

Defence Strategic Review: Air Force Reserve Workforce Targeted Reengagement

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The public version of the 2023 Defence Strategic Review (DSR) (and corresponding government response) identified a number of **urgent** initiatives and recommendations that Defence must undertake to improve its capability. The DSR has attracted significant media and analytical commentaries regarding the best way to implement the review. These discussions have overwhelmingly focused on the traditional capability and force design aspects of Defence (Bristow & Davis, 2023). However, an equally weighted recommendation, and worthy of its own chapter in the DSR, was that Defence is facing significant workforce challenges and urgent reform must be undertaken to improve recruitment, retention and the use of the reserve workforce (Commonwealth of Australia, 2023, p. 24). Despite its importance, this topic has not garnered the same level of commentary and analysis outside of proposed retention bonuses (Reuters, 2023). Here, I will present a few ideas on how Air Force could engage with its reserve workforce to improve recruitment, retention and deliver the urgent capability improvements that the DSR demands.

The DSR provides key direction on capability reform within Defence such as:

- The need to move away from platform centric thinking on capability (Commonwealth of Australia, 2023, p. 50). This is critical as personnel are the first foundational input to capability and Air Force capability is more than 'things on wings.'
- The need to focus on 'minimum viable capability in the shortest possible time' (Commonwealth of Australia, 2023, p. 20)
- The need to be innovative, take risks and how a business-as-usual approach is no longer appropriate (Commonwealth of Australia, 2023, p. 24).

Air Force Workforce Challenges

The ADF is facing serious workforce challenges and is struggling to meet its recruitment and retention targets. In 2022 the ADF only met 79.6% of its recruitment targets (Department of Defence, 2022, p. 100). From June 2018 to June 2022, there was a 2.1% increase in Air Force's separation rate from 6.6% to 8.8% (Department of Defence, 2022, p. 112 & Department of Defence, 2019, p. 89). There are various intrinsic and extrinsic reasons why Air Force members transition from Service Category (SERCAT) 7 to SERCAT 3 or 5¹. Unfortunately, within the three-year period from 2018 to 2022, Defence was slow in addressing these factors and at times took backward steps, which may have contributed to the rising

¹ Service Category (SERCAT) 7 are members of the Permanent forces rendering full-time service; SERCAT 5 are members of the Reserves who provide a contribution to capability that extends across financial years and who have security of tenure for the duration of their approved commitment to serve; SERCAT 3 are members of the Reserves who provide a contingent contribution to capability by indicating their availability to serve, or who are rendering service to meet a specified task within a financial year.

separation rates. Examples of these failures or 'own goals' include capping of higher duties allowance at 5% and changes to travel allowance. While each individual is different, the anecdotal evidence (and based on my personal experience) is that some of the main drivers for separations include:

- **Insecurity over posting location** and the associated challenges of quality **housing** that considers all **family needs, spousal employment** and **children's education**.
- **Slower career progression**. The Air Force seems to have a **low risk appetite for promotion**. Our people are promoted when the board assesses that they can do almost *any* job at the next rank up and it is then up to their career manager to find a vacant position. While the promotion system ensures we have strong leadership in our ranks it missing the opportunity to promote into a specific job and then provide **on the job training** to make them more suitable for other roles at that level.
- Comparatively **poorer employee value proposition** including access to education, leave, allowances, work-life balance and remuneration.
- Perceived poor workplace culture and leadership.

Fortunately, Defence has recognised these workforce issues before the DSR and is currently undertaking significant and unprecedented reform to address them (Greene, 2022). This approach is illustrated through the 2022 'ADF People System' CDF Directive, the establishment of the Defence People Organisation under a Three-Star Command and the ADF Modernisation Program addressing some of the aforementioned 'own goals' and improving the overall employee value proposition.

It is important to note that under the Total Workforce System model, there was a 7.1% increase in the number of reserve days rendered from 2021 to 2022 (Department of Defence, 2022, p. 114). This indicates that despite rising separations, there is a large amount of SERCAT 3 and SERCAT 5 members who left the permanent Air Force that remain engaged and current in their technical mastery. A logical deduction from this data is that there is a significant number of reserve members who may be open to reengagement back to SERCAT 7 if their specific push factors are remediated.

The Proposal – Proactive Reengagement

Air Force should consider to substantially increase their targeted and continuous efforts to reengage some SERCAT 3 and 5 members back into SERCAT 7 roles to improve recruitment, retention and capability. Successful reengagement that makes meaningful improvements to capability will require innovative, bold and outside the box idea. Perhaps one idea is for the Directorate of Personnel (DP) to lead reengagement efforts with members rather than waiting for members to approach the DP. Reserve career managers in DP should endeavour to convince members to transition back to SERCAT 7 rather than just managing their reserve service. This approach could initially be targeted engagement that work towards matching people with specific skillsets against vacant positions and specialisations. Targeted engagement could be enhanced by trying to match people already in the same geographical location as the vacancy.

Air Force should aim to achieve holistic, member-focused conversations and generating individualised contracts that address the needs of Reserve members and the factors that contributed to their discharge. For example, a member that left due to location insecurity could be guaranteed six years (two postings) of location stability. On the other hand, a member who left due to career progression opportunities could be enticed with the offer of sponsored education in exchange for an additional return of service obligation. These personalised approaches require conversations with, and explaining decisions to, our mature and professional workforce. These conversations could be supported with an in-depth study on

the factors driving separations across specific ranks and specialisations. While such approach could entail both individual and organisational risk, it is consistent with the direction of the DSR.

The Benefits

Targetable. Getting DP to initiate reengagement allows Air Force to specifically target individuals in high demand specialisations who are already job-ready and have the required technical mastery, clearances, and knowledge of the ADF. This is particularly useful when trying to increase the capability of joint domain, high demand or growth areas such as intelligence, cyber and space.

Immediate capability. Air Force can immediately acquire the required capability in the areas under the most strain. The individuals involved would bring a wealth of experience in their specific areas, which is now supplemented by civilian expertise which achieves the urgency the DSR calls for and that "recruitment time must be achieved in days, not months" (Commonwealth of Australia, 2023, p. 87).

Cost-effective. Targeted reengagement of Air Force's reserve workforce is a more cost-effective solution compared to offering recruitment and retention bonuses. As discussed, the process should be tailored to the individual member's recruitment/retention factors, often remuneration is not a driving factor, as opposed to a one-size fits all approach.

Time-effective. Implementing this strategy could be easier than conducting traditional recruitment drives, where Defence is currently not achieving their targets, and subsequent initial employment training. With just a simple phone call, Air Force can engage qualified individuals swiftly, eliminating the need for lengthy and resource-intensive processes.

Conclusion

While Defence's workforce reform is commendable, it will not be enough to attract all reserve members back into the permanent Air Force. This would keep the required reserve expansion base in place for contingencies. However, increased efforts for reengagement would help Defence achieve its goal of improving recruitment, retention and reserve workforce management while delivering urgent capability to meet its current needs.

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