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Human Resources Management

Henry A. Leonard

Strategic human resource management (HRM) is a fundamentally important institutional capability for all defense organizations, and thus a key element of defense institution building (DIB). Although each nation manages its defense institutions differently, every nation needs its own overarching concept, along with policies, plans, and programs, to manage its security forces and the people in them. HRM combines with other technical elements, such as resource management and logistics, to form the pillars that support the overall administration of a nation's defense sector. Successful strategic human resources (HR) systems provide not only for the armed forces themselves, but also for the organizations and institutions that support those forces. Absence or failure of this pillar would be a serious if not fatal flaw in a nation's overall defense posture. Accordingly, partner nations have a significant interest in adapting and transforming their strategic HR systems to align with modern best practices.

Despite this basic motivation, support for efforts to transform strategic HRM institutions can be particularly challenging. HRM is inherently complicated in the best of circumstances: its different elements are closely interwoven and frequently in tension with one another, sometimes in ways that cannot be foreseen. One classic example is the tension between current readiness, which argues for retaining people in positions longer to capitalize on their experience, and readiness in the longer term, which argues (up to a point) for rotating more people through key developmental positions. This is just one of the myriad balances that strategic HRM systems, and the people who implement them, must achieve. In addition, defense sector HRM institution building in many of our partner nations faces challenges presented by socio-political, cultural, and economic circumstances, alongside challenges posed by vested interests within existing political and military structures. Collectively, these challenges can produce considerable inertia, which makes strategic HRM transformation programs simultaneously more challenging and more important than they would otherwise be.

This chapter begins by discussing the overall goals and vision for a typical DIB effort to support transformation of strategic HRM institutions, and presents a general framework for designing such support for ministries of defense, general staffs, and armed forces staffs in their efforts to modernize their institutions and practices. The concepts, principles, and a greater share of the methods themselves apply more or less equally to the management of the military and civilian defense workforce, and should be viewed in that light. The

discussion then turns to a more detailed presentation of a strategic HRM concept and a model to accompany it, including insights drawn from work with partner nations over the past several years. The next section draws directly and heavily from experiences with partner nations and discusses two cases that bring out many of the points discussed earlier, as well as insights into some of the challenges faced by those attempting to build more modern defense institutions. The chapter ends with some general considerations and conclusions that highlight the more important aspects of the model.

DIB and Strategic HRM

The general purpose of DIB is to advance strategic U.S. objectives by working with partner-nation defense officials to define requirements for the transformation of their defense institutions and to establish a shared approach to address those requirements. More specifically, this involves helping partner nations build effective, transparent, and accountable defense institutions, thus advancing the ideals of democracy and the rule of law, as well as key strategic interests.[1] DIB programs aim to empower partner-nation defense institutions to establish or re-orient their policies and structures to accomplish those ends, including making their institutions more affordable and responsive to civilian oversight.[2]

Human resource management transformation efforts include modernizing strategic HRM institutions and practices, enhancing the professionalism of defense workforces, and improving the ability of the people in partner-nation defense organizations to coordinate operations with other modern defense forces engaged in cooperative international efforts. Considering this framework, the foundations of a strategic HRM system include transparency, meritocracy, efficiency, effectiveness, and a carefully maintained balance between short- and long-term goals. Similar to the other pillars of strategic defense institution management, it is also important for the system to include suitable requirements and measures for evaluating the impacts of the various policies and procedures being put into effect.

Accomplishing the three HRM goals outlined above requires the active participation of both the senior leadership and key leaders and staffs in the defense sector, and on occasion those in other institutions. Although DIB HRM teams typically do most of their work with staffs directly concerned with HRM—e.g., the HRM departments in the ministry of defense (MOD), the J-1 or G-1 divisions of the joint or general staffs, and the G-1 divisions of service staffs—it is important that they connect periodically with more senior officials in the ministerial or senior military leadership. It is also important that they connect with the most senior officials—i.e., department or division chiefs—in the HRM arena, as well as with their staffs. For instance, DIB teams have interacted with the deputy ministers responsible for HRM, principal deputy ministers, and occasionally the defense ministers themselves. On the military side, the teams have regularly met with J-1s or their

deputies, and periodically with chiefs of defense staff or their deputies. Where appropriate, they have also had sessions that combined defense HRM staffs and key officials in civil service or veterans outreach agencies.

Aligning HRM Objectives with Strategic Defense Goals

This chapter highlights the importance of ensuring that a partner's overall strategic goals are appropriately reflected in its strategic HRM goals; the emphasis given to this connection is a distinguishing feature of the model discussed below. While this may seem more or less intuitive to most HR experts, partner nations do not always have the capability to make these important connections or to describe the processes by which national strategic goals drive—as they should—the goals of the HRM system. Thus, this principle can be overlooked or given too little attention in practice. From a DIB HRM standpoint, this means that work with any partner nation must be based on a mutual understanding of the nation's overall strategic goals, how these goals lead to appropriate force designs and goals for HRM, how the various processes for achieving HR objectives are put into practice, and how the processes currently work.

A national strategic goal could be, for instance, "defend the nation's territorial integrity." This clearly necessitates land warfare and in many instances maritime capabilities, thus giving rise to requirements for land, naval, and air forces. These requirements also include a command and control structure to plan, coordinate, and execute operations; an institutional structure to raise, train, equip, maintain, and sustain the forces; and a resource management system to provide funding to support all those activities. All the organizations responsible for these functions must also be provided with the human resources to accomplish them. Actual force requirements depend on a host of other factors, including the country's overall geopolitical environment and the degree of cooperation and support agreed upon with allies, if any, or other friendly nations. While these connections are not solely the responsibility of HR managers, the act of making the connections and turning them into force designs is, among other things, an act of strategic HRM and should be considered as such. It follows that learning about how the partner nation conducts these processes, and how its HR community translates force designs into manning and workforce development requirements, should be part of a preliminary examination of that nation's strategic HR posture.

HRM Assessments

Conducting a preliminary examination to determine the status of strategic HR practices and institutions, and of current efforts to transform them, is fundamental to the design of any DIB effort. This assessment—based on the HRM implications of the national defense strategy—starts with an exploratory visit to the partner nation to discuss goals and objectives with defense officials, members of the U.S. country team, and, where present and as appropriate, other members of the international community engaged in similar support efforts. These introductory discussions also give the partner nation's defense

leadership an opportunity to learn about the DIB team's plans and the views, experience, and perspectives of the team's members, and to shape those plans to complement their own transformation efforts. This scoping process endeavors, as much as possible, to examine the current state of the defense workforce and to learn how the partner-nation leadership would like to see it develop. Planners of the DIB effort need to gain familiarity with current institutions, policies, and practices designed to develop a professional defense workforce, acquire any current assessments as to their effectiveness, and gauge the senior leadership's understanding of their strategic HR challenges as well as their commitment to dealing with them. The teams should also obtain the partner nation's current working definition of strategic HRM and learn how it is reflected in associated strategy and policy documents. In addition, it is important to determine the partner leadership's priorities for transforming or enhancing their HRM institutions. Balance is important here as well: while it is important to understand and empathize with the partner-nation officials, it is also important for DIB teams to offer their own assessments of HRM institutions as well as the priorities for working to change them.

Those engaged in DIB efforts have to bear in mind that any nation's HRM institutions and practices are, to a significant extent, reflections of the nation's socio-political, economic, and cultural circumstances, and constrained by them. The legal framework in some partner nations can also be a more significant constraint than is commonly found in the United States and other Western countries. For example, pension system laws and regulations may apply to the entire civil sector of the nation, making it difficult to change aspects of military pensions. In short, defense establishments around the world differ considerably in their approach to the management of both uniformed and civilian personnel; and understanding these differences and the challenges they pose is fundamental to the success of any supporting effort.

Enhancing strategic HRM institutions and practices is not just about introducing new ways of doing business, but also about addressing long-standing cultural, social, political, and power relationships. These factors often make proposed changes in HRM practices contentious and difficult to achieve. American—or North Atlantic Treaty Organization (NATO), or "Western"—solutions cannot be directly incorporated: opportunities for progress depend upon the unique institutional arrangements and the underlying socio-political and cultural contexts in each country.

One DIB HRM team, for instance, worked with HR staff in a partner nation to develop a means to eliminate a long-standing practice of assigning people—particularly officers—based more on the preferences of senior leaders than on the rank and qualifications of the person being assigned. Accomplishing this objective was a significant challenge: it had been a NATO Partnership Goal for almost a decade, with no visible progress. More than two years after the DIB team began working with the partner's staff, the staff was ready to take a decision briefing to the Defense Minister to accomplish this overall purpose. The Minister approved this plan and implementation has proceeded systematically over the following years, albeit amid some vestigial resistance. Understanding the existing circumstances and

their influence on HRM institutions and practices is thus an important element of the initial scoping process. This understanding also helps in maintaining perspective—i.e., managing expectations—regarding the ability of partner-nation leaders to engender change.

An Overarching Construct for Strategic HRM

Experience shows that transformation efforts are most productive when carried out in a collaborative manner. Thus, the major elements of the model presented in this chapter lend themselves to cooperative engagement. This section starts with an organizing construct for strategic HRM, drawing on the "Talent Management" concept, and continues with details regarding the key components of the framework. [3]

There are two important things to note about the model and the presentation in this chapter: First, no two nations are alike in their defense institutions and goals. Therefore, no two collaborative support efforts can be entirely alike, and planners have to adapt their approaches in the context of partner-nation circumstances, goals, practices, and other considerations. The model presented here enables adaptive (and selective) application, based on a planner-based assessment of goals and priorities. This model can be a decision support tool, both for conducting assessments and for designing and focusing support efforts, and has been used successfully with that idea in mind. The importance of adaptive and selective application—i.e., using the construct here as a template and not as a rigid framework—cannot be overstated in the context of DIB. While the examples and case studies in this chapter concentrate on areas where DIB efforts were needed on a larger scale, the processes, policies, programs, and institutions in a given partner nation may need only minor adjustments to accomplish their HRM goals.

Second, valid and current assessment of the partner nation's HR situation is crucial, and it is a necessary first step toward the development of more detailed support plans. Thereafter, it is important to conduct informal assessments continuously throughout the engagement, though it may also be useful to conduct more formal reviews periodically. The construct presented here is both a basis for design and conduct of assessments, and a foundation for the design of support plans.

The strategic HRM model below is an adaptation of the Talent Management concept, and draws heavily from it. The Association for Talent Development has defined Talent Management as, "A holistic approach to optimizing human capital, which enables an organization to drive short- and long-term results by building culture, engagement, capability, and capacity through integrated talent acquisition, development, and deployment processes that are aligned to business goals."[4] This is a good working definition of the strategic HRM concept outlined here. It is important to stress the provision at the end of the definition, that the "processes" are "aligned to business goals." In the context of the strategic HRM model in this chapter, that means re-wording the above passage slightly to, "aligned to the goals of the nation's national security and military strategies." In other words, the foundation underlying a nation's HR strategy includes the nation's

national security and military goals. From these goals come more specific requirements for capabilities, requirements for forces and organizations oriented on providing those capabilities, and competency requirements for the different positions in the units and organizations. This is the essence of the planning function in the construct below. The rest of the processes are then designed to support the achievement of the overall HR goals and to contribute to the ability of other processes to achieve them.
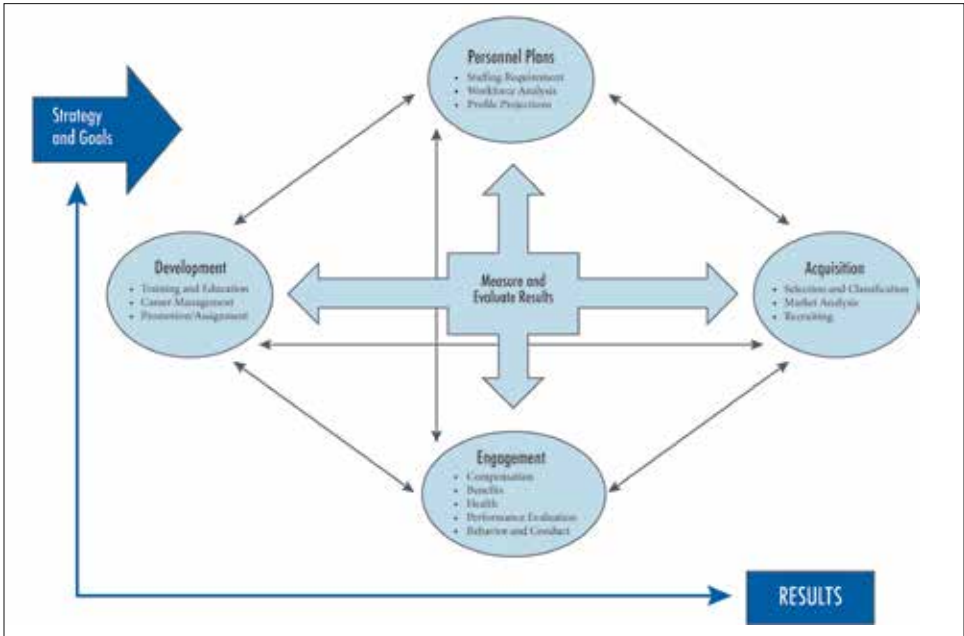
Figure 1: Strategic HRM Model

Figure 1 illustrates the strategic HRM construct used in this chapter. This chapter favors the model illustrated in Figure 1 because it explicitly establishes the need for alignment of organizational goals with HRM system goals. This model is itself a composite that draws not only from other models but also from the experience of several DIB HRM teams.

The diagram demonstrates the primacy the model gives to the overall strategy and goals, and their influence on the personnel planning process (represented by the block at the top), which derives its goals and direction from the national strategy and goals (the blue arrow at the top left connotes this connection). The essence of this model, and one of its distinguishing features, is that all three of the other major functions (acquisition, engagement, and development, and the sub-functions associated with each) derive their goals directly or indirectly from the personnel planning goals. All functions contribute individually, and often collectively, to the accomplishment of the overall goals.

Another important feature is that the functions operate simultaneously: although the planning activities drive the others, this is a dynamic model that represents the real

world in which all the functions are continually adapting to changing circumstances. The thin two-way arrows symbolize the integrated nature of the model: all the major elements influence the other elements in some way. The same can generally be said of the more specific processes that comprise each element. In fact, some of the more specific HRM processes are arguably an integral part of more than one major element; performance management (supporting both engagement and development) is but one example. The arrow connecting the results box with the strategy and goals box signifies the requirement to evaluate the overall results of the strategic HRM system in light of its contribution to accomplishing the nation's strategic goals.

There are other models (and accompanying diagrams) that illustrate the various elements of HRM and their connections with one another. Many in the strategic HRM community are familiar with a model usually called the life-cycle model, illustrated in *Figure 2*.[5]

Figure 2: Life-Cycle Model
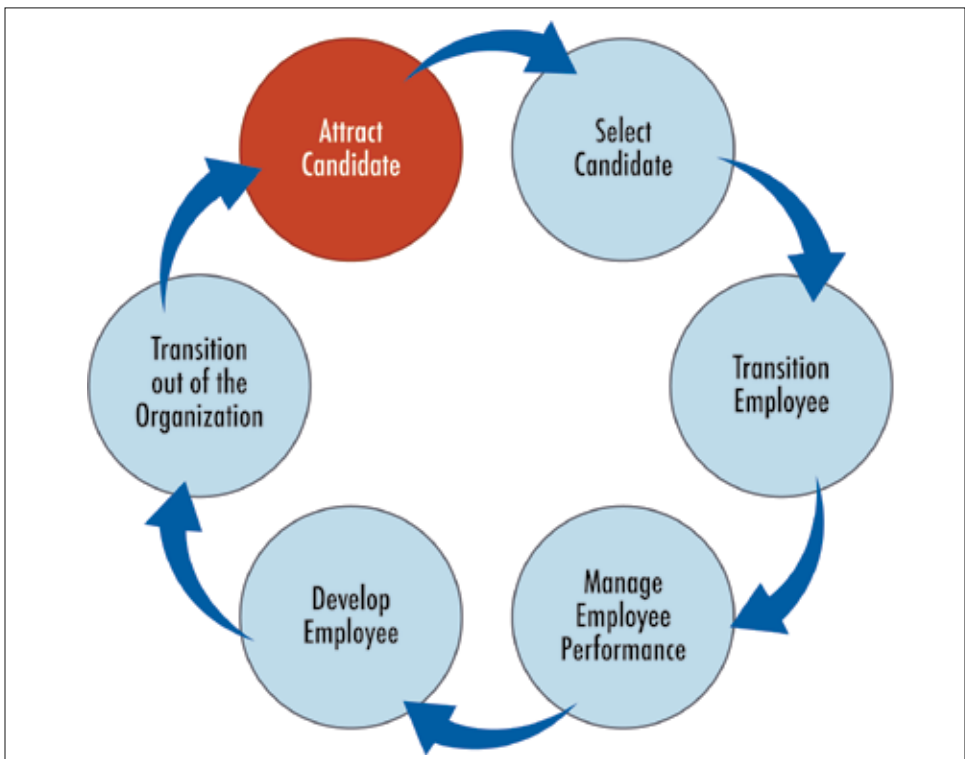
By way of brief comparison with the model represented by *Figure 1*, note that the functions illustrated in *Figure 2* are essentially confined to the management of individuals, and as such, are very closely matched to many of the functions in the strategic HRM model. But this figure does not explicitly include requirements for units, organizations, people, capabilities, and skills, so it is treating these requirements as more or less exogenous.

Figure 1 is more comprehensive; it not only includes the determination of requirements, it starts with it. This significant difference is what makes a strategic HRM model truly strategic, capturing the principle that the HRM-specific processes need to be "aligned to business goals," and, in the case of defense-related HRM institutions, that they need to be derived from—and aligned with—national strategic goals. It would be possible to adapt other versions of the life-cycle model, especially those that can be applied at both the organizational process and individual level, to accomplish the purposes we are discussing. But the key purposes of the model in the DIB context—establishing a framework for the assessment of partner-nation defense HRM practices and for designing and guiding support for their transformation efforts—remain constant regardless of the model chosen.

The Strategic HRM Model in More Detail

The following subsections provide more detail on the contributing elements in the strategic HRM functions (planning, acquisition, engagement, and development). They draw, as appropriate, from the Talent Management strategic HRM model outlined in *Figure 1*. The primary purpose of these subsections is to provide additional detail regarding the numerous elements and sub-elements of a strategic HRM system. Taken as a whole, this section is a template—a "teachable model"—that can aid in the design of an assessment of a partner nation's HRM institutions, policies, and practices, and in the design of the DIB efforts specified in that assessment. It starts with drawing HRM goals from the national strategic goals, and proceeds to show key elements of workforce planning, systems for acquiring and retaining talent, means for developing the workforce, and programs that engage with and sustain the workforce. This section also includes considerations for a records management system, which, in one form or another, is a crucial supporting system in strategic HRM.

Connecting Strategic Goals with Strategic HRM

This connects with the "plans" block in *Figure 1*. If strategic HRM processes are to derive from and support the overall national security strategy, they should be founded on a method for drawing from national strategic goals, capability, and force requirements to articulate the workforce requirements that form the foundation for the human resource strategy; the means for developing the overall HR strategy; and the institutions to implement it. Each of these can be addressed separately, as in the discussion that follows, which also addresses some key sub-elements that enable the overall process.

The national security strategy's implications for capabilities turn into more specific requirements for forces, manpower, and skills through functional links between the development of national defense requirements and the delineation of strategic HRM requirements and goals. Those responsible for strategic HRM (not just the HRM staff) must first translate strategic defense goals into required capabilities for military forces. Many readers will see here a notable similarity with capability-based planning. The processes are nearly identical until one considers the more detailed HRM functions. The next steps include

deriving operational and institutional requirements from national security and military plans, identifying roles and missions for military forces and supporting institutions, and translating roles and missions into organizational designs both for the military forces and for their supporting institutions. The organizational designs and requirements then utilize a job and position classification system to establish specific manning needs: numbers, skills, and grade levels for military and civilians in operating forces and their supporting institutions. There must also be a process in place for ensuring accessions, retention, career management, and professional development processes are and remain consistent with manning requirements.

These processes and those listed below are iterative and may in some cases be simultaneous or nearly so, as suggested by the feedback loops and the "Measure and Evaluate" section of the strategic HRM diagram presented above. It is also important to note that the required force has to be determined not only in the context of strategic requirements but also in the context of the capabilities to produce, develop, equip, and sustain it, both in the near term and in the longer term. The HRM system needs to have a rationally developed set of requirements to man either the operating forces or the supporting institutions with any reasonable chance of success. Partner countries have been known to develop force designs that are not compatible with the manning system, and may in fact not be feasible at all considering resource and political constraints. In other cases, HRM staffs are trying to manage workforces without a sufficiently developed force design. In one case, a partner nation continues to try to develop certain types of forces that are not best suited to the operational context in which those forces will operate. In another case, a partner nation is still struggling to develop and articulate a concept for the employment of reserve forces, from which would flow the specification of capabilities, and then numbers, types, and designs for units in the force. This challenge spills over into specification of manpower requirements for active forces as well. Until the armed forces staff and leadership can define the concept and its derivative requirements, the HRM workforce planning process will continue to lack a well-developed set of requirements, and thus will have significant difficulty in meeting either active or reserve force manning goals.

Manning requirements—specified in terms of positions, ranks, grades, qualifications, skills, experience levels, and the like—become the fundamental goal for the HRM strategy and the means for implementing and assessing its success. Like strategy development processes, this generally involves establishing and articulating strategic HRM goals, identifying ways and means to accomplish those goals, and articulating the goals, objectives, ways, and means in an overall statement of the HRM strategy. In this process, it is important that the HRM system take into account both current requirements and the need to sustain the force over time. The latter starts with specifying, establishing, and maintaining a sustainable grade and experience profile for the force, consistent with manning requirements drawn from the force design. Put simply, sustainable profiles are those that allow for natural aging and attrition of the force: ideally the profile has more people with six years of service than with seven, and so forth. This rather simple theory is

difficult to put into practice; U.S. and other Western military services frequently struggle with it, especially when downsizing. The challenge becomes more acute when—as is the case in some partner nations—the actual profile is skewed toward the longer years of service, with a significant trough in the middle years. Regardless of the current size and shape of the personnel profile, the establishment of a sustainable one is a key strategic HRM goal. Once the strategic goals have been articulated, the next steps require translating the strategy into specific policies, procedures, and implementing guidance; this is an area where DIB teams are likely to find themselves engaged repeatedly.

A parallel process involves identifying the financial resources required to support all the HRM functions, and ensuring programming and budgeting processes suitably account for those requirements. The main cost of this resource requirement comes from compensation, benefit, and pension systems; legacy compensation systems in partner nations frequently consume disproportionate shares of small defense budgets. Additional costs include recruiting operations and the operations of HRM institutions and their infrastructure.

The nation must also have in place the strategic HRM institutions needed to accomplish the purposes described above. If those purposes are clearly delineated, this process will be much easier; in many cases, it will involve relatively minor refinements or adaptions to existing institutions. Depending on the presence and suitability of strategic HRM institutions, some combination of the following steps will aid in their creation, refinement, or adaptation. Identifying responsibilities and aligning the strategic HRM system and its institutions with the designed strategy is the first step. Which agencies will be responsible for which elements of HRM? Where does ultimate responsibility for policy formulation and oversight lie? How will the different elements coordinate their efforts and account for their impacts on one another? These are fundamental questions DIB HRM teams have confronted in many partner nations. Depending on the answers to questions like these, DIB teams also assist in assessing the ability of HRM institutions and policies to carry out their responsibilities and in identifying areas for refinement or improvement. In turn, this process can lead to the development of alternatives for reorganizing and augmenting HRM institutions and agencies at the MOD, joint staff, and service HQ level as needed, and to the development of ideas for training and educating staffs and other key implementing personnel.

Last, but not least important, is the theme of designing and implementing systems, with associated metrics to evaluate the success of the HRM strategy and its policies, and compliance with HRM guidance.

Workforce and Succession Planning

In the context of our HRM model, the term "succession planning" refers to the ability to project anticipated vacancies and turn those projections into requirements for replacements—either from the existing manpower pool or from new hires.[6] An additional challenge in succession planning is that it is an iterative process: replacements coming

from within the pool must themselves be replaced. This process could perhaps as easily be added to the workforce design parts of the strategic HRM planning considerations described above; in the model diagram it belongs in the planning box. Succession planning is discussed separately in this section because it is distinct as a specific responsibility of the human resource community and because it forms a good connecting bridge with the acquisition, development, and engagement functions that follow. In particular, this bridging step forms the basis for accession and retention planning, and for many of the elements of career management as well.

A capable workforce planning process tracks and projects anticipated losses and pending vacancies using some kind of measurable model. The technical complexity of this process depends on its magnitude and on the cultural characteristics and technological capabilities of the partner nation. Small forces do not need elaborate systems to project vacancies; larger ones will be better served if they have a comprehensive analytical system that supports accurate projections. Given reliable projections, the organization can determine how vacancies will be filled, including where candidates will be drawn from (new hires, transfers, promotions). The process must also account for the requirements for each position, in order to accurately allot candidates to open positions. These derive from the force design process, and could include rank, technical skills, or years of experience. By aligning the projected losses and vacancies with specific requirements, organizations are able to evaluate whether their existing applicant pool contains enough qualified candidates, or if more need to be sought, for example, through outside or civilian hire, recruitment, conscription, or some combination.

The assignment system must also be tied to the career management system to ensure positions are filled not just on the basis of immediate needs and qualifications for the position in question, but also with a view toward the experience and exposure (either managerial or technical) the position will provide in developing the incumbent for other positions in the future. This implies the need to connect the succession management and assignment systems with training, education, selection, and professional development systems in a comprehensive career management system. This is one of many examples of the ways in which different elements of the HRM system influence and depend on one another in important ways. In many partner nations, these connections are better understood in theory than in practice. In designing these planning systems, the partner nation must ensure that they employ fair and transparent assignment and selection protocols that permit transparency and accountability.

Lastly, partner nations must design a succession plan for senior leadership and other key positions. This may or may not be included in the processes described above; many military services (including those of the United States) have separate—generally board-supported—selection processes for filling many key positions at more senior levels.

Systems for Acquiring and Retaining Talent

This is the "acquisition" element of the model. Arguably, the retention components could

be considered part of development or engagement—another example of how the different elements are intertwined. Noting these close connections, retention is included here because it is a means of acquiring (or re-acquiring) people to fill the vacancies determined in the workforce planning process. Recruiting and conscription (which can be and frequently are used simultaneously) are also separated from the initial "onboarding" of newly acquired personnel.

There are thus three overall functions connected with acquiring and retaining talent: acquisition itself, frequently called the "accession" process, transition ("onboarding") of the new accessions, and retention. These all interrelate closely with requirements determination, and with the development processes.

Accessions: The HRM system identifies, screens, and acquires its new entrants ("accessions") through a fair and transparent recruiting or conscription process, or both. To do this efficiently, the succession planning process must specify accession requirements in terms of numbers, skills, aptitudes, and qualifications. The accession system itself must set and enforce qualification standards, and must have the means for testing and screening applicants or conscripts using those standards. Accomplishing this requires due attention paid to the allocation of sufficient manpower resources to institutions responsible for the accession processes, training those personnel, and focusing and supporting their efforts with marketing and propensity analyses, advertising, and appropriately targeted incentives.

Entry and "onboarding": Establishing and carrying out successful entry training and "onboarding" processes starts with maintaining a functional and visible link between accession plans and requirements, and the capacity of systems conducting accession training and education. For officer accessions, this will often include military academies (current or planned), and in other cases it will involve countries having their personnel trained in other nations' military academies. The successful transition of new entrants also requires adequate resources—sufficient numbers of properly trained and qualified personnel operating in organized entry training institutions (academies, training base, etc.) with sufficient equipment and facilities to meet requirements. Finally, successful transition culminates in effective "onboarding" processes in receiving organizations; this should be a matter of interest in assessments of HRM activities.

Retention: Effective retention processes start with the establishment of retention goals based on manning requirements and predicted losses: skills, aptitudes, qualifications, and numbers, which, taken together, comprise specific retention requirements. This is yet another example of the connection with workforce planning processes. Retention planning should include the means to compare retention goals with anticipated behavior and adjusting policies or incentives accordingly, and to apply those incentives to encourage the required number of people to continue their careers. This is partly an ongoing and relatively short-term dynamic process centered on bonuses or other immediate incentives,

but over the longer term it should include periodic examination of the retention effects of the entire compensation system, including all pays and benefits. Retention processes should also identify training and education requirements and select individuals to align with them, with sufficient lead-time to allow efficient allocation of training and education resources. This aligns closely with the development function, below. Finally, the HRM system must ensure that the assignment and distribution systems place retained individuals in accordance with requirements; this is another case where periodic assessments are needed to ensure all systems are aligned.

Developing the Workforce

This function covers a very wide range of activities, all of which should trace back to overall requirements; the connections with workforce and succession planning are particularly important. The elements and sub-elements listed here also connect very closely with one another and in many ways with the engagement and acquisition functions. Of all the parts of the strategic HRM model, this major function depends the most on active participation from the leadership in operational units and supporting institutions, not just members of HR staffs. For many partner nations, professional development, education, and training are key reform activities. In some cases, education and training have been singled out as a specific NATO Partnership Goal.

Professional development system: First and foremost, there must be a comprehensive and well-maintained professional development system. This is the prerequisite for operating effective training and education systems. An effective professional development system must first project and identify vacancies, along with the education, training, and experience requirements associated with the coming vacancies. Career and assignment managers must then match the pre-requisites with available candidates in the pool, which helps to determine any needs for additional training or education for these candidates, and also enables better alignment of individual development needs with the manning requirements of the force. Note that a system for monitoring accumulated experience, training, and education is a key enabler for identifying candidates and any development needs. The result of these coordinated processes is the efficient matching of best-qualified candidates against projected vacancies.

Education and training systems: These support the professional development system outlined above, and could thus be combined. Typically, however, the institutions that perform these functions are separate from the staff and leadership organizations that accomplish the functions listed above. Whether the institutions are combined or not, the functions must be well coordinated with one another and with the assignment and career management functions. The professional development system provides the requirements for the training and education system, thus enabling the managers of that system to project and specify training and education needs for all components of the force. The

HRM system must also develop and maintain the capacity to provide required training and education. Ideally, this is a flexible capacity that can adjust, within reasonable limits, to changes in requirements. Part of this flexibility can come from judicious planning and projecting. Integrating available foreign or civil sector training and education courses with requirements determination is another potentially significant source of flexibility in matching requirements with the capacity of national institutions; this plays a particularly significant role in the training, education, and professional development systems in smaller partner nations. Evaluation and validation of the effectiveness of all of these systems, and the degree to which they are suitably coordinated, is also a key responsibility.

Selections: Requirements-based, objective, and transparent promotion and selection processes are the third major element of the development function. The basis for all of these processes is identification of vacancies by grade and specialty, in accordance with needs projected in the succession planning and professional development processes—another of the many connections among the elements of the HRM system. It is important to emphasize that selections are not just for promotions, a concept not universally well understood. An assignment manager makes selections all the time; a commander is selecting when he or she chooses someone from within the organization to move from one position to another. The selection system must be founded on objective selection criteria that are disseminated to and understood by those affected. Another significant challenge is the establishment of selection procedures (as distinct from criteria), including boards as required or appropriate, and ensuring their workings are also fully understood in the workforce. Another crucial enabler for effective selection procedures is a system for collecting and keeping records that objectively, systematically, and consistently reflect performance and other key factors connected with the selection criteria. These processes, and the evaluation and performance management systems that support them, depend heavily on the active and informed support of leaders and other supervisors in the workforce. It is therefore crucial that these individuals be well educated on the workings of the systems and their roles in them. It is also important that those directly responsible for the selection processes (e.g., senior leaders, assignment managers, board members as appropriate) be well educated regarding their responsibilities. Finally, there must be an oversight process through which the senior leadership monitors selection processes and evaluates their success and objectivity.

Engaging with the Workforce

This major function involves efforts to engage with and sustain the workforce, including provision of support for families as appropriate. Like the others, it includes a wide range of sub-elements, and many of these overlap with the other overarching functions, particularly the development function. One overlap in particular stands out: performance management, which is a key element of both engagement and development. This is included with engagement because the developmental aspects of performance management comprise one of the ways in which the leadership engages with and motivates the workforce. However,

one could just as easily argue that the most important effects of performance management are those that support workforce development. The success of all these efforts should be evaluated in light of the degree to which they accomplish the overall goals set forth in the planning process, or contribute to the effectiveness of other activities in achieving those goals.

Performance Management

Setting up and employing an objective and transparent performance management system consists of a wide range of policy development and implementation practices. This has been a matter of considerable interest for the HR communities in many of our partner nations. Performance management is a holistic process that comprises much more than just evaluations: one of the reasons it is included in this model under engagement, while also an important contributor to development. This point, and the need to keep all the elements listed in this section coordinated with and supportive of one another, is not altogether well understood by some partner nations.

Performance management starts with establishing and publishing overall goals for the system. This includes developing criteria for evaluation—professional values and standards, and key common competencies, knowledge, and skills—and developing skill and knowledge requirements by specialty and grade. This connects closely with job and position classifications (in workforce planning) and, again, with professional development. The HRM system must also organize evaluation means and methods into a comprehensive process for individual evaluations, and establish methods to be used in the evaluations: the means by which leaders and managers communicate evaluations of key traits, knowledge, skills, competence, overall performance, and potential. Typically, this is done using evaluation forms; getting these forms structured in ways that truly accomplish the purposes of the evaluation system is a frequent challenge. Another challenge is encouraging partner nations to include and stress policies for goal-setting and periodic counseling. These provisions tend to be honored more in theory than in practice.

The maintenance of links between performance evaluation and systems for selection, retention, and separation also needs attention; discussions of performance evaluation invariably lead to these links. It is important to stress that while evaluations can and should have a prominent role in selection processes, performance management should also contribute in more general ways to furthering the development and improving the abilities of the workforce to accomplish its goals. In this regard, appropriate policies and practices for other means of recognizing achievement (e.g., awards, other commendatory actions, and bonuses) can be useful contributors to the overall performance management system.

The points above make the importance of training and educating all personnel regarding the performance management system and their role in it more or less self-evident. Another potentially large stumbling block is getting "buy-in" from the leaders who have to implement the performance management system, which is critical since efforts to refine the system will fail otherwise. It also follows that overseeing the system to ensure quality

control and enable adaptation is another significant role for the HRM staff, supported by the senior leadership.

Compensation and Benefits

A total compensation/benefits system integrates the effects of numerous forms of monetary and non-monetary compensation. Such a system is generally founded on a pay program based on appropriate characteristics and qualifications of individuals (e.g., rank and experience) and reflected in basic pay tables. The system should also have supplementary compensation and bonus policies as appropriate to reward certain duties, incentivize skills, and shape the force longitudinally. It should also take account of the role that non-monetary benefits (discussed below) play in the total compensation system and, thus, of their contribution to shaping the force. Many host counterparts have trouble conceptualizing this: benefits tend to be considered as social programs and not as part of the means for motivating or shaping the force. Partner-nation HRM staff and the leadership in the force must also ensure that the total compensation and benefits system is communicated to and understood by all concerned.

Retirement and Pensions

Effective strategic HRM includes establishing a retirement and pension system that fairly and effectively rewards dedicated service, adequately provides for retirees, and complements the rest of the compensation system in accomplishing motivational and force-shaping goals. Many see this element of compensation as separate from the others, so those involved in DIB programs should emphasize the value of taking a holistic view. In particular, programs should help partners to see pensions and other retirement benefits as part of total compensation. Some partners do not have a military pension system *per se*, so pensions for military retirees come under a national pension system. In these cases, it is far more difficult for those in the HRM system to see and use pensions as part of total compensation. This does not mean giving up on advancing the holistic view, but it is an additional challenge in the design and accomplishment of DIB goals. Establishing overall goals for the retirement system helps to encourage a broader vision. Such a vision, based on national and strategic HRM goals such as sizing and shaping of the force, should lead to a system designed as an integral part of the total compensation system, including provisions for non-financial benefits that may continue after retirement. Disseminating policies and educating the force on retirement benefits is important, especially in cases where the system is being altered along the lines suggested above.

Separation and Transition Processes

These processes, in their raw forms, are simply inventory management. In a well-designed HR system, they are an integral part of total compensation; they become an effective part of both engagement and inventory management when designed fairly and efficiently, and when aligned with force shaping goals. In some cases, it will be necessary to develop

standards for separation and selective retention to accomplish these purposes. Involuntary separations are also a necessary component; fairness in their design and implementation includes provisions for independent appeal processes. Appropriate types and amounts of transition assistance enhance the fairness of the separation system, as do transition benefits. The latter should be designed with entitlement provisions tied to eligibility criteria such as length of service, disabilities, or other appropriate considerations. Veterans' outreach programs and other means of recognizing service of those being separated are also worthwhile enhancements; some of our partner nations have shown considerable interest in these kinds of programs.

Quality of Life

Many of our partner nations refer to quality-of-life institutions and practices as "social support" or a similar term. This aligns with the previous remark that many see these benefits as entitlements and social programs rather than part of the means for attracting candidates and motivating the force. The latter view deserves more emphasis: quality-of-life programs connect with many other aspects of engagement, so they are included here as one of the elements of that overall process. Ultimately, U.S. partners in other nations will try to design programs consistent with national standards, but it is appropriate to encourage them to do so with motivational (and, thus, force shaping) effects in mind as well. Examples of quality-of-life programs include, but are not limited to: medical, psychiatric, and dental care; housing, or a housing allowance that enables members of the workforce to obtain housing competitive with national standards; education benefits; and assistance in employment searches and job counseling. Many nations include recreational facilities and programs, especially where such opportunities are absent or inadequate in the civilian community. Programs for helping people obtain information about recreation opportunities and facilitating their access fall into this category as well. Note also that the other elements of engagement may affect the families of workforce members, but a common thread that runs through all of these programs is that they can be designed to have direct impacts both on members of the workforce and their families.

Appeals and Redress of Grievances

Affording access to fair and transparent systems for seeking redress is frequently called providing for "ombudsman" support. These systems are an important way of ensuring people are treated fairly, both in fact and in their own perceptions. This requires, first and foremost, that leaders and staffs be trained and supervised to execute their responsibilities for listening to and dealing fairly with valid requests for redress. There must also be policies and adequately staffed agencies within the HRM system for reviewing grievances and appeals connected with personnel management decisions; appeals of evaluations and promotion selections are prominent examples. Finally, transparency also requires that there be "ombudsman" support outside both the chain of command and the personnel management chain, available to all and understood by all to be independent. This is at least as important as providing for redress within the chain of command and the HR system.

A System for Managing Information and Records

All human resource management systems need a system for collecting, using, analyzing, and archiving information on the members of the workforce. Such a system is valuable not just for managing and tracking individual careers (reason enough to have the system), but also for evaluating the effects of policies and programs and for planning future adjustments to them. Most modern systems are automated, but that is not a hard-and-fast requirement, and many partner nations will, at least initially, be more comfortable with manual records or a system that combines digital and manual records. However, it is essential that some system be in place that stores and makes available information for decision support (e.g., assignments and selections), research, actuarial analysis, reporting, and evaluation of programs and policies. For example, such a system can be especially valuable in managing retention incentives by using longitudinal analyses (enabled by archived records) to gauge responses to these incentives. In any records system, it is also important that the information be periodically and systematically updated; contained in archived records to enable compiling of histories (like assignment records) and longitudinal analyses; and accessible, with appropriate safeguards, to personnel staffs and key decision makers. The choice of which types of information to include in the records system will naturally reflect the priorities and requirements of the partner nation; following the guidelines above will better enable designers of the system to select the right elements.

This section examines two case studies from DIB team experiences in partner nations. These cases provide some perspective on supporting the efforts of partner nations to transform their strategic human resources management, illustrate some of the points made earlier in this chapter, and demonstrate the importance of understanding and working within the extant circumstances of the partner nation. The first centers on the importance of securing and maintaining support from the partner nation's senior leaders. In the second, the partner nation's leadership was already engaged and supportive, so the DIB team's efforts focused on supporting HR staff as they put together a sound and comprehensive program for acquiring new talent for the MOD.

Case Study 1: Objective Selection and Assignment Processes

This case study examines the experiences of a DIB HRM team in supporting the efforts of a defense ministry and military HR staff to eliminate a legacy selection and assignment system that essentially amounted to patronage, and replacing it with a more objective and transparent system. The discussion brings out the challenges that socio-political and cultural circumstances can pose—in this case, the inertia endemic to a legacy military assignment practice combined with cultural influences. It also highlights one of the advantages inherent in civilian control and oversight of military practices.

The legacy system derived from the nation's connections with the Soviet Union's military establishment. It was further affected by socio-political and cultural influences that grew out of the strife inherent in the transition toward democracy, which gave rise

to loyalties and debts that influenced assignment and selection practices. As the country worked on modernizing its military, the only example they were familiar with was their legacy system—a system that was over-centralized, with unclear lines of command, and led by senior officials who frequently were selected based on personal relationships, rather than professional qualifications.

This latter practice was reflected throughout the military establishment, with officers selected for command and other key assignments based on the preferences of senior commanders, with little or no regard for the rank, experience, or qualifications of the candidates. Officers so selected were paid according to the position they held, and not by their grade, unless coincidentally. Thus, a captain filling a colonel's position was being paid as a colonel. In the early years of the transition process, this practice was justified as a means of giving responsibility to forward-thinking, Western-oriented junior officers by passing over the old line officers from the legacy force—who were being retained for political reasons. Over time, however, even as the relevance of this rationale faded and many recognized it was inconsistent with the principles of a well-ordered military personnel system, the practice became more entrenched, developing into a cultural norm of sorts.

For those in the nation's defense community interested in fostering closer partnership with NATO, this practice had to change. NATO had in fact presented a Partnership Goal calling for a change in the personnel assignment system for many years, yet nothing had been done, as the partner nation's defense and military leadership cited complications with retirement pay and other transition difficulties that would result from such a change. Changing the legacy system was also identified in a Bilateral Defense Consultation with the United States as one of the tasks to be accomplished for transformation of the personnel management system. HR staff planning to accomplish this change was under way as early as July 2009, with a projected implementation date of 2011. Nevertheless, many senior officers were more comfortable with the "flexibility" in assignments that was central to the old system, and thus rejected the reform. A directive signed by a Deputy Defense Minister directing this reform had essentially no effect. When the DIB HRM team came on the scene in 2011, it was apparent that accomplishing this transition would require not only good staff work, but also the active support of senior leadership in the MOD.

That active support materialized in the form of a new reform-minded Deputy Minister, but the process still moved slowly with resistance from those that saw this reform as too disruptive. In a private meeting with the Deputy Minister, the DIB HRM team made the case for the transition on the basis of achieving a merit-based, objective, and transparent selection and assignment system. They explained that moving the system in this direction was not really about making sure that all persons of a given rank were paid the same, but rather about making assignments by matching the rank and other qualifications required for a position with the rank and suitability of candidates to fill it. They used the analogy of conducting a procurement process but then setting aside the result of the competitive process to award the contract to a friend, which is essentially what happens when a favored officer is assigned without regard to an objective system. That example resonated well, and the Deputy Minister decided to push forward with the reform.

Case Study 2: Screening and Hiring Civilian Professionals for the MOD

In this case study, the most significant challenge facing the partner nation was the absence of a working system that used best practices to find, recruit, screen, interview, hire, and onboard new staff for the MOD. Unlike in the example above, the DIB HRM team detected little to no bureaucratic or political resistance, even at the beginning of the process. In fact, the MOD's HR staff and the Deputy Minister holding the HR portfolio were eager to move forward, while simultaneously willing to be deliberate and careful in designing their system. Other departments in the Ministry shared their enthusiasm, judiciously combined with patience in the design process, and the end result was a highly successful opening round, followed by continued success in subsequent rounds of a process that became well understood and well established.

The fundamental challenge in this project was that there were no foundations on which to base a recruiting and hiring effort. There was essentially no functioning national civil service, and patronage was a significant part of the basis for hiring and placing people. Until these efforts to build a modern recruiting and hiring system began, there had been no serious effort to attract suitable candidates to the Ministry from the partner nation's public. There had been no established screening process, interviews, or any systematic (or widely understood) assessment of the capabilities a candidate could bring to the staff, nor any means for communicating job descriptions and requirements to prospective candidates. In fact, there was little to no internal documentation of position requirements—a different but related problem whose solution is still a work in progress. All of these missing attributes are elements of a sound system for acquiring talent—i.e., the acquisition function in the strategic HRM model above—so the DIB team concentrated its efforts on supporting the design and development of such systems.

Through workshops, email discussions, the exchange of illustrative documents and templates, and the offering of ideas gleaned from other modern systems, particularly those of the United States, the DIB HRM team mentored the partner nation's staff and provided advice to guide their thinking and approach to this challenge. The terms "advise" and "guide" are especially important here: the MOD staff did all the actual work in designing and implementing the process, and the ultimate success was (and is) theirs. It is also important to note that while the MOD HR staff had the lead role in concept development, design, and implementation, they meticulously saw to it that they included representatives from the rest of the Ministry at every step. They developed and vetted an overall scheme for the process, and then partnered with a governmental testing agency to develop a test specifically designed to screen applicants for the MOD. They then determined how best to derive a short list of the best-qualified candidates, set up interview panels for each department, and complete the selection of new staff. The DIB team provided general advice and support throughout the process. Two key elements were advice on the design and content of essays to be used to evaluate candidates who passed the initial screening, and advice on onboarding processes.

Regarding the essays, the DIB HRM team first worked with the HR department's designs, which later could be adapted to apply to other departments' screening efforts. The team's advice on the essay design included: ensuring in advance that the purpose of the

essays was clearly understood by all involved in the selection process; deciding whether or not any essay questions would be connected with one or more specifics of HRM; and establishing the criteria and methods for evaluating the quality of the essays and what the content indicated about the suitability of the candidate. With those considerations in mind, the team advised dividing the prospective questions into two groups, one dealing with the applicant's experience (not just HR experience), and the second dealing with general HR and policy development issues. This second category brought out the degree to which the candidate understood contemporary HRM. For example, "Describe how HR contributes to the effectiveness of an organization in accomplishing its mission." The DIB team stressed that considerations for the essays were also largely applicable to structuring interview protocols and criteria for evaluating candidates in those circumstances.

The second specific element of DIB team support came in the area of welcoming, orienting, and onboarding new staff. The team advised the partner nation on how to bring new staff into the world of defense and defense-related institutional policies and practices; how to help them to understand the work being done at higher levels; and how to give them a sense of how and where their contributions fit in. The team reviewed and commented on several concepts, and pointed the HR staff toward several references to deepen their understanding of contemporary practices.

Within the first few months after the new program began in earnest, the Deputy Minister noted its success and praised both the work of the HR staff and the quality of the new hires. Throughout the next year, the program continued successfully; by the end of 2014, it had dealt with over 1,000 applicants, and successfully brought on upwards of 60 new hires. In 2015, the partner nation ran seven more competitions, with a view toward filling upwards of 80 positions. The cumulative extent of this effort has been considerable: more than 3,000 applicants considered, with over 600 screened successfully and qualified for interviews.

The MOD has also begun to re-compete many positions in which the incumbents were not originally selected through the open competition system. Many, but not all, of the incumbents compete successfully. Overall, this process has been a significant contribution to transparent and merit-based hiring; a NATO Peer Review Team noted this and commented favorably on the use of independent testing with a balanced interview process using selection panels in the hiring of new civilian staff.

This success resulted from the care, diligence, and hard work of the HR staff, supported by senior leadership. The DIB team's role—as it should have been—was to provide advice and support. The MOD HR staff took very seriously their role in supporting this entire process for all agencies in the MOD, frequently subordinating their own needs to those of other departments.

Other General Considerations

This section addresses some more general considerations that can help assure success both in the scoping and assessment process, and in the design and implementation of DIB HRM

plans. In the process, it also reinforces the idea that the elements of the strategic HRM model are closely intertwined. Some of these observations are drawn from "Nine Best Practices for Effective Talent Management."[7]

Nations must align their HRM strategy with their overall national security and military strategies, and the force and capability requirements that derive from them. The scoping process should determine whether or not this is already the case. Accordingly, strategic HR managers must be fully cognizant of strategic goals and adapt HR goals and practices as national goals and circumstances evolve. Note that in many instances this calls for engagement of senior defense leadership above the senior HR management levels; strategic HR managers must also see to this and be provided access accordingly.

Development of the workforce should be founded on established, basic competency (skill) requirements for each type of position at each level; ideally, these are specified in the workforce planning processes. In addition, requirements should include personal attributes connected with motivation, success, ability to work with others, leadership, and basic good character; general technical or professional knowledge beyond the essential competencies; and experience, which develops the attributes outlined above in ways that training and education cannot.

Human resource management is the responsibility of all leaders, not just senior HR officials or staff members. This cannot be emphasized enough: the system is as strong as its weakest link. For example, an ideal performance management system on paper will fail if the (largely non-HR professional) leaders who implement it do not understand it or do not believe in it, and therefore fail to make it work. Good professional development systems stress the role of leaders, and thus provide accordingly for their acculturation.

The HR system must select and reward best performers. It must identify, select, and develop based on demonstrated potential for operating at higher levels of responsibility or for the exercise of higher levels of technical skill. This is a fair process if it is transparent, objective, and understood by all concerned. But another critical element of this process is ensuring that the criteria for the best performers are truly tied to the requirements of a specific career field and, for key positions, the requirements of that position. Technical fields may require a heavy concentration of people with deep expertise, so it may be counterproductive to turn over employees in those fields at high rates simply because they are less qualified on some less relevant criteria. This is a constant source of tension in development and selection systems, and those systems should be designed to adapt to that tension. The emphasis on selecting and developing employees based on potential also means the system must reflect as much strategic patience as possible.

The system should emphasize development, but ultimately must rely on selection processes to get the right people into the right positions. This further underscores the importance of transparency and objectivity in selections, and in the evaluations that support them.

The HR system must continually and accurately communicate with the larger organization and hold itself accountable for aligning its practices with the goals and

objectives of that organization. It must also ensure the HR responsibilities of those outside the HR community are fully articulated and understood. Thus, the system should include a comprehensive set of processes and tools for monitoring its effectiveness and the compliance of the rest of the organization with HR responsibilities and standards.

Concluding Observations

As long as organizational success depends on qualified people performing the tasks they are assigned, good strategic human resource management will be at the core of that success. Strategic HRM is a complex iterative process that involves the entire organization, and the single most important prerequisite for success of the HRM enterprise is that it be fully integrated into the workings of the organization. From a DIB standpoint, this means ensuring that the partner's senior leadership provides the guidance, direction, and visible support needed to get the entire defense establishment working together to accomplish the needed HRM changes. It also means developing and continuing constructive relationships with the HRM staff to support their efforts to design policies and programs suitable to their context. Accomplishing these aims requires both empathy and strategic patience.

The model offered here, with its basis in the modern Talent Management construct, is a comprehensive approach to framing efforts first to understand, and then to adapt or refine the HRM policies and practices of partner-nations' defense communities. It is not, however, a rigid one-size-fits-all framework either for scoping efforts or for the design of follow-on DIB efforts. Those using these ideas must have sufficient expertise in strategic HRM to be able to judge which elements of the framework are applicable in the particular circumstances of the partner nation, and customize their use of the model accordingly.

Notes

1 Defense Security Cooperation Agency, "Defense Institution Building," available at <http://www.dsca.mil/programs/institutional-programs>.
2 Naval Postgraduate School: Center for Civil-Military Relations, "Defense Governance Management Team," available at <https://my.nps.edu/web/ccmr/-/defense-governance-management-team-dgmt->; See also Office of the Secretary of Defense for Policy, *DOD Directive 5205.82 Defense Institution Building* (Washington, DC: U.S. Department of Defense, January 27, 2016). This Directive identifies HRM as one of the core functions of DIB programs.
3 American Society for Training and Development (ADT), "How Do You Define Talent Management?," *ATD Blog*, May 08, 2009, available at <https://www.td.org/Publications/Blogs/ATD-Blog/2009/05/How-Do-You-Define-Talent-Management>.
4 Ibid.
5 For a sampling of the many others, see the following webpage <https://www.google.com/?gws_rd=ssl#q=images+for+life+cycle+model+of+hrm>.
6 In the context of this model, succession planning is broader than the more narrowly defined processes of vetting, grooming, and selecting people for key positions. The model presented here includes those processes, but is not limited to them.
7 Richard S. Wellins et al., "Nine Best Practices for Effective Talent Management," 2009, available at <http://www.ddiworld.com/resources/library/white-papers-monographs/nine-best-practices-of-effective-talent-management>.