

USAWC STRATEGY RESEARCH PROJECT

**REVISING ARMY NATIONAL GUARD OFFICER  
RETENTION BOARDS**

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The current Army National Guard policy calls for evaluation of every officer annually or biennially by means of an administrative board process (the Selective Retention Board) once they obtain 20 years toward a non-regular retirement. Additionally, current policy denies officers or warrant officers service past 20 years of Active Federal Service unless an exception is requested by the officer's chain of command and granted by the Assistant Secretary of the Army (M&RA). This strategy research project assesses the current validity of these policies, given the tremendous requirements for the Army National Guard in the War on Terror. The study contrasts the 20-year Active Federal Service policy with the active component's mandatory term of active service for officers and warrant officers. It also proposes slowing down the Selective Retention Board process to give Adjutants General more input. The project reviews policies of civilian corporations and compares the 20-year Active Federal Service policy with their related policies. Finally, revised policy regarding the continued service of reserve commissioned officers and warrant officers is recommended. These recommendations are crafted to ensure that the Army National Guard can meet future strategic obligations with qualified and appropriately retained quality senior leaders.



## **REVISING ARMY NATIONAL GUARD OFFICER RETENTION BOARDS**

The Army National Guard is a vital component in the execution of National Military Strategy. The Department of the Army relies heavily on the Army National Guard to perform its missions – both domestically and abroad. The Army National Guard is the community-based, globally projected component of America's joint warfighting team.<sup>1</sup> The oldest military component in America, the Army National Guard celebrated its 369<sup>th</sup> birthday on 13 December 2005.<sup>2</sup> This rich heritage anchored in the Massachusetts Bay Colony contributed to the first national efforts to secure freedom. This colonial militia provided the framework and platform on which the National Guard has flourished for over three-and-a-half centuries. Originally designed as the strategic reserve of the Army, the Army National Guard today has evolved into an expeditionary force, one that is critical to the Department of the Army for successful execution of its mission.<sup>3</sup> The Army National Guard currently provides 54% of the combat forces, 46% of the combat support forces, and 32% of the combat service support elements within the Department of the Army.<sup>4</sup> It is clear the Army could not function effectively without the efforts, manpower, and expertise provided by the Army National Guard.

The Army National Guard's transition from a strategic reserve role to one of an expeditionary force was effected primarily during the execution of the first Gulf War, Operations Desert Shield and Desert Storm. The Department of the Army then recognized the importance of Army National Guard assets and learned how critical they were to the warfight. Although Army National Guard combat forces were not significantly utilized in the first Gulf War, Guard combat support and combat service support units contributed critically to the warfight, providing vital assets in support of active duty combat units. America's War on Terror as defined by President Bush,<sup>5</sup> specifically Operations Enduring Freedom and Iraqi Freedom, have again affirmed the viability and need for Army National Guard combat forces. Their essential roles are highlighted in the current conversion of the Army National Guard's brigade combat teams to a modular design configuration which mirrors the active component configuration. This modular conversion is designed to provide the Department of the Army with the ability to deploy Guard brigade combat teams to "plug and play" with their active Army counterparts in future operations.

In short, the Department of the Army cannot accomplish its mission as specified in the National Military Strategy without the force structure of the Army National Guard.<sup>6</sup> This is clearly evident in the nation's conduct of the War on Terror.<sup>7</sup> The Army National Guard units provided to the force structure are led by senior officers and warrant officers who have proven qualities

and undying patriotism – a lineage going back to the patriotism of our forefathers in 1636.<sup>8</sup> These officers contribute critically to the continued effectiveness of the Army National Guard. This strategy research project analyzes the officer and warrant officer board process of the Army National Guard. It takes a critical look at the current board processes in several ways. First, the Selective Retention Board's role is analyzed as described in National Guard Regulation 635-102.<sup>9</sup> Second, the Active Federal Service Tour Continuation Board and Active Federal Service 20-year policy is discussed as detailed in National Guard Regulation 600-5.<sup>10</sup> Third, Army policies for retention of Guard officers are compared with related policies of two large corporations. Fourth, historical officer retention and strength data is analyzed. This strategy research project concludes with a recommendation for changes to the current Selective Retention Board and the 20-year Active Federal Service policy as they apply to Active Guard and Reserve officers/warrant officers.

The War on Terror has increased the operational tempo for all service components.<sup>11</sup> As a result the senior officer and warrant officer population within the Army National Guard has assumed greater responsibilities. The Department of the Army and the National Guard Bureau must reconsider our current policy with respect to the separation of senior officers and warrant officers, especially the 20-year Active Federal Service mandatory separation requirement. The country simply cannot afford to lose the expertise and commitment of these officers and warrant officers after only 20 years of service. We must identify a new way to leverage our senior expertise within the Army National Guard and allow our officers and warrant officers to continue to contribute their expertise and efforts to win the War on Terror and future contingencies.

Army National Guard officers play multiple roles within the Department of Defense. They must be capable of performing three distinct missions. First, they perform a federal mission responsible to the Department of Defense. Second, they perform a state mission at the behest of their governors. Lastly, they carry out a community mission – perhaps their most important day-to-day mission because they represent the strength of the Army National Guard as Citizen-Soldiers. In view of these diverse responsibilities, it is important for the Department of the Army and the National Guard Bureau to take a close look at the officer retention board process and its implications for the continued service of qualified senior officers and warrant officers within the Army National Guard.

This analysis focuses on two specific board processes: First, the Selective Retention Board, mandated by National Guard Regulation 635-102 (1988),<sup>12</sup> identifies the procedure for evaluating officers and warrant officers who have obtained 20 years of qualifying service for a non-regular retirement. Attainment of a non-regular retirement certifies that the officer or

warrant officer has served 20 successful years as a traditional Guardsman and is entitled to retirement pay at age 60. Second, the Active Federal Service Tour Continuation Board, mandated by NGR 600-5 (1990),<sup>13</sup> requires all Active Guard and Reserve officers and warrant officers in excess of 20 years Active Federal Service to be considered by a mandatory separation board. The traditional Guardsman population is evaluated by the Selective Retention Board while the Active Guard and Reserve population is evaluated by the Active Federal Service Tour Continuation Board. Additionally, Active Guard and Reserve personnel have been subjected to both board processes in the past based on the Active Guard and Reserve member's dual status as a part-time Guardsman and full-time Soldier. This has created a double jeopardy situation for the Active Guard and Reserve population.<sup>14</sup>

To improve this cumbersome process, Adjutants General in the 54 States and Territories must be granted the flexibility to manage and develop their force to meet current and future operational requirements. Several Adjutants General have expressed concern over this issue. The Adjutant General from North Carolina, MG William E. Ingram, Jr., has publicly stated that he wants to change the current policy because it does not allow him the flexibility to manage his senior leaders and build his staff in the most proficient manner. Additionally, MG Ingram feels the current process just does not pass the common sense test: It sends senior officers home with 20 years service and 20 years experience precisely when they are poised to continue their service and add value to their organizations.<sup>15</sup> A complete overhaul of both processes is in order – primarily because it is not sound business practice to separate officers and warrant officers today as they were in the past. The War on Terror has drastically increased the Guard's workload and requirements in most states and territories. So Adjutants General cannot afford to lose quality senior management from the traditional officer or Active Guard and Reserve ranks.

The following analysis of each board process shows how they are forcing Guard Soldiers into retirement. The Selective Retention Board (directed by NGR 635-102) is examined first, followed by a detailed analysis of the Active Federal Service Tour Continuation Board process and 20-year Active Federal Service policy (directed in NGR 600-5).

#### The Selective Retention Board Process (SRB)

National Guard Regulation 635-102 (1988) authorizes the Selective Retention Board process. This Board reviews all National Guard officers below the rank of general regardless of their full-time support capacity.<sup>16</sup> As a result, all Active Guard and Reserve Soldiers, technicians, and traditional Guardsmen are subject to this board. National Guard Regulation 635-102 identifies specific program goals:

A continuing program of selective retention is essential to provide for progression of qualified officers at proper intervals in their careers. The board goals of the ARNG program for selective retention are -- a) Ensuring that only the most capable officers are retained beyond 20 years of qualifying service for assignment to the comparatively few higher level command and staff positions; 2) Providing career incentives; 3) Ensuring an opportunity for advancement to the higher grades at the peak years of an officer's effectiveness.<sup>17</sup>

Each Guard officer is subject for consideration by the Selective Retention Board once they reach 20 years of qualifying service for a non-regular retirement. The cutoff for the consideration process is determined by the calendar year in which the officer or warrant officer obtains 20 years service: They are evaluated the following calendar year for the first time. After the initial board, the Adjutant General determines the frequency of subsequent boards as annually or biennially. There are specific provisions in the regulation pertaining to board composition and regulatory actions required by the board process. The G1 or personnel section within the State or Territory is responsible for oversight and administration of the SRB process. This annual/biennial process is conducted within the first six months of the calendar year as prescribed by National Guard Bureau, who has oversight of the process.<sup>18</sup> In addition to National Guard Regulation 635-102, National Guard Bureau publishes annual implementation guidance for the Selective Retention Board. This implementation guidance typically specifies report formats, timelines, and other concerns the National Guard Bureau may have with the administration and reporting process.<sup>19</sup>

As previously stated, the Selective Retention Board is designed to evaluate officers who have attained 20 years of qualifying service for a non-regular retirement. Significantly, selection for non-regular retirement applies to officers categorized as a "traditional Guardsman" under Title 32 of the US Code.<sup>20</sup> This category indicates the officer or warrant officer is a part-time member of the Army National Guard and typically performs inactive duty for training one weekend a month and performs an annual training period once a year, typically of 15 days duration.<sup>21</sup> Traditional Guardsmen serve on Title 32 status; they are by far the largest category reviewed by the Selective Retention Board. However, another category of officers are also subject to the Selective Retention Board process. Although National Guard Regulation 635-102 specifically states the Selective Retention Board process will be conducted independently from Active Guard and Reserve tour continuation boards,<sup>22</sup> Active Guard and Reserve officers are typically considered for a non-regular retirement by the Selective Retention Board after they have served 20 successful years. But some 20-year Guardsmen may not have met the 20-year Active Federal Service mark. This issue can be illustrated by an example of an officer or warrant officer who serves 10 years as a traditional Guardsman and then is hired into the Active

Guard and Reserve program. Under this scenario, 10 years into his Active Guard and Reserve service, he will have earned 20 years toward a non-regular retirement and be subject to the Selective Retention Board process. Since he is also an Active Guard and Reserve officer, he will be subject to the Active Federal Service Tour Continuation Process as well, in accord with National Guard Regulation 600-5. This places the officer or warrant officer in a situation where he faces both boards that seek to accomplish the same goal – to determine his eligibility for continued service in the National Guard. This issue of “double jeopardy” will be addressed below.

The Selective Retention Board process is manpower intensive; it can create a significant amount of additional work for the G1 or personnel section within a State or Territory.<sup>23</sup> Additionally, the current process is neither efficient nor effective. Most States start the process of gathering information for the board months in advance and continually monitor the process through completion of the board’s work. After the board completes its actions, disposition letters inform each officer of the results. Additionally, National Guard Bureau requires specific reports regarding the oversight of the Selective Retention Board process. Boarded officers typically receive a letter signed by the Adjutant General congratulating them on retention for continued service or congratulating them but warning them of continued service with marginal status. Otherwise, mandatorily retired officers are thanked for their service to the Army National Guard and sent into involuntary retirement.

The Selective Retention Board does serve a quality control function. It makes sense from a management perspective to thoroughly evaluate our senior officers and warrant officers for continued service – especially in view of the operational requirements of the War on Terror. The American public expects us to field and retain a quality force. While the basic tenets of the program are valid, specific changes are needed in the Selective Retention Board process to enhance its role and execution.

The operational tempo for the Army National Guard has reached new heights in the recent years due primarily to the War on Terror. This operational tempo will most likely not lessen in the foreseeable future; it will continue for an extended period of time.<sup>24</sup> Additionally, the Army National Guard is reorganizing its force structure to become a more modular force. Another significant issue on the horizon is the synchronization of Army National Guard forces within the Army Force Generation model. These changes will convert the Army National Guard into a force provider of 34 brigade combat teams organized identically as their active duty counterparts.<sup>25</sup> More importantly from an activation perspective, under the Army Force Generation model, brigade combat teams will deploy every six years into a combat zone. This

requirement will challenge Adjutants General in their attempts to stabilize senior management, since stable and continuous service of officers and warrant officers within the brigade combat team is critical for mission success. This is especially important during units' mobilization cycles. To address the operational tempo issue and adapt to the Army Force Generation model, Adjutants General must have the flexibility to fundamentally change the Selective Retention Board process.

In short, the Selective Retention Board must accommodate operational tempo. While not all States and Territories have to deal with the brigade combat team issue, all will have to deal with an increased operational tempo. There are several possible courses of action to deal with this problem. First, the National Guard Bureau could eliminate the requirement for the board. This would not solve the basic problem of officer evaluation however. Indeed it could produce a stagnant officer corps. Another possible action would be to keep the process in place as it currently is. But this is not a reasonable response because of the prima facie issue of eliminating many needed officers at the 20 year service mark. Perhaps the best course of action is to slow down the process of the Selective Retention Board by reducing the consideration pool each year by two-thirds or 66%. Further, officers assigned or pending assignment to a brigade combat team should be exempt from the Selective Retention Board process for stability purposes until the brigade combat team completes its deployment and initiates reset operations.<sup>26</sup> Accordingly, only the best qualified officers and warrant officers should be assigned in the brigade combat team force structure; proactive management by the Adjutants General and Chiefs of Staff would ensure such assignments. Effective selection of these officers would bolster the integrity and stability of those brigade combat teams. Then they could complete a mobilization rotation without concern for losing key senior members of the team during the deployment.

Therefore, National Guard Regulation 635-102 should be revised to substantially reduce the number of officers evaluated and to exempt those assigned to brigade combat teams. This would slow down the process. Officers should be subject to a board every three years, instead of annually or biennially as currently required by National Guard Regulation 635-102.<sup>27</sup> Further, States with brigade combat teams will exempt the eligible officers and warrant officers within those organizations until the brigade combat team completes its deployment. This change would provide the necessary stabilization period for the leadership of the brigade combat team to develop cohesively for the warfight. While this may appear to disadvantage other officers and warrant officers not assigned to brigade combat teams (since they will not enjoy an exempt status), from a warfighting perspective of being selected into a brigade combat team, officers

and warrant officers who meet the challenge have in effect already been screened and selected for retention. The organization also gains from the exemption because it helps stabilize the brigade combat team.

To establish a 66% reduction in the eligible pool each year, officers and warrant officers within the States and Territories would be designated a Selective Retention Board marker of A, B or C at the completion of their 17<sup>th</sup> year of service. This marker would identify an officer's Selective Retention Board year (unless they were exempt for brigade combat team assignment as discussed above). The entire pool of officers and warrant officers who reach their 17<sup>th</sup> year of total service would be broken down by functional area and further divided into thirds. Each group would receive a designator of A, B, or C. Those designations would correspond to the State's yearly boards. Functional area breakdown would ensure each functional area (e.g., IN, AR, MP) would be equally dispersed and evaluated in the board process. The only additional exception would be those officers who were designated as marginal by previous board results. Such officers would lose their marker status and be evaluated for selective retention annually. Table 1 below illustrates this process and demonstrates the reduction of the board population by 66% each year as a result of reducing the eligible pool to only 33% of the eligible force. Those officers currently past the 17 year mark for total service would simply be designated a marker (once again based on functional area):

Designate Marker by Functional Area	Year 2006	Year 2007	Year 2008	Year 2009	Year 2010	Year 2011
Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23
33% = A						
33% = B	"A"	"B"	"C"	"A"	"B"	"C"
33% = C						

\*\* BCT Officers and Warrant Officers exempt through deployment.

\*\* Marginally identified Officers and Warrant Officers lose their marker status and are boarded annually or biennially as directed by the Adjutant General.

TABLE 1

This process ensures every officer and warrant officer is boarded by the Selective Retention Board no later than year 20, some as early as year 18. Further, no officers would be

retired until they obtain 20 years of qualifying service. This provision does not detract from the intent of the current regulation. What are the advantages and disadvantages to this proposed change in the board process? One advantage is it allows the Adjutants General more flexibility in the board process by decreasing the pool of eligible officers. The Adjutants General may now concentrate on a smaller population and tailor their officers for specific deployment considerations. A second advantage is that the G1 or personnel section will have a less burdensome task each year, since this proposal would effectively reduce the pool by 66% of the current pool. A final advantage is that this proposal provides the Adjutants General with more flexibility when it comes to the "marginal selects" each year. Marginal selects identify officers who are conditionally retained due to specific Adjutant General criteria (i.e., they are on probation pending a subsequent board process). Typical reasons for marginal select status include failure to complete mandatory education requirements or failure to maintain weight standards. One disadvantage to this proposal lies simply in resistance to change the current system. Anytime change is proposed, there is a natural tendency for resistance within the organization. Another disadvantage would be the detailed accounting and tracking of all officers and warrant officers by year group and marker status.

Overall the advantages outweigh the disadvantages. The recommended changes would make the process more meaningful and manageable for the Adjutants General. The Adjutants General are primarily responsible to determine the effectiveness and viability for continued officer and warrant officer service. This proposal gives the Adjutants General increased flexibility to build forces within the State and provide stability, while continuing to preserve the spirit of National Guard Regulation 635-102.

Further, the Active Guard and Reserve population should be totally exempt from the Selective Retention Board process. Active Guard and Reserve officers will continue to be subject to the Active Federal Service Tour Continuation Boards process and other measures once they obtain 20 years of Active Federal Service. Recommendations on the Active Guard and Reserve positions are described below. Another reason for exempting the Active Guard and Reserve officers and warrant officers from the Selective Retention Board process is because these officers should be held to a more rigid board process and tougher standard than the traditional part-time Soldier. The Active Guard and Reserve program was designed to create a full-time force of highly qualified officers, warrant officers, and enlisted Soldiers to meet the full-time support requirements for the Army National Guard and enhance the States' ability to provide a quality force structure for mobilization.<sup>28</sup> The Adjutants General must be given the

flexibility to hold these officers and warrant officers to more stringent standards in view of their critical functions in the State force structure.

#### Active Federal Service Tour Continuation Boards and 20-Years Active Federal Service

While the Selective Retention Board is a critical tool for the States and the Adjutants General to sustain professional development and execute missions, the Active Federal Service Tour Continuation Board and the current 20-year Active Federal Service mandatory separation requirement are extremely important in addressing full-time cadre and sustainability issues. Active Guard and Reserve Soldiers in the Army National Guard are governed under the parameters of National Guard Regulation 600-5. The regulation is applicable to Title 32 officers only – not to Title 10 officers.<sup>29</sup> A detailed discussion of the difference of these designations follows.

Title 10 and Title 32 are two similar yet distinctly separate laws pertaining to active military service. Title 10, sec 12301d, USC applies to those officers, warrant officers, and enlisted personnel who are serving on active duty as part of the active Army. In addition, the National Guard Bureau is granted some Title 10 positions (about 40% of its force structure) to properly man the Bureau. Officers serving under Title 10 at National Guard Bureau are not counted against active duty end strength numbers set by Congressional authority. Title 32 Active Guard and Reserve Soldiers are also not considered part of the active duty force structure. They are controlled by Title 32, sec 502f, USC. This section of the U.S. Code authorizes a fulltime National Guard status to man the National Guard with a professional fulltime force in the States and Territories, as described above. Title 32 officers and warrant officers are considered “state controlled” and fall under the jurisdiction of the respective Adjutants General in each State and Territory. Whenever a unit is mobilized, the Title 32 Active Guard and Reserve Soldier must be converted to a Title 10 status just like their traditional Title 32 part-time members.

This analysis specifically addresses the Title 32 Active Guard and Reserve issue with respect to the Active Federal Service Tour Continuation Board and the mandatory separation of officers and warrant officers once they reach 20 years of Active Federal Service. The Title 10 Active Guard and Reserve program is administered by the National Guard Bureau. Title 10 functions and responsibilities are not overseen by the State Adjutants General as described above. This analysis specifically addresses the force providers in the States and describes how the mandatory 20-year Active Federal Service separation policy adversely affects the States’ ability to effectively manage their full-time force.

The Active Guard and Reserve program, Title 32, full-time National Guard Duty (FTNGD) is regulated by National Guard Regulation 600-5, published in 1990. The regulation describes overall policy for the administration of the Active Guard and Reserve program within the States and Territories. National Guard 600-5 defines its purpose as follows:

This regulation sets policy and procedures for management of the Active Guard/Reserve (AGR) Program in the Army National Guard. It provides National Guard Bureau policy and procedures for selection, utilization, career management, professional development, separation, and administration of Army National Guard (ARNG) soldiers serving on Full-Time National Guard Duty (FTNGD) under the provisions of section 502(f), title 32 United States Code, for the purpose of organizing, administering, recruiting, instructing, or training the ARNG.<sup>30</sup>

The key issues addressed in this paper reside in Chapter 5 (AGR continuation boards) and Chapter 6 (separations).<sup>31</sup> To summarize, Active Guard and Reserve officers and warrant officers must be evaluated for continued service by means of an Active Guard and Reserve Continuation Board during their third year of Active Guard and Reserve service and every five years thereafter.<sup>32</sup> These board reviews provide an evaluation of the Title 32 Active Guard and Reserve officer's service at the 3, 8, 13, and 18 year marks. In accordance with chapter 6 of National Guard Regulation 600-5, mandatory separation of Active Guard and Reserve officers is required when officers either 1) reach their mandatory removal date (MRD) or 2) complete 20 years of Active Federal Service for retirement.<sup>33</sup> Herein lies the problem with the system: Adjutants General, in observance of National Guard Regulation 600-5, are technically required to retire their senior Active Guard and Reserve officers and warrant officers when they have fulfilled 20 years of Active Federal Service.

There are provisions for the Adjutants General to request an exception to policy to retain senior Active Guard and Reserve officers past 20 years. Requests for exception must be endorsed by the National Guard Bureau and approved by the Assistant Secretary of the Army, Manpower and Reserve Affairs. Approved requests for extension are valid for two years. The spirit of the regulation suggests that requests for exception should be made only if the State has no other officer in the State capable of performing the duties of the incumbent officer. In reality, requests for exemptions have become no more than routine administrative tasks. Of the total number of requests for extensions submitted by all 54 States and Territories over the past 10 years, approximately 2% have been denied.<sup>34</sup> An approval rate of 98% equates to a rubber stamp. If this is the case, why are the Adjutants General required to submit these requests, go through the process, and waste valuable time? The Adjutants General should have more control over this process since they have in effect been given tacit control anyway, as the

percentage of approvals indicates. The 20-year Active Federal Service separation issue, as well as the Active Guard and Reserve tour continuation board process, should be handled at the Adjutant General level. Who else has a more clear understanding of what their full-time force structure should look like than the Adjutants General?

Accordingly, the following changes to the Title 32 Active Guard and Reserve management process are recommended: First, delegate the entire process to the Adjutants General for execution. Second, incorporate a separate management board for the Active Guard and Reserve population to ascertain that they have the requisite skills to serve in key full-time capacities. The frequency of these boards should be no less than every three years to maintain continuity and to ensure the States have credible, dedicated, and proficient officers and warrant officers serving in Title 32 Active Guard and Reserve positions. Due to the complexity and high operational tempo in the current environment, a change from five years to three years would ensure the National Guard maintains higher standards for its full-time support force. This is a key issue regarding readiness and relevancy. Third, separate the Active Guard and Reserve Board process totally from the Selective Retention Board process which evaluates the traditional part-time soldiers.

This may seem like a questionable change since it entails holding separate boards for officers within the same organization. Some may suggest this concept would provide special and preferential treatment for the full-time force. Another concern would be stagnation in the traditional part-time ranks if Active Guard and Reserve officers and warrant officers were retained past the 20 year mark. Yet such change would in fact strengthen the organization: Adjutants General should make it harder and more competitive for the full-time Title 32 Active Guard and Reserve personnel to remain in the system. These officers and warrant officers should represent the best and brightest the State has to offer. This change is not designed simply to retain Active Guard and Reserve officers and warrant officers simply because they want to continue to serve. Retention past the 20 year mark would only be justified by the Adjutant General when the organization needed the officer for continued success and proper execution of the War on Terror.

#### Summary

The Active Guard and Reserve Life Cycle Management process must be given to the Adjutants General in totality. Today's operational tempo and mission requirements demand that Adjutants General manage this process for success. The National Guard Bureau should not effectively tie the Adjutants General's hands with an outdated policy and meaningless

administrative requirements when it comes to fielding a senior level management team. The program should be managed by the Adjutants General until officers' mandatory removal date. This does not mean that all officers will make it to their mandatory removal date. The Adjutants General should have the authority to retire officers they believe should retire at the 20-year mark - or remove them sooner if warranted. Conversely, they should also have the authority to retain officers until their mandatory removal date if they want them to remain on their senior management team and the officers or warrant officers are productive members of the organization.

Retaining the current system of mandatory 20-year Active Federal Service retirement simply does not make sense from a best business practice perspective. Sound leadership and management principles demand a change in this area. No successful corporation in America manages its employees in this manner. A review of two of America's leading corporations clarifies this point.

#### Corporate Comparison

The corporate world clearly recognizes the importance of retaining quality senior personnel. The Army National Guard provides service to the citizens, State, and Nation. Corporations pursue profit. In both cases, however, it is clear that leadership must remain experienced and seasoned for continued success. No corporation would willingly require its middle or higher managers to depart from the company once they reached 20 years of service. To do so would ignore the best interests of the corporation and jeopardize profitability. That same concept holds true for the Army National Guard: It should not arbitrarily require that senior Active Guard and Reserve personnel depart the ranks once they obtain 20 years of Active Federal Service. Just as a policy of such magnitude would severely weaken any CEO's ability to effectively manage a corporation, it likewise weakens an Adjutant General's ability to accomplish the mission. A quick look at two major United States corporations provides an overview of their policies with respect to time in service for senior management.

United Parcel Service (UPS) is a world leader in parcel delivery. The company has risen to the world's fourth-largest employer through aggressive management and leadership.<sup>35</sup> It is a progressive, multi-national, U. S. based corporation with tremendous assets. The founder of UPS was Jim Casey, a hard-working man who believed in teamwork and dedication in the workplace. His most famous axiom was "Dedicated men, working together, cannot fail."<sup>36</sup> Mr. Casey's legacy lives on today within the company. The corporation still believes in dedicated employees and values the experience of their senior management team. United Parcel Service

has no set time of service at which its senior management must retire. There is no comparable Active Federal Service mandatory retirement. However, managers are offered the opportunity to retire at age 55 with full retirement benefits.<sup>37</sup> In many cases this means the individual will have 30+ years with the company. The author is a good example in this scenario. Before the author joined the North Carolina Army National Guard as an Active Guard and Reserve officer in 1989, he was a supervisor with UPS. Having joined UPS at the age of 21, he would have had 34 years with the company before he would have been offered retirement. In some cases, managers stay past age 55. The bottom line is UPS does not expunge itself of senior, key managers simply because they have obtained 20 years of service. A policy similar to the 20 year Active Federal Service rule at UPS would be counterproductive, destroying the lifeblood of the company and violating the legacy of Mr. Casey.

Another example of outstanding performance in the corporate world by a multi-national U. S. based corporation is McDonalds. This well known company, founded in 1955, was the creation of another visionary, Ray Kroc. Mr. Kroc understood the importance of quality leadership and leveraged that idea (along with a concept known as franchising) to grow McDonalds into the premier fast food giant it has become. McDonald's recently set a mandatory retirement age for its executives – at 73. Due to the recent death of its CEO in April 2004, Jim Cantalupo, McDonald's chose to waive the retirement age and brought back 74-year-old Andrew McKenna to temporarily lead the corporation.<sup>38</sup> The issue here is very clear – McDonalds does not purge themselves of management team members who have made the company successful. Once again, this corporation really has no policy analogous to the 20-year Active Federal Service rule. The fact that they set a mandatory retirement age and waived it shows the degree of flexibility the corporation uses for success. The corporate world, especially a company like McDonalds, understands that mandatory separation dates for employees can only damage the bottom line. Indeed employees required to leave the system could ultimately go to work for a rival corporation. This is another case where the mandatory policy of retirement at 20 years is not a quality concept.

These two examples provide a clear illustration of how corporate America does not adhere to policies similar to the 20-year Active Federal Service rule. To adopt such a policy would not be in the best interest of the corporation or the shareholder. While the Army National Guard is not in business for profit, it is in business to succeed. Success in the Army National Guard is measured by something much more important than quarterly earnings and profit. Success in the Army National Guard means it has safeguarded the citizens, the State, and the Nation from domestic and international threats. To do this effectively the Guard should retain

key leaders based on their quality and expertise. A policy of 20 years Active Federal Service and out does not make sense in this increasingly globally connected world – an operating environment in which the Army National Guard needs to retain the best and brightest to excel.

Recently, Secretary of Defense, Donald H. Rumsfeld conducted a town hall meeting in Balad, Iraq and addressed a similar issue concerning the mandatory retirement topic. A sergeant major asked him why active duty sergeants major and senior officers are required to retire after 30 years of Active Federal Service. Secretary Rumsfeld responded, “I think that’s ridiculous.”<sup>139</sup> The Secretary then went on to say he could not imagine people at the top of their game retiring when they were 38 or 40 or 45 or even 73. This was met with laughter because the Secretary is 73 years old. Secretary Rumsfeld’s comments affirm the main recommendations offered in this strategy research project: The Department of Defense must retain quality, high-performing personnel in leadership positions to remain an efficient and effective organization. A mandatory retirement date set at 20 years Active Federal Service is diametrically opposed to this proposition.

### Recommendations

Current guidelines for the Selective Retention Board process and the Active Federal Service Tour Continuation Board must be changed. First, the Adjutants General should be given complete control and authority over both processes. This may seem to encourage 54 different processes, but in reality it will stabilize the process at one critical level – the State or Territory Adjutant General. The Selective Retention Board for traditional officers and warrant officers and the Title 32 Active Guard and Reserve board process (currently the AFSTCB) should be separated. The Adjutant General should be authorized to board one-third of his/her traditional officers yearly and to exempt those serving in a brigade combat team with an impending deployment. The most critical change must come in the Title 32 Active Guard and Reserve area. Adjutants General must be allowed to manage and build their full-time senior leadership teams for success. We must abandon the policy of purging our officer ranks of quality officers and warrant officers just because they have reached 20 years of Active Federal Service. We must give the Active Guard and Reserve Life Cycle Management process to the Adjutants General and their respective Chiefs of Staff. The current processes as governed by NGR 635-102 (SRB) and NGR 600-5 (AGR Program) are antiquated and do not serve our country or the National Guard well in this era of the War on Terror. If the Army National Guard is to continue to serve the community, State, and Nation in the 21<sup>st</sup> century with a proficient and quality force, we must give the Adjutants General the flexibility to execute their missions with

quality leaders. The changes recommended in this strategy research project will position the Army National Guard well to accomplish that mission.

#### Endnotes

<sup>1</sup> Army National Guard Vision 2010, National Guard Bureau, 2005, 1.

<sup>2</sup> The Massachusetts Bay Colony organized America's first permanent militia regiments in 1636. Those units are among the oldest continuing lineage units in American military history.

<sup>3</sup> 2006 National Guard Posture Statement, CNGB Executive Summary, National Guard Bureau, 1.

<sup>4</sup> Army National Guard Vision 2010, National Guard Bureau, 2005, 3.

<sup>5</sup> George W. Bush, *National Strategy for Combating Terrorism* (Washington, D.C.: The White House, February 2003), 5.

<sup>6</sup> Gen Richard B. Myers, *National Military Strategy of the United States of America* (Washington, D.C.: The Pentagon, 2004), iii.

<sup>7</sup> 2006 National Guard Posture Statement, CNGB Executive Summary, National Guard Bureau, 1.

<sup>8</sup> Michael D. Doubler, *I am the Guard* (Washington, D.C.: U.S. Government Printing Office, 2001), 16.

<sup>9</sup> U. S. Department of the Army, *Officers and Warrant Officers Selective Retention*, National Guard Regulation 635-102 (Washington, D.C.: National Guard Bureau, 1 June 1998), 1-5.

<sup>10</sup> U.S. Department of the Army, *The Active Guard/Reserve (AGR) Program Title 32, Full-Time National Guard duty (FTNGD)*, National Guard Regulation 600-5 (Washington, D.C.: National Guard Bureau, 20 February 1990), 1-19.

<sup>11</sup> Army National Guard Vision 2010, National Guard Bureau, 2005, 4.

<sup>12</sup> U. S. Department of the Army, *Officers and Warrant Officers Selective Retention*, National Guard Regulation 635-102 (Washington, D.C.: National Guard Bureau, 1 June 1998), 1-5.

<sup>13</sup> U.S. Department of the Army, *The Active Guard/Reserve (AGR) Program Title 32, Full-Time National Guard duty (FTNGD)*, National Guard Regulation 600-5 (Washington, D.C.: National Guard Bureau, 20 February 1990), 1-19.

<sup>14</sup> Chief, National Guard Bureau, "Calendar Year 2006 (CY06) Officer and Warrant Officer Selective Retention Board (SRB) and Fiscal Year 2006 (FY06) Enlisted Qualitative Retention Board (QRB) (NGB-ARH Policy Memo #05-070)," memorandum to Adjutants General, Washington, D.C., 17 October 2005.

<sup>15</sup> MG William E. Ingram, Commander, North Carolina Army National Guard, personal interview by author, 30 November 2005 and telephonic interview on 18 December 2005, cited with permission of MG Ingram.

<sup>16</sup> U. S. Department of the Army, *Officers and Warrant Officers Selective Retention*, National Guard Regulation 635-102 (Washington, D.C.: National Guard Bureau, 1 June 1998), 1.

<sup>17</sup> *Ibid.*, 2.

<sup>18</sup> *Ibid.*

<sup>19</sup> Chief, National Guard Bureau, "Calendar Year 2006 (CY06) Officer and Warrant Officer Selective Retention Board (SRB) and Fiscal Year 2006 (FY06) Enlisted Qualitative Retention Board (QRB) (NGB-ARH Policy Memo #05-070)," memorandum to Adjutants General, Washington, D.C., 17 October 2005.

<sup>20</sup> United States Code, Title 32, sec. 502f.

<sup>21</sup> CRS Report for Congress, *Reserve Component Personnel Issues: Questions and Answers* (Washington, D.C.: The Library of Congress, January 2006), 2.

<sup>22</sup> U. S. Department of the Army, *Officers and Warrant Officers Selective Retention*, National Guard Regulation 635-102 (Washington, D.C.: National Guard Bureau, 1 June 1998), 2.

<sup>23</sup> Personal experience gained from assignment as a J1 for the North Carolina Army National Guard. While assigned as the J1, my G1 was tasked with Selective Retention Board execution and worked the process from January through June. The board requires a tremendous amount of follow-up action and one on one interaction with many officers and warrant officers to ensure packets are assimilated in the correct manner for board review.

<sup>24</sup> George W. Bush, *National Security Strategy of the United States of America* (Washington, D.C.: The White House, 17 September 2002), 4.

<sup>25</sup> COL Robin Swan and Mr. Jim Muhl, "Army Force Generation," briefing slides with commentary, Carlisle Barracks, U.S. Army War College, 10 November 2005.

<sup>26</sup> *Ibid.*

<sup>27</sup> U. S. Department of the Army, *Officers and Warrant Officers Selective Retention*, National Guard Regulation 635-102 (Washington, D.C.: National Guard Bureau, 1 June 1998), 2.

<sup>28</sup> U. S. Department of the Army, The Active Guard Reserve Program (AGR) Program, Army Regulation 135-18 (Washington, D.C.: U.S. Department of the Army, 1 November 2004), 2.

<sup>29</sup> U.S. Department of the Army, *The Active Guard/Reserve (AGR) Program Title 32, Full-Time National Guard duty (FTNGD)*, National Guard Regulation 600-5 (Washington, D.C.: National Guard Bureau, 20 February 1990), 1.

<sup>30</sup> *Ibid.*, 2.

<sup>31</sup> *Ibid.*, 13-19.

<sup>32</sup> *Ibid.*, 13.

<sup>33</sup> *Ibid.*, 16.

<sup>34</sup> Information obtained from National Guard Bureau personnel office, 9 January 2006.

<sup>35</sup> Douglas P. Shuit, "Where Paying Dues Delivers", May 2005, linked from Workforce Management Home Page , available from <http://www.workforce.com/section/09/feature/>; Internet; assessed 7 December 2005.

<sup>36</sup> Jim Casey, Founder of United Parcel Service in 1907. Mr. Casey's famous quote is inscribed in the UPS management handbook given to each employee once they enter the management ranks.

<sup>37</sup> Douglas P. Shuit, "Where Paying Dues Delivers", May 2005, linked from Workforce Management Home Page , available from <http://www.workforce.com/section/09/feature/>; Internet; assessed 7 December 2005.

<sup>38</sup> China Daily, "McDonald's CEO dies, successor named," available from [http://www.chinadaily.com.cn/english/doc/2004-04/20/content\\_324753.htm](http://www.chinadaily.com.cn/english/doc/2004-04/20/content_324753.htm); Internet; accessed 7 December 2005.

<sup>39</sup> U.S. Department of Defense News Transcript, "Secretary Rumsfeld COSCOM Town Hall Meeting in Balad, Iraq," available from <http://www.defenselink.mil/transcripts/2005/tr20050727-secdef3581.html>; Internet; accessed 8 December 2005.