

Where Have all the CPTs Gone?  
Turner, John D.

# Report Documentation Page

*Form Approved  
OMB No. 0704-0188*

Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.

1. REPORT DATE <b>2005</b>	2. REPORT TYPE	3. DATES COVERED <b>00-00-2005 to 00-00-2005</b>			
4. TITLE AND SUBTITLE <b>Where Have all the CPTs Gone?</b>		5a. CONTRACT NUMBER			
		5b. GRANT NUMBER			
		5c. PROGRAM ELEMENT NUMBER			
6. AUTHOR(S)		5d. PROJECT NUMBER			
		5e. TASK NUMBER			
		5f. WORK UNIT NUMBER			
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) <b>United States Marine Corps Command and Staff College, Marine Corps University, 2076 South Street, Marine Corps Combat Development Command, Quantico, VA, 22134-5068</b>		8. PERFORMING ORGANIZATION REPORT NUMBER			
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)		10. SPONSOR/MONITOR'S ACRONYM(S)			
		11. SPONSOR/MONITOR'S REPORT NUMBER(S)			
12. DISTRIBUTION/AVAILABILITY STATEMENT <b>Approved for public release; distribution unlimited</b>					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT <b>Same as Report (SAR)</b>	18. NUMBER OF PAGES <b>12</b>	19a. NAME OF RESPONSIBLE PERSON
a. REPORT <b>unclassified</b>	b. ABSTRACT <b>unclassified</b>	c. THIS PAGE <b>unclassified</b>			

## **INTRODUCTION**

In the Fall of 2007, the Army developed a program to retain company-grade officers. The Critical Skills Retention Bonus provided five different options<sup>1</sup> to each captain with a Date of Rank between April 2002 and November 2007 in exchange for three additional years of service of active duty. The 2007 Critical Skills Retention Bonus offered to US Army captains will not achieve the desired effects because it does not address the current concerns among the majority of junior officers, neither the monetary amount nor benefits offered are enough to change minds, and the amount of fine print makes it less palatable to choose an option aside from the money.

## **BACKGROUND**

It has been over 30 years since the Army has faced a personnel shortage. Following the Vietnam War, the military instituted an all-volunteer Army. Six years into the Global War on Terrorism, many in the Pentagon worry that the Army might be soon facing a personnel crisis. This year, the Army has reported a shortage of 3,000 captains and majors.<sup>2</sup> Upon

---

<sup>1</sup> Jim Tice, "O-3 extension bonus eligibility ends soon," *Army Times*, 10 December 2007, 10. The five choices were a tiered, lump-sum payment of \$25k, \$30k, \$35k depending on needs of the Army in each officer's occupational specialty, Ranger School/Language School Attendance, Post of Choice, Graduate School, Branch/Functional Area of Choice)

<sup>2</sup> GAO-03-1000, United States General Accounting Office, *MILITARY EDUCATION: DOD Needs to Enhance Performance Goals and Measures to Improve Oversight of Military Academies*, September 2003. <http://www.gao.gov/new.items/d031000.pdf>, accessed December 13, 2007.

graduation from the United States Military Academy (USMA) at West Point, the Army has a five-year commitment from almost 1,000 Second Lieutenants. Historically, 28 percent of captains who graduated from USMA exit active duty following their five year commitment.<sup>3</sup> Recently though, following the events of 9/11 and the increased operational tempo of the military, it has risen.<sup>4</sup> In 2007, the Army saw its lowest officer retention numbers from West Point since the Vietnam War when 58 percent of the class left the military to pursue other goals.<sup>5</sup> This exit rate is significantly troubling on many accounts. From a purely fiscal standpoint, it cost the government almost \$350,000 in 2002 to fund the education of the Class of 2002.<sup>6</sup> (See Table Below)

**Table 2: Academy Operating Costs and Cost Per Graduate, Fiscal Years 1999-2002**

Academy	Cost Category	Fiscal year 1999	Fiscal year 2000	Fiscal year 2001	Fiscal year 2002
Military Academy	Total operating costs	\$301,058,452	\$330,603,820	\$336,416,716	\$364,971,975
	Cost per graduate	312,150	320,120	339,318	349,327
Naval Academy	Total operating costs	245,749,679	253,817,467	273,809,865	292,696,358
	Cost per graduate	254,983	256,931	266,033	275,001
Air Force Academy	Total operating costs	277,639,005	314,972,559	321,335,152	333,056,023
	Cost per graduate	305,945	305,133	313,456	322,750

Source: DOD.

At prices that high, military leaders, as well as government officials, want to keep those officers. Also, in little over

<sup>3</sup> Joseph Galloway, "A Fading Fighting Force: Army Battles Big Shortages, Low Standards," The News and Observer (28 October 2007), [www.news.google.com](http://www.news.google.com), accessed October 31, 2007.

<sup>4</sup> Joseph Galloway, 35 percent of the USMA Class of 2000 left the Army in 2005, followed by 46 percent of the Class of 2001 in 2006.

<sup>5</sup> Joseph Galloway.

<sup>6</sup> GAO-03-1000.

five years from commissioning, many of these captains from the Classes of 2000-2002 have completed one, two, and in some cases, three separate year-long deployments in support of Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF). They are, along with graduates from other commissioning sources from 2000-2002, subject-matter experts in platoon and company-level tactics in Iraq. They are the officers who will lead the Army over the next 20 years.

### **MISSED THE MARK**

While it is commendable that senior Army officials devised a retention plan targeted at junior officers, the options offered do not adequately address the concerns amongst the majority of the junior officers. In 2005, the US Army Research Institute performed a survey on officer careers. The online survey was completely voluntary and the results provide a snapshot of concerns Army officers share and what the Army can do to retain their officers. Sorted to only company grade officers (2LT, 1LT, CPT), when given a list and asked what the most important incentive the Army could provide to retain an officer past his/her Active Duty Service Obligation(ADSO), the results were the following:<sup>7</sup>

-20.7% - Better predictability of Deployment Rotations

---

<sup>7</sup> United States Army Research Institute, *2005 Survey on Officer Careers*, 6 December 2007, Personal email, (6 December 2007).

- 14.3% - Grad School (up to two years)
- 13.7% - Increased Basic Pay
- 10.7% - Duty Assignment of choice
- 8.1% - Other Incentive
- 7.5% - Post of Choice
- 6.5% - Better Retirement Benefits
- 4.1% - Branch Transfer
- 3.5% - Choice of Career Field Designator
- 2.9% - Monetary Bonus for extending past ADSO
- 2.8% - Federal Matching of TSP

Ironically, the most important incentive was one that cost nothing to the American taxpayer.<sup>8</sup> Many officers, after five years, have completed at least one and sometimes as many as three 12-15-month deployments. Also notable is that a monetary bonus did not rate high on either response. This, however, does not take into effect exactly how much money would be possible for the bonus. What Army officers want lately is the ability to start and raise a family while continuing to serve their country. Frequent deployments with little predictability are leaving a sour taste in the mouths of many.

Army officials will no doubt argue that it is impossible to provide adequate predictability, but after frequent deployments and constant training exercises tucked in between, the "battle rhythm" lends itself to predictability. The Soldiers and their families need it and deserve it.

---

<sup>8</sup> US Army Research Institute. Of those who completed the survey, 44, 9.9, and 15.8 percent said they would stay in the Army for 5, 4, or 3 years longer respectively if they got their first choice. For the second most important incentive, 38.8, 10.3, and 17.8 percent said they would stay in for 5, 4, or 3 years longer respectively.

## NOT ENOUGH TO CHANGE MINDS

Very rarely will anyone in the military, or in any profession, postulate that they make too much money. On the Survey on Officer Careers, of those company grade officers that stated they would likely leave the Army at the end of their current commitment, the following percentages are classified as the most important reason for leaving:<sup>9</sup>

- 17.7% - Too many deployments
- 14.5% - Away from Family too much
- 7.5% - Do not like the job
- 5.8% - Current OPTEMPO/schedule
- 5.4% - Lack of stability/predictability
- 5.2% - Poor quality of military leadership
- 5.0% - Pay is too low
- 3.5% - Offered a good civilian job
- 3.1% - Could not get desired functional area
- 1.4% - Could not get graduate education

This survey data reflects the top six reasons for leaving the Army; ironically, none of these were not addressed by the CSRB. The money issue, while a factor to some, is not driving a majority of military members out of the Army. In most cases, the salary outside the Army is not better than what the Army is providing. Lucas Group is a popular military-to-civilian job placement agency. According to the 2006 Lucas Group Salary Survey, the salaries in the southeastern United States range from \$62k to \$72k.<sup>10</sup>

---

<sup>9</sup>US Army Research Institute.

<sup>10</sup> McCall, Dan, "Lucas Group: Military Transition Division 2006 Salary Survey," 12 December 2007, Personal email, (12 December 2007). For the purposes of this study, salary data for the Southeastern United States is used. The pay is considerably higher in other, more expensive areas of the country, but the Military, aside from housing allowances, does not pay any different if you're in a low or high cost of living environment. For the entire survey, see Appendix 1.

Also, when evaluating military pay, one must consider both the salary and benefits given.<sup>11</sup> Base pay in 2007 for captain's with more than four years of service was over \$50k annually before factoring in free housing and medical care.<sup>12</sup>

Many will say that something is better than nothing, so be happy with what is offered. If the Army is truly concerned with retaining these officers and they are valuable enough, then the amount of money should have increased. Enlisted Soldiers frequently receive upwards of an annual salary to reenlist. If this were true for officers, a bonus of \$60k would have been very convincing.

### **TOO MUCH FINE PRINT**

Upon first glance, the options offered to eligible officers seemed like a great offer. After closer examination, however, it has many strings attached that made them a little less palatable. For instance, the choice of graduate school offers a graduate school of choice. The additional requirement is three days in the Army for every one day at Graduate School.<sup>13</sup> It also states that "officers will generally begin graduate school attendance

---

<sup>11</sup> Leave and Earnings Statement for CPT John Turner, <https://mypay.dfas.mil/mypay.aspx>, accessed January 6, 2008.

<sup>12</sup> Leave and Earnings Statement for CPT John Turner

<sup>13</sup> United States Army, MILPER Message 07-237: AHRC-OPL-R - IMPLEMENTATION OF THE ARMY OFFICER MENU OF INCENTIVES PROGRAM (REGULAR ARMY), September 11, 2007, <https://perscomnd04.army.mil/milpermsgs.nsf>, accessed September 21, 2007.



between their 8th and 12th year of service.”<sup>14</sup> The intent of the CSRB, was to retain officers for three additional years past their initial ADSO. If someone attends a two-year school, by not allowing him to attend school until sometime between his eighth and twelfth year, he will owe the Army six years which would end sometime around their 16<sup>th</sup> or 18<sup>th</sup> year. Few officers are willing or able to commit to an additional 11-13 years at this stage in their lives, especially when the next three years will most likely be spent on back to back tours in Iraq and/or Afghanistan.

No strings attached is not a phrase heard often in the Army, especially when it comes to bonuses. Because every option besides the money is available at anytime in an officer’s career, grad school or language school with no strings attached may have widely accepted as a good reason to stay in and pursue a career.

## **CONCLUSION**

At this time, the results are all that can be studied. Of the 18,000 eligible officers offered the bonus, the target was 85 percent retention.<sup>15</sup> As of December 10, 5 days prior to deadline, the results were not as good as the Army had planned. Only 9500

---

<sup>14</sup> US Army MILPER Message 07-237.

<sup>15</sup>Ann Scott Tyson, “Army Offers Big Cash to Keep Key Officers,” *Washington Post* (11 October 2007), [www.washingtonpost.com](http://www.washingtonpost.com), (accessed December 12, 2007)

had signed up (52 percent).<sup>16</sup> Of those, all but 600 took the money.<sup>17</sup> The shortage of junior officers will continue as long as the Army continues to ignore the facts above and offer less thoughtful programs designed at retention. This could have drastic effects both for the military and for the future defense of our country.

**WORD COUNT: 1947**

---

<sup>16</sup>Jim Tice. There is no way to gauge if these individuals were going to remain in the Army regardless or if their minds were changed due to the bonus. Based off of survey data, I postulate that those who left

<sup>17</sup>Jim Tice.

## Bibliography

- Carson, Johnny. Quote from "The Quotations Page." <http://www.quotationspage.com/subjects/work/>. Accessed December 17, 2007.
- Dilegge, Dave. "The Officer Skills Retention Bonus." *Small Wars Journal*. <http://www.smallwarsjournal.com> (accessed December 13, 2007).
- Editorial. "On Bonuses and Leaving Iraq." *The New York Times* (16 October 2006). [www.nytimes.com](http://www.nytimes.com) (accessed December 13, 2007).
- Endicott, R. Craig. "Retention Bonus Motivates CEOs to Stick with Employer." *Advertising Age* 70, no. 50 (Dec 6, 1999): [www.proquest.com](http://www.proquest.com) (accessed October 31, 2007).
- Galloway, Joseph. "A Fading Fighting Force: Army Battles Big Shortages, Low Standards." *The News and Observer* (28 October 2007). [www.news.google.com](http://www.news.google.com). Accessed October 31, 2007.
- "How to Get & Keep the Best Employees." *HR Focus*. Vol. 83, Iss. 12 (Dec 2006). [www.proquest.com](http://www.proquest.com) (accessed October 31, 2007)
- Kaplan, Fred. "Challenging the Generals." *The New York Times* (26 August 2006). [www.nytimes.com](http://www.nytimes.com) (accessed December 13, 2007)
- Lakhani, Hyder. "The Effect of Pay and Retention Bonuses on Quit Rates in the U.S. Army." *Industrial and Labor Relations Review*, Vol. 41, No. 3 (April 1988). [www.jstor.com](http://www.jstor.com) (accessed 13 December).
- McCall, Dan. "Lucas Group: Military Transition Division 2006 Salary Survey." 12 December 2007. Personal email. (12 December 2007).
- "Retention Bonuses Grow More Popular in Company Terminations." *HR Focus*. Vol. 83, Iss. 3 (Mar 2006). [www.proquest.com](http://www.proquest.com) (accessed October 31, 2007).
- Shanker, Thom. "Young Officers Leaving Army at a High Rate." *The New York Times* (10 April 2006). [www.nytimes.com](http://www.nytimes.com) (accessed December 13, 2007).

Shanker, Thom. "Feedback for the Chairman of Joint Chiefs." *The New York Times* (24 October 2006). [www.nytimes.com](http://www.nytimes.com) (accessed December 13, 2007).

Tice, Jim. "O-3 extension bonus eligibility ends soon." *Army Times*. 10 December 2007. 10.

Tyson, Ann Scott. "Army Offers Big Cash to Keep Key Officers." *Washington Post* (11 October 2007). [www.washingtonpost.com](http://www.washingtonpost.com) (accessed December 12, 2007)

United States Army. MILPER Message 07-347: AHRC-OPL-R - EXTENSION OF THE ARMY OFFICER MENU OF INCENTIVES PROGRAM (REGULAR ARMY). December 13, 2007. <https://perscomnd04.army.mil/milpermsgs.nsf> Accessed December 17, 2007.

United States Army. MILPER Message 07-237: AHRC-OPL-R - IMPLEMENTATION OF THE ARMY OFFICER MENU OF INCENTIVES PROGRAM (REGULAR ARMY). September 11, 2007. <https://perscomnd04.army.mil/milpermsgs.nsf> Accessed September 21, 2007.

United States Army Research Institute. 2005 Survey on Officer Careers. 6 December 2007. Personal email. (6 December 2007).

United States General Accounting Office. GAO-03-1000. *MILITARY EDUCATION: DOD Needs to Enhance Performance Goals and Measures to Improve Oversight of Military Academies*. September 2003. <http://www.gao.gov/new.items/d031000.pdf>. Accessed December 13, 2007.

United States General Accounting Office. GAO-07-224. *MILITARY PERSONNEL: Strategic Plan Needed to Address Army's Emerging Officer Accession and Retention Challenges*. January 2007. <http://www.gao.gov/new.items/d07224.pdf>. Accessed October 12, 2007.

## Appendix 1

### MILITARY TRANSITION DIVISION 2006 SALARY SURVEY

*The following salary survey includes data for candidates placed by  
 Lucas Group's Military Transition Division  
 between October 1<sup>st</sup>, 2005 and September 30<sup>th</sup>, 2006*

<b>REGION</b>	<b>POSITION TYPE</b>	<b>AVERAGE SALARY</b>
<b>PACIFIC</b> (CA,OR,WA,HI)	Consultant	\$68,000
	Engineering	\$68,192
	Senior Management	\$99,000
	Leadership/Management	\$69,438
	Operations/Logistics/Quality	\$66,602
	Sales	\$88,416*
	Technician	\$44,519
<b>CENTRAL SW</b> (TX,OK,AR,LA, AZ, NM, NV)	Engineering	\$64,064
	Leadership/Management	\$65,758
	Operations/Logistics/Quality	\$60,021
	Sales	\$53,732*
	Technician	\$43,319
<b>MID-ATLANTIC</b> (DC,NC,VA,WV, MD,DE,PA)	Consultant	\$75,000
	Engineering	\$63,000
	Leadership/Management	\$64,340
	Senior Management	\$131,250
	Operations/Logistics/Quality	\$59,400
	Sales	\$66,093*
	Technician	\$49,450
<b>SOUTHEAST</b> (AL,FL,GA,MS, SC,TN)	Consultant	\$72,500
	Engineering	\$66,952
	Leadership/Management	\$72,626
	Operations/Logistics/Quality	\$65,961
	Sales	\$62,600*
	Technician	\$40,125
<b>NORTHEAST</b> (NY,NJ,ME,NH, VT,MA,RI,CT)	Consultant	\$84,000
	Engineering	\$73,520
	Leadership/Management	\$79,536
	Operations/Logistics/Quality	\$69,910
	Sales	\$67,451*
	Technician	\$40,919
<b>MIDWEST &amp; ROCKIES</b> (OH,IN,MI,WI,MN, KY,ND,SD,KS,NE, IA,IL,MO,CO,WY, UT,ID)	Consultant	\$63,667
	Engineering	\$64,366
	Leadership/Management	\$63,830
	Senior Management	\$84,900
	Operations/Logistics/Quality	\$66,587
	Sales	\$74,555*
	Technician	\$47,272
<b>OVERSEAS</b>	Operations/Logistics/Quality	\$81,999
	Sales	\$98,883
	Senior Management	\$65,088

\*- Sales compensation includes base salary + 30% for allowances, commissions & performance bonuses