

Fighting for talent

on a global stage:

A five-point strategy to improve recruitment and retention

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In the face of a buoyant employment and a shrinking youth population that regards the world as its oyster, the ADF is engaged in a global war for talent.

The magnitude of the challenge is shown by recent official statistics. Last financial year, the Navy met only 73 per cent of its recruitment target (415 positions short, down from 86 per cent in 2003/04). The Army – which actually needs an extra 3000-odd troops for its current six full-time battalions – was 540 short, meeting 81 per cent of its target (down from 84 per cent). The Air Force did best, at 90 per cent of its target (62 short, down from 91 per cent). Overall separation rates have been in double-digits for years, except for a brief period about two years ago. Last year, the Air Force again did best, with a separation rate of 8 per cent, with the Navy and the Army at 12 per cent and 13 per cent respectively.

While it is pleasing to note the effort and imagination around the issue at the top of the Defence Organisation (the CDF recently designated recruitment and retention as the ADF's 'biggest strategic challenge'), the ADF's record in personnel reform is not encouraging. So many major studies and programs have been launched in great blazes of publicity in recent years – such as the Glenn Review (1998), The Posting Turbulence Review/Action Plan for People (1999-2002), the Officer Professional Effectiveness Review for the Army (1999-2000) and the Nunn Review (2001-2002), to mention just a few – and most sank with little trace. Not surprisingly, many wonder whether the latest review of Australian military recruitment and retention will suffer the same fate.

Our research shows that, given the right opportunities, the large majority of young officers and Other Ranks would be prepared to make a long-term commitment to service. Contemporary Service personnel want what they have always wanted: a good job, in a good career, with a fair rate of remuneration and a fair go for their families.

However, turning the personnel situation around is going to take more than just fine-tuning of existing programs. The goal posts may be the same but the playing field has shifted. The work is more demanding and the needs of families are more complex. Above all, the competition for talent is more

intense. All of this means that, if the ADF wants to hold its own in the global war for talent, it must embrace the need to do different things and to do things differently.

This article outlines a five-point strategy that will enable the ADF to do this.

#1: A new career paradigm

The first and most fundamental need is to bring ADF career structures into the modern era. Allied to this, the ADF must provide a career management system that treats the human asset with the care that such a substantial and fragile investment demands.

The ADF is trying to run an information-age organisation using an industrial-age approach to employment. Its current employment structure is too complex, too rigid, too sluggish, too stovepiped and too wedded to the notion that experience equals expertise. All of this is not just a hindrance to organisational performance and innovation but also a real turnoff for prospective recruits and ambitious serving members.

The Army's officer career development model is an example of where and why reform is needed. It was developed for a situation that applied a half-century ago – when the officer corps drew its junior officers from two major sources, Duntroon and Portsea; when the graduates of the latter knew from the start that their chance for advancement beyond lieutenant colonel were slim; when middle and senior level staff and policy work was comparatively simple; when the amount of public investment in early-career intellectual capital was modest; and when most families were of the 'single-income' type.

Although none of the above factors now holds, the model continues to be applied almost as if it were holy writ. Because it is essentially an up-or-out approach to career development, those who become 'non-competitive' in the middle of their careers (and the shape of the professional pyramid means that this is the majority) have few coherent and purposeful career options beyond that point. Not surprisingly, many

contemporary officers find this unacceptable and leave, most long before they actually face career crunch-time.

Let's be clear that we are not talking here about minor career restructuring simply to streamline existing career or employment streams. Advances in communications technology and shifts in community expectations about the nature of 'careers' and 'work' require a fundamentally different way of thinking about the composition of employment. There are huge dividends for employers who treat these as opportunities rather than problems.

Changes to ADF employment and career structures might involve concepts such as facilitating career transitions from and to operational ('green collar') to staff ('white-collar'), significant re-skilling in mid-career, greater opportunities for job flexibility for both women and men, extension of retirement age as a matter of routine, and serious use of the 'revolving door' between full time and reservist employment.

Other concepts have well-and-truly outlived their usefulness and must be ditched forthwith. For example, the Services must move on from the notion of 'an optimal separation rate', whereby separation rates of between 5 and 10 per cent are tolerated 'in order to maintain a healthy promotion rate'. The ADF needs every person it can get; and it must get used to thinking about its recruiting pool as including the internal, currently-serving population as well as those who are yet to join. There are ample opportunities for career satisfaction in a variety of professional fields within the ADF, enough to satisfy the requirements of even the most enthusiastic Generation-Y career hopper.

Career management is an allied issue. At all levels, a comparatively small number of well-intentioned career advisors manage a comparatively large number of highly trained professionals, in the face of high operational tempos and the structural deficiencies discussed above. This is not a good basis for looking after such a valuable asset.

A different approach to the notion of the 'military career' is fundamental to any long-term solution. Without flexible and fulfilling career opportunities across the total life-cycle, the rest of the package discussed below will be just loose rocks in the dam wall. And the converse is true: the right kind of career structures will provide solid foundation for the other strategic initiatives to work effectively.

#2: Strong and satisfying jobs

The second strategic need is to strengthen the day-to-day working environments in ships and units. Few things are more motivating and satisfying than to be a member of a cohesive team, engaged in a worthwhile purpose and led by competent and supportive people. Such an environment has always been important for capability but, of course, it also pays off in retention.

Although unit cohesion and supportive leadership is a traditional ADF strength, the institution cannot afford to rest on its laurels. The crucial element in creating positive work

environments is to ensure that extraneous administrative activities that distract junior officers and NCOs from their leadership task are minimised. The catch cry should be 'Let the Leaders Lead' and it is more important now than it ever has been.

#3: Improvements to career transition processes

The third strategic need is to improve the 'human touch' in the first and last experiences of Service life.

In terms of induction and early-career training, it cannot be stressed too strongly that 'first impressions count'. A new entrant's initial experience in the military institution must make them feel respected and welcomed as well as challenged. Not only is this important in terms of getting them to make a commitment to a Service career, but it also has a public-relations pay off. A new member's early reports of how they are being treated will be passed on to their immediate families and 'significant others' who, in turn, pass the news – either good or bad – on to others. All of this is part of the informal communication flow that determines the ADF's public reputation and its prospects of acquiring further recruits.

At the other end of the career experience, the old axiom that 'the best recruiting sergeant is a satisfied ex-soldier' holds true even more keenly today. Ex-members return to the community to tell the story of their experience, and the ADF's reputation depends in part on whether this story is favourable or bleak. And while it is inevitable that some members will leave because of career dissatisfaction, at the least the ADF must manage the exit or transition process so that ex-members' last impressions are not unfavourable.

#4: Focus on the true needs of families

The fourth strategic need is to focus on the true needs of families. 'Recruit the member, retain the family' is a US military slogan that is just as valid on this side of the Pacific. The challenge to deliver satisfactory support to families has never been greater, with the often-peripatetic Service family keenly aware of how the contemporary Service lifestyle affects opportunities for home ownership, children's education and partner career development. Responding to the challenge will demand much more than simply beefing-up existing services. In many ways, in fact, the family support issue leads us back to the first of our initiatives – career restructuring – and the effect on contemporary family life of inflexible and overly-complex employment practices, applied across a large number of locations, in conditions of high operational tempo. (This is another reason why employment structure reform must be the priority for action.)

#5: Genuine strategic leadership from those best placed to give it

All the above issues have been known for years. But, as a colleague despairingly observed to us recently, 'they always seem to wait until a personnel problem becomes a crisis before doing what is necessary to fix it'. So part of any program aimed at improving personnel outcomes must consider how it would be led – and above all managed – differently so that *this time* there can be genuine progress.

Therefore the fifth strategic need is to make the Service Chiefs directly accountable for leading the charge. As the 'Tribal Chiefs' of the military institution, they control the major rewards of promotions and postings. Only they have the institutional influence and the cultural clout to drive reform at the crucial middle levels where it often falters, and to ensure that organisational arrangements are in place to make it happen.

The era in which personnel management could be done by any officer after a day or so of handover-takeover is long gone. Not all personnel managers need appropriate professional skills and career development, but each Service needs at least a critical mass of such officers to provide leadership within the reform process, and continuity of thought and action by officers who are there for the duration.

In this respect, inter-Service snobbery should not prevent Navy and Army leaders from taking serious note of how personnel reform has been carried out in the RAAF. One of the reasons for its recent superior performance in recruitment and retention is that, for the best part of the last decade, the

RAAF's senior leadership has taken a serious interest in the performance of its personnel system. This has helped to ensure that many of the RAAF's personnel management priorities have been translated into action. Perhaps most importantly, the RAAF has ensured an appropriate consistency of leadership and skill within the personnel function. Recent DGPERS-AF incumbents and their direct subordinates have usually had previous experience in the personnel function. In contrast, the Navy's personnel functions have been headed by four different DG-level officers in the last six years and, in the Army's case, six in six years.

Conclusions

The challenge is considerable but it is well within the ADF's capabilities. The ADF can be an 'employer of choice' if it bolsters and plays to its strengths of leadership and 'concern for people', and if it is prepared to be more flexible and proactive in its thinking.

How the ADF responds to this challenge will be a major test of its corporate capability and its much-touted 'leadership culture'. The major issue is not so much whether the ADF has the skill to make all this happen, but whether it has the vision to see its opportunities as well as its problems, and the will and skill (especially at the strategic level) needed to drive true personnel reform. ♦

The authors have had a long association with the military institution, as researchers and consultants and (in the case of the first-named author) as an Army officer. They welcome discussion through info@sigmaconsultancy.com.



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