(19 July 2009).
- . *Putting People First*: Chief of Military Personnel; Director General Military Personnel Research and Analysis, 27 July 2009.
- . *Report on Transformation 2011*: Department of National Defence, 6 July 2011.
- Dibble, Suzanne. *Keeping Your Valuable Employees: Retention Strategies for Your Organization's most Valuable Resource*. New York, NY: John Wiley & Sons, 1999.
- Dilegge, David. "The Officer Critical Skills Retention Bonus." *Small Wars Journal* (July 18, 2007, <http://smallwarsjournal.com/blog/the-officer-critical-skills-retention-bonus> (accessed 27/01/2012)).
- Dobрева-Martinova, Tzvetanka, LCol Villeneuve Martin, et al. *Predicting Turnover in the Canadian Forces using Structural Equation Modeling*. Presentation to 46th IMTA Annual Conference, Brussels Belgium, 26 October 2004.
- Duxbury, Linda and Chris Higgins. *Work-Life Balance in the New Millenium: Where are we? Where do we Need to Go?* Ottawa, Ontario: Canadian Policy Research Network, October 2001.
- Dwyer, Kevin and Ngoc Luong Dwyer. *White Paper: Managing the Babyboomer Brain Drain: The Impact of Generational Change on Human Resource Management*. West Melbourne, Australia: Change Factory, April 2010.
- Enejajor, Emanuella. "Solving Canada's Participation Rate Puzzle." *Economic Insights CIBC World Markets Inc* (22 December 2011).

- Falk, Sayce and Sasha Rogers. "Junior Military Officer Retention: Challenges and Opportunities." Masters in Public Policy, John F. Kennedy School of Government, Harvard University, March 2011.
- Fernandez, Vicenc and Mihaela Enache. "Exploring the relationship between protean and boundaryless career attitudes and affective commitment through the lens of a fuzzy set QCA methodology" (*Intangible Capital* [2008 - (4)1: 31-66 – ISSN: 1697-9818], <http://upcommons.upc.edu/revistes/bitstream/2099/4853/1/QCA.pdf> (accessed 3/03/2012).
- Gillan, Lt. Col Maura, "Captains Now Eligible for \$25K Retention Bonus." *US Army.Mil* (September 13, 2007).
- Gillespie, Lieutenant-General, Ken. *Skilling Australia*, Skilling Australia Conference. Speech by Australia's Chief of Army. Darling Harbour, Australia, 2 April 2009.
- Holmes, Paul. "Retention: Compensation; Job Satisfaction; Balance and Cultural Fit." *The Holmes Report* (30 Sep 2007), <http://www.holmesreport.com/opinion-info/6427/Retention-Compensation-Job-Satisfaction--Balance-and-Cultural-Fit.aspx>.
- Howe, Major Deborah. *Retention: 'If we Build it, they Will Stay' Building and Sustaining a Retention Culture in the Canadian Forces*, 10/09/2007.
- Human Resource and Skills Development Canada, "Looking Ahead: A 10-Year Outlook on the Canadian Labour Market: Current and Future Labour Market Shortages in Canada", Government of Canada. http://www.hrsdc.gc.ca/eng/publications_resources/research/categories/labour_market_e/sp_615_10_06/shortages.shtml (accessed 28/03/2012).
- . "The Changing Face of Canadian Workplaces." Government of Canada. http://www.hrsdc.gc.ca/eng/labour/employment_standards/fls/resources/resource01.shtml (accessed 19/01/2012).
- Huntington, Samuel. *The Soldier and the State: The Theory and Politics of Civil-Military Relations*. Cambridge: The Belknap Press of Harvard University, 1957.
- Kane, Tim. "Why our Best Officers are Leaving." *The Atlantic* January/February 2011(27/01/2012), <http://www.theatlantic.com/magazine/archive/2011/01/why-our-best-officers-are-leaving/8346/>.
- Kochan, Thomas and Debbie Shulman. *A New Social Contract: Restoring Dignity and Balance to the Workplace*. Washington, DC: Economic Policy Institute, 22 February 2007.
- Laurent, Martel, Eric Caron-Melenfant, and et al. "Projected Trends to 2031 for the Canadian Labour Force." *Canadian Economic Observer* August 2011,

<http://www.statcan.gc.ca/pub/11-010-x/2011008/part-partie3-eng.htm> (accessed 13/01/2012).

- Levine, Linda. *Report for Congress: Retiring Baby-Boomers = A Labour Shortage?:* Congressional Research Service, 30 January 2008.
- Lowe, Graham. *21st Century Job Quality: Achieving what Canadians Want.* Ottawa, Ontario: Canadian Policy Research Networks, September 2007.
- Michaud, Kathy. *Voluntary Attrition & the CF Exit Survey.* Briefing Provided to PSEL: Director General Military Personnel Research and Analysis, 23 February 2011.
- Ministry of Finance. "Ontario's Long-Term Report on the Economy" (Province of Ontario: 2010).
- Moore, Darren, Damian Roche, and et al. *Review of the Australian Defence Force Retention and Recruitment Strategy: Prepared for the Department of Defence.* Manuka, Australia: Noetic Solutions Pty Limited for Australian Department of Defence, May 2010.
- Nehmeh, Ranya. *What is Organizational Commitment, Why should Mangers Want it in their Workforce?:* Swiss Management Center University, 05/2009.
- Norton, Sean. *The Department of National Defence and Canadian Forces "Your-Say" Survey: Methodology and Preliminary Findings:* Department of National Defence, Directorate Human Resources Research and Evaluation, 2004.
- Office of the Auditor General of Canada. *Status Report of the Auditor General of Canada: Chapter 2 - National Defence - Military Recruiting and Retention:* Office of the Auditor General of Canada, May 2006.
- Okros, Dr Alan. Conversation with Author. Canadian Forces College, 18 January 2012.
- Osborne Kilpatrick, Anne. Anne Osborne Kilpatrick, "A New Social Contract for the New Millennium" *Public Administration and Management*, 4, no 3, (Charleston, SC: 1999).
- Otis, Nancy and Michelle Straver. *Review of Attrition and Retention Research for the Canadian Forces:* Department of National Defence, October 2008.
- Park, Jungwee. "A Profile of the Canadian Forces." *Perspectives on Labour and Income* 9, no. 7 (July 2008).
- Payne, Stephanie, Ann Huffman, and Trueman R. Jr Tremble. *The Influence Or Organizational Commitment on Officer Retention: A 12 Year Study of US Army Officers:* IBM Endowment for the Business of Government, November 2002.

- Plecah, Chris. "High Ranking Cabinet Ministers Tight-Lipped on what's in Store for 2012." *The Hill Times Online*, 12 Dec 2011.
- Popov, Maj Mark. "A Thousands Paper Cuts: Canadian Forces Attrition, Retention and the Confluence of Factors that Influence our People." *Masters of Defence Studies JCSP 37*, Canadian Forces College, 2011.
- Price, Alan. "Ongoing Competition for Talent." *Human Resources Management Guide* (15 July 2010, , <http://www.hrmguide.net/canada/jobmarket/employment-weaknesses.htm> (accessed 13/01/2012).
- PricewaterhouseCooper. *Guide to Key Performance Indicators: Communicating the Measures that Matter*: PricewaterhouseCooper LLP, 2007.
- Prokopeak, Mike. "Feeling the Benefits Squeeze, Employers Turn to Flex." *Talent Management* (7/12/2011): 29/01/2012, <http://talentmgt.com/articles/view/feeling-the-benefits-squeeze-employers-turn-to-flex>.
- Pugliese, David. "Rising Canadian Forces and Civilian Personnel Costs: What Impact Will that have on Future Defence?" *The Ottawa Citizen*, 26 September 2011, sec. Opinion.
- Quilty, Susan . "“Never” – The New Retirement Age” *55 Places.com*, 7 March 2011, <http://www.55places.com/blog/never-the-new-retirement-age> (accessed 02/03/2011).
- Ragan, Christopher. "Two Policy Challenges Driven by Population Aging." *Policy Options* October 2010, <http://www.irpp.org/po/archive/oct10/ragan.pdf> (accessed 12/01/2012).
- RAND National Defence Research Institute, *Creating New Career Options for Officers in the U.S. Military*, Research Brief (Santa Monica, CA: Rand Corporation, 2005).
- Rollings, Barry. "Taking Aim at Retention." *Navy* 50, no. 2 (22 February 2007).
- Sayer, Andrew. *Moral Economy*. Lancaster, U.K.: Department of Sociology, Lancaster University, June 2004.
- Scales, Melvin J. *Developing Talent. how Career Opportunities Drive Business Performance*: Right Management, 2010.
- Sekiguchi, Tomoki. "Person-Organization Fit and Person-Job Fit in Employee Selection: A Review of the Literature." *Osaka Keidai Ronshu* 54, no. 6 (March 2004, a).
- . "Toward a Dynamic Perspective of Person-Environent Fit." *Osaka Keidai Ronshu* 55, no. 1 (May 2004, b).

- Senate Standing Committee on National Security and Defence. *Four Generals and an Admiral: A View from the Top*: Government of Canada, 2nd Session 39th Parliament 2008
- Serrat, Olivier. "A Primer on Talent Management." *Knowledge Solutions* 76, (February 2010), <http://www.adb.org/documents/information/knowledge-solutions/primer-on-talent-management.pdf> (accessed 26/01/2012).
- Standing Committee on National Defence. *Recruitment and Retention in the Canadian Forces*. Public Works and Government Services, Ottawa: Speaker of the House of Commons, March 2010, 40th Parliament, 3rd Session.
- Staples, Steven. "Military Spending in Canada." *Global Research.ca* (24 June 2011): 18/02/2012, <http://www.globalresearch.ca/index.php?context=va&aid=25091>.
- Stark, Mel and Mark Royal. "Think You can Afford to Gamble with Rewards?" *Talent Management* (15/07/2011), <http://talentmgt.com/articles/view/think-you-can-afford-to-gamble-with-rewards/1> (accessed 28/01/2012).
- Statistics Canada. "Census Snapshot of Canada - Population (Age and Sex)." *Canadian Social Trends* catalogue no. 11-008, (a), <http://www.statcan.gc.ca/pub/11-008-x/2007006/article/10379-eng.pdf> (accessed 13/01/2012).
- . "Still Working After Retirement" *Canadian Year Book 2008*, http://www41.statcan.gc.ca/2008/70000/ceb70000_001-eng.htm (accessed 31/03/2012).
- . "Study: Projected Trends to 2031 for the Canadian Labour Force." *The Daily* (17 August 2011), <http://www.statcan.gc.ca/daily-quotidien/110817/dq110817b-eng.htm> (accessed 11/01/2012).
- . "Women in Canada: Economic Well being." *The Daily* (16 Decemenber 2010, b).
- Sullivan, Dr John. "10 Predictions for 2012: The Top Trends in Talent Management and Recruiting." *Talent Management* (5 December 2011), <http://www.ere.net/2011/12/05/10-predictions-for-2012-the-top-trends-in-talent-management-and-recruiting/> (accessed 20/02/2012).
- United States Department of the Army. *2009 Army Posture Statement: Officer Retention*, 7 May 2009.
- United States Government Accountability Office. *Military Personnel: Strategic Plan Needed to Address Army's Emerging Officer Accession and Retention Challenges*, January 2007.

- Villeneuve, LCol Martin, Tzvetanka Dobрева-Martinova and John G. Currie. *Buying Low Attrition or Building High Retention? That is the Question* (Ottawa: Department of National Defence, 2004)
- Wardynski, Casey, David Lyle, and Michael Colarusso. *Towards a U.S. Army Officer Corps Strategy for Success: A Proposed Human Capital Model Focused upon Talent*. Carlisle, PA: Strategic Studies Institute, April 2009.
- Williams, Cindy. "Paying Tomorrow's Military" *Regulation*, (Massachusetts Institute of Technology [Summer 2006]).
- Wyman, Diana. "Recent Trends in Canada's Labour Force Participation Rate." *Canadian Economic Observer* December 2011, <http://www.statcan.gc.ca/pub/11-010-x/2011012/part-partie3-eng.htm> (accessed 11/01/2012).