

ARMY RESERVE COMPONENT: TRANSFORMATION TO AN OPERATIONAL FORCE

BY

LIEUTENANT COLONEL KEVIN J. VINK
United States Army Reserve

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U.S. Army War College, Carlisle Barracks, PA 17013-5050

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USAWC STRATEGY RESEARCH PROJECT

**ARMY RESERVE COMPONENT: TRANSFORMATION TO AN OPERATIONAL
FORCE**

by

Lieutenant Colonel Kevin J. Vink
United States Army Reserve

Colonel Joe F. Charsagua
Project Adviser

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U.S. Army War College
CARLISLE BARRACKS, PENNSYLVANIA 17013

ABSTRACT

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The U.S. Army Reserve Components, consisting of the Army National Guard (ARNG) and U.S. Army Reserve (USAR), have been significantly transforming in their role over the past decade from a strategic reserve to an operational force. During this period of progressive change, the Reserves need to institutionalize this transformation for long-term sustainment of the all-volunteer force by providing operational capabilities and strategic depth across the full spectrum of conflict. This SRP identifies quantifiable objectives that Army Reserve Components need to achieve in the FY12-17 Program Objective Memorandum (POM) to complete its sustainable and strategic transformation to an operational force.

ARMY RESERVE COMPONENT: TRANSFORMATION TO AN OPERATIONAL FORCE

The Army Reserve Components (RC), consisting of the Army National Guard and Army Reserve, have been significantly transforming in their role over the past decade from a strategic reserve to an operational force. During this period of progressive change, the Reserves need to institutionalize this transformation for long-term sustainment of the all-volunteer force by providing operational capabilities and strategic depth across the full spectrum of conflict. The RC has successfully integrated into the total Army through demonstrable progress toward cultural transformation. This SRP identifies quantifiable objectives that Army Reserve Components should strive for in accord with the near term, Fiscal Year (FY) 2012 – 2017 Program Objective Memorandum (POM).¹ Achievement of these objectives will ensure the successful, sustainable and strategic transformation of the Army RC into an operational force.

This SRP traces the Army RC's historic role as a strategic reserve. It then describes how the Army RC has evolved and began transforming into an operational force. It finally offers a plan for additional long-term change that is needed to fully establish and institutionalize the RC's new role in the Army's all-volunteer force. The RC's transformation initiative is initially considered in the context of the total Army force. This analysis cites measurements of desired output, and then considers the RC's emerging cultural and institutional character. This analysis also considers proposed options to the transformation, such as maintaining the status quo or increasing the Active Component (AC) in lieu of building an operational RC. Finally, this SRP assesses

the RC's progress in transforming and concludes with recommendations for immediate and near-term actions to complete the RC's transformation to an operational force.

Background

The RC's transformation from a strategic reserve, in which status they were typically considered predominantly for such an emergency as another world war and only trained one weekend a month and two weeks in the summer – to an operational force that is fully integrated into the AC with frequent deployments and training requirements, began before their new role was officially proposed. Rather evolving contemporary warfare and an era of persistent conflict forced national leaders to call upon RC capabilities, so RC units were mobilized and deployed for protracted operations for which they had not been organized and designed. The development of today's RC began largely following World War II and the Korean War when the draft was available, when the threat to the homeland came from Soviet nuclear weapons, and when any uses of RC forces would involve a long-term escalation of a conflict and mobilization. Since the fall of the Berlin Wall and especially after the 9/11/01 terrorist attacks on the United States, the RC has been used much more frequently in a variety of operational missions, integrated with and complementing AC operations. The Army RC workload has accordingly increased over seven-fold in the current decade without the luxury of conscription or of lengthy build-ups or train-ups of forces. The RC has carried out both homeland defense missions as well as overseas missions.²

In many respects, the RCs are already a de facto operational force: Tens of thousands of RC Soldiers have been activated and deployed throughout the past decade.³ This trend has evolved over years and is likely to continue for the foreseeable future. The 2006 Quadrennial Defense Review acknowledged the need to make the RC

operational and to better integrate the RC with its AC counterpart.⁴ Other initiatives have made the RC more operational. Nonetheless, the concept of an operational RC had not been developed or endorsed. Yet the RCs have demonstrated their effectiveness to contribute to the total force – one wholly integrated Army. As part of Army modernization and modularity, RC units have become comparable to their AC counterparts in terms of structure, equipment, and roles than in the past. In fact, nearly \$23 billion⁵ additional funding has been requested for RC equipment since 2003. Personnel authorizations have increased for the RCs by approximately two and three percent respectively since 2007 such that the Army National Guard is now authorized 358,200 Soldiers and the Army Reserve is authorized 206,000 Soldiers: The total of 564,200 Reserve personnel now outnumbers the AC authorization of 547,400. RC units are now more fully manned than in the past. The train – mobilize – deploy approach to readiness as well as improved management of the Army Force Generation (ARFORGEN) model now cycles both RC and AC units through progressive stages of reset, train & ready, and available for military operations.⁶ These force management mechanisms cannot meet current demands for forces without substantial RC contributions.

The Commission on the National Guard and Reserves (CNGR), in its significant report on the RCs, has further raised thought-provoking awareness of the initiative to operationalize the RC. Its 95 recommendations were formulated with the hope and anticipation that they would encourage national debate and prompt far-reaching, positive change for the RCs, similar to AC reforms in response to the Goldwater-Nichols Department of Defense (DOD) Reorganization Act of 1986. Many of the CNGR's

recommendations have been implemented, such as elevating the Chief of the National Guard Bureau from three to four-star general. Others are being considered or will be implemented. Still other CNGR proposals are very complex and will take years or decades to be implemented, if ever. While much has been done, much more remains to be done both in the near term and further in the future.⁷

While the migration of the RC from an emergency, back-up resource to a fully operational force happened out of necessity over several years, the actual plan to transform the RC is relatively recent. Formal acknowledgement of deliberate change of the RC to an operational force began when Department of Defense Directive (DODD) 1200.17 was published in late October 2008. This Secretary of Defense Directive established significant policies. For example, it directed that the RCs develop an operational force to provide strategic depth across the full spectrum of conflict, that the AC and RC be integrated as a total force, and that these initiatives enable the armed services to maintain the all-volunteer force. In addition to assigning responsibilities to key stakeholders, the directive also defines critical terms:

RCs as an operational force. The RCs provide operational capabilities and strategic depth to meet U.S. defense requirements across the full spectrum of conflict. In their operational roles, RCs participate in a full range of missions according to their Services' force generation plans. Units and individuals participate in missions in an established cyclic or periodic manner that provides predictability for the combatant commands, the Services, Service members, their families, and employers. In their strategic roles, RC units and individuals train or are available for missions in accordance with the national defense strategy. As such, the RCs provide strategic depth and are available to transition to operational roles as needed.⁸

This Directive effectively articulates broad policies regarding the RCs current and future roles. However, it remains to be seen precisely how this policy will be fully implemented or when resources will be available for such implementation.

Going forward, as specified in DODD 1200.17, the Army needs to take appropriate action to permanently establish the RC as an operational force, beginning with a plan that ensures predictability for all relevant parties, sustains operational capabilities and strategic depth, and thereby maintains the all-volunteer force.⁹ As this directive implies, the Army should execute the specified objectives in a deliberate manner by developing an implementation plan¹⁰, and identifying milestones, ways and means, and defined thresholds of acceptable performance. Key areas of interest may include a variety of factors, many of which will be considered in the following analysis of defining and measuring the reserves.

Defining and Measuring the Operational Reserve Force

How should the Army measure the effectiveness of an operational reserve? Among many measurements of RC use as an operational force, one focuses on the length of mobilizations (now set as 12 months by Secretary of Defense Policy to improve predictability). Another focuses on the ratio of mobilization to non-mobilized dwell time. The length of mobilizations impacts the availability of forces to meet commitments. Intermediate, surrogate, and proxy metrics such as units' times of Boots on the Ground (BOG) attempt to gauge the effectiveness of RC units. Assuming the policy for RC mobilizations will remain at one-year increments,¹¹ a units' BOG time will obviously be something less than one year. BOG time also impacts availability of forces, though this is a relatively weak indicator of readiness or operational capability. In general, a unit with low BOG, such as six months (while the average is estimated to be about nine months) will be less effective and more costly, since approximately the equivalent of two such units will need to be deployed to provide one year in theater.

Because of overlaps of units entering and departing an overseas theater, coupled with other processing requirements¹², the maximum BOG time a RC unit can provide is eleven months at most (one year minus one month of overlap, in- and out-processing). Some RC units, such as low-density, combat service support (CSS) units are achieving eleven months of BOG already. At the other end of the spectrum, a unit may require substantial post-mobilization train-up because it has a mission for full-spectrum conflict. This type of unit (such as combat aviation) may be able to provide six months BOG time at best. In order to maximize BOG time, the Army set “Objective Post Mobilization Training Days” for select units and missions.¹³ While BOG times may usefully indicate a unit’s contribution in an area of responsibility, other factors such as mission type, complexity of tasks, assigned or available equipment, readiness of personnel, amount of cross-leveling required, and a multitude of other factors limit the value of this metric. However, the Army will continue to rely on this metric until better instruments are available. The Army seeks to optimize BOG by improving pre- and post-mobilization training and properly resourcing Full-Time Support (FTS).¹⁴ Another widely used metric is the ratio of mobilization to dwell time.

Mobilization time (set as one year for the RC) compared to dwell time (number of years a previously mobilized unit will remain home prior to their next deployment) is a measure of predictability and stability for Soldiers, Families, units, and employers. While the long-term, steady state goal is to achieve a unit and Soldier ratio of 1:5 (one year mobilized to five years at home), the current surge goal is 1:4. However, many units, such as civil affairs, have less stability and predictability. Some are currently operating at 1:1.¹⁵ Even if the steady state goal of 1:5 is eventually achieved, the Army

does not know with certainty whether this policy will sustain recruiting and retention at sufficient levels to sustain the all-volunteer force. Related to mobilization time, predictability for units, stability for Soldiers and maintenance of the all-volunteer force is the practice of cross-leveling or transfer of personnel among units to enable mobilizing units to achieve sufficient personnel levels. Cross-leveling is an alternative way to indirectly measure both unit effectiveness and predictability for Soldiers.¹⁶

When a unit is preparing to mobilize and deploy, it may need to borrow or cross-level Soldiers from other units to meet shortfalls in the deploying unit's personnel readiness. Ideally cross-leveling should be minimized because it tends to detract from unit cohesion and readiness. It also affects the donor unit downstream when they may deploy in the future. The cascading effect of "robbing Peter to pay Paul" tends to exacerbate readiness concerns. Measurement systems and protocols do not seem standardized across the RCs for measuring impact of cross-leveling. In fact, the current amount of cross-leveling is not readily apparent. Even if a deploying unit needs no cross-leveling, this does not necessarily mean that the unit will be more effective than a unit that requires much cross-leveling for whatever reason. This cross-leveled unit may still be very effective and competent. Therefore, the amount of cross-leveling is not an appropriate method to gauge the effectiveness of a unit. However, cross-leveling is a reliable indicator of concern regarding unit effectiveness, predictability, and stability. So it is monitored and efforts continue to reduce it. Some stakeholders believe that current Army reporting methods provide reliable indicators of the RCs readiness.

But current readiness reporting systems¹⁷ do not accurately assess RC effectiveness as an operational force; however, the systems are in place and they may

provide some insight into future unit readiness. Beyond the subjective nature of a unit commander's assessment, there is often disagreement regarding unit assessments between the RC and AC decision-makers as a unit transitions from pre-mobilization to post-mobilization training. The control of units and personnel during this battle handover has a contentious history. Also, since assessments of readiness are often subjective, the reporting standards are often misinterpreted or not agreed upon due to confounding factors such as focusing on core tasks versus directed tasks, cross-leveling, and other readiness-related issues. Because of institutional resistance to new reporting mechanisms, the existing readiness reporting system is regarded as acceptable. But it is only worthwhile if it serves the purpose of properly measuring the RCs deploy-ability. The measurement of dental readiness is actually a mature metric that reliably identifies the potential of the RC as an operational force.

Recent improvements in RC dental readiness reveal the capability of a mature metric to demonstrate effectiveness of the RC as an operational force. This simple metric of readiness has implications for policies, methods, resources (ends, ways, and means), costs, and risks. The DOD dental readiness standard stipulates that 95% of service members will be deployable, meaning they will be in either Dental Fitness Category (DFC) 1 (do not require dental treatment) or DFC 2 (no dental emergency likely in for at last 12 months). On the other hand, DFC 3 means the service member is likely to need emergency treatment within 12 months, and DFC 4 indicates that the dental status is unknown or that it's been more than 12 months since the Soldier's last dental check up.¹⁸ For a variety of reasons, Army Reserve Component personnel had

the worst dental standards in DOD in 2008 – with readiness around the 50th percentile for units.¹⁹

Several RC responses to the low dental readiness level soon enabled the RC to meet acceptable dental standards. The level of detail that follows demonstrates the complexity and specificity of a clear metric that describes RC effectiveness as an operational force – and may illustrate the value of future metrics. Demobilization Dental Reset (DDR) was a simple policy change that enabled the RC to dramatically increase dental exams prior to redeployment. This policy immediately changed many RC Soldiers from DFC 4 to DFC 1 or 2; it also hastened treatment for DFC 3 RC Soldiers. This single policy quickly raised RC readiness by about 10%. The Army also expanded the grace period for post- deployment checkups to 180 days and provided some free dental care. Enhancements to DDR were a relatively low one-time cost of \$8.5 million. Regarding First Term Dental Readiness (FTDR), existing medical accounts provided for minor facility improvements costing \$23.3 million to enable RC Soldiers to receive similar dental care to that of AC Soldiers. Also, policies were changed to ensure that RC Soldiers received dental checkups every year. Since some RC Soldiers attend split-option basic training and advanced individual training over a two year period (only in an active status during training), a significant number of personnel received one FTDR exam, but they became DFC 4 before their training was complete.²⁰

Other measures to improve dental readiness include command emphasis on the existing statutes of the Army Selected Reserve Dental Readiness System (ASDRS), treatment via the Reserve Health Readiness Program (RHRP), and greater use of the Military Medical Support Office (MMSO).²¹ These systems and programs serve the RC's

demographic diversity; RC units are community based and widely dispersed across the country; often they have no access to traditional military medical and dental support options. Further analysis of the dental readiness issue indicates that approximately 20% of the RC population at large will be DFC 3; this group collectively needs approximately 180 days of treatment, costing \$1,200 per Soldier on average to achieve deployable standards.²² While some RC funding currently pays for treatment of DFC 3 patients, some suggest that these funding levels should be increased across the entire RC force, not just the part entering the available pool in ARFORGEN because cross-leveled Soldiers frequently come from other phases of the ARFORGEN cycle and also because routine, scheduled dental and medical care produces a healthier force that needs less serious treatment than those whose dental problems have been neglected until they must be treated in order to deploy these DFC 3 RC Soldiers.

Dental readiness has a direct, measurable, and immediate impact on qualifying RC Soldiers to deploy and provide operational capabilities across the full spectrum of missions. The better RC dental readiness, the less cross-leveling is likely to occur. Dental readiness also affects BOG time. In effect, improved RC dental readiness is one factor that has dramatically enhanced recent RC readiness. Medical readiness can be similarly improved. Stakeholders²³ at all levels should strive to link metrics for the RCs similar to the level of fidelity of that for medical and dental readiness so that specific improvements can be made to best employ the RCs as an operational force. At the same time, these metrics should enable decision-makers to determine if they are achieving successful, sustained use of the RC to achieve strategic depth.

While strategic depth is clearly part of the RC's operational force definition, there is not much specified about this in literature regarding the RC transformation to an operational force. Recommendation 86 of the CNGR²⁴ specifies that strategic depth enables surge capacity from the Individual Ready Reserve²⁵ and others not in ARFORGEN. Some analysts seem to advocate that part of the RC should remain a strategic reserve as in the Cold War era. Others consider strategic depth is assured by the availability of RC capabilities in the ready pool of ARFORGEN; they prefer the term "operational depth" because some potential urgency may require additional forces. Accordingly, a metric for strategic depth may simply amount to the number of deployable units in the ready pool of ARFORGEN: They are available for contingencies or to quickly surge in other operations. Strategic leaders such as the Secretary of Defense and the Service Secretaries are heavily involved in measuring and controlling RC operationalization. In effect, they are seeking a solution to the quandary over the RC's future role in national security. All indications are that this solution amounts to a completed transformation of the RC into an operational force. This transformation is already underway.

Institutional and Cultural Changes. The previous section focused on measurements that enable leaders to identify successful change or progress. This section examines the new RC cultural identity and explains how it will sustain or institutionalize the RC's operational role. Individual Soldiers and RC units reasonably expect routine deployment commitments and a better integration into the AC as well as the total force. While the RCs have been performing missions at a high operational tempo, this has been accomplished with great churn (cross-leveling of units) and with a

distressing lack of predictability and stability that has put the all-volunteer force at risk. Some observers argue that there is little concrete evidence to suggest that the all-volunteer force is at risk, since most evidence is anecdotal or consists of emotional appeals. Additionally, recruiting and retention is going well for the RC: Both the Army National Guard and Army Reserve have exceeded their strength goals while at war. Nonetheless, the Army is best served by proactively optimizing the force and remaining vigilant. The new operational reserve construct is in its infancy; it has huge shortages in mid-grade ranks and certain skill sets.^{26 27} Much of the Reserve operational force initiative has been resourced with supplemental funding; this ad hoc funding may disappear when supplemental budgets eventually terminate unless the operational force requirements migrate into the base budget.

It is very likely that RC leaders will employ a funding strategy for the operational force that relies on both base and supplemental budgets. However, much of the operational force has been funded with only supplemental dollars. So it is critical to identify the RC operational capabilities that must permanently migrate into the base budget in order to institutionalize the RC and sustain its new culture. Enduring elements, such as investments in human resources, establish the cultural identity of a force. For example, dollars for RC family support programs and recruiting and retention have already migrated into the base budget. Similarly, funding for Full-Time Support (FTS) has increased to support increases of over 15,000²⁸ RC personnel since 2001 in the base budget.

FTS mostly pays for active duty, Active Guard Reserve (AGR), Soldiers who work for the Reserves and for dual-status Military Technicians (MT) who are full-time

Department of the Army civilians who also serve as part-time RC Soldiers. AGRs represent about 8% of the 564,200 RC strength, while MTs are roughly 7% of the total. Altogether, the RCs will have about 87,000 FTS personnel at the end of their growth ramp, ending in 2013. The approximate number of 87,000 FTS represents 73% of the authorized approximated 119,000 FTS personnel.²⁹ RC leadership has frequently prioritized increased FTS as their top concern, but FTS costs have prevented additional augmentation.³⁰ FTS personnel provide the day-to-day “care and feeding” of RC units; they also provide continuity. So they will play a critical role in transforming the RC identity. While it seems obvious that more FTS should improve unit effectiveness, any increase has only an indirect effect on readiness. So it is difficult to prove their contributions to unit effectiveness.

Without FTS, the RC would be ineffective. FTS ensure that RC members get paid and that equipment is maintained. However, the incremental improvement or decrement of RC operational capability and readiness resulting from increases or decreases of FTS personnel would be indirect and not necessarily worth the return on investment. Intuitively, the addition of one FTS person should improve effectiveness; however, it is not easy to justify the costs of additional personnel. Additionally, Full-Time Equivalents (FTE) consisting of contractors, mobilized reservists (Active Duty for Operational Support – ADOS), or others in lieu of FTS may provide a sufficient alternative to increasing FTS personnel. The RC is authorized 30,000 personnel on ADOS,³¹ and countless contracts provide other support. Regardless of arguments against increasing FTS, this issue remains a primary concern for RC leadership. But it has not been funded beyond 73% of requirements due to cost affordability. Alternatives

to FTS are perceived as temporary solutions that do not provide continuity, while FTS is perceived as having significant benefits that are difficult to identify, such as improved morale and unit cohesion.

As noted previously, RC decision-makers may help institutionalize their transformation to an operational force by migrating enduring capabilities from the supplemental budget to the base budget. The cost of the RC, both in supplemental and base budgets, is important. RC contributions are generally considered a strong return on investment for the nation and a savings for the Army. While an AC service member costs approximately an average of \$126,000 per year, a RC service member costs approximately one-fourth that amount. Additionally, Citizen-Soldiers provide the Army with skill sets not found in the AC. RC units are community-based; they provide assets throughout the homeland by augmenting first responders. They play a critical role in maintaining the all-volunteer force.³² While a transformed RC will cost more than a strategic reserve, Army leadership claims there is no viable alternative to this transformation. The cost is affordable, and the benefits will still far outweigh the costs.³³ The value of a continuum of service (COS) is an emerging cultural aspect not only of the RCs but also of the total force. Implementation of a COS will hopefully sustain the RC in the 21st century and help maintain the all-volunteer force.

The Army COS initiatives are part of a human capital investment strategy to streamline bureaucratic duty statuses and enable AC and RC Soldiers to transition seamlessly between various forms of military service – whether they serve part-time or full-time. The COS concept will most likely lead to policy changes in this long-term effort: Steady-state resolution is anticipated by 2019, according to the U.S. Army Forces

Command's concept plan for the Army Initiative to transform the RCs.³⁴ COS is expected to improve interoperability and facilitate integration between Army components; it is designed to enable and encourage AC and RC assignments for all service members without prejudice. Several measurements, along with cultural and institutional considerations, have been analyzed regarding the RCs transformation to an operational force. It is now reasonable to assume the viability of RC transformation by considering proposed alternatives: maintaining the status quo and increasing the AC.

Proposed Alternatives to Transforming the Reserves

Opponents to transforming the RCs claim it is unnecessary; they claim other options better enable the Army to fulfill commitments. The RCs have sufficiently transformed to an operational force already, so maintaining the status quo conserves resources.³⁵ This argument is appealing because nobody knows for sure what the future holds. An operational RC will probably cost more and the RCs have had some success so far with recruiting and accomplishing missions. Additionally, the RCs may not be so much in demand if the overall demand for forces is significantly reduced. For these reasons, maintaining the RC status quo appears feasible: The RC is meeting its objectives with its current available resources. The status quo is also acceptable – or worth the cost – because this option is less costly, at least in the near term. Further, there is some likelihood that demand in-theater will diminish somewhat. Likewise, the status quo is suitable because it is working now; however, the risks are substantial.

The risk of maintaining the RC status quo is that cumulative cross-leveling will degrade readiness. Then larger bonuses and other incentives will be needed to entice volunteers. The all-volunteer force may be at risk as frequent and repeated deployments wear down individuals, their families, and civilian employers. Reliance on

supplemental funding for maintaining the status quo of the RCs makes this option very risky if supplemental funding is reduced or eliminated. No one can accurately predict at what point the threshold for significant risk to the all-volunteer force becomes unacceptable, or when and if demand will be reduced in the foreseeable future.³⁶

Another proposed alternative to making the RC an operational force is to retain them as a strategic reserve and increase the AC. Only recently, the AC fielded approximately 750,000 Soldiers or over one-third larger than it is today. A larger AC may be more costly, but it eliminates the complexity required to sustain an operational RC;³⁷ it also ensures the Army is ready to deploy on short notice. This alternative is feasible because it has largely worked in the past. This option may also be desirable because we are in an era of persistent conflict and engaged in continuous operations. Regarding suitability, increasing the size of the AC is most costly and potentially unaffordable, but costs can be lowered by reducing RC force structure. In addition to the high costs of increasing the AC in lieu of transforming the RC, there are risks in losing specific RC capabilities, such as: civil affairs capabilities that are provided by civilian-acquired skills, combat support and combat service support functions, community-based situational awareness that is scattered throughout the country in thousands of communities, and support to homeland defense and Defense Support of Civil Authorities.³⁸

The Commission on the National Guard and Reserves finds that there is no reasonable alternative to transforming the RC to an operational force. They cite the following reasons: The RC has unique capabilities that support homeland security, as well as niche skill sets not readily found in the AC. Further, the RC can rapidly augment

and complement the AC capabilities, and the RC can easily draw down. Finally, RC contributions cost significantly less than those of the AC.³⁹ Many of the potential ends, ways, and means have been discussed for transforming the RC to an operational force. Long term ways to achieve an operational RC include maintaining the momentum on equipment modernization and procurement to achieve the 2019 objective, pursuing COS and other statute and policy changes to better integrate the whole force, and continuing progress toward restructure and balance to achieve acceptable mobilization-dwell ratios. The means for transforming the RC into an operational force include migration of RC funding from supplemental to base budget, as has already occurred in such areas recruiting and retention. The RCs have already achieved unprecedented equipment resourcing as well as significant increases in end strength and FTS. It is feasible for the RCs to transform to an operational force because the transformation is already underway with existing resources.

RC transformation to an operational force is preferable to other alternatives of maintaining the status quo or increasing the AC because it balances short-term gains with long-term stability, predictability, costs, and benefits. This choice provides both greater operational capabilities and strategic depth in the ready pool of ARFORGEN. It also leverages the contributions of the ARNG and USAR in the homeland and provides niche capabilities that are not cost-effective in the AC. The transformed RC is suitable because it provides great long-term capabilities with the lowest risk, balancing needed capabilities for the total force. The risk of transforming the RC is that the current era of persistent conflict may end abruptly; leaving the force with a capable but unneeded RC.

This can be ameliorated by using the RC in conjunction with the AC in peacetime operations (real world missions, such as Sinai).⁴⁰

The Army RCs have made significant progress toward transformation. Great strides have occurred as the reserves have accomplished the following: force structure realignment, force mix changes, headquarters modifications, and modularity and modernization efforts that have revamped the RCs in the past few years. Also, medical and dental readiness, family support, BOG times, recruiting and retention, and end strength have all improved. Despite this impressive progress, much remains to solidify and perpetuate those gains by fully transforming the RC and institutionalizing these changes. RC transformation involves a long-term effort that is projected to be complete by 2019. Although some elements of transformation will require a long-term effort of several years to implement bureaucratic and policy reforms, near-term programmatic and budgetary development is projected in the FY 12-17 POM. This development begins in early 2010. It is the basis for the following near-term recommendations.

The normal process for resourcing objectives occurs in the somewhat rigid two year program-budget review in which the military services submit requirements in terms of dollars and manpower. Then they defend their programs under scrutiny of the Office of the Secretary of Defense and Congress. Approval of off-cycle resourcing requests historically is much more difficult to obtain, so funding requirements that are not documented in this upcoming, near-term review will most likely be delayed an additional two years until the FY 14-19 POM. The urgency of programmatic actions in the spring of 2010 – coupled with the recent recession, government bailout of financial institutions, and the new presidential administration’s management efforts to alleviate the healthcare

crises – will make it extremely difficult to resource additional requirements. Any adjustments within the Army or DOD budget will likely be zero sum changes.⁴¹ In effect, mandatory and statutory funding of healthcare, social security, and other programs erodes the buying power of DOD, which is considered discretionary funding.

Recommendations in the Near Term for Transforming the Reserves

Given the current tenuous financial environment, it is probable that only marginal programmatic and budgetary requests supported by strong, quantifiable justification will survive this POM process. Since the U.S. Government Accountability Office's (GAO) review of the RCs indicates that implementation of an operational RC and funding strategy both need significant improvement, the outlook for favorable resourcing tends to be less than optimistic. With due regard for this bleak fiscal environment, the following specific, strategic, and quantifiable recommendations are offered for near-term POM development. Simultaneously, new policies, statutory changes, and long-term efforts (such as pursuit of a COS across all Army components) toward transformation will continue in parallel with near-term objectives.

Dental and medical readiness is the most mature and clearly defined metric with direct correlation to strategic readiness, demonstrated improvement, and indirect capability to improve BOG while reducing cross-leveling. The RC dental and medical treatment standards should be comparable to AC standards. Between \$170 million and \$930 million per year provides for a range of dental and medical services from the low-end (for only the force entering the available pool of ARFORGEN) to the high-end (for the entire operational force).⁴² This funding should ideally be provided in the base budget, but a fall back option (if it is not approved) is to request it in supplemental funding. For all of the following recommendations, the RCs should determine what their

enduring requirements are and attempt to migrate the funding for those requirements from the supplemental to the base budget. Additionally, the RCs should be prepared to fund this increase internally. The risk of funding internally is that the RC request may be denied, in which case the identified bill-payers for the proposal may also be used to fund other perceived higher priorities. The RC must accept some risk when it decides to fund something internally. One partial bill payer may be a modest reduction in funding for recruiting and retention, since those programs have exceeded goals. Another strong return on investment is FTS.

The RC should invest in human capital and demonstrate its resolve and commitment by internally funding an increase in FTS to maintain the growth ramp that currently ends in 2013 with a modest half-percent FTS growth – or about 500 additional personnel per year (costing approximately \$50 million additional per year). This is approximately half the growth of recent years.⁴³ RC leadership at multiple levels has frequently touted FTS as their primary concern and priority. If the momentum for FTS is not continued, history demonstrates that it will be significantly more difficult to restore a funding increase in the future. Further, the next opportunity may not be until a year after the current growth ramp terminates. Even though there is not tangible evidence to link FTS to readiness, senior leaders believe in this investment. An investment in FTS may also be viewed as a cost savings for otherwise needed Full-Time Equivalent (FTE). If RC leaders are unsuccessful in reestablishing the FTS growth ramp, they nonetheless benefit from demonstrating loyalty to its values. They can continue to request FTE or ADOS in lieu of FTS via supplemental funding.⁴⁴ The risk of not taking a stand in

support of change is the risk of failing due to inaction. Another investment in human capital is to request an increase in the trainee account.

The RC Trainees, Transients, Holdovers, & Students (TTHS) personnel account should improve readiness and reduce the need to cross-level Soldiers. Since the RC is community-based and does not fill its replacements like the AC, RC units cross-level and deploy at over 100% strength. A realistic trainee account can help account for absences due to school requirements and enable us to fill units to capacity. Currently the ARNG TTHS account includes 2,000 spaces while the USAR TTHS account includes 4,000 spaces. There is no cost estimate for implementing changes to the RC TTHS accounts and the RC leadership is considering adjustments to the size of the account.⁴⁵ In absence of additional end strength, this is a very appealing prospect for RC leadership and stakeholders. The last recommendation is for increased training days.

RC units in ARFORGEN currently require additional days of training during the two years prior to progressing to the available pool. In 2007, the G-3/5/7 Director of Training approved additional training days in the form of Annual Training, Inactive Duty Training, and ADOS. OPTEMPO resource models already incorporate these extra days and are therefore already funded.⁴⁶ The Manning Program Evaluation Group⁴⁷ validated the extra days of pay but did not fund them. The cost estimate is \$560 million per year. These extra days better enable pre-mobilization training of individual tasks to optimize unit readiness and BOG time. If this funding is not granted, then the RCs will continue to request these training days in supplemental funding. Otherwise, they must spend additional days training post-mobilization.⁴⁸

Conclusion

In summary, The Army RC, consisting of the Army National Guard and Army Reserve, have significantly transformed in their roles and employment over the past decade from a strategic reserve to an operational force. As this progressive change proceeds, the RC should institutionalize their transformation in order to sustain the all-volunteer force by providing operational capabilities and strategic depth across the full spectrum of conflict. The RC has already integrated into the total Army force with demonstrable improvements in its readiness as well as cultural transformation both in the long-term and near-term. As the FY 12-17 Program Objective Memorandum (POM) process gets underway in the spring of 2010, the RC should identify the following requirements for base budget funding (internally funding if necessary) to enable successful, sustainable and strategic transformation to an operational force: increased availability of dental and medical treatment, growth in FTS personnel, higher levels in the RC trainee account, and additional training days for progressive readiness in ARFORGEN. All of these actions will arguably improve unit readiness and contribute to the RC's cultural and operational transformation. Dental and medical readiness funding should increase annually by between \$170 million and \$930 million. Increases in FTS personnel should be re-established in 2013 by approximately 500 personnel per year, costing roughly \$50 million per year. An increase in the RC TTHS personnel account should improve readiness. Finally, additional training days should be added to strengthen pre-mobilization training, costing about \$560 million per year. These near-term solutions should be urgently pursued; they are essential for sustaining RC momentum in its transformation to an operational force. Compared with the unaffordable increase in funding to expand the AC, many benefits of transformation of

the RC to an operational force provide an excellent return on investment for the nation's security.

Endnotes

¹ Chairman of the Joint Chiefs of Staff Instruction, CJCSI 8501.01A, *CJCS, Combatant Commanders, Joint Staff Participating in the Planning, Programming, Budgeting, and Execution System* (Washington, DC, current February 12, 2008), the POM is part of the PPBE process to establish requirements in the President's Budget and the Future Years Defense Plan (FYDP). The FY 12-17 POM begins in early 2010.

² Commission on the National Guard and Reserves, *Transforming the National Guard and Reserves into a 21st Century Operational Force* (Arlington, VA, January 31, 2008), Final Report Executive Summary, 9.

³ "National Guard (In Federal Status) and Reserve Activated as of November 10 2009," <http://www.defense.gov/releases/release.aspx?releaseid=13118> (accessed December 8, 2009), the total number currently [November 10, 2009] on active duty from the Army National Guard and Army Reserve is 107,405. For planning purposes, the RCs expect to deploy approximately 80,000 Soldiers overseas per year.

⁴ Department of Defense, *2006 Quadrennial Defense Review Report* (Washington, D.C., February 6, 2006), 76-77.

⁵ U.S. Government Accountability Office (GAO), *Reserve Forces: Army Needs to Finalize an Implementation Plan and Funding Strategy for Sustaining an Operational Reserve Force* (Washington, DC: U.S. Government Accountability Office, September 2009), Highlights. It is generally agreed that increased parity exists among the Army components and that the RC is better equipped now than in the past.

⁶ *Ibid.*, 8-16. The RC's train-mobilize-deploy readiness model is embedded in the Army Force Generation (ARFORGEN) model that cycles units through progressive stages of readiness: reset, train, ready, and available.

⁷ Commission on the National Guard and Reserves, *Transforming the National Guard and Reserves*, letters to Congress and Secretary of Defense, 5-7. The CNGR has 95 explicit recommendations with numerous additional findings and subordinate recommendations. Some of the recommendations have already been completed such as the Chief of the National Guard Bureau receiving a fourth star, some are in-progress or are intermediate efforts, and some are long term goals such as developing a Continuum of Service between AC and RC personnel.

⁸ U.S. Secretary of Defense Robert M. Gates, Department of Defense Directive 1200.17, *Managing the Reserve Components as an Operational Force*, Washington, DC, October 29, 2008.

⁹ *Ibid.*

¹⁰ GAO, *Reserve Forces: Army Needs*, 38. This GAO report recommends that the Army finalizes an implementation plan to transform the RCs to an operational force.

¹¹ U.S. Under Secretary of Defense David S. C. Chu, "Revised Mobilization/Demobilization Personnel and Pay Policy for Reserve Component Members Ordered to Active Duty in Response to the World Trade Center and Pentagon Attacks – Section 1," memorandum for the Secretaries of the Military Departments, Washington, DC, March 15, 2007.

¹² Unit processing requirements include Relief in Place and Transfer of Authority (RIPTOA), theater in-processing and out-processing.

¹³ Pete Geren and George W. Casey, Jr., *A Statement on the Posture of The United States Army 2008*, Posture Statement presented to the 110th Cong., 2nd sess. (Washington, DC: U.S. Department of the Army, 2008), Addendum A. Pre-mobilization is typically executed at home station prior to being mobilized while post-mobilization occurs after activated to full-time federal status usually at a mobilization station prior to deployment overseas. The Army continues to track the current BOG times and established BOG time objectives of select units.

¹⁴ Already being done and therefore outside the scope of this paper, pre- and post-mobilization training for Deployment Expeditionary Forces will generally train to the less intense and costly Directed Mission Essential Task List (METL) while other force pools in ARFORGEN will train to their broader Core METL. FTS will be addressed later in this paper.

¹⁵ Pete Geren and George W. Casey, Jr., *A Statement on the Posture of The United States Army 2009*, Posture Statement presented to the 111th Cong., 1st sess. (Washington, DC: U.S. Department of the Army, 2009).

¹⁶ Sufficient stability and predictability for units, individual Soldiers and their Families is estimated at a 1:5 ratio of mobilization to dwell. The RCs are perceived as a crucial link to maintaining the all-volunteer force and precluding conscription via maintenance of adequate recruiting and retention fill rates. Cross-leveling personnel between units to enable sufficient personnel fill rates of deploying units may undermine stability, predictability, and negatively impact efforts to maintain an all-volunteer force.

¹⁷ Army Status of Resources and Training System (ASORTS) and Defense Readiness Reporting System Army (DRRS-A) remain somewhat cumbersome and subjective. The unit commander's assessment of training is subjective and largely dependent on mission type. Personnel and Equipment assessments may also be misleading for a variety of factors.

¹⁸ Army Regulation 600-63 *Army Health Promotion*, (Washington, DC: Department of the Army, Rapid Action Revision September 20, 2009).

¹⁹ Numerous reasons, many which are described in this paper, explain why the RCs had poor dental readiness in the past to include: demobilization policy, first term dental readiness issues, lack of funding for dental treatment, command emphasis on dental readiness, and demographics of the force.

²⁰ Findings and Recommendations of the House Armed Services Subcommittee on Oversight and Investigations in Support of the Military Personnel Subcommittee re: Dental Readiness in the Reserve Component, <http://armedservices.house.gov/pdfs/Reports/>

DentalReadiness2008FINAL.pdf (accessed December 12, 2009). Improvements to FTDR also improved RC readiness by about 10%. Split option training may take up to a full two year period before a Soldier completes both basic training and Advanced Individual Training (AIT). Previously Soldiers received only one dental exam during this period but an exam is required annually. The Soldiers are only on active duty status while in school, which is some period less than the two years. Basic training is approximately ten weeks and AIT varies in length from several weeks to several months.

²¹ Ibid. Command emphasis in ASDRS, treatment in RHRP, and MMSO have demonstrated some success in improving dental readiness but the implementation and long-term effect of these systems is still being assessed.

²² Planning, Programming, and Budgeting Business Operating System, <https://www.ppbbos-prd.army.mil/enterprise-portal/group/ppbbos> (accessed May 28, 2008).

²³ Stakeholders include decision makers, commanders, leaders, and others responsible in making the RC successful as an operational force as stated in DODD 1200.17.

²⁴ Commission on the National Guard and Reserves, *Transforming the National Guard and Reserves*, 73.

²⁵ Individual Ready Reserve personnel consist of inactive, former military members who do not receive pay, train militarily or perform any military functions except possible muster activities but are available if called up for military service in dire situations.

²⁶ U.S. Government Accountability Office (GAO), *Military Personnel: Army Needs to Focus on Cost-Effective Use of Financial Incentives and Quality Standards in Managing Force Growth*, (Washington, DC: U.S. Government Accountability Office, May 2009), 37, 51-54, 59, 60. While the RC (and the AC) has done well with overall recruiting and retention goals, there are still mid-grade shortages such as in the ranks of captain, major, and lieutenant colonel.

²⁷ U.S. Government Accountability Office (GAO), *Reserve Forces: Army National Guard and Army Reserve Readiness for 21st Century Challenges*, (Washington, DC: U.S. Government Accountability Office, September 2006), 15. There are shortages in high demand skill sets such as in Combat Support and Combat Service Support to include: Military Police, Civil Affairs, and Military Intelligence.

²⁸ GAO, *Reserve Forces: Army Needs*, 31. The Army RCs increase of Full-Time Support (FTS) is part of an existing growth ramp that has cumulatively added over 15,000 personnel to the RC roles since 2001. The FY10 base budget request included \$1.9 billion for recruiting and retention.

²⁹ Planning, Programming, Budgeting and Execution System, <https://www.ppbe.army.mil/PPBEUser.aspx?pu> (accessed August 21, 2008). Army RC FTS in 2013 consists of 16,350 U.S. Army Reserve (USAR) AGRs, 32,060 Army National Guard (ARNG) AGRs, 9,038 USAR MTs, and 29,982 ARNG MTs for a total of 87,430 FTS personnel (73%) of the total RC FTS authorization of 119,241 personnel.

³⁰ Thomas E. White and Eric K. Shinseki, *A Statement on the Posture of The United States Army 2003*, Posture Statement presented to the 108th Cong., 1st sess. (Washington, DC: U.S.

Department of the Army, 2003). RC leadership has frequently prioritized FTS as a top concern. It has not been increased because of cost affordability; it is estimated that one FTS person costs in excess of \$100,000 on average. Funding for an additional 30,000 FTS personnel could cost an additional \$3 billion per year for the RCs.

³¹ Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, 110th Cong., 2nd sess. (Washington, DC: U.S. Congress, September 23, 2008), 173. RC authorized 30,000 Active Duty for Operational Support (ADOS): 17,000 in the ARNG, 13,000 in the USAR.

³² Commission on the National Guard and Reserves, *Transforming the National Guard and Reserves*, 13-14. An AC Soldier costs \$126,000 per capita. RC Soldiers are cost effective and also critical to maintaining the all-volunteer force.

³³ Ibid.

³⁴ U.S. Army Forces Command (FORSCOM), "Concept Plan for Army Initiative 4; Transition the Reserve Components to an Operational Force," concept plan with briefing slides, Washington, DC, The Pentagon, February 25, 2008. This concept plan was not available on the internet. Page 18 stated that culmination of operationalizing the RC would occur by 2019.

³⁵ As mentioned earlier, much RC transformation to an operational force has occurred via modularity and modernization of equipment, increases in FTS over the years, demand for RC forces in operational theaters of war, and supplemental funding among other elements. Opponents to RC transformation suggest that enough or too much has been spent on the RC.

³⁶ Kevin J. Vink, *Management of the Army Reserve Components*, (Carlisle Barracks, PA: U.S. Army War College, November 14, 2009), 4-5. Some of these concepts were also previously stated in an unpublished student assignment policy paper written by the author.

³⁷ Commission on the National Guard and Reserves, *Transforming the National Guard and Reserves*, letter to Congress, 13-17, 61. The RCs are more complex because their Soldiers are Citizen-Warriors who are integrated into the civilian communities across the States, because bureaucratic processes such as multiple pay codes make training cumbersome and time consuming, and for other reasons related to how the RCs operate.

³⁸ Vink, *Management of the Army Reserve Components*, 4-5.

³⁹ Commission on the National Guard and Reserves, *Transforming the National Guard and Reserves*, 7-8.

⁴⁰ Vink, *Management of the Army Reserve Components*, 4-5.

⁴¹ Zero sum or constant sum indicates that any change in requirements or funding will create an equal but opposite change elsewhere within a closed system. This means that there will probably be no significant increase (aside from inflationary adjustments) in Army requirements or funding, only a re-prioritization within existing resources.

⁴² GAO, *Reserve Forces: Army Needs*, 31.

⁴³ Ibid. FTS roughly estimated at \$100,000 per capita times 500 personnel yields \$50 million per year. Recent RC FTS growth has been about 1,000 per year.

⁴⁴ FTS is considered preferable over FTE because FTS is a more permanent solution while FTE (comprised of ADOS personnel or contractors) are temporary personnel that may lack needed continuity.

⁴⁵ Scott T. Nestler, *TTHS is not a Four Letter Word*, (Arlington, VA: Association of the U.S. Army Institute of Land Warfare, November 2004), 1-5. The AC typically has a TTHS of 13% of its end strength while RC TTHS accounts are currently below 2% of their end strength. RC leadership has considered increasing their respective TTHS accounts to between 3% and 6% of end strength or approximately 12,000 spaces for each component though no commitment has been made yet to increase.

⁴⁶ The OPTEMPO resource models incorporate the extra training days and are linked to manning pay-and-allowances of the extra days.

⁴⁷ The Manning Program Evaluation Group is the authoritative validating committee that approves manning and personnel type requirements and programming for the Department of the Army in PPBE and is comprised of members from the Army G1 (personnel) and the Assistant Secretary of the Army (Manpower and Reserve Affairs). While the Manning Program Evaluation Group recognized the extra training days as a valid requirement, it could not sufficiently fund the requirement due to multiple competing demands in the POM process.

⁴⁸ GAO, *Reserve Forces: Army Needs*, 31, 29-35.

