

# **IMPROVING JUNIOR-MID-LEVEL OFFICER RETENTION:**

## **The 7-Day Option Problem**

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## **EXECUTIVE SUMMARY**

This paper proposes a new approach for Air Force Personnel Command (AFPC) to reduce the number of officers electing the 7-Day Option (separation) during the assignment selection process using a greater variety of incentives, pairing of incentives with assignment offers determined to be undesirable, improved member feedback mechanisms, and a second round of matching. These recommendations represent the perspective of ten mid-to-senior level Captains from multiple Air Force Specialty Codes (AFSCs). The intention is to increase the morale and foster a feeling of agency among members with regard to their careers and personal lives. “Allowing service members more say in their career aspirations would create a more skilled military while improving satisfaction and retention” (Panetta and Talent 17).

## **BACKGROUND**

In 1991 the Air Force was facing a manning problem as the force drew down from the Cold War years into a peacetime service. Facing low retention numbers, it looked for ways to stay competitive with the rest of society. The “select and assign” process for re-assignment was seen as giving no voice to officers. Members only input in the system was a Form 90 “dream sheet” which was viewed as being largely ignored in the assignment process (Callander 65). To help remedy this situation the Air Force eventually made a radical change to what was called the Officer Volunteer Assignment System. This change allowed officers to find and volunteer for assignments they wanted (Callander 64). For the first time ever, officer preference began to take on a greater role alongside the needs of the Air Force and career development. Unfortunately a second order effect was immediately recognized. Hard-to-fill assignments became even more difficult to fill as there were often no volunteers. By giving too much choice to officers and not meeting the needs of the Air Force, the system doomed itself to fail, which it did over the next several years.

Realizing the problem with this approach and seeking a new solution, the Air Force ended up looking to the past. The eventual answer was to bring back a slightly modified version of the Cold-War-era assignment process, which is the system we know today (Panetta and Talent 9). The pendulum swing away from officer engagement went so far that the Air Force was considering doing away with the “7-Day Option” altogether (Callander 66). In under a decade the process had reached both ends of the assignment-input spectrum, never resting in a middle ground.

The end of the 1990’s saw another major change for the Air Force, the impact of which was not felt for many years. The Millennial generation began to enter military service. However,

unlike generations before it, Millennials (also known as Generation Y) do not view institutional loyalty as a high priority. Millennials focus on causes, not jobs; place a high value on maintaining good work/life balance; and only 20% see themselves staying in one job for an entire career (Tolbize 9). Millennials also tend to emphasize the importance of keeping constant feedback with their employers in regard to their career and future options (Tolbize 7). In short, they want to know that their voices are heard and matter.

A clash between this generation and the military system is inevitable and has already manifested itself. One of the biggest reasons that officers leave the Air Force is an inability to maintain a good work/life balance. They also leave due to high ops-tempo and constant deployments. Air Force manning and retention programs are not built for this generation, nor are they postured for an extended war-time tempo. Officers facing reassignment without an Active Duty Service Commitment (ADSC) are one of the fault lines on which this clash plays out.

The current Air Force reassignment process for officers is inflexible. It uses a big-picture vectoring tool, the Airman Development Plan (ADP), and senior rater inputs to match an officer to an assignment instead of an assignment to an officer. Once assigned, the officer must accept. The exception are those without ADSCs who are given seven days to decide to retire, if eligible, or separate from the military. The system is built solely in the interest of the needs of the Air Force. Individual considerations are given by exception, but they are largely secondary to career progression and development. Faced with these choices there are a growing number of officers who are leaving military service. Many would prefer to continue service, but are given no options compatible with their life situations. They are also unable to honestly communicate concerns with their Functional Team for consideration in the process. Each officer lost in this way costs the Air Force both in terms of replacement dollars and intangible talent and

experience. In an Air Force already crippled from manning and budget cuts, at war now for over a decade and a half, this loss is unacceptable. Already the Air Force is nearly 1,500 pilots short of its manning requirements (Dunford).

One of the main reasons the current system does not give adequate voice to officers is a culture of “Up or Out” which emphasizes career development, forcing members to hide personal considerations under layers of Air Force language as if they were wrong for having considerations beyond service before self. Aside from an impersonal ADP, the form must be institutionally validated and routed through one’s commander as if personal assignment preferences are only allowed as part of one’s performance feedback. In addition, there is a very real fear that expressing interests outside of a 20-year Air Force career plan will lead to negative impacts on assignments and opportunities. Too often commanders are a part of the cultural problem. Another weakness of the ADP is that it is only a one-way communication tool. There is rarely a feedback loop with the functional about assignments without serious effort from the officer. The current ADP is not the only driving force behind the “Up-or-Out” culture or poor functional communication, but it is certainly a perpetuating factor; which if changed, could be a positive first-step toward correcting our officer retention. “The military must be able to consistently acquire top talent...and to retain that talent amid a competitive employment marketplace, even if those individuals do not wish to progress toward command” (Bipartisan Policy Center 17).

Lastly, it is worth noting that our re-assignment system is not the only root cause of the officer retention problem. Too many factors leading to separation are systemic besides the war-time ops-tempo and general morale of the force. We do believe however that a better designed and managed assignment system would address some issues and alleviate the problem. This

paper will present a plan which addresses many of these issues with the system and offers relevant and actionable ways to improve upon it.

## **COURSE OF ACTION**

We have seen the Air Force swing between extremes of the assignment spectrum, each swing leading to an interruption of trust in the system or of the system itself. The plan presented in this paper attempts to find a middle path to provide more agency to members while empowering assignment functional teams with a greater range of options in their toolkit. Instead of scrapping the total architecture of the current assignment system, this plan instead intends to modify it into something able to better adapt to the needs of a modern Air Force.

We recommend a phased approach to the re-assignment process (Phase Zero through Phase Two). Phase Zero is primarily a phase for two-way communication, information-gathering, and the voluntary-fill of “hard-to-fill” assignments for the functional team. Phase One is a first-match attempt by the functional team. And Phase Two contains a final-attempt match for members.

Each assignment cycle will largely begin the same way they do now. Vulnerable Move Lists (VMLs), reclaims, requirements, and By Name Requests (BNRs) will remain as they currently do and on the same timelines. Our recommended changes to the process occur upon release of an AFSC Functional Team’s release of a respective cycle’s Personnel Requirements Display (PRD). Upon release, it will be made visible to eligible officers for that assignment cycle. While this is already done by some Functional Teams, it is not a required part of the process. This process marks the beginning of Phase Zero which is an information gathering stage.

Officers will be given two weeks from PRD release to rank their options as they wish via an Assignment Preference List (APL) form. This list is one of the most important pieces of the new system. Officers list the assignments in rank order, and can also provide additional information. They must indicate which assignments they are willing to take without incentives, which assignments they would only consider if offered an incentive, and which assignments they would reject under any circumstances. Members will also be given a list of possible incentives from which they choose what most appeals to them. Lastly, members will provide a brief explanation of career and personal considerations. The data gathered in the APL is not a commitment from the member, it is only a statement of intent used to inform the Functional in the process. Once complete, the APL is sent directly to the functional without any required supervisor coordination or command-chain oversight. This information is only between the member and the functional team. AFPC will foster and enforce a strict policy of confidentiality and non-attribution for the members regarding this data.

The Functional uses the officer inputs along with historical data regarding hard-to-fill assignments to identify which assignments during the cycle will likely be difficult to fill. Those assignments are then paired by the functional team with the most relevant incentives and then released to all officers in the VML. Officers are given a two week window to volunteer for these assignments. The intent of this stage is to eliminate as many hard-to-fill assignments from the assignment pool as possible before going to a non-voluntary round. Any assignments not filled will retain their incentives during later matching rounds.

Proposed incentives to be allocated by AFPC to Functional Teams:

Cash bonus – Very simple and used before; except in this case the bonus would be tied to the assignment and only contingent on an ADSC for the length of the tour. This would be

appropriated in a lump sum amount AFPC. AFPC would then allocate across functional teams based on the retention needs for various AFSCs. The functional teams would then project cycle requirements and set aside amounts for each cycle for that year.

Next assignment Base of Preference – Already in practice, free, and easy to implement.  
Specialized training – This will vary by AFSC. An example for this might be something advantageous to the member’s career but not necessarily to the gaining unit (i.e. SERE School, Space 200, Cyber 100, Combat Skills Training, Intelligence Collection Course, etc).

Incentive leave – Additional leave in addition to authorized leave could be applied to the member (possibly in the form of permissive TDY). This could be applied via a certain number of additional leave days to be used for the period of the tour. This would require legislative action to implement.

Time-in-service multiplier – This is a radically new idea. Basically, a member could be offered a 1.5 times multiplier for years in service acquired for the period of the tour. i.e. if a member takes a 3-year “hard-to-fill” assignment, they would earn 4.5 years time in service which would allow the member to retired 1.5 years early and retain 1.5 years additional time in service as it pertains to pay-grade. This would not affect promotion timelines or ADSC. It would be allocated to functional teams in a measure of number of years authorized to offer. This will require legislative action to implement although there is some legal precedent to note from the legacy TERA program.

Temporary increase in cap/matching on Thrift Savings Plan (TSP) contributions – A member would be able to contribute more or receive additional matching funds towards their retirement as a financial incentive. This incentive could last for all or part of an assignment. It would also require legislative action to implement.



Once the first phase is complete, a matching phase (Phase One) opens up. This phase is approximately 9 weeks in duration and largely resembles the current assignment system. Functionals use inputs from senior raters and the ADP as before, but they now have more direct member inputs and data from the APL to help better tailor assignments to officers' desires (professional and/or personal). After the assignments are posted, officers are given seven days to either accept or reject their assignment. If rejecting an assignment, an officer is given the opportunity to provide comments as to why the assignment was rejected, and will then have another opportunity to request specific assignments. After the seven days, the system rolls into Phase Two.

The final phase of the new assignment system gives Functionals a second chance to match any officers who rejected their assignment from Phase One with something more in line with their desires. The intent for this phase is for the Functional to work within the pool of rejected assignments to find more favorable matches. While this is the ideal, the small size of the remaining pool will often make it impossible. Because of this, another tool given to Functionals in this phase is the ability to request volunteers from already matched assignments to trade for one that was rejected. This is different from what is normally thought of in a trade system because it is Functional driven and no opportunities for directly working trades between members are given. Another Functional tool to assist in filling "must-fills" is the Hot Jobs listing already in use in many AFSCs. Posting to a broader pool of eligible officers increases the opportunity to find someone to fill the assignment. However, the Functional chooses to use their options, the second set of assignments are the final offers given to officers. Functionals will also be required to provide comments to the officer as to how this assignment was matched and why

this assignment was given. The only choices for the member after these assignments post are to accept or use the 7-Day Option and separate from the military just as in the current system.

Because of the added complexity, this system would add approximately seven weeks to an assignment cycle. With the already short time between cycles, this could require a transition from three assignment cycles to two per year. Currently, the summer cycle accounts for over half of the PCS's in a given year. Consolidation of the fall and spring cycles would give AFPC more time to accommodate the new system. It would also broaden the pool of officers and assignments, improving the odds of finding volunteers for hard-to-fill assignments, especially with the new incentives.

## **CONSTRAINTS AND DRAWBACKS**

Implementation of this course of action does have some drawbacks for consideration. Added complexity and to the assignment process, requiring more time and effort from AFPC to give more unique attention to members and personal situations is not easy. We assess it could require up to one additional AFPC officer billet per AFSC functional team to accommodate. Our proposed range of incentives such as cash bonuses will require appropriate funding (albeit cheaper than new accessions/training). In addition, incentive leave, time-in-service, and TSP incentives will require legislative changes and will require creative allocation practices across Functional Teams.

## **SECOND AND THIRD ORDER EFFECTS**

Implementation of this recommendation will bring attention to the financial footprint for hard-to-fill bases/locations. This could lead to a re-assessment of the mission-need for some assignments/bases. Also over time, long-term retention data could become skewed, reducing

effectiveness in matching incentives to assignment-offers. This will require a significant amount of diligence to ensure incentives continue to be utilized most efficiently.

In addition to assignment data challenges, this will also present unintended challenges for members as increased retention could lead to more competitive promotion boards, ultimately affecting morale. Implementation of bonus time-in-service could encourage slightly earlier retirements, causing difficulty filling Lieutenant Colonel billets. Incentive leave could lead to manning challenges if all members at a base have extra time off. All of these concerns will require close monitoring by the functional teams.

## **SUMMARY**

In this paper we have proposed multiple changes to the outdated assignment matching system which we assess will help to improve retention. These recommendations can be implemented either partially or in full depending on year-to-year budget, legal, or AFSC-specific considerations. The recommendations are intended to tackle what we assess to be one major root cause of the problem, which is officers feeling a lack of control and agency in navigating the career assignment system. In addition, these recommendations address generational gap concerns of morale drivers, and career/personal considerations. We assess that even if these proposed changes only marginally improve CGO retention, the aggregate savings would be exponential and the workforce would experience immeasurable morale improvement throughout the junior-to-mid level officer community.

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