1. Introduction

Background of the Study

A report accompanying the Senate authorization bill for FY 1993 provided Congress’ interest in reviewing officer career management:

The committee believes that this review is necessary because the officer corps will be the smallest in size since 1950. The committee believes that this smaller officer corps should be managed under rules that provide for less turnover and greater stability. Longer careers should be the rule rather than the exception and up-or-out features of DOPMA should be adjusted accordingly. Therefore, the review should include an evaluation of the regulation of flows into, within, and out of the officer corps. In this regard, the committee believes that this effort should be guided by the basic objective of satisfying the validated grade/skill requirements of each military service, including greater use of warrant officers. At the same time, the committee recognizes the need for stable career advancement patterns in each military service that encourage longer careers. The committee directs that this effort be completed in time for the committee to take appropriate action on it before the end of the defense transition period.\(^1\)

Antecedents of Current Officer Career Management

For the first 120 years of the nation’s history, the professional officer corps was very small. The majority of forces for each major conflict, including officers, were raised as needed from the citizen militia. After World War I, this began to change. For the first time, large numbers of officers were maintained in peacetime. The military stayed large after World War II and, after Korea, stabilized at nearly its peak strength of that war with an upward surge for Vietnam. The 1980s saw both boom and bust as the military first expanded to counter a perceived Soviet threat and then “downsized” to fit the post–Cold War realities.\(^2\)

Over a 200-year period, Congress has been intimately involved with the management of the officer corps by creating officer career management

\(^1\)(Senate Report \(102-352\), pp. 199–200.

\(^2\)Between 1979 and 1986, about 37,000 officers were added. Approximately 70,000 officers will be cut between 1986 and 1995.)
Until 1947, officer management legislation was separate for the Army and Navy and often inconsistent. The Army and Navy operated independently and had different officer career management philosophies. The Navy implemented in 1916 what amounted to an up-or-out promotion system, while the Army used a seniority system as a principle of officer management. After World War II, the newly created Department of Defense (DoD) assumed some of the prerogatives of officer career management from the War and Navy Departments. Other principles emerged as a basis of officer career management—uniformity and consistency—as the experiences of World War II and the ensuing threat of global conflict began to shape officer career management. The first militarywide personnel legislation was the Officer Personnel Act of 1947 (OPA), which began a process that eventually culminated with the Defense Officer Personnel Management Act of 1980 (DOPMA).

The OPA sought to correct problems in officer management that surfaced in the difficult transition from a small peacetime force in the 1930s to the huge wartime establishment of the 1940s. After World War II, Congress recognized that future conflicts—the world was then entering the uncertain nuclear age and the Cold War—would not allow the luxury of a slow, deliberate buildup of military forces. Accordingly, an officer management system had to be developed that would ensure a full complement of trained officers available on relatively short notice.

Emphasis shifted to a more vigorous officer corps by including the Navy’s up-or-out system. The new policy established standards for normal careers with voluntary retirement after 20 years of service and mandatory retirement below flag rank at 30 years. At the same time, a somewhat inconsistent policy emphasized retention of a large number of middle managers (predominantly field grade officers) to support expansion and mobilization. Subsequent legislation focused on controlling the number of senior officers (above the grade

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3 Most of the officer corps affected by such legislation is divided into two groups, generally referred to as company and field grade. The former refers to officers in the grades O-1 (lieutenants and ensigns) to O-3 (captains and Navy lieutenants). The latter refers to the grades O-4 (major and lieutenant commanders) to O-6 (colonels and Navy captains). Separate legislation affects the management of other officers such as flag/general officers and warrant officers.

4 In an up-or-out promotion system, nonselection is used as a basis for separation. In a seniority system, everyone judged qualified is advanced in strict order based on longevity of service.

5 Several other postwar adjustments to the defense establishment, such as the National Security Act of 1947 that established a separate Air Force, the creation of the DoD in 1949, and formalization of the Joint Chiefs of Staff, were initiated to create a better organization and management structure for national security.

6 Limits on voluntary early retirements were mandated in late 1953. However, the Officer Grade Limitation Act of 1954 removed the limits after the Congress was assured that the provision would be little used.

7 Youth and vigor were being emphasized, but the experienced and mature were continued as a perceived necessity.
of major/lieutenant commander) and on more standardization among the services.

In the ensuing years, officer requirements and the practice of officer management were influenced by two other developments of the early 1970s. First, the Total Force Policy, which began in 1970, stipulates that reserve forces are the primary augmentation for the active forces and mandates integrated use of all available personnel—active, reserve, civilian—in planning force structures. This policy meant that the standing military did not have to provide forces (and officers) for an immediate expansion because partial or full mobilization or augmentation for operational missions would be done with reserves. Additionally, civilians could be substituted for military officers in many positions, which reduces officer requirements. Second, the All-Volunteer Force, which began in 1973, made true volunteers the source of manpower, including officers, and had broad implications with respect to career commitment and societal representation. Recognition in the 1960s and 1970s that the officer personnel system needed major improvement to correct problems dealing with allowed numbers of active-duty officers in higher grades and with promotions led to several studies and proposals. However, no major changes in personnel legislation occurred until the DOPMA.

After years of debate, the Congress enacted the DOPMA on December 12, 1980. The new code further consolidated rules and regulations governing the careers of military officers and also updated constraints on the number of officers in the grades of O-4 to O-6 that each service might have as a percentage of its officer corps. Congress expected that DOPMA would “maintain a high-quality, numerically sufficient officer corps, provide career opportunity that would attract and retain the numbers of high-caliber officers needed, [and] provide reasonably consistent career opportunity among the services.”

DOPMA also provided a single promotion system to replace a complex system that allowed promotion via two different systems, and an all-regular career force through augmentation of reserve officers into regular status. However, DOPMA was basically an evolutionary document, extending the existing paradigm of personnel management that included up-or-out and uniformity across the services established after World War II. DOPMA was premised on stability and designed to balance retention rates with numbers of new accessions, promotions,

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8 Officers have always been predominantly volunteers, but during periods of conscription, some may have been draft-induced volunteers.


and the size of the officer corps in order to produce a consistent force profile of military experience and grades.

In retrospect, DOPMA was a better static description of the desired officer structure than a career management tool for officer management in periods of rapid change. In the early part of the 1980s, officer requirements grew and the officer corps in all of the services expanded in response. In 1986, Congress directed a reduction in officers, and after the fall of the Berlin Wall, significant cuts in officer requirements were made. DOPMA did not handily control the growth in the officer corps in the early part of the 1980s nor flexibly manage the reduction in force in the later part of the decade. To accomplish the needed post–Cold War force reductions, Congress provided flexibility in officer management, but, in so doing, major tenets of DOPMA dealing with career tenures and promotion expectations were voided.

The Department of Defense requested a number of policy changes to manage the drawdown in February 1990.11 The Congress obliged beginning with the FY 1991 National Defense Authorization Act by providing time-limited authorities to suspend certain changes in officer personnel management functions and programs. In succeeding years, Congress made additional changes and extended the initial temporary authorities.12 Collectively these temporary officer management changes amounted to transition policies designed to move officer management from a global conflict era to a smaller, post–Cold War posture.

The Current Study

As the Cold War ended and the Soviet empire collapsed, Congress recognized that once again the United States was entering an era of very different national security challenges. As it had in the late 1940s, it addressed itself to the officer corps. Substantial force reductions had already drawn the officer corps to its lowest level in decades and the current management system had not shown itself to be very flexible in making the transition. Thus, Congress was concerned about whether the current officer management systems would provide the type of officer corps needed to address the very different national security challenges of the post–Cold War period. To that end, it directed the Secretary of Defense to choose a federally funded research and development center (FFRDC) to review

12Temporary authorities include removal of tenure protections for career officers, greater use of early retirement procedures, and voluntary financial incentives for separation to include a 15-year retirement.
the officer management of the services. Revisiting many of the themes of traditional concern, Congress expressed interest in ensuring that the broad personnel policies attracted, trained, and retained officers with skills needed for the new security environment and that such officers were not lost before being able to make full professional contributions. Congress specifically asked for an evaluation of the regulation of flows into, within, and out of the officer corps. Enabling legislation requested review of (1) the timing and opportunities for officer promotions, (2) the expected lengths of officer careers, and (3) other features of the officer personnel management system under DOPMA; Congress granted the Secretary and the FFRDC considerable flexibility to investigate other aspects of officer management.

**Purpose of the Study**

The Secretary of Defense selected the National Defense Research Institute (NDRI) to conduct the study. Preliminary research revealed a rich array of officer management issues that warranted attention within the framework specified by Congress, far more than the study group could consider, or consider in depth, in the time available. Thus, the group restricted its focus to active-duty commissioned officers of the four services between the ranks of O-1 and O-6. Nor would the study directly address the important issues of compensation and retirement. Compensation and retirement are vital to the overall development of any career management system. The DoD is sponsoring separate research on these issues, and integration must occur in the final design of a career management system.

The study has a number of specific purposes. Most broadly, the study reviews the officer personnel management systems of the four services with an eye to determining their capability to deal with the national security issues of the post–Cold War world. As part of this review, it identifies how a number of factors including the post–Cold War drawdown and changing technology have affected future requirements for officers. Based on a comprehensive general personnel model, the study specifies and evaluates a number of alternative system designs, whose features include

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specific methods to regulate flows into, within, and out of the officer corps
rules that provide for less turnover and greater stability
stable career advancement patterns that encourage longer careers
longer careers as the rule rather than the exception; up-or-out features of DOPMA adjusted accordingly
greater use of lateral entry.

The study assesses the adequacy of those alternatives to meet the requirements for officers in the late 1990s and beyond. In that assessment, it addresses the specific concerns raised by Congress as to the effect of change on expected length of officer careers and on timing and opportunities for promotion. In this study, we do not recommend a single best approach to officer management, but we do provide an analysis of and conclusions about the many issues raised by Congress and the DoD. The overall research goal is to provide information that will assist policymakers in choosing from among alternative career management systems for officers.

Research Approach

Our approach to accomplishing this study involves a number of sequential steps. First, we define the overarching purpose of any officer career management system and the specific objectives that have to be accomplished to meet that purpose. We also identify a number of other important considerations that affect officer management. Because meeting the requirements for officers stands central to any career management system (a concept echoed in the congressional direction), we then develop a range of possible future officer requirements. We make no attempt to identify a precise requirement, but we identify a broad enough range to ensure the robustness of our analysis.

We then construct a general model of a career management system and analyze the effect of its various components on officer management. This model serves as the basis for the subsequent development of alternative career management systems. To develop the general model, we review the officer personnel management of the four military departments, several foreign militaries, comparable civilian organizations, and the career management practices of the private sector. This review ensures the practical applicability of the model, identifies missing components, and suggests criteria for evaluation.

We design alternative career management systems by varying the key personnel functions of accession, development, promotion, and transition. Finally, we
evaluate these career management alternatives according to criteria derived during our review and identify those aspects of officer career management that require special consideration in developing or modifying career management systems.

**Purpose and Objectives of Officer Career Management**

Central to our analysis and subsequent evaluation is determining the purpose of any officer management system. In the broadest sense, the primary purpose of officer management should be to provide officers able to discharge the national military strategy. That strategy has changed from a 45-year focus on “containment of the Soviet Union and its communist ideology” to “future threats to US interests . . . inherent in uncertainty and instability of a rapidly changing world.”16 Future officers will need the skills, knowledge, attitudes, and experiences to meet this challenge.

But purpose has other important dimensions. An officer management system must meet the needs of those who use officers (its “customers” in a sense). For the U.S. military, users represent a broad spectrum, including the unified commanders (CINCs), the military services, the joint and defense staff, and the various other defense and nondefense organizations that rely on career military officers for some of their staffing. The needs of these diverse organizations—described by grade, skill, and experience—can vary widely. Military officers are often used in organizations and settings beyond the traditional operational—or war-fighting—force. As a result, officers with abilities different from those needed in operational forces will also be needed.17 The customers of the career management system are no longer solely single service operational forces such as battalions, ships, and squadrons. Increasingly, the customers are in complex organizations far removed from the traditional tactical units or planning headquarters. These organizations mirror the complexity and diversity of the evolving national security environment. Military officers must be provided to meet these diverse needs.

Objectives define what a career management system must do to achieve its purpose. The following objectives for a future officer career management system seemed especially key in meeting the overall purpose:

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17Irving Casey makes the point that militaries and accession institutions traditionally inculcate heroic values that serve well in operational units at lower positions but not as well in large, complex organizational bureaucracies in which managerial values are more needed. Irving Casey, *Social Origins and Career Patterns of US Air Force Generals and Colonels*, The American University, 1967, pp. 8–14.
• Meet requirements for officers.
• Attract and develop officers.
• Foster careers.
• Provide flexibility.

These objectives blend traditional views about officer career management with current thinking about managing human resources. The first objective is very traditional: Meet officer requirements. The second objective is to have the best officer corps in terms of ability and experience from the perspective of its users. The third objective is to provide officers career satisfaction and opportunity in exchange for career commitment. The fourth objective recognizes that the management systems should have the ability to adapt to changes in the size and composition of officer requirements.

The four objectives support an officer management system’s ability to meet its purpose. The objectives also allow an impartial evaluation of alternative officer management systems. Each of these four objectives should be satisfied for an officer career management system to achieve its purpose. But other indicators deserve consideration when designing career management alternatives. An officer management system that accomplished its objectives at enormous cost or through discriminatory entry practices would not be desirable. These considerations are important additional dimensions of the overall evaluation because they allow us to differentiate among alternatives that achieve the overall purpose and objectives. Thus, potential consequences of each alternative from yet another perspective are identified, and decisionmakers can form their own assessment of whether these outcomes are desirable or not. Those we have identified as most important for this analysis are

18In 1976, Senator Nunn offered the following as criteria for judging DOPMA. “An acceptable officer management system should attract qualified, dedicated officers to military careers. It should also, through its promotion policies, provide enough, and only enough, officers to meet mission-based requirements in each of the officer grades. On the other hand, if unnecessarily high rates of active duty and retirement compensation, an over-high grade structure, and too many fringe benefits are offered to attract qualified officers, military manpower costs are driven upward without commensurate increases in defense capability.” Congressional Record, August 10, 1976, p. 26643.
• relative cost
• uniformity among military services and skill groups
• public confidence in the military as an institution
• number of officers entering, in, and leaving careers.

The first consideration, cost, is obvious. Although we do not estimate overall cost, we do identify relative expected differences in cost among the alternatives in response to different future requirements options. The second consideration—uniformity—reflects a long-term congressional interest in ensuring that the best management principles are applied across all of the services and skill groups. The third addresses the relationship between the nation and its military, especially its officers. It addresses the degree to which an alternative system affects reputation for competence, provides diversity in composition, and is compatible with normal societal expectations about careers. The amount of movement in, through, and out of the career management system is important because of its effect on accession institutions and organizations, on the reserve components, on opportunities to succeed in a career, and on turbulence and turnover. As a result, we measure the numbers of officers entering, moving through, and leaving a career system. A subsequent section provides additional detail about how we use the purpose, objectives, and other considerations in the evaluation process.

How This Document Is Organized

Sections 2 and 3 determine a range of future officer requirements, outlining in that process the key effects of the post–Cold War drawdown. Section 4 constructs a model of officer career management, and Section 5 reviews the personnel management of the four military departments, those of several foreign militaries and comparable civilian organizations, and some of the career practices of the private sector. Section 6 designs several alternative career management systems, and Section 7 describes how we apply the purpose, criteria, and other considerations of an officer career management system in the evaluation process. Section 8 evaluates those alternatives. The last section highlights the key issues of officer career management that require consideration in any revision or redesign of a system.