Delivering Flexibility through People: Harnessing Human Capability

By Group Captain Paul O'Neill

This is the second of two papers arguing for greater organisational flexibility in the Royal Air Force. Necessarily broad in scope, they consider the consequences of a systematic move towards a strategy that prioritises flexibility against the components of Kenneth Galbraith's Star Model. Whilst the first paper focused on structures and processes, this one considers the people and reward implications of becoming more flexible. It continues the theme of challenge in order to provoke debate in the Service, and takes as its starting point the need for greater diversity and differentiation in the workforce.

This paper proposes some new approaches to recruitment, talent management, education and reward systems so that the RAF can attract, incentivise and develop the people it needs for the future. It argues for a greater emphasis on talent management and professional military education beyond the Executive Stream, with a greater focus on the non-technical skills that underpin flexibility, such as learning how (rather than what) to think, problem solving and how to manage conflict so that its creative value is exploited. Finally, it talks about the challenges of organisational culture and how this has to be changed if a new strategy is to be embedded in the RAF's DNA. Whilst the paper supports the current focus on human capability, it cautions that it needs to complement appropriate investment in the RAF's physical and conceptual components.

Introduction

Given the uncertain but wide range of tasks that the Royal Air Force may be called on to address in the future and its increasingly limited means, flexibility in facing the specific task at hand will be crucial to success on future operations. A move towards greater organisational flexibility demands action across the Services' structures, processes, people and rewards. An earlier paper[1] described some choices for structural and process change, focused on the development of an Adaptive Design Model (ADM) that incorporated elements both of bureaucracy and adhocracy in the various parts of its structure. It also argued for an expanded role for the Whole Force Approach, most specifically the Reserve component. Structures and processes, however, can only ever be contingent, solidifying to match the environment at any given time, but retaining the ability to morph when that environment demands something new. The capacity to adapt contingent structures and processes, therefore, derives fundamentally from the Service's people.

This paper seeks to further the debate about what flexibility should mean, this time for the RAF's people. It examines the people and reward areas in the context of a strategy seeking to maximise flexibility at the organisational level. Diversity is still at its heart, not merely in those characteristics protected under employment legislation but difference in all its forms is crucial to operational success because only by seeing issues through many different prisms can a proper understanding of the world be obtained.

Diversity must be accompanied by differentiation: a 'one-size-fits-all' model cannot respond appropriately to the disparate demands of the different parts of the organisation or its more diverse workforce(s). However, diversity and differentiation make the organisation's support requirements more complex and require sophisticated Human Resource (HR) policies. Different parts of the structure require differentiated HR policies for selection, talent management, development and reward. This complexity demands better systems for skills tracking, not just amongst the core, Regular, component, but the hitherto peripheral elements of the workforce, such as Reserves and other partners. This starts with a common lexicon for capturing the contacts, knowledge, skills, experience, competences, and then demands an information system that can hold and manipulate records more effectively than the current e-HR system (JPA).

Diversity needs to exist within the different parts of the organisational structure too. This individual-level diversity requires moving beyond the 'all of one company' approach that underpins so much of the RAF's HR thinking, and has to recognise and reward the value brought by individuals. This means empowering and valuing our airmen, NCOs and mainstream officers and investing more in them and their contribution (the vast majority of the Service) rather than the traditional focus on a small group of the most talented officers destined for the most senior ranks. A radical shift in HR thinking is needed to move from policies based around the management and reward of inputs towards those that support the

organisation's desired outcomes. This will be unsettling for many as it is counter-cultural to the current approach that values uniformity, role clarity and predictability. If the paradigm can be changed, however, it would maximise the Service's human capability advantages and unleash the potential of a highly trained and committed workforce. Moreover, it would help ensure that personnel activities were configured in such a way as to maximise the transformational value they bring to the organisation.

People

As the Royal Air Force has rightly recognised, people are not only crucial to its outputs but, under current planning assumptions (Future Force 2020), represent the best chance of securing a competitive edge in future conflict. A strategy that demands flexibility inevitably requires people who themselves are adaptable and comfortable with change. The strategy needs to foster a sense of creative tension and be able to accommodate different worldviews, especially where it is operating internationally. Consequently, a culture of flexibility requires a concerted investment in diversity. The challenge for the organisation thus becomes selecting, developing and using its people in support of the strategy, including accommodating those who will challenge its own orthodoxy. Wright and Snell identify three elements in delivering flexibility through people: 1) developing HR systems that can be adapted quickly, 2) developing a human capital pool with a broad array of skills, and 3) promoting behavioural flexibility amongst the workforce.[2] This is not just a question of talent, although organisations clearly need people with the right skills, but also the right mind-set and behaviours. The organisation, therefore, needs a way of identifying, developing, and implementing changes in recruitment, selection, development (education/training and career/talent management), rewards and exits to meet the new requirements quickly. A difficulty is that new strategy has to be delivered by a workforce whose recruitment and development was based on earlier, potentially redundant, requirements.

Recruitment and Selection

Recruiting and selecting people with the right approach and cognitive skills is more important than their technical skills, not least because it is impossible to know what technical skills are needed in an unpredictable future. In small forces, such as the RAF, it is impossible to hold within the regular component all the possible skills in sufficient mass to meet future scenarios. It is equally impossible to ensure that everyone in the organisation is broad enough to possess all the skills they may ever need.[3] The RAF will either have to bring the skills in as and when it needs them, or invest in developing the skills of its existing workforce on a 'just in time' basis. The former approach demands greater ruthlessness in shedding people with redundant skills to make space for those with the right new skills, which would undermine an important part of the psychological contract; generous job security represents part of the organisation's 'offer' in response to the unlimited commitment Service personnel make. Alternatively, training and education becomes vital, but brings with it considerable cost, including lost opportunity costs for the time people are taken from their normal duties.[4] The Reserves could contribute to resolving this conundrum as it may be possible to hold a

greater part of the Services' contingent skills in the Reserves, to be mobilised only when their skills are needed.

Recruitment and selection in the military is unusual: the Services tend to recruit at the base rank and promote from within, unlike commercial organisations that bring people in at every level of the hierarchy (lateral recruitment). The UK military has traditionally chosen not to adopt lateral recruitment widely, largely based on a (challengeable) contention that military experience at a lower level is essential to those operating at a more senior rank.[5] Whilst there is undoubtedly a correlation in technical skills between the tactical and operational levels in the Operating Core and Middle Line (as Mintzberg might define it), the skills required at the Strategic Apex, Techno-structure or Support Staffs are not mere extrapolations of those learned at the start of a career. Tactical or even operational brilliance is no guarantee of career success at the strategic level and recognising this discontinuity in skills between the operational and strategic levels[6] could open the door to some lateral recruitment to the Techno-Structure, Support Staffs and Strategic Apex (what might be termed the 'organisational space') without compromising military operations, perhaps even enhancing it through the diversity and wider talent pool this could bring – see Figure 1.

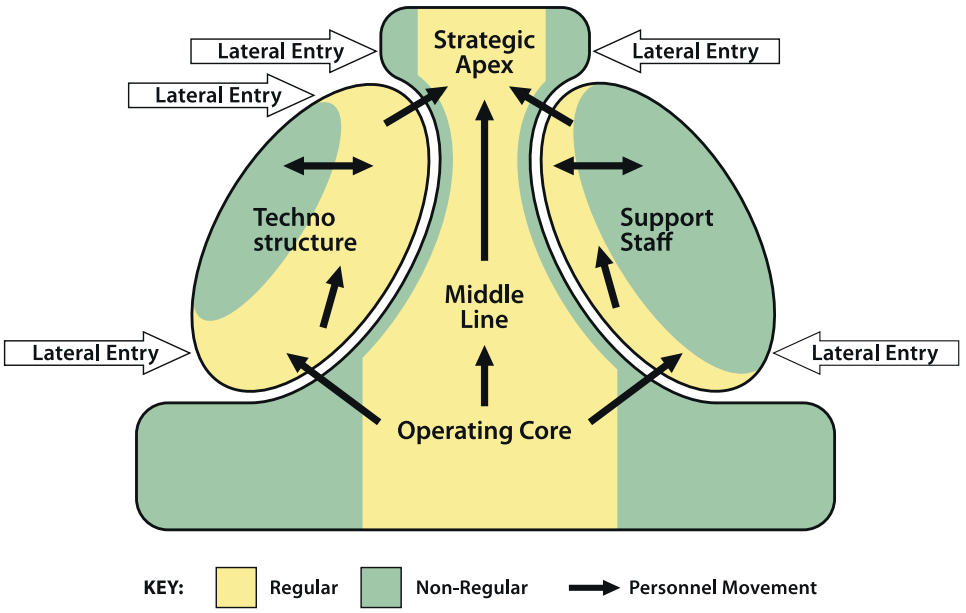

Figure 1. The Adaptive Design Model (Indicative)

Legitimate arguments against lateral recruitment within the organisational space do exist, based either on the need to provide career-broadening appointments for those uniformed

personnel who will rise to the top or where prior military skills are not needed it is generally cheaper not to employ a regular Service person given their higher employment costs. These arguments, however, do not invalidate the idea of lateral recruitment, but may open the organisational space to greater diversity of input, and enable a more permeable membrane between regular and non-regular workforces in the ADM as part of a 'Core/ Periphery Continuum' with varying degrees of commitment, readiness and employment cost.

Talent Management

Too often, discussions about talent management end up focusing on the senior, usually commissioned, ranks and either ignoring or under-playing the potential contribution of the majority of the Service. The RAF's talent pool is not restricted to those destined for the highest ranks alone, and today's airmen and women represent a highly talented and educated cadre from whom more value could be derived.[7] The 'talent' will be different in each individual, but talent management is not (or at least should not be) an exclusively officer sport. The approaches adopted by the Reichswehr under Hans von Seeckt and the RAF under Lord Trenchard in the Inter-war years were more inclusive, and saw significant investment in the non-commissioned cohort. The starting point for effective talent management is to understand the nature of the talents needed and how they differ in different parts of the structure. Once it knows what it wants, the organisation needs to create a management culture that recognises and employs those talents because experience is pivotal to engendering flexibility: career and talent management approaches need to be mobilised towards developing adaptability.[8] However, the RAF's complexity is such that the concept of standard career paths is ill-suited to engendering flexibility. The myth of a monolithic organisation needs to be exposed, enabling more nuanced and targeted HR policies to reflect the different needs of the RAF's different components, which the ADM argues needs to acknowledge the structure's dual stable/agile nature.

Differentiation is essential to effective management of the people component, and there are issues with the current approaches to talent management, including: the point at which the talent is identified; the tension between the demand for generalists or specialists; tour length, and; the problems and benefits of standardised career paths.

Identifying Talent. Before talent can be nurtured and managed, it needs to be identified, which requires a clear understanding of what talent the organisation wants. The nature of the desired talent will differ depending on the nature and part of the organisation in which the individual is employed. The Strategic Apex will inevitably be affected by the nature of the organisation it is leading[9] as it has to provide what the other parts need to perform. In a machine bureaucracy, the most important area is the Techno-structure as it provides the structure and processes that underpin successful delivery of the organisation's outputs; the Great General Staff from the Prussian Army and Reichswehr is a good illustration of this. Conversely, in an Adhocracy, the crucial component is the Support Staffs as it is they who deal with the conflicts and friction that organic structures generate.

Aside from its substantive nature, talent can also be manifest (that which is evident in how people perform) or latent (potential that is not yet displayed). The former is easier to identify and can be captured by the appraisal system, but latent talent (potential) is harder to detect. Amazon uses four criteria for predicting potential: curiosity; insight; engagement and determination,[10] none of which are formally assessed in the military appraisal system. Moreover, the Services' strong homogenising tendencies means that appraisers may assess others based on pre-existing stereotypes and, if the subject of the appraisal reminds the appraiser of others in the organisation who have been successful, they are likely to be rewarded. Proper training of those appraising others is crucial if genuine talent is to be identified early so that it can be managed to greatest effect.

Talent Management. Individual skills need to be matched to the demands of whichever part of the organisation has the greatest need for those skills. This places a premium on the skills of those engaged in talent management given the complexity of the role, and requires a move from talent management as process-adherence to a more organic approach[11] in which career managers would be less like machine operators and more like gardeners working in harmony with the wider organisational environment as it changes. This would enable a more rigorous focus on the organisation's needs and provide innovative paths to getting the right people, into the right jobs at the right time. There is a sense that career management is too process-oriented: in a flexible organisation, processes are contingent on the needs of the organisation at any given time rather than immutable laws demanding rigid adherence. It is easy to understand why career managers wish to follow a process, even where it leads to the wrong answer, because process-compliance provides protection from criticism, and the majority of the RAF's grievances are linked to career management decisions. This vicious circle, in which the process that leads to the wrong decision paradoxically is the best protection afforded to a career manger when a complaint is made encourages greater adherence to the process that can only be broken if the protection offered to the career manager comes from the organisation rather than the process. Innovation and prudent risk-taking in talent management, therefore, requires changes to the organisational culture.

The assumption of an unbroken line of skill development from the tactical to the strategic level, as well as driving a view that opposes lateral recruitment, also drives a linear approach to career development; individuals have to perform at each preceding rank before being considered for the next. This slows individual progress through the organisation and often fails to get people into the right jobs early enough in their careers to deliver the maximum benefit. The two-year posting cycle for those in the Executive Stream is driven by this linear approach to career management, with all of the problems that short tours bring (see below). In the case of those whose talent is suited to the highest positions within whichever part of the organisational structure, pushing them into bigger jobs with more staff or responsibilities undoubtedly continues their growth, but it does not necessarily accelerate it;[12] these individuals need to be challenged in new environments, including academic study and

secondments outside Defence. Skipping ranks could provide a vehicle for accommodating essential broadening opportunities without compromising individual career prospects.

Generalist or Specialist? In a closed employment system, such as that of the military where lateral entry is limited, the question of whether to prioritise generalists or specialists is difficult. The military system currently favours generalists who have proved themselves in a wide range of roles. Theoretically, therefore, those who rise to the top have a broad enough understanding to manage the Service. In a career of perhaps thirty years, however, this drives a high rate of churn given the number of ranks and jobs that those destined for the top need to 'survive'. However, genuine flexibility depends on properly understanding a situation, often when deep functional expertise of different specialisations is brought together, ideally within ad hoc structures as the problems are generally multifaceted. This means that the RAF needs both generalists and specialists, with each having a distinct part to play in delivering the strategic goal. Streaming people as generalists and specialists, and sub-dividing the specialists by employment area provides one way of cutting this 'Gordian knot' but, having done so, both groups deserve access to the education and reward systems that make most effective use of, and value, the contribution each makes – in this latter regard more work is needed to ensure that specialist talent is properly valued. The RAF's Senior Officer Study Period is a start, but falls some way short of the aspiration in the 2009 RAF Officer Career Management Review,[13] which envisaged a longer foundation programme linked to the professional development requirements of the Employment Fields. The signs that the New Employment Model will restore the sense of value in being a Specialist (not even acknowledged as such by the RAF, which prefers the term 'Mainstream', out of which the 'Executives' are lifted) are not encouraging.

Tour Length. Tour length is a crucial factor in harnessing talent as individuals are rarely fully effective immediately on appointment to a new job. Katz identifies three stages in how individuals' adapt to their appointments. The first is Socialisation, where the individual learns about their role, its boundaries and dependencies and is consequently at their most malleable. After this comes the 'Innovation' Phase when, having made sense of their environment, they can focus on improving performance and accomplishment; they are less malleable but more likely to make individually driven changes. The final stage, reached after a 'considerable length of time' sees 'Stabilisation', where the individual becomes stale and often inflexible.[14] The process by which people are moved from job to job can ensure that people remain open to innovation, but moving people too early means that they may not understand, or be concerned about the consequences of change. Short tour lengths means that personnel often spend a large proportion of their time in learning the new job (Socialisation) and are moved on whilst still at a point where they could innovate further, probably better informed of the consequences of their innovation and with a depth of experience to make a real difference to what are often complicated, or even 'wicked',[15] problems incapable of resolution within a two-three year posting cycle. As a consequence, '[m]*any highly technical staff positions are viewed as good 'broadening' assignments for operators who rotate through them so rapidly that they*

derive limited developmental benefit, and desired strategic outcomes become almost impossible to achieve'.[16]

Slowing down the speed of assignments amongst senior leaders would deepen expertise, increase accountability and reduce the risk of the next post incumbent changing direction before any benefits of the change were realised; Jack Welch (CEO of General Electric) claimed it took him 15 years to make a difference as a CEO; 5 to learn the job, 5 to produce genuine change and 5 to institutionalise the changes.[17] This is perhaps an extreme position, and Katz argues that team performance is generally optimised between 1-4 years, tailing off gently after five years before falling away sharply after seven years.[18] Both cases suggest, however, that the current tour length is too short and lengthening assignments would free individuals '*from the necessity of demonstrating their competence in a very short time, and of appearing to avoid any mistakes … [whilst] the environment [would be] a far more congenial and productive one where there was room and time to try some innovative approaches without risking all should some not be successful'.*[19] Streaming provides a significant opportunity to increase the tour length for the specialists whilst allowing the generalists to continue broadening, enabling the specialists to provide the deep expertise and continuity essential to addressing the more intractable problems. The position for senior leaders may need a different solution, such as the ability to skip or accelerate through ranks, perhaps by removing for the very best the need to demonstrate competence in both command and staff appointments.

Career Paths. Standard career paths represent industrial/mechanical age thinking and erode flexibility; they are neither responsive to individual skills nor changing organisational needs. These paths often tend to homogeneity as they shape individuals in remarkably similar ways. Finding alternative paths for key individuals, either in the Techno-structure, Support Staffs or for those destined for the Strategic Apex, would pay dividends, including secondments to industry, academia, third sector etc. Growing senior operational commanders during a protracted absence from combat operations could be assisted through secondment to UN operations, major Government projects or working in the third sector for development charities as a way of providing some of the project management skills required in operational planning. In light of the advantages of personnel in the Strategic Apex serving longer, it could be beneficial to accelerate selected individuals through their early tours. Identifying those with the greatest suitability for senior leadership early in their careers would allow rapid promotion through the junior ranks such that they reach senior rank early enough for tour lengths to be extended without detriment to overall career progression. This would be a very small sub-set of the Executive Stream, perhaps only the top 1-3%, but this makes retention of these individuals even more important.

If streaming is accepted as a means of differentiating, then it also follows that the streams will follow different career paths. This position then allows different means by which personnel may pursue the career. Inevitably, the Service will wish to have considerable control over the careers of those it is grooming for the most senior position, but for others such control would

be less important. Allowing individuals in the latter group to apply for jobs gives them control over their own destiny and reduces the workload on central career managers. Individuals with a positive promotion recommendation would be eligible to apply for posts at the higher rank, and appointment to the job would thus bring with it promotion. Such an approach would also give the chain of command the opportunity to select their team in a manner than takes account of interpersonal dynamics. Some central control would be needed to deal with those who were unable to secure future appointments, which might be done by ensuring the ability to appoint them to a position, or to exit them from the Service should they be unable to find suitable positions.

Education

> *"Training is about the "how"; education is about the "why" or the "what." … Training, in other words, is an activity limited in time, with a clear end determined by the ability to perform the tasks in question… Education … focuses on why an action may be necessary. It is about the purpose of that action, rather than simply about its mechanics. An educated individual is one who possesses the ability to judge the importance and rectitude of an action; a trained individual has the skills to perform it."* [20]

Having adaptable training and appropriate doctrine is widely recognised as being necessary to supporting flexibility[21] but, like other areas of the Support Staffs, this area has often been cut in order to 'preserve' the front-line, even though in the longer-term it may have the opposite effect. This could be a particular problem if more contingent capacity is held in the Reserve or in partnerships and will need to be harnessed/deployed to meet emerging needs. Despite training's crucial role, however, this paper focuses on education because '*you train for certainty, you educate for uncertainty*'.[22]

Education's importance in promoting flexibility has received prominence both in the US and UK. The 2010 report of the United States House Armed Services Committee (HASC), *Another Crossroads? Professional Military Education Twenty Years after the Goldwater Nichols Act and the Skelton Panel*, stressed the need for Professional Military Education (PME) to "continuously evolve in order to imbue service members with the *intellectual agility* [emphasis added] to assume expanded roles and to perform new missions in an ever dynamic and increasingly complicated security environment".[23] However, it is necessary to get behind the sound bite and ensure that the education offered contributes to the strategic intent. What this means will depend on the organisation's structure, which part of the structure the individual works in, and the processes and doctrine that are adopted. Of equal importance is to widen educational access; it must be more than just about the Strategic Apex. The Reichswehr invested significant amounts both in the General Staff that comprised its Techno-structure, and its SNCO cadre. The UK Defence Leaders' Training Education Review examines what skills the senior leadership needs, but is limited because it makes no assumptions about the nature of the organisation that the Strategic Apex is leading, and has limited its scope to the education offered from OF5 and above.

Kelley & Johnson-Freese have criticised the current state of PME in the United States by claiming that many institutions are too focused on technical education and tactical skills to achieve the flexibility sought. Although the specifics are different between the UK and US, the demand for immediate and demonstrable relevance from education is common (not least amongst budget staffs who demand value for money), and there are constant pressures to fill periods devoted to thinking time with substantive subject matter that 'proves' students are busy learning. As a technical Service, the RAF is particularly prone to a focus on technical skills, yet an organisation whose *raison d'etre* is change can rely less on this than life skills, such as team working, how to learn and think (including inductive reasoning), problem solving and handling conflicts.[24] Whilst there is a need for technical training, there needs to be a shift in PME towards the generic skills an organisation needs in its personnel, which will be different across the different components of the structure – currently, the majority of the investment in higher level education is aimed at those in the Middle Line aiming to enter the Strategic Apex, but these people represent a small fraction of the overall workforce.

Of further concern is the tendency to provide the vast majority of PME through means that limit exposure to significantly different ideas or ways of thinking; even higher level academic learning is delivered in largely closed cohorts of like-minded students with academics who are generally well-disposed to the military. A military that educates itself may not be as effective in developing creative thinking and innovation, whereas exposure to external academic institutions and a plethora of ideologies, some of which may reject the very basic assumptions inherent in the military culture,[25] may prove more effective at developing the critical skills which are necessary to support flexibility in the different parts of the organisational structure. Partnerships with academic institutions do exist through Fellowship Programmes run by the Directors of Defence Studies who place (almost exclusively) officers on civilian academic programmes, but the number of places is very limited and too often the time taken to study is seen by line and career managers as being detrimental to a career and something to recover from rather than as integral to the individual's development and a way of expanding the organisation's human capability.

PME can play an important role in building wider networks or partnerships by supporting the creation of cross-functional teams. Notwithstanding earlier criticisms about the technical and self-referential nature of PME, the existing advanced and higher level staff courses, and the Royal College of Defence Studies, provide excellent opportunities for selected officers to build relationships that will pay dividends later in their careers. However, the length of the courses makes it difficult to involve external partners and Reserves, and there is a need to consider how PME could be made more accessible to those outside the military's Regular component so that networks can be expanded. The more bite-sized training and educational opportunities being developed for the Reserves could be extended to Defence's external partners as a way of building the trust needed to turn 'contacts' into meaningful collaboration, but this has cultural implications. Rather than being 'Regular-lite programmes', the courses developed for the Reserves could become the vehicle for building the wider partnerships

an agile organisation needs to succeed, and Regular personnel need to attend these programmes so that the links are forged across all elements of the Defence workforce and partners.

Currently, investment in PME is too skewed towards the minority identified as having the potential to reach the Strategic Apex. Flexibility demands educational opportunities that are broadened so more people are provided with access; the difference in educational attainment in the officer corps between the US and UK Armed Forces is noticeable, with a much greater emphasis given to the value of external academic study in the US. Within the ADM, education needs to be rebalanced towards those in the adaptive component, and delivered in a way that best supports the cross-functional nature of future working. Personnel working in the Techno-structure and Support Staff have crucial roles to play in supporting flexibility, yet this is not adequately reflected in the availability of educational opportunities. Career streaming can, and should, look to expand the scope of PME and external education to capture those who expertise will be increasingly important in support of the future strategic leaders. Even in the Operating Core, although it is likely to remain a Machine Bureaucracy, the non-commissioned officers need appropriate education if they are to be the Strategic Corporals envisaged for the modern battlefield.[26] This suggests that even the Operating Core may need to be less bureaucratic and more innovative in future, but this could have profound cost implications that are 'unaffordable': affordability is, however, a statement of policy choice and Defence will have to decide how much it is willing to pay for its people, which may drive it towards a high end/high cost component and a low skill/low cost cadre if it does not wish to reduce volume further or pay to retain individuals who are likely to be in demand by other employers.

Whilst this section has focused on PME, education should be seen as more than just formal interventions, and needs to include the educational opportunities available through individual appointments as part of their career. The US Army in the interwar years recognised this, even defining its officer manning priorities as: 1) Army Staff; 2) Army War College Faculty; 3) Command and General Staff College Faculty; 4) Operational troop units. Despite the post-conflict drawdown in 1918, the uncertainty of the threats facing the US and fiscal constraints, the US Army refused to compromise on officer education, as these professionals would form the nucleus of a mobilised army.[27] UK Defence is arguably in the same position in which it needs to preserve a core capability of well-educated, agile warriors around whom they can build as circumstances demand. Moreover, educating the workforce through career management combines education with outputs, reinforces the learning by moving it from the abstract to the concrete and provides a sense of reward.

Rewards

Rewards. Rewards refer to the extrinsic elements of remuneration, promotion and recognition, and intrinsic factors such as job challenge, self-esteem and self-actualisation.[28] Extrinsic rewards are more easily managed by organisations, because the value attached

to intrinsic rewards is unique to each individual. However, many commercial organisations now consider the value of the intrinsic component under Total Reward Packages that seek to incentivise desired behaviours using a mixture of extrinsic and intrinsic approaches.

Extrinsic Rewards

Remuneration. Organisations need to have a clear idea of what their remuneration strategy is trying to achieve, both with reference to the external environment so it can attract and retain the talent it needs, and looking inwards so it can promote behaviours that are aligned with what the organisation wants. The current Defence remuneration model appears to lack a clear strategy: it remunerates, but follows rather than leads behaviours. Consolidated pay is at its core (approximately 90%), with allowances and other financial incentives providing limited scope for tailored packages, but it is not adaptive enough for the uncertain future being faced.

Pay. Pay is largely based around rank with seniority in rank rewarded through annual increments. There are some specialist pay scales, but the principle is largely one that those of more senior rank are paid more than their subordinates. This model supports longevity and is underpinned by the prospect of promotion to those who perform in accordance with what the military measures. It is a largely industrial age model that prioritises inputs rather than outputs and is ill-suited to flexibility. With a smaller force, but a desire to operate across a full spectrum of capability, it is likely that more niche capabilities will be needed, which are unlikely to offer the promotion prospects that will retain individuals if their skills cannot be remunerated appropriately. Moreover, career streaming that creates specialists for whom promotion prospects are likely to be less than for the generalists being groomed for the most senior ranks needs to be developed alongside a mechanism that can reward the value people actually bring to the organisation even without higher rank. A more sophisticated pay model is needed, one that can reflect an individual's worth or value, not merely their rank, if a strategy of flexibility is to be supported properly. The New Employment Model is attempting to address some of the issues with the current approach, but whilst the intention is to allow four pay bands for Other Rank pay instead of the current Higher/Lower bands, it does not extend into the officer cadre, nor does it fundamentally revisit the relationship between rank and individual skill or value.

A new, differentiated, pay model could be conceived as a graphic equaliser in which pay and allowances are turned up *and down* across a range of factors relevant to individuals/cohorts.[29] For this to work, however, a significant cultural change is needed in the organisation, one that allows for greater differentiation and complexity in the internal processes. It would also require placing the organisation's needs at the heart of HR; the Services have often moved trades to a higher pay band even where this was not demanded by job evaluation scores or problems in recruitment/retention. A harder nosed attitude to people management is needed, one in which pay for some might have

to mark-time to allow investment in another area/skill that is of greater value – there may have to be losers in pay reform.

Allowances. In the allowances arena, one manifestation of a new approach could be adopting a flexible benefits model for non-compensatory allowances. Personnel would be entitled to a predetermined level of benefits and allowed to select from a menu of options that best reflected their needs. Where expensive benefits were preferred, the individual would have to meet the extra costs. This approach would change the nature of the relationship with the workforce, giving them greater control, and could support improving the non-financial offer, but in the short to medium term would erode the financial offer, especially for those entitled to the more costly allowances. One difficulty with embracing this concept at the current time is how few allowances would fall into the menu benefit category, which suggests that the current offer is generous in comparison with other employers. A more financially constrained environment may require a reduction in the overall allowances budget, which might be made more palatable if done at the same time as individuals were given more choice over how they wanted to spend a smaller 'pot'.

Promotion. Within a hierarchical structure in which rank very overtly carries status, promotion is a highly visible sign of what it is that the organisation values, even though in many cases people are promoted out of what they enjoy and are good at into managerial or coordinating roles - for the dangers of which, see 'intrinsic rewards' below. The current promotion system across all three Services strives to be fair, and is largely successful at this on its own terms. However the criteria applied to promotion are generally quite rigid, with the expectation of a minimum number of years and appointments in each rank (often following a standard career path) before the individual is eligible to be considered by a Promotion Board. If senior leadership is key to change, a model that takes upwards of twenty years to get innovators into the right posts, even assuming that they have not become so institutionalised that they are unable to recognise the need for change, means that a strategy of flexibility is a long-term process. If we accept the inevitability of the current model, aspirations for true flexibility need to be set against a twenty years programme, with an immediate focus on shaping the careers of junior officers who will be the pool from which the seniors of tomorrow will be selected.[30] However, the current model is not immutable. It is possible to change the promotion system to allow those with the right knowledge, skills, experience and behaviours to skip ranks or seniority to get them into the right places and accelerate the process; General George C Marshall rose from 1* to 4* in three years, and was 34th on the seniority list when he was made US Army Chief of Staff, by President Roosevelt who recognized in Marshall the talents he needed for the role. Promotion, however, is dependent on the appraisal system and what it measures.

Appraisal. The appraisal system is one of, if not the biggest driver of behaviours because it governs the promotion system. The appraisal system's efficacy, therefore, depends on,

amongst others, the criteria against which individuals are assessed, the accuracy of those writing the reports and the period over which assessments are made.

Appraisal Criteria. To succeed, individuals have to demonstrate performance against those characteristics in the appraisal form, and their potential for higher rank. The characteristics differ depending on whether the subject is enlisted, an officer up to 1* or a Senior Leader (2* and above), but none of them explicitly focuses on flexibility or the skills that are widely recognised as essential for flexibility such as intellectual agility,[31] inductive reasoning, problem solving or handling conflict. Moreover, the quest for commonality of criteria within each group and across all three Services fails to acknowledge the different requirements of the different parts of the organisation. Whilst some consistency is needed to enable appointment and promotion decisions to be made, the focus on such a limited set of skills drives diversity out of the skills base. The New Employment Model is reviewing the appraisal criteria to better reflect knowledge, skills and experience, but behaviours also need to play a part if what the Services profess to value is to be recognised properly and rewarded. Moreover, a different but still single set of criteria would fail to acknowledge the heterogeneity needed in the different parts of the organisation.

Reporting Accuracy. A potential weakness for an organisation that seeks diversity and flexibility is the power afforded to the reporting officer, whose subjective assessment may be based on an individual (probably unconscious) bias towards those who the reporting officer believes fits the organisation's mould. This carries significant risk, as '*it is highly desirable, even essential… that the more influential members of a general's staff not be too much like the general*'.[32] Moreover, within any alphanumeric reporting system, there is a tendency for reporting officers to inflate performance grades, often reflecting loyalty to those on whom the person reports and, occasionally a disinclination to alienate staff with whom they have to work in future; the military is no different. In 1941, the US Army removed thirty-four of their forty-one Corps and Divisional Commanders based on performance in field exercises, despite the fact that 'most had received glowing efficiency reports'.[33] This is not just a historic concern; in 2013/14, over 75% of the RAF was graded as above average.[34] The need to score highly to remain in the career race can encourage a belief that satisfying a reporting officer is more important than meeting the legitimate needs of those working for them. Adopting 360-degree appraisal, especially for those destined for the most senior ranks or in important positions in cross-functional teams,[35] could be a powerful counter to unhealthy leadership styles. An alternative model, perhaps for those operating in small, formed units or ad hoc teams would be to include an element of team-based appraisal alongside individual reporting as a better way of capturing the collective nature of military service. Instead of focussing solely on an individual's output, a team-based approach combines individual and collective outcomes in which the individual's contribution to team success is also reflected. This approach has been adopted in some organisations and is recognised as having a positive impact on

team dynamics and performance, but it needs to be applied to teams with a common output and where individuals recognise their collective dependence.[36]

Reporting Frequency. The annual nature of the reporting cycle can force those being reported on into behaviours based on the reporting interval rather than the responsibilities of their rank.[37] A solution could be to conduct formal assessments less frequently, with informal appraisals between time that would enable feedback on performance and coaching to develop the job-holder. Such an approach becomes more viable where individuals serve longer in posts, and would enable them to tackle problems that are not amenable to rapid resolution without fear that their careers would be adversely affected by not delivering change within a single year.

Recognition. The German Army had a strong tradition of awarding medals to those who demonstrated independent action and initiative, which it used to reinforce behaviour it wanted from its people.[38] Commercial organisations do the same with Employee of the Month/Year Schemes. Crucial to the success of both of these systems, however, is the fact that the rest of the organisation knows the reason for the award so that they can emulate the behaviours. Often, recognition is afforded to those who have been successful in combat, and sometimes not even then,[39] even though they may have displayed behaviours contrary to the organisation's espoused beliefs and values. To change the culture, the recognition system needs to create heroes of the new behaviours, and make it clear to others why the award was made so that they can emulate the 'hero'. This approach worked effectively in the recent US change to COIN with Gen Petraeus and his fellow COINdinistars.[40] One area that deserves greater attention is how to recognise those who will not reach the highest ranks so that they feel valued and thus contribute, otherwise there is a danger that they end up regarding themselves (or even worse those in the Executive Stream regard them) as less worthy than those for whom rank and thus pay is more accessible. Qualification based remuneration, insignia or other differentiators accessible only through the specialist route could all play a part in recognising the worth of this group.

Intrinsic Rewards

Typically those joining the Forces do so for reasons other than material benefit: challenge, excitement, early responsibility and opportunity all surface regularly as factors influencing the decision to enlist.[41] Meaningful work and careers should, therefore, form part of the reward strategy, which is complex because meaning is judged by the individual, based on whether the work is regarded as worthwhile by others (including their employer) and subjectively attractive.

Meaning can be a powerful factor in an employment model, but is only likely to be harnessed effectively if the work's worth is accepted by the individual. Internal communication is crucial to this approach, not just in conveying how the employer and others values the contribution, but by providing the employee(s) with a voice so that they can engage fully

with their work. Evidence from commercial organisations indicates that effective employee engagement enhances the value of the intrinsic reward system and improves organisational performance.[42] A strategy of flexibility in which prudent risk-taking forms a part, requires an engaged workforce that will take the initiative and seize opportunities as they arise. Internal communication is an important element in employee engagement, not just for improving the means of disseminating information, but in affording staff a genuine voice through which changes can be initiated. Providing a genuine voice on an Adult-to-Adult basis would represent a shift from the traditional Parent-Child model that has evolved in the Services,[43] hence further research into how employee engagement should be delivered within a military context could usefully form part of a genuinely new employment model.

Communication needs a message as well as a medium. Greater empowerment, rather than a euphemism for more work or responsibility without authority, could raise the reward an individual obtains through their work, especially where it contributes to enhancing an individual's self-esteem, or achieving their full potential (Maslow termed this state 'self-actualisation'). Mission command is one form of empowerment, in which decision-making is passed down the hierarchy, is espoused by the Services, with greater or lesser conviction depending on the circumstances. However, mission command is always under threat from a countervailing pressure in which a fear of mistakes acts to curb subordinate freedom. This problem is exacerbated by improvements in communication that extend the distance over which it is perceived that centralised control can be exerted. In this way, as well as others, industrial structures such as machine bureaucracies tend to frustrate the higher yearnings of their workforce and can lead to alienation against four factors: powerlessness, meaninglessness, social isolation and self-estrangement.[44] Powerlessness refers to the inability to control one's working practices or activities, often as a result of rigid job definition; meaninglessness arises where people do not see value in what they are doing; social isolation occurs when people feel removed from their colleagues and; self-estrangement concerns an inability to express oneself through work or make a difference. Adhocracies and small teams tend to provide more scope for mitigating all four causes of alienation, whilst education is itself a powerful vehicle for addressing self-estrangement.

Where individuals do not find intrinsic rewards, they tend then to look for reward through extrinsic factors, which creates pressure for wage inflation. There is danger, therefore, that too long an extension of tour lengths might re-focus the individual on the extrinsic reward system, but as Katz observes, it is not inevitable that job satisfaction will decline with longevity because the opportunity to work in a known environment can bring its own rewards.[45] Perhaps the crucial element is to afford people with the opportunity to make a difference, which suggests that job design needs to form part of the intrinsic reward process alongside empowerment. In a financially constrained environment, improving the intrinsic reward component of the 'offer' may be the only way to improve retention of the high calibre personnel who comprise the Services, but it cannot provide a permanent solution and so at some point will need reinforcing with appropriate extrinsic rewards.

Culture

Whilst not explicitly identified as a domain, the components of Galbraith's Star Model (strategy, structures, processes, people and rewards) are shaped and inhabited by the organisation's culture; any change in strategy that threatens the organisation's self-identity is likely to be more difficult to implement than one that is congruent with its goals, culture and ethos.[46] Schein defines organisational culture as '*a pattern of shared basic assumptions learned by group as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems*'.[47] It has coercive power because people want to fit in with an organisation, but it is also dynamic and, as such, is more suited to promoting flexibility than formal control systems that are more rigid and can struggle to keep pace with changes in how an organisation wants people to behave.[48] Organisations rarely have a single culture; the RAF has an aircrew culture, with sub-divisions within that, an RAF Regiment culture, station and squadron cultures etc, however, all military cultures tend to be consistently strong and traditional/conservative.

Culture operates at three levels: 1) artefacts; 2) espoused beliefs and values; 3) basic assumptions. The military is awash with artefacts, including a language (too often impenetrable to outsiders), uniform, traditions and heroes whose lives tell us something about what the organisation values. Espoused beliefs and values are those that are professed by the organisation and the Services each have formal statements of these, although interestingly, none of the core values includes innovation or adaptability. Underlying assumptions are the result of past successes, where the same approaches have consistently produced successful outcomes. Current behaviours and decisions (how things are done) are conditioned by these assumptions as they provide a shared lens through which the organisation views its environment. The assumptions may be the same as the espoused values, but they need not be; for example an organisation whose professed values include teamwork may actually reward individual competitiveness and political acumen, in which case the values and behaviours are not compatible and teamwork is unlikely to be a core part of the organisation's assumptions.[49]

Culture at the deepest level is essentially pragmatic; hence cultural change requires the recognition that the existing assumptions are ill-suited to the organisation's current needs. Looking at 'why' the organisation does things rather than just what it does requires a different type of learning called 'double loop' learning.[50] It is costly in human terms because it goes beyond reviewing innocuous surface elements such as structures and processes, and has to question the organisation's underlying assumptions. In doing so, it temporarily destabilises the organisation and people's sense of identity and certainty. Changes in the external environment alone, therefore, are often insufficient to drive organisational cultural change because people make decisions not just on hard evidence but also instinctively based on subjective factors, which may explain why it is easier to change culture after very obvious organisational failure. It also helps reinforce the change where the new behaviours can

demonstrate success quickly e.g. the Surge by the US Armed Forces in Iraq in 2008. Cultural change is fundamentally a human activity, which places the People and Rewards domains at the heart of any strategy requiring such a shift. Often, however, people prove to be the resistors in the organisation's circuitry, as well as its capacitors.

The grounds on which people resist change are numerous, comprising individual and collective or organisational factors. At the individual level, Mullins includes: perceptions/ biases; habits; inconvenience, fears over a loss of job security and the unknown as grounds on which people resist change. Collectively, organisational resistance includes: the preservation of stability/predictability and fear that change will threaten the power or influence of one part of the organisation in relation to others (what in the military context can be seen as inter-Service rivalry).[51]

Culture is slow to change, especially at the level of Assumptions. The German Army took decades to embed the concept of '*aufstragtaktik*' and the US Marines took almost forty years to adapt to a culture that emphasised amphibious warfare.[52] Systematically embedding a culture of flexibility in the RAF, therefore, will be a slow process and it is not clear whether the case for change is accepted widely enough to give it the impetus it would need. The tendency to talk up the tactical positives in recent military campaigns provides a psychological comfort blanket that undermines the argument for change and a more critical debate is needed within the Services, such as that which happened in the United States during their move towards a COIN Model. Moreover, because the new culture will require different behaviours, people will inevitably make mistakes in the transition. The culture needs to embrace mistakes that are honestly made as opportunities for personal and organisational growth rather than seeking to punish the perpetrator.

To help the process of cultural change take root, the RAF should include flexibility in its core values and standards as a very obvious part of its espoused beliefs. This would need to be reinforced by identifying 'flexibility heroes' whom others can emulate and move the concept from mere espousal to part of the core assumptions underpinning the way the RAF works. The process of initiating and sustaining cultural change could be further catalysed by expanding the range of actors to include greater diversity in the organisation's intellectual capital; in delivering this, the Reserves and civilian partners represent a valuable resource.

Conclusion

To deliver a truly integrated workforce model, the RAF needs to become more sophisticated at capturing, understanding and using the skills of its more diverse workforce. This requires more than merely improvements to the current e-HR package, although this is essential, but the future system needs to be able to capture and describe skills that exist outside the core workforce. This has to start with a common lexicon for capturing the contacts, knowledge, skills, experience, competences, and then link it to an information system that can hold and manipulate the records.

Placing flexibility at the heart of RAF strategy requires balanced change across a range of domains, all of which have to be aligned towards the same strategic goal. A more integrated approach is needed that provides for greater diversity and differentiation in structures and personnel. The Prussian Army's/Reichwehr's approach shows clear evidence of the holistic approach in practice, including a radical structural overhaul that introduced the Great General Staff, emphasised smaller operational groupings, implemented new tactics and training and encouraged innovative solutions to problems through field exercises.[53] As for its people, the German Army became more socially heterogeneous, which brought in new ideas and ways of thinking, and moved towards a merit-based system of rewards, including commissioning, that recognised and valued education, character and initiative.[54] Central to this new approach was the concept of *Auftstragstaktik* (mission command) that sought to empower junior personnel by pushing authority down the hierarchy and encourage innovation and adaptability, which was seen clearly in the development of the *Strosstrupp* in 1918 and the concept of *Blitzkreig* by 1939. It would be wrong, however, to attribute the German Army's adaptability solely to the concept of *aufstragtaktik*; it was but one element of a long term and systematic approach to strategic alignment that matched Galbraith's Star Model closely. At the moment, the changes in UK Defence are too fragmented and there is a danger that without a systematic approach to developing flexibility the strategy will fail.

As we have seen, a flexible organisation looks like its surroundings, which means that its structure and processes must be contingent. Preserving the potential to change quickly, therefore, resides in the people component; the organisation's capacitors. This requires an investment in human capability to ensure that the people are willing and able to adapt quickly to meet the organisation's challenges. The starting point is a better understanding of what is wanted from the people in different parts of the organisation, not just by Service but also by the elements within each (the Strategic Apex, Middle Line, Operating Core, Techno-structure and Support Staffs) and tailoring the HR and reward processes to allow for differentiation. Selecting adaptable people with the right attitude is essential, but so too is the process by which they are socialised and developed, both through formal training and education interventions, and by how they are employed. A one size fits all model is likely to exert a homogenising force, whereas diversity needs to become the organisation's strategic strength. The diversity can be engendered through a wider mix of talents and employment types, exposure to internal and external partners, an investment in education, and a reward system that accommodates the different kinds of value people bring, especially where promotion may be limited by organisational size. To be sustainable, the changes have to permeate to the heart of the organisation's culture. Creating a new breed of 'heroes' who demonstrate the agile behaviours this paper advocates, and incorporating agility or innovation as a core value will help, but ultimately it has to seep into the RAF's DNA at the level of basic assumptions, which will take time.

People undoubtedly are part of the solution, but as part of a wider strategy for building organisational flexibility; they are not the 'silver bullet' and delivering the strategic edge

through people will be difficult. Defence is not an organisation, the Services are, but the RAF does not have the authority to deliver what is proposed here without support. The Chief of Defence Personnel owns the high level personnel and training policies that underpin the conclusions in this paper and, by definition, the more dynamic use of cross-functional teams advocated here cannot be applied by one Service alone.

People are at the heart of successful organisational change, and are equally often the cause of its failure. The Future Character of Conflict recognised this by claiming that people would provide the strategic edge in future conflicts: this has since been defined as 'human capability'. Focusing on human capability is a logical response to UK Defence's difficulties, but the term is currently too ill-defined[55] to direct action and lacks a clear statement of what the human domain brings to organisational success. In the absence off clear strategic direction to HR, there is also a danger that in the absence of other affordable choices, the New Employment Model's changes to the personnel environment are seen as a panacea and elevated into ends rather than means for delivering new strategic outcomes.

The UK focus on human capability must be complementary to, and not an alternative to appropriate investment in the physical and conceptual components of fighting power. Whilst flexibility can lessen the risks facing the UK in the medium term and makes the concept of human capability a valuable contribution to UK Defence doctrine, the German experience of two World Wars shows that flexibility cannot substitute for mass indefinitely. Flexibility in the people domain needs to be placed within a broader framework of changes to culture, structure, processes, rewards and volume if it is to become something other than the UK's *Furia Francese*.[56]

Notes

[1] P. O'Neill (2015). Developing a Flexible Royal Air Force for an Era of Uncertainty, Air Power Review Vol.18(1) at pp.46-59.
[2] P. Wright & S. Snell (1998). 'Toward a Unifying Framework for Exploring Fit and Flexibility in Strategic Human Resource Management'. *Academy of Management Review, Vol.23(4)* at p.761.
[3] M. Colarusso & D. Lyle. (2014) 'Senior Officer Talent Management', Strategic Studies Institute at p.11.
[4] In this regard it is noted that between 1919 – 1941 officers in the US Army typically spent half to two-thirds of their careers in training or training establishments as it was recognized that they would form the nucleus around which a mobilized army would form: Colarusso & Lyle, *Ibid*., at p.3. In the Inter-war German Army, candidates for the General Staff undertook a four to five month preparatory course before being set for selection and, if successful, would then spend three years training to become General Staff Officers: D. Spires. (1984) 'Image and Reality' at p.43. The costs associated with extensive training could be reduced through an investment in distributed learning, which would shorten the time individuals spend away from their units and being productive.
[5] There are some exceptions in the RAF, such as direct entry SNCOs or for medical personnel,

but the system is largely one of growth from within.

[6] The Report of the Officer Development Board: Major-General Roger Rowley and the Education of the Canadian Forces. R. Wakelam & H Coombs eds. Waterloo ON: Wilfrid Laurier Press 2010.

[7] There are at least four types of talent: Officers with the potential to reach senior leadership roles; officers and other ranks who have the potential to lead in functional or professional areas, but not senior leadership potential; officers and other ranks in critical technical roles requiring highly specialized and scarce skills; others not described above but who have talents that may be of value to the Services: Generating and Retaining Talent. Defence Human Capability Science and Technology Centre. UC-DHCSTC_12-P_T2_013/007 dated 28 March 2014.

[8] Defence Science Board (2011) 'Enhancing Adaptability of US Military Forces' at p.135.

[9] H. Mintzberg, (1983) 'Structure in Fives'.

[10] C. Fernández-Aráoz. (2014) '21st Century Talent Spotting', *Harvard Business Review, Vol.92(6)* at p.52.

[11] Colarusso & Lyle, *ibid*., at p.164.

[12] Fernández-Aráoz, *ibid*., at p.56.

[13] M. Sharp & P. O'Neill. (2009) RAF Officer Career Management Strategy.

[14] R. Katz. 'Managing Professional Careers: The Influence of Job Longevity and Group Age' in Tushman & Anderson, ibid., at pp.184-188.

[15] Wicked Problems originate in work by Rittel and Weber (see H Rittel & M Webber. (1973) 'Dilemmas in a General Theory of Planning' *4 Policy Sciences* at pp.155-169). They are complex (rather than complicated) problems for which there is no uni-linear solution, are often intractable, and where the response changes the nature of the problem. The problems can only be managed (rather than solved) by a process of continuous engagement with the symptoms as they appear. For more information on Wicked Problems in a military context see also K, Grint, (2008) 'Leadership, Management and Command: Rethinking D-Day'.

[16] Colarusso & Lyle, *ibid*., at p.95.

[17] Colarusso & Lyle, *ibid*., at p.146.

[18] Katz, in Tushman & Anderson, *ibid*., at p.194.

[19] L Sorely, 'The Will o' the Wisp General' Paper presented on 25 October 1980. Quoted in Colarusso & Lyle, *ibid*., at p.150.

[20] J. Grygiel. (2013) 'Educating for National Security'. *Orbis Vol.57(2)* at p.202.

[21] See for example Kiszely 'Post-modern Challenges for Modern Warriors', *ibid*., at p.12.

[22] Air Chief Marshal Sir Stuart Peach in Speech to RUSI Air Power Conference 2013.

[23] Reported in K. Kelley and J. Johnson-Freese. (2014) 'Getting to the Goal in Professional Military Education', *Orbis Vol.58(1)* at p.120.

[24] Galbraith, *ibid*., at p.145.

[25] See amongst others, J. Johnson-Freese. (2012) 'The Reform of Military Education'. *Orbis, Vol.56(1)* for criticism of the US model which, although different in many respects, includes elements that have common cause with the UK approach.

[26] C. Krulak (1999). 'The Strategic Corporal: Leadership in the Three-block War' in *Marines Magazine* at

http://www.au.af.mil/au/awc/awcgate/usmc/strategic_corporal.htm (accessed 6 April 2015).

[27] Colarusso & Lyle, *ibid*., at p.4.

[28] A. Maslow. (1954) 'Motivation and Personality'.

[29] Allowances are cost-effective components of a pay model as they are non-pensionable and thus cheaper over the long-term than using basic pay. The French example is instructive in this regard where up to 50% of the income is from non-pensionable allowances.

[30] S. Rosen. (1998) 'New Ways of War'. *International Security*, Vol.13(1) at p.167.

[31] 'Effective Intelligence' and 'Initiative' are formally assessed in the Officers' Joint Appraisal Report (for officers up to 1*), a component of both is flexibility, but this need not imply innovation or intellectual agility. Joint Service Publication 757, Part 2 Vol.1.

[32] Maj Gen Baron von Freytag-Loringhoven. (1991) 'The Power of Personality in War' at p.328.

[33] Colarusso & Lyle, *ibid*., at p.3.

[34] The RAF Officer and Servicemans' Joint Appraisal Reports showed (with rounding error): 2% received the highest (A) Grade; 30% = A-; 43% = B+; 21%= B; 3% = B-; C = 0.4% and D = 0.02%. Source, RAF Manning, 20 January 2015.

[35] Sharp & O'Neill, *ibid*.

[36] See for example: S. Scott & W. Einstein (2001). Strategic Performance Appraisal in Team Based Organizations in *Academy of Management Executive*, Vol.15(2) , pp.107-116. Also, United States Office of Personnel Management (1998). Performance Appraisal for Teams: An Overview. PMD-14 at https://www.opm.gov/policy-data-oversight/performance-management/reference-materials/historical/teams.pdf (accessed 6 April 2015).

[37] Elliott Jacques' 'Timespan of Discretion' Theory argues that the higher up an organisation an individual works, the greater the lag between making a decision and seeing its outcome. An annual appraisal, therefore, runs the risk amongst senior personnel of: falsely assessing them against their predecessor's initiatives; failing to capture what the subject has done; captures the inputs rather than the outcomes, or; drives a short-term focus for objectives that can be delivered in year, which are not the best return on the salary being offered and are unlikely to address the complex challenges the organisation needs to tackle. E Jacques. (1971) 'Time-span Handbook'.

[38] J. Wilson. (1989) 'Bureaucracy',at p.17.

[39] F. Ledwidge 'Losing Small Wars' at p.117.

[40] Ucko, *ibid*., at p.131.

[41] The RAF Entrants' Survey that asks new joiners what attracted them to the Service, identifies these factors; the RAF Survey's findings are consistent with the findings of similar surveys in the Royal Navy and British Army.

[42] C. Truss et al (2013). 'Employee Engagement, Organisational Performance and Individual Well-being: Exploring the Evidence, Developing the Theory', *The International Journal of Human Resource Management*. Vol.24(14) at 2658.

[43] The terms are taken from Transactional Analysis. See for example A. Wagner (1996). The Transactional Manager.

[44] R Blauner.(1964) 'Alienation and Freedom'.

[45] Katz in Tushman & Anderson, *ibid*., at p.188.

[46] T. Farrell. (2008) Dynamics of British Transformation. *International Affairs* at p.783
[47] E. Schein. (2010) 'Organizational Culture and Leadership' at p.18.
[48] C. O'Reilly & M. Tushman, 'Using Culture for Strategic Advantage: Promoting Innovation Through Social Control' in Tushman & Andrerson, *ibid*., p.212.
[49] Schein, *ibid*., at p.27.
[50] C. Argyris, 'On Organizational Learning' at p.30.
[51] L Mullins. (2010) 'Management and Organisational Behaviour' at pp.756-7.
[52] Rosen, *ibid*., at p.159.
[53] Shamir, *ibid*., at pp.34-35.
[54] Spires, *ibid*.
[55] The Defence People and Training Strategy 2014 defines Human Capability as' the collective impact the people have on the capability of an enterprise…It is the product of all the influences on people at any one time, and therefore it varies as influences vary over time.'
[56] In the face of defeats in the mid-19th Century the French created a myth about the overwhelming value of the moral component based around inevitable irresistibility of massed Frenchmen dashing forward on the attack - the *Furia Francese*. This placed people at the heart of doctrinal thinking but, undervalued investment in the physical component such as mass and new technology. In the early battles of World War One, the machine gun brought reality to bear against French wishful thinking driven by the lack of alternatives to the *Furia* when, by the end of the First Battle of Marne, the French had suffered 250,000 casualties. C Barnett, (1986) 'The Swordbearers' at p.39.