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Aligning the Stars

Improvements to General and
Flag Officer Management

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BACKGROUND

Members of Congress and senior members of the Department of Defense (DoD) worry that general and flag officers (G/FOs) change jobs too frequently and, consequently, do not spend enough time in an assignment to be as effective as they could be, develop the skills they need for subsequent assignments, or remain long enough to be accountable for their actions. Furthermore, these decisionmakers are concerned that the careers of the most-senior officers do not last long enough. For their part, the military services concern themselves with the flow of promotions through 10 officer ranks, O-1 through O-10.³ This flow, particularly for the more senior officers, was carefully crafted as part of the Defense Officer Personnel Management Act of 1980, and, whether or not the best policy, it has conditioned officer expectations for more than two decades. The concern is that lengthening the tenure of senior officers could clog the system, causing promotions to stagnate throughout the officer corps.

THIS STUDY

What, then, are the appropriate practices for assigning and developing G/FOs? If current practices change, what would the effect be? This study attempts to answer these questions. It does so by first developing an empirical picture of how the current system manages

³See, for example, the “Officer Flow Management Plan” in DoD (2000).

G/FOs, reviewing the literature about the private sector to determine how organizations in it manage their senior executives, and modeling different ways of managing the most-senior military officers. The modeling goal was to identify management approaches that addressed the concerns described above and identified the effects of implementing them.

WHAT THE CURRENT SYSTEM LOOKS LIKE

There are about 900 G/FOs in DoD. About 50 percent are O-7s, about 35 percent O-8s, and about 15 percent O-9s and O-10s. Although G/FOs have different career fields, this study focuses on the line category, the one directly associated with the conduct of warfare.⁴ Officers in this category typically command large combat formations in the services or serve as combatant commanders. Occasionally, a line officer will serve in another field, such as technical and support; conversely, with less frequency, those in other career fields may have line assignments.

Most G/FO assignments last less than 30 months. Officers who reach the highest rank typically have two assignments as an O-7 and one in each rank thereafter. Promotion tends to occur quickly. While officers spend three years as O-7s, they spend about two to two-and-a-half years as O-8s and two-and-a-half years as O-9s. Most O-10s retire with about 33–35 years of commissioned service, having served less than 10 years as a G/FO. Other G/FOs who retire have similar amounts of service because those promoted to O-10 typically have been advanced to O-7 at an earlier point in their careers than most new flag officers.

The key aspect of this study is the distinction between what we call “developing” jobs and “using” jobs. This distinction rests on the principle that work experience accumulates through a variety of

⁴Our sponsor asked us to focus on positions for line officers because they are the officers historically promoted to O-10. Based on the empirical data, we included in our analysis armor, infantry, and field artillery officers in the Army; unrestricted line officers in the Navy; pilots and navigators in the Air Force; and line officers in the Marine Corps. Once we had this subset of officers, we included in our analysis all the assignments that officers in these specialties had as G/FOs, which contained some assignments to technical, support, and, in a few instances, even professional positions.

manager and executive assignments that prepare the individual for increasingly demanding and complex jobs. Early assignments build functional skills, organizational knowledge, and personal insights. Later jobs tend to have more complex and ambiguous responsibilities that draw on the skills and knowledge developed in earlier assignments. Thus, some jobs develop an individual's skills, while others use skills previously developed. We conclude that using jobs should be longer than developing jobs, and our research into literature about the private sector supports this conclusion.

In devising different management approaches for flag officers, we assumed that all O-7 jobs are developing jobs and all O-10 jobs are using jobs. As for the jobs in the middle—those at O-8 and O-9—we assumed that the O-8 jobs that appeared frequently on O-9 or O-10 resumes and O-9 jobs that appeared frequently on O-10 resumes are developing jobs. Each service has a number of G/FO jobs that rarely show up on the resumes of O-9s or O-10s. We designate these as low-frequency jobs and not typical of those intended to develop officers for the most-senior assignments. We categorize these as using jobs at the O-8 and O-9 levels. We then identified the jobs at the O-8 and O-9 levels that are never filled by an officer promoted to O-10. These, too, become using jobs because they occur at the end of an officer's career. These rules were designed to be conservative in identifying using jobs because all G/FOs are eligible for promotion or a new assignment, so in theory anything short of Chairman of the Joint Chiefs of Staff could be considered a developing job.

The current system shows little connection between types of jobs and their duration. Assignment lengths in O-8 and O-9 jobs average from 20 to 26 months. Median assignment length of O-10 jobs ranges from 26 to 32 months. Although civilian counterparts tend to become CEOs at about the same age that O-10s get promoted, assignment tenure differs substantially. The average O-10 serves for three-and-a-half years, and almost 90 percent retire voluntarily before reaching age 60. CEOs serve for almost eight-and-a-half years, and less than a third depart before reaching 60; more than half retire in accordance with corporate policies.

MODELING NEW CAREER PATTERNS

The basis of the modeling analysis was a variation in the tenure between developing assignments and using assignments. Developing assignments were shorter than using ones. We used two independent models to explore different management approaches. Outputs included number promoted, promotion probability to each grade, probability of an O-7 reaching O-10, number of officers not promoted, average time in service, average time in grade for those promoted, average time in grade for those retiring, and average time in job.

The best approach that emerged was one in which developing assignments lasted two years and using assignments four because it met the criteria of maximizing stability and accountability without sacrificing promotion opportunity. In most cases, more officers get promoted to O-7 than under the current system. The number promoted to O-8 either equals or exceeds the current system, and the number promoted to O-9 increases for all services except the Army. Promotions to O-10 decrease for all services by about half because the length of time that officers serve as O-10s increases considerably. Average career length increases for all grades except O-7; however, O-7s will serve in assignments longer than they do today. Average assignment length increases for all pay grades in all services.⁵

CAVEATS AND CONCERNS

Although we believe that the research strongly supports the distinction between developing jobs and using jobs, it is important to note, for several reasons, that the categorization presented here is descriptive, not prescriptive. First, while we could observe how officers are developed today, it is not clear that this would be the best way to do it in the future. Second, causality is ambiguous: Do officers with cer-

⁵The average assignment length for O-7s will be 24 months, which is more than the current lengths, which range from 17 to 19.7 months. The average assignment length for O-10s will be 48 months, compared to the current average of 25.3 to 32.1 months. The average length of O-8 and O-9 assignments will depend upon the proportion of jobs that the services determine are developing and using. Our analysis indicates an increase in assignment length. In fact, average assignment length will increase even if only 10 percent of O-8 and O-9 assignments are longer using assignments.

tain experience get promoted, or do officers who have a greater chance of promotion get certain assignments? Finally, the services might not categorize jobs the same way we did.

Additionally, during the course of our research, several concerns were raised about repercussions from the proposed management change:

- **Retention.** While we heard concerns that officers would not be willing to serve longer time in service and in longer assignments, our interviews with serving and retired G/FOs suggest that retention will continue to be an individual issue; there will also be voluntary leavers and unexpected retirements, but retention of sufficient numbers of G/FOs should not be a problem. Analytically, we can also assert that if officers do not behave as predicted, the system may not achieve all the increases in stability and accountability—but it will look no worse than today’s system.
- **Flexibility.** We agree with assertions that the system must remain flexible and that an improved system should not be overly rule bound; performance and logic are more important.
- **Compensation.** Many of the senior officers we interviewed mentioned the compensation system; existing shortcomings of the compensation system will become even more evident if officers serve for longer careers.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

With a few exceptions—a chief of service, for example—the current system does not determine assignment length based on the inherent nature of the job or the way the job is used to develop officers. It should. Distinguishing between developing assignments and using assignments will mitigate the concerns of Congress and senior defense officials and do so without congesting the promotion system. The management changes suggested in this report could be implemented largely within the legislative authority of DoD. The Title 10 authority permitting 40-year careers for O-10s and 38 years

for O-9s coupled with a mandatory retirement age of 62 generally is sufficient. However, a change in law could give the services more flexibility to implement the management approach described here. Additional changes, such as to the compensation and retirement system, may also be warranted and would require new authority.

Recommendations

The services should categorize their G/FO positions as either using or developing and determine the desired tenure for each. They need to confirm that they are going to continue developing officers using the assignments that they have in the past.⁶ Furthermore, some using assignments may need to be shorter than four years, and some developing assignments longer than two. The optimum time in a job should vary by grade, community, and the inherent nature of the duty. Thus, in line with the analysis in this report, developing assignments would be shorter than using ones. In general, we recommend two years of developing and four years of using for line officers, subject to the review described above. Assignments outside the line community may be longer than those in it. Further, we recommend that officers have three developing jobs in their O-7 and O-8 years and one during their O-9 tenure.

This research suggests the implementation of a system that would increase the tenure of senior officers in assignments, which should foster greater stability and accountability. We recognize that any transition to a new system will encounter difficulties. However, we do not anticipate any retention problems. Our research indicates that retention will continue to be an individual issue conditioned by family concerns and other issues.

⁶Our research examines the effect of assigning groups of officers to particular positions for various durations to determine effects on promotion and career outcomes. Additional research is needed to examine assignments based on the developmental needs for individual officers to gain required competencies to fill key positions in the future.