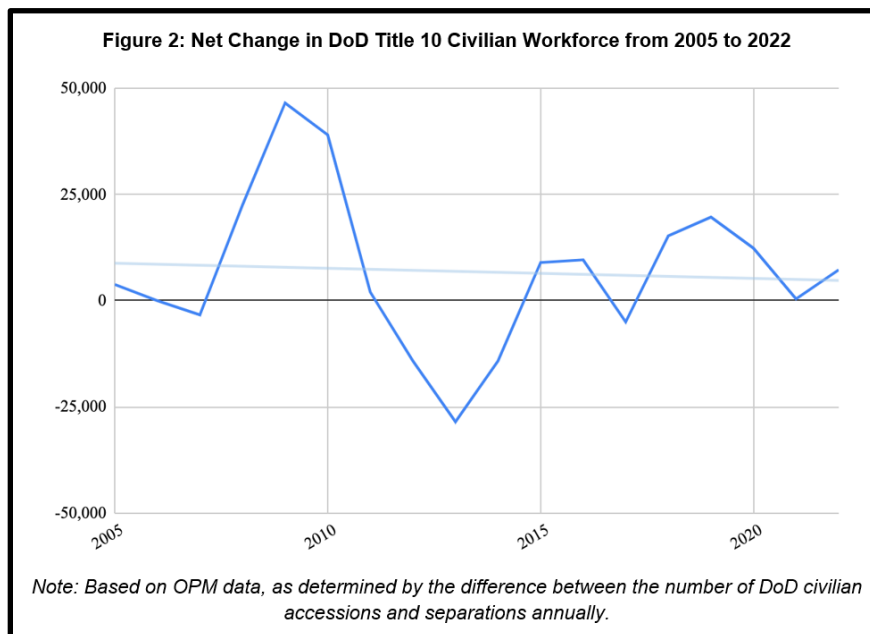
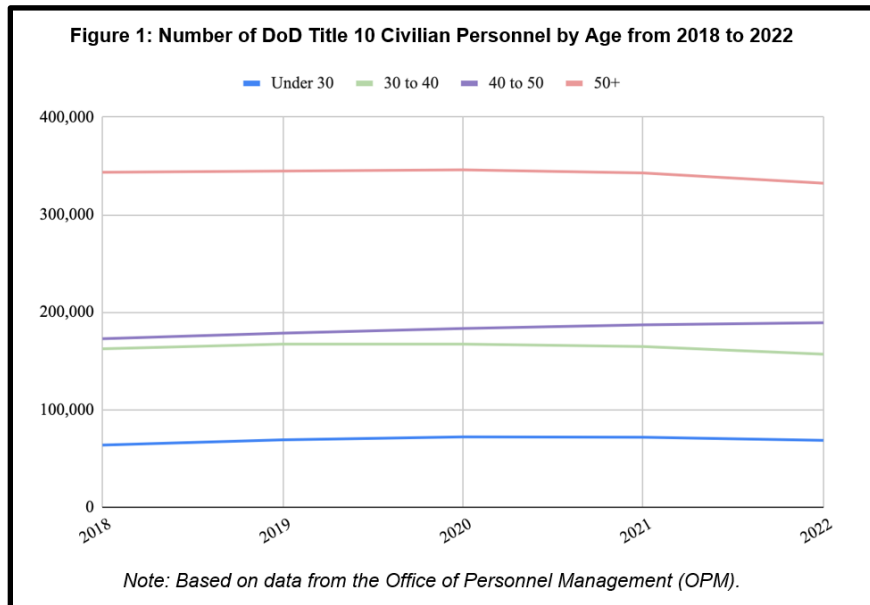


Beyond Uniforms

The Case for a Defense Civilian Reserve Corps

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Of the Department of Defense (DoD)'s 746,000 civilian employees, 332,000 will be eligible for at least early retirement by 2035.¹ As Figure 1 shows, the most prevalent age group in DoD—by far—is over 50. Even with the DoD civilian workforce's consistent net growth over the past few years (see Figure 2), the Department will struggle to compensate for the projected loss of its Baby Boomer population (people 59 and older) over the next ten years. Already, since 2018, personnel aged 60+ in the Pentagon have grown by 13 percent—a harbinger of this impending exodus.



Current debates about revitalizing the DoD civilian workforce mostly focus on ways to recruit private sector talent—whether by enhancing compensation, appealing to the mission, or streamlining hiring and onboarding practices.²

While these recruitment factors are pivotal, they do not account for serious concerns over DoD’s ability to retain younger workers. From 2018 to 2022, DoD personnel resigned at much higher rates the younger they were. Generation Z’s retention trends are particularly troubling. In 2022 alone, 21.15 percent of full-time civilians between the ages of 20 to 24 quit DoD, compared with 10.41 percent among 30- to 34-year-olds, and 5.34 percent among 40- to 44-year-olds.³

These separation trends corroborate studies about the general workforce that reveal increasingly striking generational shifts in workplace expectations, with younger workers more likely to switch jobs and privilege meaningful impact. A 2016 Gallup survey, for example, indicated Millennials were three times more likely to have changed jobs in the prior year, with only half believing they would still be in their current job for another year and a stunning 60 percent expressing willingness to explore new opportunities.⁴ Compared with Baby Boomers and Generation X, Millennials and Gen Z were also less likely to prioritize financial stability, meaning they are less likely to prioritize a steady federal income.⁵ Other surveys by Gallup and the Center for a New American Security underscore that younger people are more likely to seek opportunities for making an impact and to prioritize organizations with a clear mission that invests in employee well-being and inclusivity.⁶

These new realities indicate that, even if DoD improves civilian recruitment, if its employees are not properly engaged once inside, they will continue to seek opportunities elsewhere. To appeal to a younger civilian workforce, DoD should lean into the younger generation’s desire for job mobility and well-being at work and adopt career optionality as a basis of future civilian talent management.

Waiting in the Wings: A Civilian Reserve Corps

A standing, all-volunteer defense civilian reserve could go a long way in appealing to the next generation of professionals. It would empower individuals in the private sector with prior government experience or knowledge to serve temporarily in a civilian capacity. Such a corps would bring fresh perspectives into DoD at the discretion of our defense leaders and in predictable cycles for the government, while appealing to service-minded Millennial and Gen Z workers who value flexibility over the course of their careers.

The concept of a federal civilian reserve dates back decades—although few have proposed it in the context of drawing civilians to defense roles. In 2002, the White House formed the USA Freedom Corps to improve alignment across federal agencies with citizen reserves, such as the Corporation for National and Community Service, which oversaw AmeriCorps and Senior Corps, and the Federal Emergency Management Agency, which managed Citizen Corps.⁷ The 2006 National Security Strategy—the first major post-9/11 strategy to revisit a civilian corps—called on the Department of State to establish “a civilian reserve corps, analogous to the military reserves ... [to] utilize, in a flexible and timely manner, the human resources of the American people for skills and capacities needed for international disaster relief and post-conflict reconstruction.”⁸ Today, the State Department has something approximating a diplomatic reserve in the Foreign Service Family Reserve Corps.

Closer to our proposal for a defense civilian reserve, President George Bush urged Congress in his 2007 State of the Union address to fund “a volunteer Civilian Reserve Corps ... [to] ease the burden on the Armed Forces by allowing us to hire civilians with critical skills to serve on missions abroad when America needs them.”⁹ Later in 2007, Bush’s defense secretary Robert Gates called for a cadre of deployable experts in law, agriculture, and urban infrastructure to aid in conflict stabilization.¹⁰ One of Gates’ successors at DoD during the Obama administration, Chuck Hagel, sponsored legislation when he was in the U.S. Senate to enable such a corps.¹¹ The chorus for a reserve has continued in more recent years, especially since the 2021 withdrawal from Afghanistan and the ongoing war over Ukraine.

Likewise, in competing to attract top tech talent, discussions around recruiting cyber and digital experts for DoD roles contemplate mechanisms for providing greater flexibility to move between the public and private sectors, recognizing such career-hopping as a reality in these industries.¹² For example, a recent Atlantic Council study recommended DoD and the Department of Homeland Security support a “national cybersecurity civilian reserve corps” that resembles similar reserves among NATO allies.¹³ But given evolving generational attitudes prioritizing job mobility, a defense civilian reserve model should not only be available to the cyber and digital fields. It should extend to all Pentagon office functions, including DoD’s sprawling acquisition and program management, financial, legal, human resources, and administrative workforces.

Key Tenets of a Defense Civilian Reserve Corps

For a Defense Civilian Reserve Corps (DCRC) to be effective, it should be designed around at least three tenets: predictability, optionality, and quality.

First, the DCRC should establish predictability for DoD and the civilian reservist’s home (or sponsoring) organization. Set onboarding cycles and terms of service would benefit both parties and allow for sufficient planning on all sides. Modeled after the military reserve, a DCRC should fill temporary positions at designated times of the year. A corps with properly cleared and trained reservists could also provide an immediate surge capability in the event of a sudden international military crisis, filling needs and plugging gaps in key civilian defense roles that might appear from reserve mobilizations.

The DCRC should also maximize optionality for the reservist and participating DoD offices by allowing the right to hire based on need, and the right to activate based on opportunity. Young professionals who value career flexibility could jump at opportunities that advance their professional aspirations and experiences, while filling key DoD needs. Meanwhile, DoD offices should have ease of access to post opportunities for various lengths of service. By rotating in civilian workers, the corps could augment DoD with new perspectives and energy to assist its oft-strained full-time civilian workforce.

Finally, the DCRC should demand quality in both directions. The reservist would contribute their professional capabilities to the public sector for a designated length of time, and in return, the receiving organization would infuse purposeful work and dimension into the reservist’s career, as well as provide them the authority and resources they need to make a difference. The DCRC might also add benefits to the quality of workplace life at DoD across the board. Sprinkling a rotating core of personnel with primary experience in non-government work could have positive effects on modernizing the DoD bureaucracy. Reservists could serve as temporary change agents, bringing fresh perspectives on DoD processes and technology, which studies have shown are often the highest barriers to morale among DoD personnel. As bureaucracy hackers, they could help chip away at the taxing, day-to-day civilian experience of dealing with the Department’s fragmented or convoluted bureaucratic processes for managing travel, performance management, pay and benefits, training, and other miscellaneous systems. From 2015 to 2019,¹⁴ only about half of DoD respondents felt a sense of “personal empowerment with respect to work processes” or that they had sufficient resources to do their job effectively.¹⁵ In 2022, a study commissioned by the Deputy Secretary of Defense found that 80 percent of those surveyed—in a pool of mostly DoD civilians and some military members in the capital region—rated the DoD IT user experience as average or below.¹⁶ The corps could provide a forcing mechanism for DoD to unshackle its civilians while addressing these structural obstacles to the mission.

Potential Headwinds

Implementing a defense civilian reserve would not be without its challenges. One potential risk is that a civilian reserve could increase disruptions to critical missions because of greater turnover among the

workforce. However, organizational turnover has been a cornerstone of the DoD experience for decades. The U.S. military has a predictable system of rotations, promotions, and separations, as well as established practices for ensuring process continuity. DoD organizations are already familiar with managing rotations of their uniformed personnel, and the civilian reserve force would simply need to replicate this proven, predictable methodology.

In addition, there are many reasons to believe a civilian defense reserve would add to instead of detract from the mission. The reserve would attract a self-selected pool of candidates already inclined to work in national security. A reserve could also strengthen civil-military relations by raising public awareness about national security work and normalizing exposure to the military from civilian sectors that may not typically have such natural touch points with defense matters. Over time, this could improve DoD's image as a desirable place to work, particularly among younger people. Moreover, civilian reservists with fresh perspectives could help stimulate the Department's engagement with the broader U.S. innovation ecosystem. All this is bound to have the cumulative effect of improving DoD's response to complex and evolving threats.

Finally, skeptics may point to the financial burden of standing up a reserve, particularly if high turnover rates increase onboarding and training requirements. But there are reasons to believe a reserve could lead to cost efficiencies in the long-run because of activating and deactivating civilian reservists at-will rather than funding full-time billets. In the 2022 fiscal year, almost two-thirds of the Pentagon's budget request (\$459 billion) went to operations and support (i.e. personnel) expenses, and the Congressional Budget Office projected that this overhead for full-time employees could rise to \$525 billion by 2037.¹⁷ Investing in a more flexible competitive service through a civilian reserve corps could enable DoD to reduce its dependence on direct or excepted service hiring, not to mention on outsourcing to highly expensive contractors, in order to fill critical functions.¹⁸

Conclusion

At a time of escalating geopolitical tension, DoD's looming civilian talent gap and increasing strain on its civilian workforce are imminent national security concerns that demand attention. DoD should account for clear generational differences in work expectations by investing in a Defense Civilian Reserve Corps. By adapting what works for the military reserve, DoD can move toward a new dynamic approach of workforce flexibility that invests in talent wherever it can be found. Such an initiative could significantly improve the experience of the average civilian in the Pentagon, rebuild the Department's civilian base, and provide ready access to a highly skilled and diversified pool of service-minded individuals across the United States.

The views expressed in this paper are those of the authors and do not reflect the official policy or position of the Department of Defense, the U.S. government, nor any other affiliated organization or employer.

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¹ These numbers are based on OPM FedScope employment data of "DoD Aggregate" personnel aged 50+ from fiscal year 2022. Those in the 50-54 age range would be the last to retire, eligible for early retirement at 62.5 in 2035. Older individuals could retire on time or later and still likely be retired by 2035. OPM FedScope only captures the Title 10 DoD civilian workforce, which does not include defense intelligence personnel in the Defense Intelligence Agency, National Geospatial-Intelligence Agency, National Security Agency, and detailed to the rest of the Intelligence Community. "FedScope - Federal Workforce Data - OPM.Gov," FedScope, OPM, accessed September 4, 2023, <https://www.fedscope.opm.gov/>.

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