



INSTITUTE FOR DEFENSE ANALYSES

**Total Force Mix
the ongoing challenge
(Conference Presentation)**

David R. Graham
Nancy M. Huff

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INSTITUTE FOR DEFENSE ANALYSES
4850 Mark Center Drive
Alexandria, Virginia 22311-1882



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About this Publication

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For More Information:

Nancy M. Huff, Sub-Project Leader
nhuff@ida.org, (703) 575-6334

David R. Graham, Project Leader
dgraham@ida.org, (703) 845-2358

ADM John C. Harvey, Jr., USN (Ret), Director, Strategy, Forces and Resources Division
jharvey@ida.org, (703) 575-4530

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Executive Summary

DoD spends most of its budget on a workforce of 3.7 million people, including Active and Reserve Servicemembers, government civilians, and service contractors. DoD has a reasonable policy for choosing between these workforce types to maximize efficiency subject to constraints on military essentiality and inherently governmental activities. The Institute for Defense Analyses (IDA) has done a substantial amount of research examining tradeoffs between alternate manpower types; the bulk of this presentation focuses on the tradeoffs between Active Duty military and government civilian personnel.

For repeated projects across multiple domains, IDA research has demonstrated large potential benefits from increased use of civilian personnel. However, despite a reasonable DoD policy requiring the use of government civilians, bad incentives remain that encourage the overuse of military personnel. Successful approaches to managing workforce mix must address these underlying incentives problems.



Total Force Mix

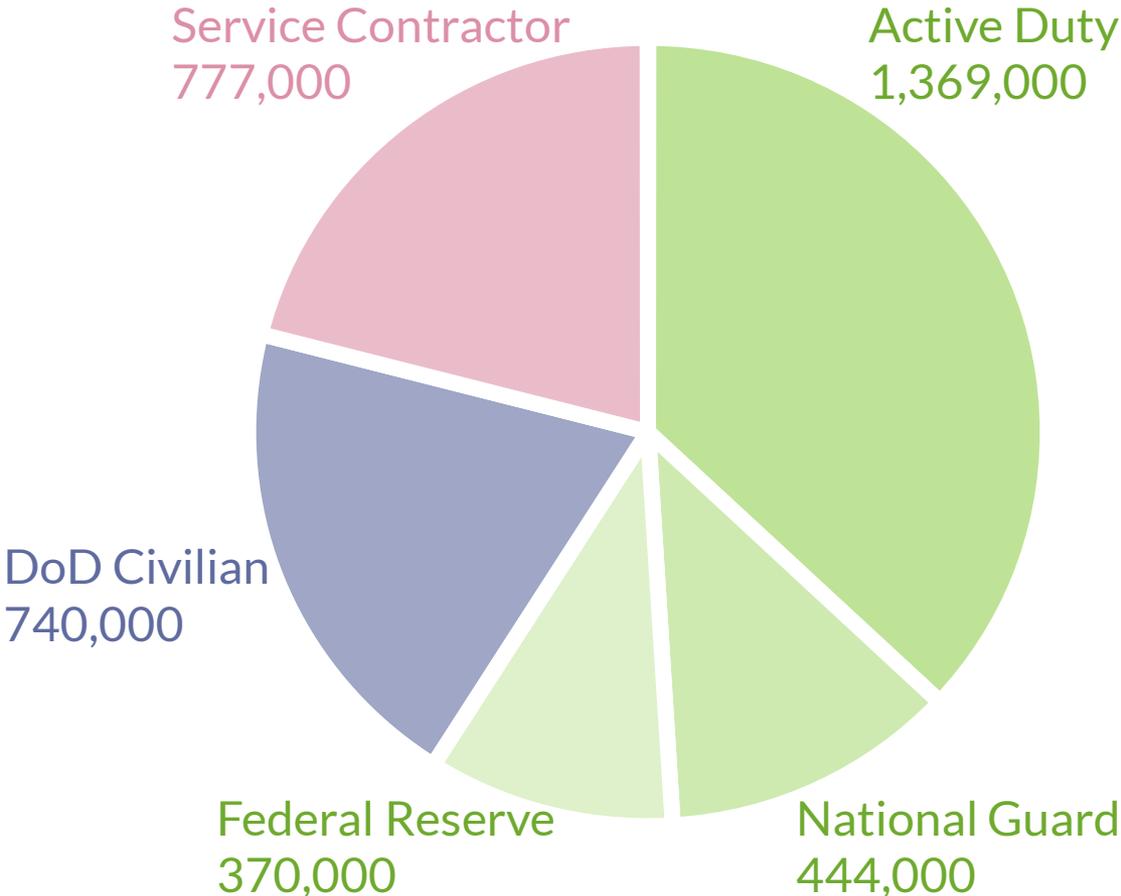
The ongoing challenge

David R. Graham

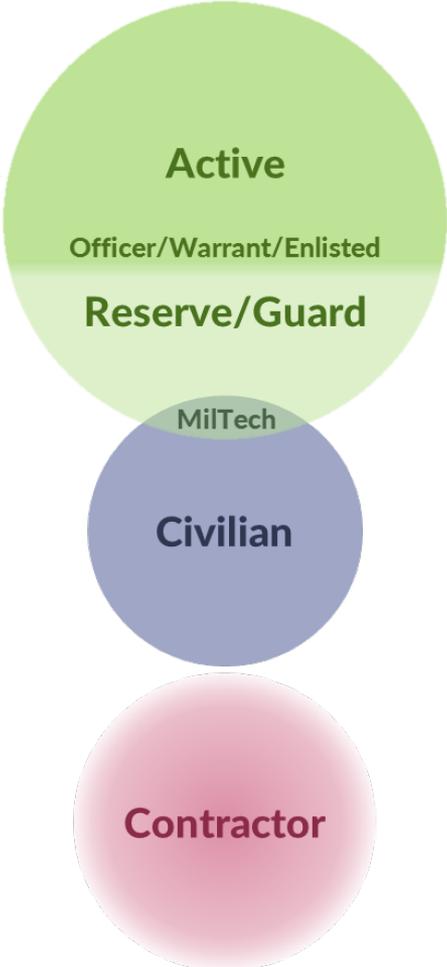
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2018 Western Economic Association International Conference

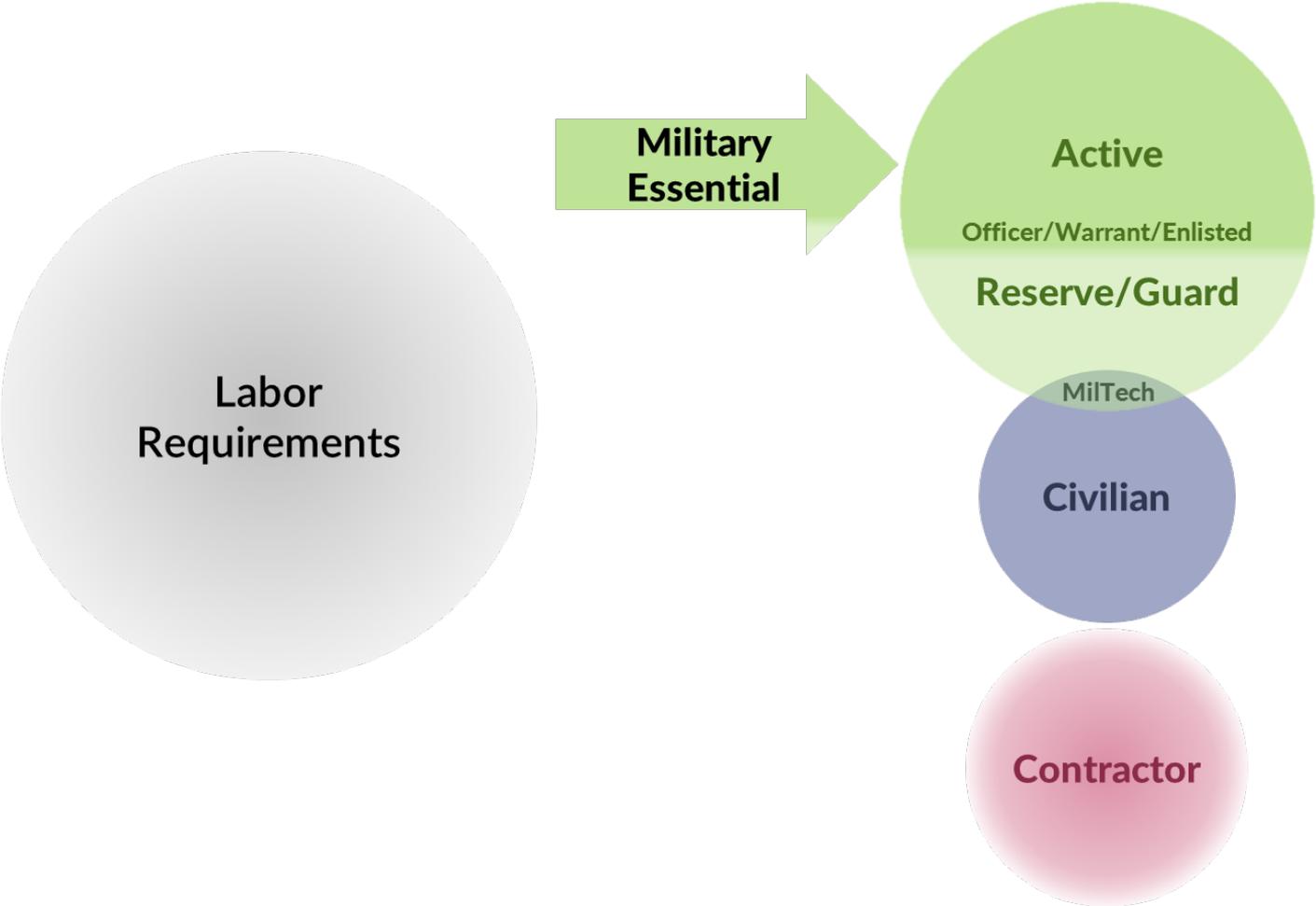
DoD spends most of its budget on a workforce of 3.7 million people



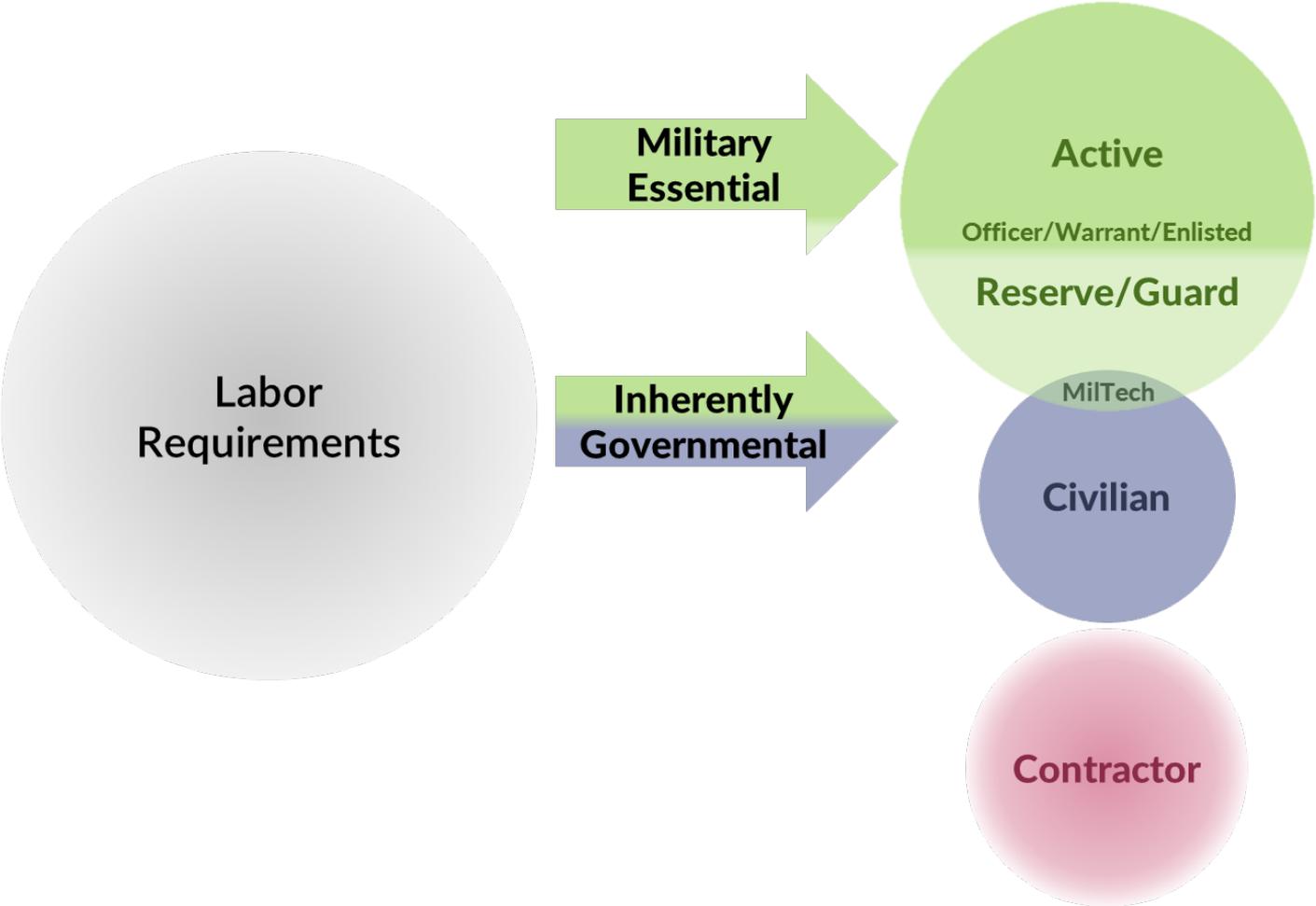
DoD has a reasonable policy for choosing between workforce types



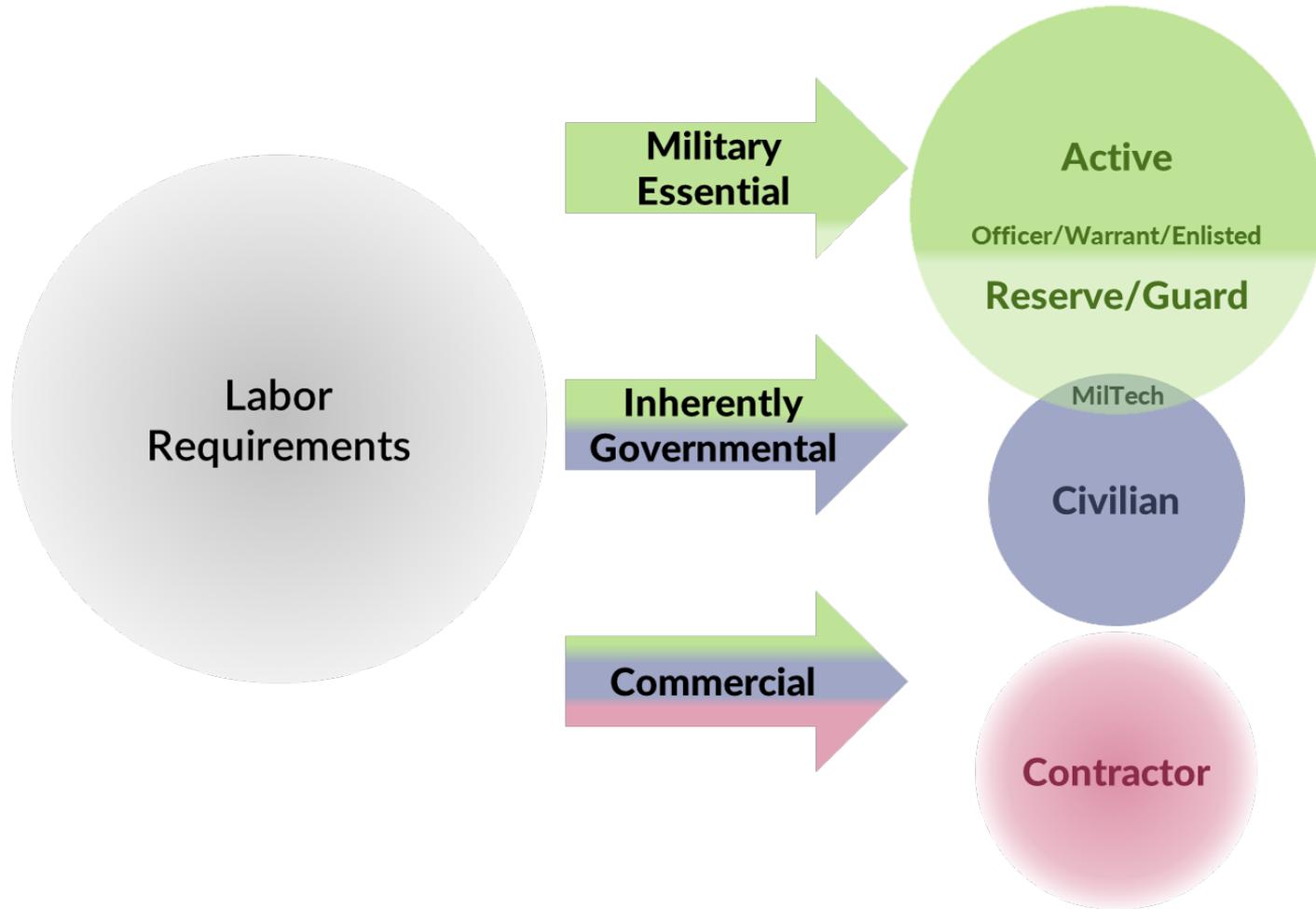
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DoD has a reasonable policy for choosing between workforce types



We've done many studies examining tradeoffs between alternate manpower types

Officer versus Warrant & Enlisted



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Officer versus Warrant & Enlisted

Active versus Reserve

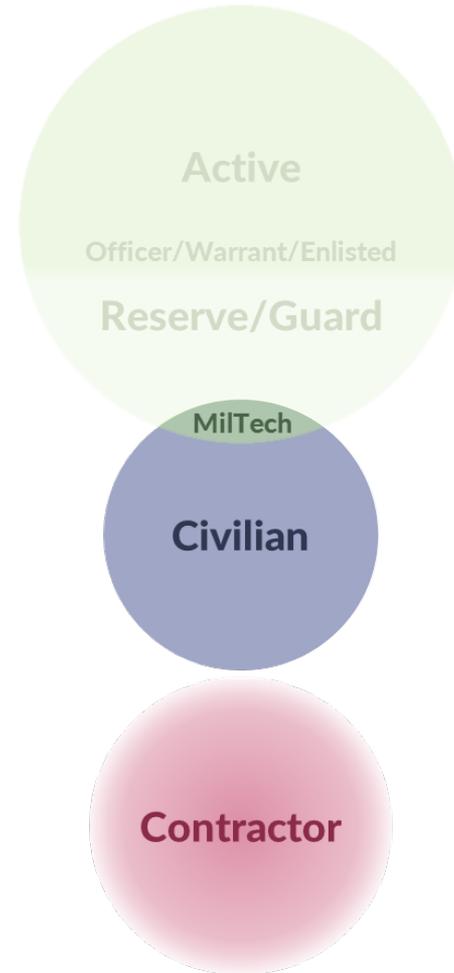


We've done many studies examining tradeoffs between alternate manpower types

Officer versus Warrant & Enlisted

Active versus Reserve

Contractors versus Civilians



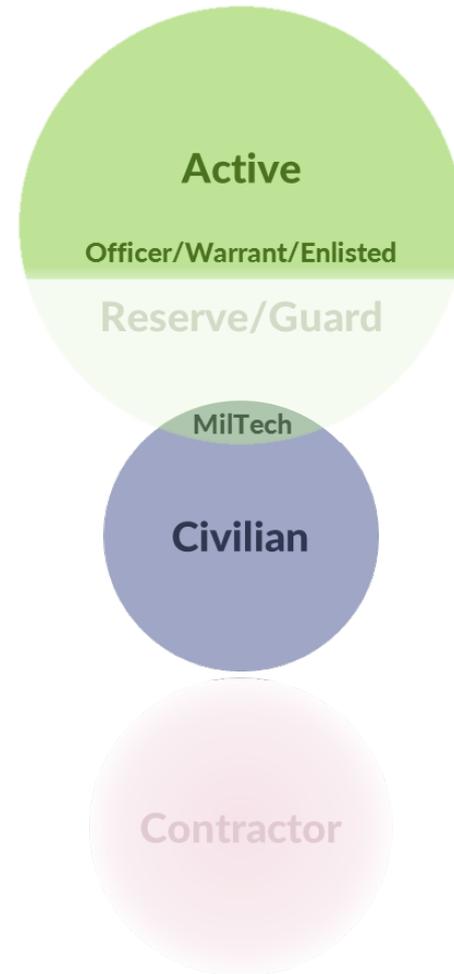
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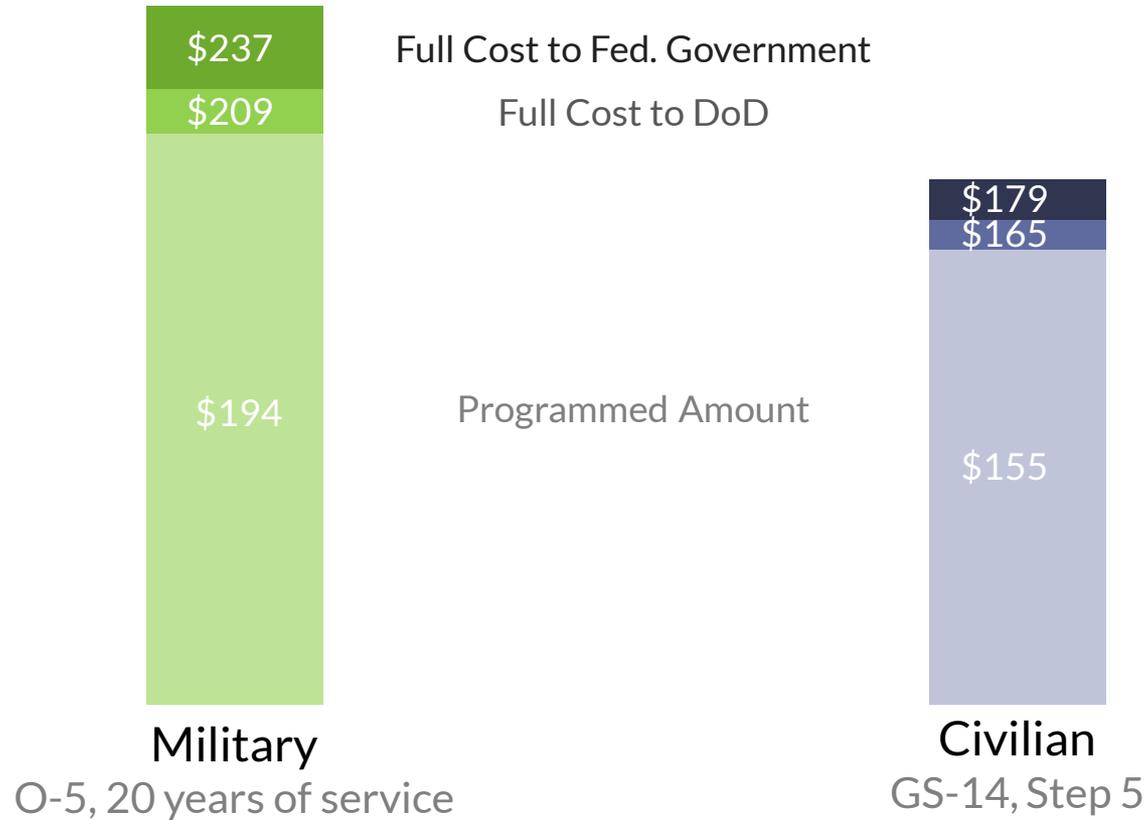
Active Duty versus Civilians

Contractors versus Civilians



Failure to follow DoD's policy wastes resources

Sample Cost Comparison (\$FY13 thousands)



Source: DoDI 7041.04

Repeated studies demonstrate large potential benefits from increased use of civilian personnel

Medical \$500 million or 16,570 billets

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Medical **\$500 million** or 16,570 billets

Education and Training **\$530 million** or 14,200 billets

Cyber **\$76 million** or 1,728 billets

Remotely Piloted Aircraft **\$17 million** or 274 billets

Bad incentives encourage overuse of military personnel

Congress sees civilians as wasteful overhead



Military end strength → **combat power**



Civilian personnel → **bureaucracy**

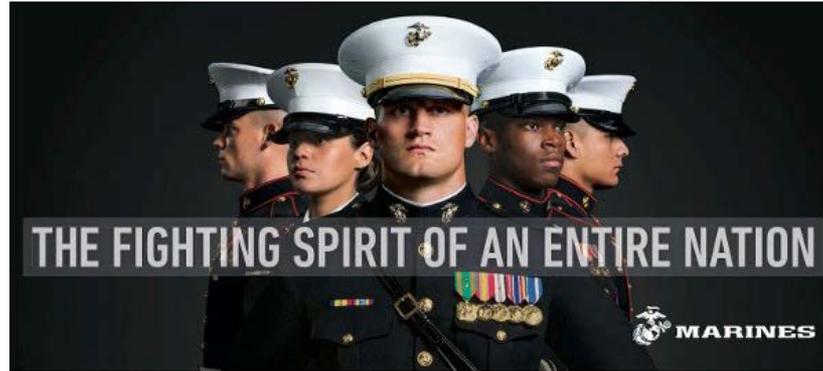
Civilian positions are more vulnerable to cuts



Military end strength is easier to protect



From a local commander's or manager's perspective, civilians can be more challenging to hire



Keyword:

Keywords, Job Title, Control #, Agency, Skills



Location:

Idaho

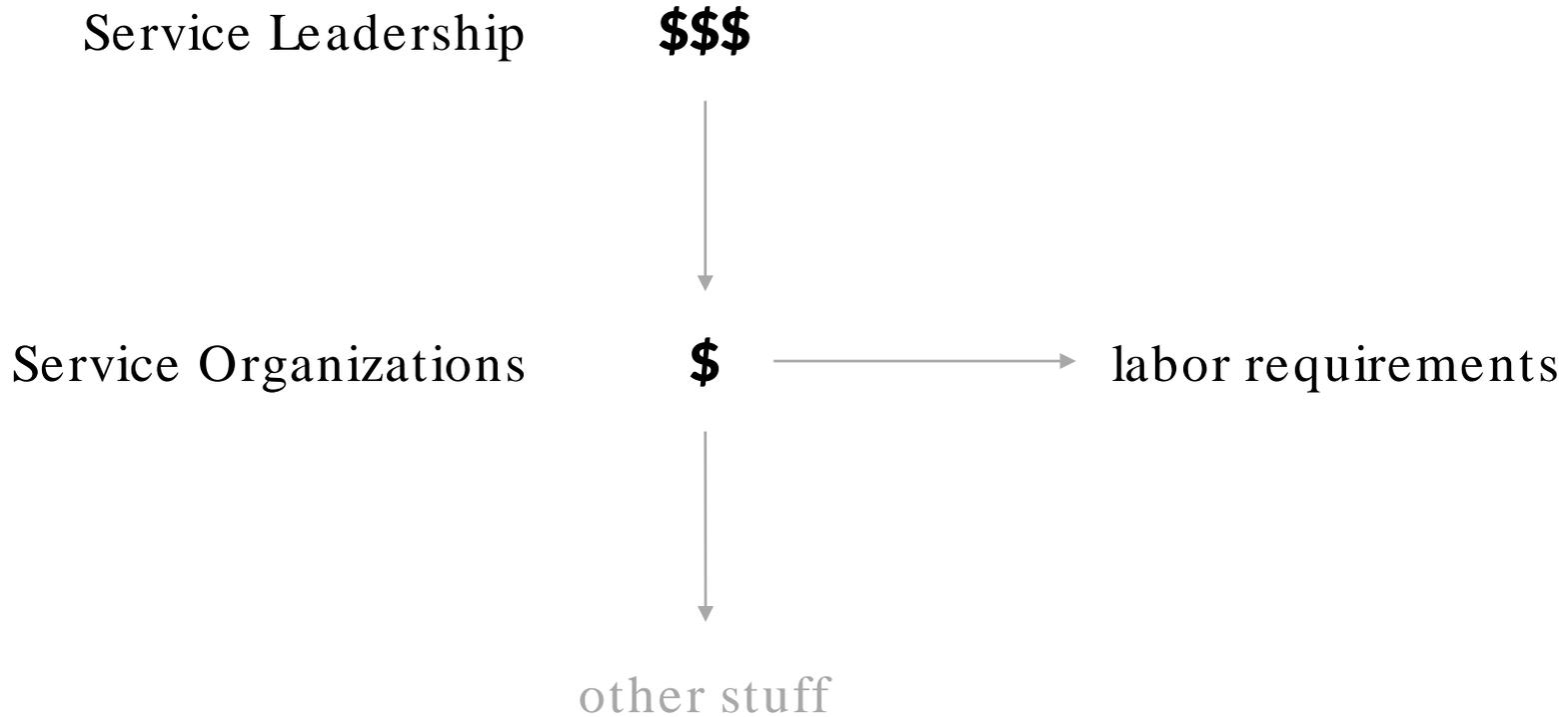
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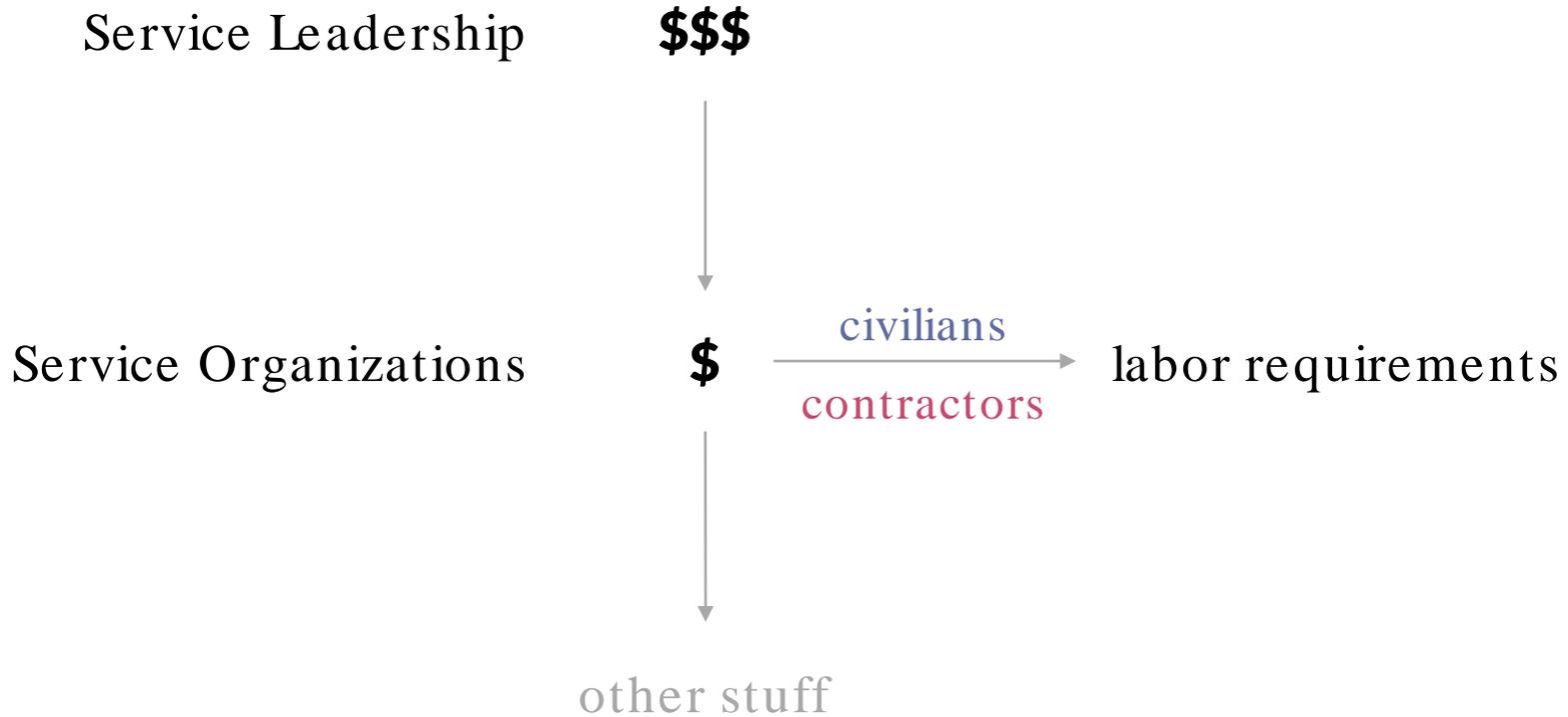
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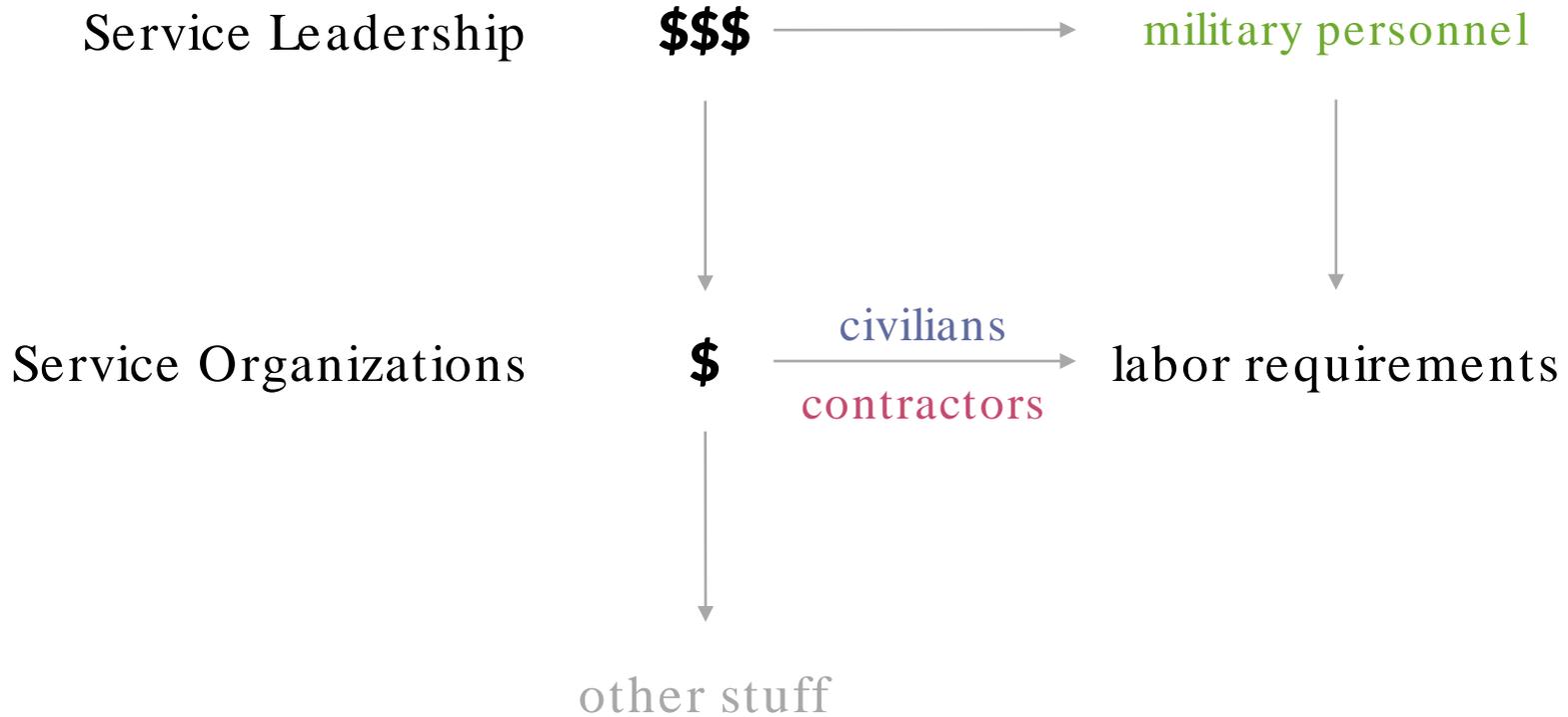
Local commanders and managers perceive military personnel to be “less expensive” or even “free”



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Military-to-civilian conversions are risky

Can't sync budgets

May require budget increases

Civilians are more likely to face cuts

Inconsistent application of “military essentiality” definitions shield military personnel

Military-unique knowledge and skills

Command & control, risk mitigation, esprit de corps

Required by law, executive order, treaty

Career development, sea-shore rotation, wartime assignment

Unusual working conditions or cost

**Recent approaches to managing workforce mix
don't solve the underlying problems**

Recent solutions may even be counterproductive

Hiring freezes

Conversion bans

Across-the-board cuts

Successful long-run solutions must address the underlying incentive problems

Ensure funding for civilians during conversions

Consider integrating military and civilian funding

Clarify guidance on military essentiality

Promote greater flexibility in the civilian hiring process

IDA

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