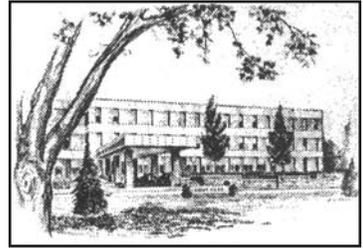


STRATEGIC STUDIES INSTITUTE



The Strategic Studies Institute (SSI) is part of the U.S. Army War College and is the strategic level study agent for issues related to national security and military strategy with emphasis on geostrategic analysis.

The mission of SSI is to use independent analysis to conduct strategic studies that develop policy recommendations on:

- Strategy, planning and policy for joint and combined employment of military forces;
- Regional strategic appraisals;
- The nature of land warfare;
- Matters affecting the Army's future;
- The concepts, philosophy, and theory of strategy; and
- Other issues of importance to the leadership of the Army.

Studies produced by civilian and military analysts concern topics having strategic implications for the Army, the Department of Defense, and the larger national security community.

In addition to its studies, SSI publishes special reports on topics of special or immediate interest. These include edited proceedings of conferences and topically-orientated roundtables, expanded trip reports, and quick reaction responses to senior Army leaders.

The Institute provides a valuable analytical capability within the Army to address strategic and other issues in support of Army participation in national security policy formulation.

OFFICER CORPS STRATEGY SERIES

**TOWARDS A U.S. ARMY OFFICER CORPS
STRATEGY FOR SUCCESS:
DEVELOPING TALENT**

**Casey Wardynski
David S. Lyle
Michael J. Colarusso**

March 2010

Visit our website for other free publication
downloads

<http://www.StrategicStudiesInstitute.army.mil/>

[To rate this publication click here.](#)

The views expressed in this report are those of the authors and do not necessarily reflect the official policy or position of the United States Military Academy, Department of the Army, the Department of Defense, or the U.S. Government. Authors of Strategic Studies Institute (SSI) publications enjoy full academic freedom, provided they do not disclose classified information, jeopardize operations security, or misrepresent official U.S. policy. Such academic freedom empowers them to offer new and sometimes controversial perspectives in the interest of furthering debate on key issues. This report is cleared for public release; distribution is unlimited.

This publication is subject to Title 17, United States Code, Sections 101 and 105. It is in the public domain and may not be copyrighted.

Comments pertaining to this report are invited and should be forwarded to: Director, Strategic Studies Institute, U.S. Army War College, 122 Forbes Ave, Carlisle, PA 17013-5244.

All Strategic Studies Institute (SSI) publications may be downloaded free of charge from the SSI website. Hard copies of this report may also be obtained free of charge by placing an order on the SSI website. The SSI website address is: *www.StrategicStudiesInstitute.army.mil*.

The Strategic Studies Institute publishes a monthly e-mail newsletter to update the national security community on the research of our analysts, recent and forthcoming publications, and upcoming conferences sponsored by the Institute. Each newsletter also provides a strategic commentary by one of our research analysts. If you are interested in receiving this newsletter, please subscribe on the SSI website at *www.StrategicStudiesInstitute.army.mil/newsletter/*.

This monograph is the fifth in a series of six monographs that analyze the development of an Officer Corps strategy. Previous volumes are:

- 1 - *Towards A U.S. Army Officer Corps Strategy for Success: A Proposed Human Capital Model Focused Upon Talent*, by Colonel Casey Wardynski, Major David S. Lyle, and Lieutenant Colonel (Ret.) Michael J. Colarusso, April 2009.
- 2 - *Talent: Implications for a U.S. Army Officer Corps Strategy*, by Colonel Casey Wardynski, Major David S. Lyle, and Lieutenant Colonel (Ret.) Michael J. Colarusso, November 2009.

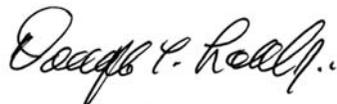
- 3 - *Towards a U.S. Army Officer Corps Strategy for Success: Retaining Talent*, by Colonel Casey Wardynski, Major David S. Lyle, and Lieutenant Colonel (Ret.) Michael J. Colarusso, January 2010.
- 4 - *Accessing Talent: The Foundation Of A U.S. Army Officer Corps Strategy*, by Colonel Casey Wardynski, Major David S. Lyle, and Lieutenant Colonel (Ret.) Michael J. Colarusso, March 2010.

ISBN 1-58487-438-4

FOREWORD

Towards a U.S. Army Officer Corps Strategy for Success: Developing Talent is the fifth of six monographs focused upon officer talent management in the U.S. Army. In it, Colonel Casey Wardynski, Major David S. Lyle, and Lieutenant Colonel (Ret.) Michael J. Colarusso argue that while the U.S. Army is quite accomplished at developing its many talented people, rapidly changing labor market conditions and emerging threats to American national security demand continued vigilance in this area. The authors identify several serious challenges confronting the Army concerning the development of talent, and they provide a theoretical framework for overcoming those challenges. The authors also explain why continuing education, genuinely useful evaluations, and properly valued signals are critical to creating an outstanding organizational culture that highly values the professional development of its personnel.

Since the officer development process presents the Army with a dramatic opportunity to increase productivity, reduce talent flight, gain depth and breadth of capability, and mitigate risks, the theories discussed in this monograph merit close attention.



DOUGLAS C. LOVELACE, JR.
Director
Strategic Studies Institute

ABOUT THE AUTHORS

CASEY WARDYNSKI is Director of the Office of Economic and Manpower Analysis and an Associate Professor of Economics at the United States Military Academy, West Point, NY. In addition to creating the concepts for the “America’s Army” game and the Army’s pre-commissioning retention incentives, Colonel Wardynski has published in the area of military compensation policy and manpower. Colonel Wardynski earned a B.S. at West Point, a Masters in Public Policy at Harvard, and a Ph.D. in Policy Analysis from the Rand Graduate School.

DAVID S. LYLE is an Associate Professor of Economics and Deputy Director of the Office of Economic and Manpower Analysis at the United States Military Academy, West Point, NY. He has publications in the Journal of Political Economy, the Journal of Labor Economics, the Review of Economics and Statistics, the American Economic Journal: Applied, and the Economics of Education Review. Major Lyle earned a B.S. at West Point and a Ph.D. in Economics from the Massachusetts Institute of Technology.

MICHAEL J. COLARUSSO is a research analyst in the Office of Economic and Manpower Analysis at the United States Military Academy, West Point, NY. He is a retired U.S. Army lieutenant colonel and has served in a variety of military positions, to include as an Assistant Professor of History at West Point. Mr. Colarusso earned a B.A. in History from Saint John’s University and a M.A. in History from the Pennsylvania State University.

SUMMARY

The U.S. Army has always touted itself as a capstone developmental experience and still does so today – *You made them strong – we'll make them Army Strong*. The Army is almost universally acknowledged as an organization that powerfully develops talent in areas such as leadership, teamwork behavior, work ethics, adaptability, fitness, and many others. Yet despite this well-earned reputation, the Army must remain vigilant. Authorized strength and inventory mismatches, an inverse relationship between responsibility and formal developmental time, and sparse non-operational development opportunities are serious challenges that the Army must address.

Developing talent is important in all high performing organizations, but it is particularly critical to the Army for several reasons. First, the mission of fighting and winning wars requires truly championship-level talent – America's national security depends on it. Second, Americans entrust the very lives of their sons and daughters to the Army – they deserve to be led by superstars. And third, limited lateral entry into mid-career and senior level officer positions means the Army cannot rely upon poaching talent from outside organizations as corporate America does. Instead, the Army must retain and continuously develop its entry-level talent to meet present and future demands.

Army officers are hungry for the development needed to reach their full potential and perform optimally. When they do not get it, they seek it in the private sector. This is why officer developmental programs must be tailored to the needs of every talented individual. In this way, the Army can both deepen and broaden its overall talent distribution, mitigating

risk in an increasingly uncertain and rapidly changing operating environment.

Current practice, however, generally shunts officers down conventional career paths and through standardized “gates,” regardless of their unique talents, experience, or needs. Meeting future challenges may well require a new way of doing business, a comprehensive developmental strategy rooted in sound theory. Several pioneers in the human capital field have provided a ready foundation for such a strategy. Their work demonstrates the criticality of *continuing education, genuinely useful evaluations, and properly valued signals* to the creation of an outstanding developmental climate.

Considering officer development within this context moves the Army beyond a focus upon formal training and education. While these are certainly important, managing the nexus of individual talents and rapidly changing organizational requirements calls for careful attention to many other developmental factors. These include professional networks, mentorship and peer relationships, tenure, individual learning styles, as well as diversity of thought, experience, and culture.

Lastly, to reap the full benefit of any developmental strategy, the Army must capture information on the multitude of talents that its officers possess. The uniqueness of each individual cannot be captured via skill identifiers and career field designations alone. Instead, the Army needs a mechanism to track talent development over time, gauging both its breadth and depth. Only then will it be able to effectively employ talent, the subject of the next and final monograph in this series.

TOWARDS A U.S. ARMY OFFICER CORPS STRATEGY FOR SUCCESS: DEVELOPING TALENT

INTRODUCTION

“Reach out and touch someone.” “A diamond is forever.” “When it rains it pours.” These catchphrases, and many others, were the work of N. W. Ayer and Son, America’s first advertising agency. Perhaps their best known work, however, was the campaign they devised for the U.S. Army in 1981 – “Be all that you can be.”¹ The message could not have been clearer: If you join our team, you’ll reach your full potential. A rich mix of educational, training, and leadership experiences would engender a personal transformation, perhaps even the chance to elevate one’s socioeconomic status.

This effort to brand the Army as a crucible of individual development continues today. Current advertising still touts it as a capstone developmental experience—*You made them strong—we’ll make them Army Strong*. The all-volunteer Army is almost universally acknowledged as an institution that powerfully develops talent in areas such as leadership, teamwork behavior, work ethics, adaptability, fitness, and many others. Employers know that the Army invests substantially in its people and that this investment translates directly into enhanced productivity.

For officers in particular, the Army provides most with a 4-year college education, initial military training, and an opportunity to lead a platoon of 30 to 50 Soldiers immediately upon graduation. Few people will supervise an organization that size in their lifetime, let alone at such a young age. With such robust developmental opportunities, it is not surprising that

corporations aggressively recruit junior Army officers.

Yet despite its well-earned reputation in this area, the very nature of *talent development* requires that the Army remain vigilant. It must be forward looking, considering whether its current officer development programs are equal to *tomorrow's* challenges, whether it suffers from an imbalance in talent supply versus demand, and whether there is an effective relationship between its developmental and employment strategies.

To succeed, Army officer development programs must be grounded in a talent management context. Recall that we defined talent as the intersection of three dimensions—skills, knowledge, and behaviors—that create an optimal level of individual performance, provided the individual is employed within their talent set. As a companion to this taxonomy, we espoused the concept that each person's talent set represents a *unique* distribution of skills, knowledge, and behaviors, and that each organization in turn requires a *unique* distribution of individuals.²

Considering development within this context builds upon traditional human capital theories championing formal training and education as the twin pillars of development. While these are certainly important, managing the nexus of individual talents and rapidly changing organizational requirements calls for careful attention to many other factors. These include professional networks, mentorship and peer relationships, tenure, individual learning styles, as well as diversity of thought, experience, and culture.

Additionally, the complementary nature of capital and labor as production inputs requires that they be developed in mutually reinforcing ways. For example, Army talent development must integrate technological innovations to maximize output. The speed of such

innovation requires organizations possessing both broad and deep talents. This mitigates risk in a rapidly changing environment, increasing the likelihood that the right people will be available to respond to technology-driven labor requirements. Without sufficient depth and breadth of talent, however, an organization may be unable to leverage new innovations that can push a production possibility frontier higher.

THE IMPORTANCE OF DEVELOPING OFFICER TALENT

Developing talent is important in all high performing organizations, but it is particularly critical to the Army for several reasons. First, the mission of fighting and winning wars requires truly championship-level talent—America’s national security depends on it. Second, Americans entrust the very lives of their sons and daughters to the Army—they deserve to be led by superstars. And third, limited lateral entry into mid-career and senior level officer positions means the Army cannot rely upon poaching talent from outside organizations as corporate America does. Instead, the Army must retain and continuously develop its entry-level talent to meet present and future demands.

Development also plays a significant role in screening, vetting, and culling officer talent. By setting the bar for Reserve Officer Training Corps (ROTC) scholarships commensurate with challenging admissions standards at top-tier universities, for example, the Army uses a key developmental opportunity—undergraduate education—as a *screening* tool. As cadets compete within an ROTC program, the Army is able to *vet* talent. Finally, cadets who are unable to complete their academic and military

development programs are *culled* from the talent pool prior to commissioning.

Additionally, strong developmental programs can help reduce talent flight, something that has challenged the Army since the advent of the information age in the early 1980s. For example, when college coaches recruit, they seek players with a certain talent level and potential for growth. In turn, players seek programs that will extend their talent, perhaps even providing an avenue to a professional career. Those who feel they have professional potential but are not getting the development they need will opt out of the program. Likewise, Army officers are hungry for the development needed to reach their full potential and perform optimally. When they do not get it, they seek it in the private sector. This is just one more reason why the Army's developmental programs must be tailored to the needs of every talented individual.³

However, tailored career development runs counter to current Army practice, which generally shunts its officers down conventional career paths and through standardized "gates," regardless of their unique talents, experience, or needs. To its great credit, the Army robustly resources these career paths and embraces the need for continuous development of its people. As a result, it is better led and more capable than any of its peer competitors.

As the world transitions from information age to conceptual age, however, those competitors have become more than just standing armies. Today, the U.S. Army faces an asymmetric threat environment that changes more rapidly than its doctrine or organizations. Work is increasingly characterized by high levels of task interdependence, skill specificity, *and* uncertainty, requiring people who are agile, inventive,

and empathetic. Just as this new world necessitates changes in the way the Army *accesses, retains, and employs* officer talent, data suggest that it may also need to change how it *develops* it, and in several areas.

INDICATIONS OF POTENTIAL DEVELOPMENTAL SHORTCOMINGS

A primary area of concern is the continuing decline in the Army's training and educational base (the Institutional Army or "Generating" Force). According to the Army's Training and Doctrine Command (TRADOC), the sustained demand for thousands of uniformed trainers in Iraq and Afghanistan has increasingly placed the Army's own developmental programs at risk.

Symptoms include: delays in initial instruction for nearly 500 Army Aviators due to a shortage of trainers; deep declines in the number of Soldiers and Army civilians planning and executing institutional training (a combined decline of 11,800 professionals since September 2001); significant delays in updating doctrine and programs of instruction; an increasing reliance upon contract employee support; a much higher number of lieutenants, rather than captains, in command of Basic Combat Training companies; and poor officer-to-student ratios in ROTC. For example, at five of the nation's six largest ROTC programs, those ratios now exceed 1 to 45 and in some cases are as high as 1 to 76.⁴ This is a classic case of time inconsistent behavior - allowing present operational demands to crowd out consideration of the Officer Corps' future well-being.

Another area of concern is closely linked to the Army's officer "Transients, Holdees, and Students"

(THS) account, an authorized overhead of officers not assigned to operational or institutional organizations in the Army. Theoretically, this protects the Army from officer inventory shortages. For example, officers attending graduate school are accounted for in THS. Were there no THS account, these officers could not attend school because pulling them out of operational assignments could undermine unit readiness. In other words, the THS account is an investment in the future, an acknowledgment by the Army that there must always be a certain number of officers in nonoperational, administrative, or developmental assignments.

There are significant mismatches, however, between the Army's authorized officer strength and the actual inventory throughout the officer career model. These overages and shortages at different ranks present the Army with significant challenges when moving officers in and out of the THS account for developmental purposes. In some cases, this results in deferred development for officers who simply cannot be pulled out of units in time of war. Figure 1 describes this situation with data that depicts the authorizations and inventories of the Officer Corps as of September 2009. Panel A shows authorized Active Component officer strength by years of service and rank. In panel B, we smooth these numbers to account for year-to-year attrition behavior.

Panel C indicates where targeted THS increases are needed to meet currently mandated developmental opportunities at each rank. Panel D shows the continuum of operational requirements plus THS requirements (solid line) smoothed to allow for historic attrition behavior. This last panel also presents the *actual* officer inventory by year-group (dotted line),

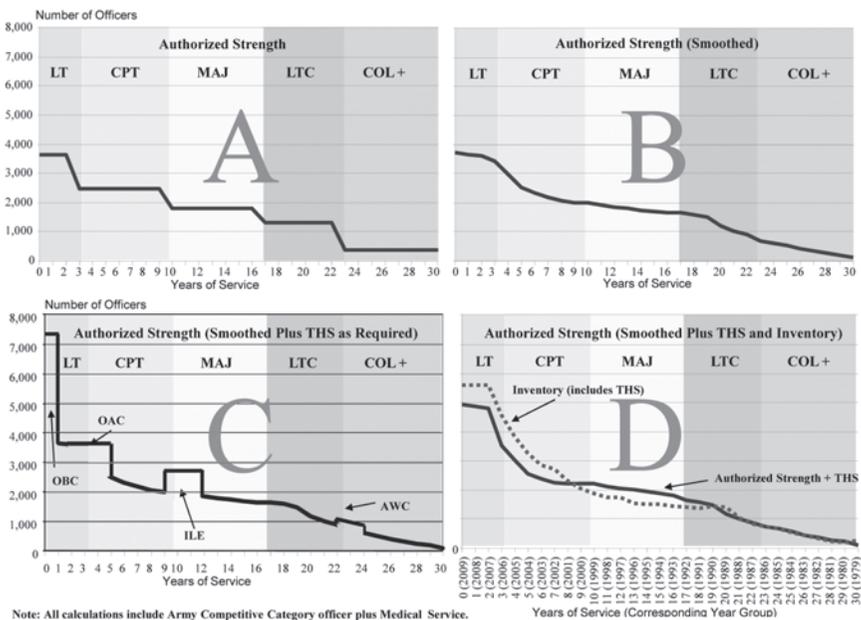


Figure 1. THS and Authorized Strength/Inventory Mismatches

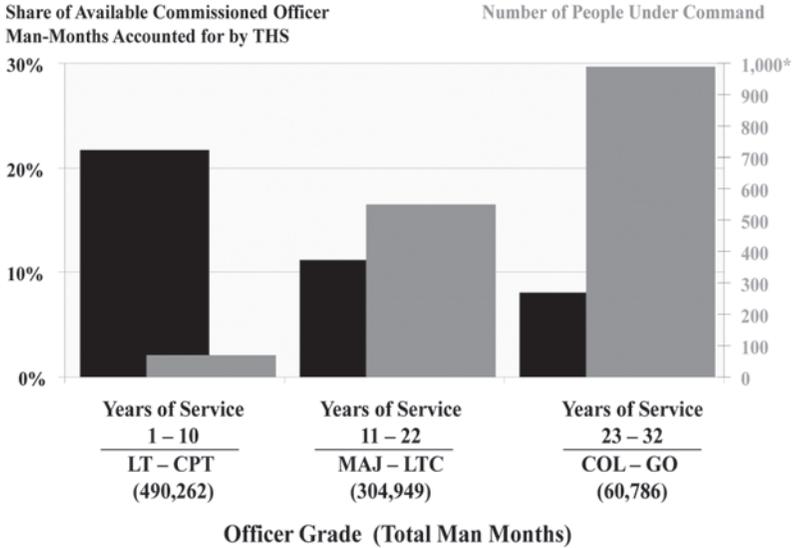
highlighting the dramatic difference between what the Army needs and what it actually *has* at each rank. Such mismatches between requirements and inventory significantly hamper professional development at both the company and field grade levels.

For example, as panel D shows, the Army has been over-accessing lieutenants for almost a decade to make up for officer shortages elsewhere (senior captains and majors). This created an excess of lieutenants which now extends deep into the junior captains inventory as well. Not surprisingly, developmental time in key jobs (such as platoon leader) has been compressed to allow sufficient throughput for this growing queue of junior officers.⁵

Conversely, the shortage of mid-career officers (majors) creates tension between meeting current operational demands and providing officer development time. Understandably, the Army is not going to assign officers to developmental opportunities when it creates warfighting unit vacancies—hence development suffers at these ranks. Only when officer requirements and inventory align closely (and when THS is appropriately sized) can the Army meet operational demands without sacrificing talent development.

A second potential challenge is the inverse relationship between the formal developmental time afforded officers and their increasing levels of responsibility across a 20-30 year career. As seen in Figure 2, the Army directs the largest share of its formal developmental programs toward the early stages of an officer's career.

This is not entirely surprising, as most companies put great effort into “on-boarding” new people, introducing them to their duties, the organizational culture, etc. In the Army's case, approximately 20 percent of all company grade officer man-years are spent in a training status. What is surprising, however, is that less than 10 percent of Army field grade and general officer man-years are spent in a training or development status. This is in stark contrast to the relationship that exists between responsibility and rank. As the right axis of the figure shows, an officer's span of control over people, resources, and outcomes increases significantly with rank.⁶ In short, there is a precipitous decline in formal development just as job complexity rapidly increases.



Notes: Statistics shown above were derived from authors' calculations based on Army Personnel Inventory data as of 30 September 2008.
 *As Division Commanders, GOs normally have ~10,000 or more people under their command.

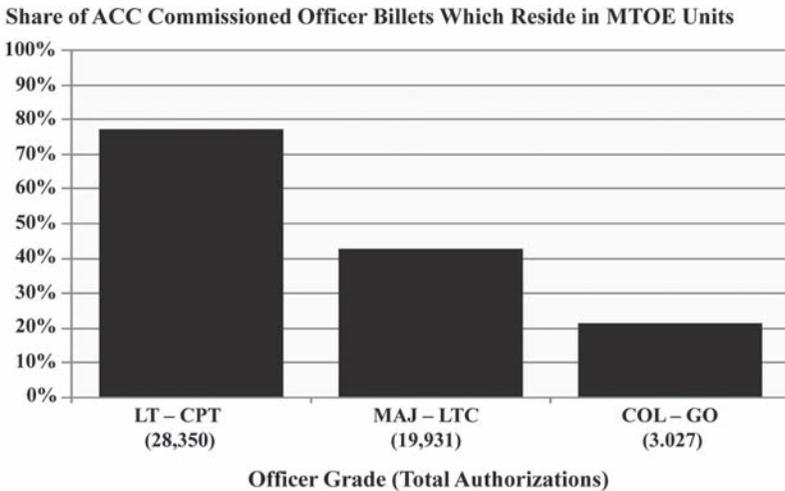
Figure 2. Development Time is Inversely Related to Rank

Undoubtedly, on-the-job training compensates for some of this gap in senior ranks development. However, much of that development takes place in tactical to operational level assignments with very uneven skill transferability to the strategic levels of leadership. In other words, aside from relatively short courses for officers transitioning into new career fields, the Army is tied to a predominantly “one-size fits all” approach to officer development that short-changes its senior leaders, those most responsible for successful enterprise-level outcomes.

The extent of this misalignment can be seen in Figure 3, where the share of officer assignments in operational units declines sharply with increasing rank. Fewer than 25 percent of colonel-and-above officer positions are in the Operating Force, while the remaining 75 percent reside in the Generating (institutional)

Force, where strategic issues predominate. Most senior officers assigned there, however, will have spent the bulk of their “on-the-job” developmental time focused upon operational-type matters.

Meanwhile, the formal “executive-level” education that does occur (at institutions such as the U.S. Army War College or the National Defense University) focuses broadly upon strategic art—the knowledge required to employ landpower at the theater or national level in time of war.⁷ While *absolutely* necessary, this alone cannot prepare senior leaders for the nearly 80 percent of their future employment which will be in highly specialized, enterprise-level assignments. This is the “business side” of the Army: budgets, personnel, weapons systems, training, recruiting, marketing, civil-military relations, etc.⁸ In fact, the dissonance between such responsibilities and formal preparation



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

Figure 3. Declining Operational Billets With Increasing Rank

is striking—senior officers often find themselves employed in highly specialized enterprise program areas without having been afforded the executive education needed to excel.⁹ Often, any depth of talent acquired by officers in these areas is ancillary to the Army’s broader developmental objectives, and as a result, it is rarely identified, leveraged, or further extended.

In sum, to meet future challenges, talent *development* must be synchronized with the other components of the officer human capital model (talent *accessions*, *retention*, and *employment*), tied to requirements across the rank structure, and closely tracked. The Army can then construct a powerful and effective officer development strategy, provided it rests upon sound human capital theory.

OFFICER DEVELOPMENT WITHIN A HUMAN CAPITAL THEORY FRAMEWORK

Since the late-1950s, the study of human capital has become one of the largest bodies of academic research, spanning multiple disciplines. With Gary Becker’s seminal *Human Capital* as our start point, we review the literature and highlight those ideas most critical to talent development within an Army officer context. Before doing so, however, we should first explain the relationship between human capital and our talent construct.

The Relationship between “Human Capital” and “Talent.”

As we have explained throughout this series of monographs, employees gain *human capital* (the ability to produce value in the workplace) through

education, training, and experience, thus increasing their productivity.¹⁰ These are additive to the attitudes and native abilities they bring to the workplace. Within human capital literature, this is often expressed as an equation (EQ.1, where u = other unobserved attributes):

$$\text{Human Capital} = \text{Ability} + \text{Education} + \text{Experience} + \text{Training} + \text{Attitude} + u.$$

Our talent-based construct builds upon human capital theory. An example helps illustrate the relationship between human capital and talent. Consider John, a carpenter who acquires a business degree. This does not necessarily increase his work-shop productivity. While John's college studies will certainly hone his cognitive abilities, they may also create employment preferences that are no longer met, reducing his productivity as a carpenter. John's new business degree does not appreciably extend his talent advantage as a carpenter, even though it clearly represents a human capital investment.

Instead, acquiring a business degree has fundamentally altered John's talent distribution, which may now be better suited to another job. Should John's employer align this new talent distribution with a position requiring business acumen *and* mechanical dexterity (say carpentry shop supervisor), John's productivity may soar, his talent advantage extended by his employment in the right place and time.

The relationship, then, between human capital and talent centers upon distributions—people have unique talent distributions, organizations have uniquely distributed employment requirements, and these must be aligned to generate optimal productivity and continuous employee development. Investments in human capital

shape an individual's talent distributions (their skills, knowledge, and behaviors). Therefore, human capital investments must be thoughtfully weighed against these distributions or they can actually cause talent mismatches, engendering reductions in productivity.

Understanding the linkage between human capital theory and our talent-based construct is fundamental to forming a developmental strategy for the Army Officer Corps. Our conclusions are informed by the work of several Nobel Laureates and other accomplished scholars. In particular, four theories have helped frame our ideas regarding officer talent development. They reside in the areas of *intelligence*, *adaptability*, *attitude*, and *signaling*.

Intelligence.

When we began writing about talent, we made it clear that the work of Howard Gardner was integral to our thinking. A professor of psychology, cognition, and education, Gardner defines *intelligence* as "the ability to solve problems, or to create products, that are valued within one or more cultural settings."¹¹ In his *Frames of Mind: the Theory of Multiple Intelligences* (1983), he identified several native intelligences possessed by all people to varying degrees: linguistic; spatial; musical; bodily-kinesthetic; logical-mathematical; interpersonal; and intrapersonal.¹²

We see clear evidence of Gardner's theories in our everyday lives. One needs look no further than a kindergarten classroom to see the variety of intelligences possessed by people, even at a very young age. Some children can walk a balance beam with little effort (bodily-kinesthetic intelligence), others make friends quickly (interpersonal intelligence), and

still others can sing in tune (musical intelligence). As these children progress into adolescence, they are very often drawn towards activities and subjects where their natural intelligences help them to perform optimally.

Although we enter the world more intelligent in some areas than others, education, training, and life experience can increase our less-dominant intelligences as well. A formal mathematics curriculum, for example, will develop logical-mathematical skill, although those who naturally possess an abundance of this intelligence may progress faster and deeper.

Gardner's ground-breaking work contributes the element of individual *uniqueness* to our understanding of talent. Each of us in some ways is like an independent nation, and our intelligences are analogous to natural resources. While some countries may possess similar resources, no two possess them in equal measure, and those resources necessarily shape the scope, pace, and direction of development. It is no different with people.

Adaptability.

The award winning work of Nobel Laureate Theodore Schultz supports Gardner's contention that people develop talent most rapidly and powerfully in the fields to which their intelligences draw them. Schultz's research also focuses upon the need for highly adaptive people in organizations facing constantly changing requirements.¹³ The Army has recognized this, and virtually all of its officer development pronouncements call for adaptable leaders to meet today's challenges. Yet what is the Army doing to create such adaptability? What *should* it be doing?

Schultz emphasizes the criticality of knowledge acquisition (particularly education, but also experience

and training) to the development of mental acuity and agility. He also argues that people are either in *equilibrium* (an ideal balance between work capabilities and work requirements) or on their way to it.¹⁴ Ideally, an employer such as the Army wants workers who rapidly achieve equilibrium, but the employer has a pretty critical role in ensuring this.

Consider Major General George Brinton McClellan, Lincoln's on-again, off-again commander of the Army of the Potomac during the American Civil War. Returning to service in 1861 as a major general (having resigned as a captain in 1857), McClellan rapidly built, trained, equipped, and concentrated that army for battle. In terms of capability, by mid-1862 it numbered over 168,000 men and was far superior in training, discipline, and combat power to any Confederate force, no mean feat in a country which had just 20,000 regular Soldiers spread across remote frontier posts and coastal fortifications a year or so earlier.

Even President Lincoln credited McClellan with having carried off a masterful organizational effort. But in one of the most astute talent assessments of the day, Lincoln characterized McClellan this way: "He is an admirable engineer, but he seems to have a special talent for a stationary engine."¹⁵ In other words, the adaptability required to build an army was clearly within McClellan's talent set, but the adaptability needed to *wield* one was not.

Looking back, the appointment of a former Army captain and railroad engineer to command all Union armies may seem like a foolish decision. Lincoln had few choices, however. No one had anticipated the need to lead mass armies in a bitter North American conflict, and so no officers had been educated to the

purpose. McClellan was asked to figure it out but could not do so rapidly enough. His success as an organizer but failure as a commander illustrates the criticality of developing adaptable people and employing them in areas commensurate with their talents. It is a lesson worth remembering, particularly when today's Army asks its senior generals to lead strategic business efforts after 30 years of tactical and operational assignments, often with little or no formal development in these business areas.

Attitude.

Understanding attitudes is critical to creating a workforce whose behaviors align with organizational culture and objectives. This leads directly to enhanced productivity and development. Samuel Bowles, an economist and behavioral scientist, argues that the most important selection feature for a job candidate is attitude.¹⁶

We agree that attitude is vitally important. It shapes behavior, just as values, goals, and beliefs do. Attitude is conveyed through action, word, facial expression, writing, and gestures. It is infectious, affects the quality of the work environment, and can improve (or reduce) the productivity of co-workers. It can also set the rate at which individuals develop and extend their talents.

Understanding attitudes requires an appreciation for how they are formed. While they may have a hereditary genesis, attitudes are also learned and can be shaped through developmental experiences. These include upbringing, socio-economic background, education, athletics, peer or mentor relationships, etc. Appreciating the importance of attitude from a

strategic perspective is imperative for organizations such as the Army, which is both teamwork intensive and routinely confronted by life and death matters.

Signaling.

Spence, Schultz, and Bowles all address the productive capabilities *possessed* by workers. Nobel Laureate Michael Spence, however, focuses on the productive capabilities *signaled* by workers, particularly via credentials such as diplomas and certifications. Spence explains that these are central to most professions and vocations, indicating the presence of talent that might otherwise go unobserved.¹⁷ Doctors, for example, routinely display their diplomas to engender patient confidence, mechanics post ASCE certifications to validate their expertise, and barbers hang their training and licensing certificates near the cash register for the same reason.

Professional clothing and accoutrements are equally powerful validation signals. Factory foremen often wear different colored helmets to signal their leadership role. At a construction site, one can differentiate carpenters from plumbers and electricians by the tools that they carry. And each of us knows better than to ask firefighters to apprehend a criminal.

Usually, there are *negative costs* (sacrifices) associated with acquiring *positive validation* signals (positive because they are valued by employers), such as studying long hours, writing lengthy dissertations, enduring physical hardships, paying high tuition costs, spending time away from recreational pursuits, enduring separation from family, logging years of on-the-job training, etc. High negative costs communicate significant information about an employee's skills,

knowledge, and behavior. Credentials received at low or no cost, however, communicate very little about the productive capabilities of an individual. Significant negative costs are therefore necessary to provide value to a credential.

Developing talent through degree and certification processes is vitally important to the Officer Corps because lives hang in the balance. Credentials help the Army build its talent inventory, signaling which officers possess capabilities in which areas. This allows the Army to rapidly respond to crises and reveals talent gaps that must be filled via changes to its accessions or developmental systems.

Signal theory has important implications for every officer as well. Within the Army, the value of each signal (running the gamut from a graduate degree, to airborne wings, to a language proficiency test score) is generally understood, and the incentives to obtain them are clear and useful. In fact, the “loudest” signals in the Army (i.e., its most valued credentials) drive the self-development efforts of its people and say much about its overall culture.

For example, in less than a decade, graduate school opportunities for Army officers dwindled from more than 7,000 slots per year in the mid-1980s to fewer than 400 a year by the early 1990s.¹⁸ The message to the Officer Corps (sent well before the current conflict began) was clear—continuing education is less important to your profession. In any organization, deemphasizing educational credentials forces those who value education to seek it elsewhere and can only foster an anti-intellectual culture, twin developments that fly in the face of today’s talent requirements.¹⁹ Going forward, the Army must continuously evaluate whether the signals it values are truly incentivizing officers to develop the talent it needs.

ESTABLISHING A TALENT FRAMEWORK GROUNDED IN HUMAN CAPITAL THEORY

To apply these theories practically, and to ensure it continues to develop the talent it needs, the Army should consider changes to its officer evaluation and education systems, as well as to policies with counterproductive signaling implications.

Framework for Evaluating Talent.

In a world that increasingly acknowledges the criticality of ability, learning style, and behavioral screening to create effective developmental programs today, the Army stands oddly apart. While it has implemented screening measures in the past, its emphasis upon them has waned over the years. The last vestige of such screening was the Officer Selection Battery (OSB), which was discontinued in 1996.²⁰

The Army still requires officers to possess college degrees, and because it does not dictate areas of study, the degrees obtained by each individual could form the basis of a diligent screening effort. The Army does not use this information, however, nor are individual learning styles and behaviors considered. Instead, after commissioning and throughout their careers, each officer is viewed as being made of the same clay. Through force of culture, tradition, and training, the U.S. Army will form them into the type of officer it needs – an interchangeable one.

Evidence for this one-size-fits-all industrial-era approach can be found in the Officer Evaluation Report (OER). The Army has been evaluating officers with annual reports since the 1920s. Its current report

form (DA Form 67-9) records administrative data, duty description, performance evaluation based on professionalism metrics, rater comments, senior rater comments, a forced distribution rating for field grade officers and above, and a listing of “best fit” future assignments.

One obvious shortfall of this evaluation format is that each officer is assessed against an identical framework of skills, knowledge, and behaviors. While we would be first to argue that commissioned service requires non-negotiable core attributes, particularly in the realm of behavior, should an engineer platoon leader be assessed against the exact same measures as an infantry brigade commander? Evaluating these officers, who should have very disparate performance and potential, against the same generic criteria reduces the Army’s ability to understand how current performance best translates into future talent matches.

Additionally, the current evaluation form compares an officer to the peers within his or her unit via “forced distribution.” Rules for the forced distribution have changed over the years, but they currently preclude senior raters from designating more than 50 percent of officers “above center of mass” (ACOM) for any rank at any point in time. A negative consequence of these rules is that for every ACOM rating, another officer receives a “center of mass” (COM) or “below center of mass” (BCOM) rating. This can be interpreted as being in the bottom half of the performance distribution— not a generally welcomed position. Moreover, it does not give promotion boards information as to *where* an officer ranks in the top or bottom half of the distribution.

There are better ways to convey information about relative performance to both the officer and to selection boards, specifically by establishing

equilibrium between positive and negative incentives. As a hypothetical example, consider the difference between today's *bi-modal* OER distribution (where an officer is either above or below a single performance threshold), and a *tri-modal* distribution, stratified into three segments. Each would have a forced rating percentage based upon unit density/type, or perhaps annual promotion rate targets.

Let us say, for example, that the Army wanted to promote 10 percent of an officer cohort early ("below" the zone), 70 percent on time (the "primary" zone), and cull 20 percent. It could prescribe performance ratios of 20 percent ACOM, 60 percent COM, and 20 percent BCOM. Those receiving ACOMs would be considered for early selection, those receiving COMs would be promoted on time, and those receiving BCOMs would be put on notice that they may not be promoted at all.

Such an approach could restore confidence in more than 80 percent of officers and provide a clear mechanism for the Army to cull talent mismatches from its ranks. It could also allow the Army to focus on its BCOM population, to see if changing their career fields might get them in "equilibrium" elsewhere and make them optimal performers. Allowing ACOM-COM-BCOM percentages to shift based upon unit requirements could also introduce the flexibility needed to account for low density Army organizations, such as Ranger battalions or prime power outfits.

Another challenge is that, despite below-the-zone promotion rates occasionally reaching 6 or 7 percent, officer promotions are tied exclusively to time in grade, not talent. This is surprising in view of the three principle purposes of commissioned rank:

1. To provide authorities consistent with an officer's duties and responsibilities;

2. To signal that authority to others; and,
3. *To signal the talent of the officer – the productive outcomes that they should be capable of delivering.*

If talent truly informed promotion policy, officers would be assigned to positions based upon talent match, not rank or time in grade, and *then* furnished with the appropriate rank. OERs received under such conditions could then serve not just as evaluative tools but also as professional *certifications*, validating the capabilities of the officer just as other credentials do. This approach would make the OER far more useful to future development and employment decisions.

In past conflicts, the Army has demonstrated greater talent matching flexibility. Witness the relief of Bastogne, Belgium during World War II by a new lieutenant colonel named Creighton Abrams, an officer who just 2 years before was a captain and regimental adjutant. There was no dearth of lieutenant colonels in the Army in 1944, but the 37th Tank Battalion needed a commander with Abrams' particular talents, and he was given the job. As General George Patton said of Abrams, "I'm supposed to be the best tank commander in the Army, but I have one peer: Abe Abrams. He's the world champion."²¹ In early 1945, Abrams was promoted to colonel so he would have the authority commensurate with leadership of Combat Command B, 4th Armored Division.

If young Captain Abrams was serving in Afghanistan today and if his commanders recognized his abilities to rapidly develop toward battalion and brigade command, they would be unable to afford him with those developmental opportunities. Conversely, if today's time-in-grade promotion requirements existed during World War II, Captain Abrams would have

perhaps gone down in history as the best regimental adjutant in the European Theater of Operations, and the cost of victory in American blood and treasure would likely have been higher.

Using Signals to Discern, not Divide.

Earlier in our discussion, we emphasized how valuable signals can be as talent development incentives. They can also help the Army to discern the particular talents in its officer inventory. Spence, however, also notes the potential harm that signals can cause, particularly if they become status symbols. It is one thing for an individual to earn a certification and have it displayed in a file, yet quite another to wear the credential on their person every day. Such practices can actually create barriers to teamwork behavior (frequent, accurate, timely, relevant, problem solving communication). It can create cliques, a sense of entitlement, and skewed notions of “who belongs” and how valuable they are.²²

Work attire usually combines three elements—*functionality* (comfort, safety, suitability to the work), *internal signaling* (clarifying work roles within the workforce), and *external marketing* (creating a positive perception with the public or other key constituencies). Highly successful organizations consider all three very closely. Southwest Airlines, for example, which is noted for the excellent teamwork behavior of its employees, has uniforms that distinguish flight crews from flight attendants, baggage handlers, operations, and gate personnel, shaped by functional or marketing imperatives. Within each of those groups, however, uniform distinctions between supervisors and other personnel are minimized, reducing barriers

to teamwork and creating relationships based upon talent, not hierarchy.

W. L. Gore and Associates (producers of Gore-Tex) is another highly successful company that understands the ways in which work attire can create or disrupt teamwork behavior. Repeatedly identified by Fortune Magazine as one of the 100 best U.S. companies to work for, it is famous for its unique culture, one where everyone dresses identically, shares the title of “associate,” and where “leaders” have replaced “bosses.”²³

We are not suggesting that the Army behave as Southwest or W. L. Gore do, but that it should apply signal theory with the same care. In the Army’s case, officers prominently display airborne, air assault, ranger, sapper, pathfinder, and other certifications on their uniforms. This can cause an undue focus on status and also foster misinterpretation for several reasons.

First, people often associate their own accomplishments with “absolute” success. They may surround themselves with others who they deem successful because they possess comparable certifications. Such biases result in thinking such as: I need someone to negotiate with a local sheik, they need to be as hard charging as I am, and I have a Pathfinder badge. Therefore, I need someone with a Pathfinder badge. Unfortunately, completion of Pathfinder school has little to do with negotiating with a sheik. There is nothing unconventional about this outcome, however. As Spence points out, such behavior is natural, albeit unproductive.²⁴

Another cause of misinterpretation stems from outdated signals. For example, most officers wearing airborne wings earned them while cadets or shortly

after commissioning. As a result, most are not on jump status, have never been on jump status, and have never been assigned to an airborne unit. Even if they are one day assigned to such a unit, they will need to retrain/recertify before being placed on jump status. The Army's culture dictates that these officers, however, wear their airborne wings each day, even though the credential no longer signals any real ability to safely jump from a plane.

In essence, the certification itself (how to participate in an airborne operation) is less valued within the Army culture than the signal (airborne wings) is. This can cause individuals to seek certifications even when they have no real interest in the development it represents. They obtain the credential simply to ensure professional advancement, rather than to extend their talent set. Perhaps evidence for this mind-set is that when fielded in 2005, the Army Combat Uniform (ACU) was meant to display rank, name, and unit affiliation, with "optional" wear of combat/special skill badges. Today, however, it is rare to find an officer who feels there is anything optional about wearing skill badges.

To be clear—in no way are we recommending removal of certification badges from Army blue or dress uniforms, in particular because these uniforms are not worn in daily work settings. Unlike the ACU, these uniforms also serve a very important *external communications* function. This is why awards are also worn on the blue/dress uniforms and not ACUs—in formal settings, the Army *wants* the public to recognize its Medal of Honor and Silver Star winners, its wounded warriors, etc. The Army rightfully values its heritage, traditions, and the sacrifices of its Soldiers, and as active and retired military professionals, we do as well.

A cutting edge talent management system, however, should create a culture in which the most powerful certifications, the ones most valued, signal the talent needed to succeed in our times. Instead of thoughts such as, look at her, she's been to airborne school, air assault school, aviation school—what a great leader she must be, the Army should create a culture in which officer assessments are more along the lines of: look at her, that officer knows how to think, works hard, takes care of Soldiers, and is a leader of character—what a great leader she is.

The Importance of Continuing Education.

Most formal training focuses on well-defined tasks, conditions, and standards. This teaches people how to respond to things that are familiar or can be anticipated. Adaptability, however, requires developmental programs that put people in unfamiliar situations and require them to figure things out. Continuing higher education is a proven way to develop such adaptability.

Consider that for decades, agriculture and farming experienced little technological change: seasons, fertilizers, equipment, and livestock remained relatively unchanged, and farmers achieved optimal outcomes by making minor adjustments over time. There was little need for formal education—routine practice and training were sufficient. However, all this changed when technology revolutionized the farming industry in the early 1980s. Studies have shown that farmers with formal educations were far more likely to rapidly assimilate and apply these new technologies to their agricultural operations.²⁵

The work of Jean Piaget, an early 20th century scholar and father of genetic epistemology, helps explain why formal education is so important to inculcating mental agility and adaptability. He divided the development of knowledge into three stages: *schema*, *adaptation*, and *equilibrium*.²⁶ Like Gardner, Piaget acknowledged that even babies have native skills that enable them to grab a rattle and thrust it in their mouth—a schema. The second stage, adaptation, has two components: assimilation and accommodation. When the baby comes across a new object, such as the TV remote, he assimilates the new object into the old schema and shoves it into his mouth as well. But when the infant comes across the vacuum cleaner, the “grab and thrust” schema fails because the item cannot be grabbed and shoved into his mouth. Therefore, the baby must accommodate the new object with a new schema—slap and drool. Through the process of adaptation, humans eventually reach equilibrium. This ideal state strikes a comfortable balance between the mind and the environment.

Piaget’s framework of schema, adaptation, and equilibrium extends well beyond infant development. It is a process applied throughout our lifetimes. Even the Nobel Laureates cited in this monograph demonstrate this—they earned the award for bumping into new challenges, studying them, and developing new schema to explain them.

To create conditions allowing more officers to continue their educations, the Army must reorder its priorities in this area and act accordingly. If greater continuing education opportunities are created, THS numbers may need to increase, establishing a talent overhead that gives the Army time and space to create leaders who can succeed across the spectrum of tactical to strategic challenges.

CONCLUSION

To maintain the Army's excellence as a developmental organization, vigilance is required, as well as a strategy rooted in sound theory. In particular, because much of the Army's developmental opportunities revolve around on-the-job training, a close relationship between its talent *development* and *employment* strategies is crucial. Successfully synchronizing the two will also yield greater success in *accessing* and *retaining* officer talent.

As we have seen, Becker, Schultz, Spencer, Bowles, and other pioneers in the human capital field have provided a ready foundation for the creation of a comprehensive and forward-looking officer development strategy. Their work helps us to understand the criticality of continuing education, genuinely useful evaluations, and properly valued signals to the creation of an outstanding developmental climate. They also make clear that each individual is unique, and that to maximize their development, the Army needs as many career paths as it has officers. In this way, the Army can both deepen and broaden its overall talent distribution, mitigating risk in an increasingly uncertain and rapidly changing operating environment.

To reap the full benefit of current and future developmental efforts, the Army must begin to capture information on the multitude of talents that its officers possess. The uniqueness of each individual demands a new paradigm that moves beyond skill identifiers and career fields. Instead, the Army needs a mechanism to track talent development over time, gauging both its breadth and depth. Only then will it be able to

effectively *employ* talent, the subject of the next and final monograph in this series.

ENDNOTES

1. *Advertising Age* ranked it as the second most successful slogan/jingle of the last century, eclipsed only by McDonalds' "You deserve a break today." Available from adage.com/century/jingles.html.

2. See Vol. 2 in this monograph series, Casey Wardynski, David Lyle, and Michael Colarusso, *Talent: Implications for a U.S. Army Officer Corps Strategy*, Carlisle, PA: Strategic Studies Institute, U.S. Army War College, November 2009, p. 5.

3. The unique nature of each person's talent set requires a paradigm that extends well beyond the Army's use of skill identifiers and career fields. Developmental efforts must support a situation where there are as many unique career paths as there are evolving skill requirements.

4. General Martin Dempsey, Commanding General, TRADOC, "Erosion of TRADOC's Core Competencies and Functions," Memorandum for General George Casey, Chief of Staff of the Army, February 16, 2010, as reported by Nancy A Youssef for McClatchy Newspapers, March 3, 2010, available from www.mcclatchydc.com/2010/03/03/89799/general-sounds-alarm-on-us-army.html.

5. For data supporting this conclusion, see Vol. 3 in this monograph series, Casey Wardynski, David Lyle, and Michael Colarusso, *Toward a U.S. Army Officer Corps Strategy for Success: Retaining Talent*, Carlisle, PA: Strategic Studies Institute, U.S. Army War College, January 2010, p. 6.

6. To illustrate this point, we use an infantry officer's progression through key and developmental positions.

7. Source: *2010 U.S. Army War College Course Catalog*, available from www.carlisle.army.mil/USAWC/Registrar/pdf/catalogue.pdf.

8. Failing to provide developmental opportunities for these nonoperational requirements that dominate senior leader assignments puts an additional premium on accessing the right talent who may have a proclivity for quick learning in these areas.

9. Targeted executive-level education is one way to rectify this, as is matching executive credentials against enterprise talent requirements. Large, complex enterprises are devoting increasing time and resources to the specialized development of senior leaders. Examples include GE's Welch Leadership Center or the Wharton School's Center for Leadership and Change Management.

10. See Gary Becker, *Human Capital*, Third Ed., Chicago, IL: University of Chicago Press, 1993.

11. For a comprehensive overview of Gardner's work, see his "Multiple Intelligences after Twenty Years," a paper presented at the American Educational Research Association, Chicago, IL, April 21, 2003.

12. Howard Gardner, *Frames of Mind: The Theory of Multiple Intelligences*, 20th Anniversary Ed., New York: Basic Books, 2004.

13. Theodore W. Schultz, "Investments in Human Capital," *American Economic Review*, Vol. 51, No. 1 (Mar., 1961), pp. 1-17.

14. Theodore W. Schultz, "The Value of the Ability to Deal with Disequilibria," *Journal of Economic Literature*, Vol. 13, No. 3, September 1975, pp. 827-846.

15. Isaac N. Arnold, *The Life of Abraham Lincoln*, 4th Ed., New York: Bison Books, 1994, p. 300.

16. Samuel Bowles, Herbert Gintis, Melissa Osborne, "The Determinants of Earnings: A Behavioral Approach," *Journal of Economic Literature*, Vol. 39, No. 4, December 2001, p. 1140.

17. Michael Spence, "Job Market Signaling," *The Quarterly Journal of Economics*, Vol. 87, No. 3, August 1973, pp. 355-374

18. Fewer than 1 in 10 officers commissioned in the 1990s through 2005 can expect to receive a fully-funded graduate school program from the Army. Officer cohorts in this era ranged from 4,000-6,000 per year, and each cohort had roughly 400 fully funded graduate school billets available.

19. For an interesting discussion of this anti-intellectualism, see Major General (Ret.) Robert H. Scales, "Too Busy to Learn," *U.S. Naval Institute Proceedings*, February 2010, available from www.usni.org/magazines/proceedings/story.asp?STORY_ID=2195.

20. Telephone interview with Dr. Arthur Coumbe, Command Historian, U.S. Army Cadet Command, February 17, 2010.

21. Woodrow Wilson International Center for Scholars, available from www.wilsoncenter.org/coldwarfiles/index.cfm?fuseaction=people.details&thisunit=3&peopleid=99.

22. For a useful discussion of how and why people sort themselves into different groups, see Robert H. Frank, *Choosing the Right Pond: Human Behavior and the Quest for Status*. New York, Oxford University Press, 1985, pp. 8-12.

23. Wikipedia, available from en.wikipedia.org/wiki/W._L._Gore_and_Associates.

24. Spence, p. 360.

25. In many ways, what occurs in education is akin to what most experience when spending time in a different country with a foreign culture. Understanding the customs, behaviors, and points of views of others allows for an expanded world view. The more exercise that people get in expanding their world view, the easier it will be for them to adapt to new situations and figure things out.

26. C. George Boeree, "Jean Piaget and Cognitive Development," online publication, 2003, available from <http://webspace.ship.edu/cgboer/genpsypiaget.html>

U.S. ARMY WAR COLLEGE

**Major General Robert M. Williams
Commandant**

STRATEGIC STUDIES INSTITUTE

**Director
Professor Douglas C. Lovelace, Jr.**

**Director of Research
Dr. Antulio J. Echevarria II**

**Authors
Colonel Casey Wardynski
Major David S. Lyle
Lieutenant Colonel (Ret.) Michael J. Colarusso**

**Director of Publications
Dr. James G. Pierce**

**Publications Assistant
Ms. Rita A. Rummel**

**Composition
Mrs. Jennifer E. Nevil**