

Bleeding Talent: How the U.S. Military Mismanages Great Leaders and Why It's Time for a Revolution¹

Reviewed by Major Marcus Misinec*

*Judge Advocates in the military, much like medical or other highly educated servicemembers, have several distinct decision points in their careers when they decide to remain in the military vice getting out to earn more money.*²

I. Introduction

Tim Kane's Total Volunteer Force (TVF) would have future military officers asking, "What's in it for me?" rather than, "What can I do for my country?" Kane, a former Air Force intelligence officer, introduces himself by reminiscing about sipping Heinekens on the patio of his new San Diego home complete with a canyon view, as he celebrates the million-dollar sale of a software company that was "more of a hobby than a business."³ The year was 1998, and Kane found himself in the highest tax bracket and thus, financially obligated to Uncle Sam for his newfound wealth.⁴ Rather than convey ill will for his sizeable tax forfeiture, Kane couches his levy as a dutiful payback to the U.S. Government for its role in helping him meet people like Jim Coyer, his partner in the previously mentioned venture, while attending the Air Force Academy.⁵ Coyer is the first of many successful friends and entrepreneurs Kane cites as

proof of the military, to its detriment, has failed to keep quality leaders satisfied and in the ranks.⁶

Convinced that "[many], maybe most, of the best leaders leave" the military, Kane charges the reader to accept his market-based approach—the Total Volunteer Force (TVF)—as the way to stop the bleeding.⁷ In *Bleeding Talent: How the Military Mismanages Great Leaders and Why It's Time for a Revolution*, Kane attempts to demonstrate the severity of the problem by providing both military officer attrition statistics and the results of his overly hyped poll—the West Point Survey.⁸ He then begins his TVF quest by citing evidence that former military officers make successful Chief Executive Officers (CEOs) and, therefore, the military could easily implement his market-based principles.⁹ Next, the author details several reasons why he believes quality military officers leave the military, which include tiring of coercion and becoming fed up with an evaluation system that fails to measure their true merit. All the above culminates with Kane eventually laying out his TVF solution.

II. Background

If starting his crusade with a million-dollar "How you like me now?"¹⁰ outlook directed at the Air Force does not

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¹ TIM KANE, BLEEDING TALENT: HOW THE U.S. MILITARY MISMANAGES GREAT LEADERS AND WHY IT'S TIME FOR A REVOLUTION (2012).

² Interview with Colonel James Garrett, Dean, The Judge Advocate Gen.'s Legal Ctr. & Sch., U.S. Army, Charlottesville, Va., in Charlottesville, Va. (Sept. 11, 2013). Colonel (COL) Garrett recalled two occasions during his over twenty-five year judge advocate career when he contemplated leaving the military. The first was when he had the opportunity to return to his and his wife's hometown to practice as an assistant district attorney, and the second was when a family friend approached him about a high-paying position at a D.C. law firm. When asked what made him stay, COL Garrett responded, "The Army is like a football team. Not only do you have many players who must perform individually in order for the team to succeed collectively, but there is a camaraderie that cannot be replicated in the corporate world. The people we serve and serve with are a collection of like-minded Americans more interested in what role he or she can play in the betterment of our nation and its security and less in personal statistics and accolades." Colonel Garrett closed with, "I have had many military friends and peers that have chosen to get out and have gone on to incredibly successful and, in many cases, lucrative careers. But, for those of us who remain, I think the feeling of being part of something bigger and having the opportunity to mentor tomorrow's military leaders overtakes any desire to leave." *Id.*

³ *Id.* at 1. The business the author refers to is NeocorTech LLC, a Japanese translation software company.

⁴ *Id.*

⁵ *Id.* at 1–2.

⁶ *Id.* at 3. The author names the following individuals as proof the military has failed to retain quality leaders: Dean Dorman, West Point graduate, CEO; Dan Beldy, F-18 aviator, venture guru; Kelly Perdew, West Point graduate, Trump apprentice; Mike Pompeo, Kansas congressman; Dawn Dunlop, F-15 squadron commander, White House fellow; and Dave McCormick, West Point graduate, undersecretary of the Treasury.

⁷ *Id.* at 24, 33.

⁸ *Id.* at 95, 217–34. The survey was comprised of thirteen questions and was completed by 250 West Point graduates from the classes of 1989, 1991, 1995, 2000, 2001, and 2004. Sixty-nine percent (172) of the West Point graduates who took the survey were no longer in the Army. *Id.*

⁹ *Id.* at 25, 53, 57. The author mentions the following senior executives who attribute their leadership skills to their time in uniform: Ross Perot; Bill Coleman, Air Force Academy graduate; Sam Walton; and Bob McDonald, CEO of Proctor and Gamble. Ross Perot enrolled at the United States Naval Academy in 1949 and served in the Navy until 1957. He worked for IBM for a few years before forming Electronic Data Systems, which he sold to General Motors in 1984 for \$2.5 billion. Ross Perot also ran for the U.S. presidency in 1992 and 1996 as an independent candidate. See Ross Perot, BIO. TRUE STORY, <http://www.biography.com/people/ross-perot-9438032> (last visited Feb. 20, 2014). Sam Walton founded Walmart after serving as an officer in the U.S. Army Intelligence Corps.

¹⁰ THE HEAVY, *How You Like Me Now?*, on THE HOUSE THAT DIRT BUILT (Counter 2009). By starting *Bleeding Talent* with a story about his post-

already alienate the reader, the more patriotic reader may struggle to accept Kane's personal experience had nothing to do with authoring this book. Kane voluntarily resigned after five years of service because the Air Force, short on intelligence officers, declined his request to earn his Ph.D. in economics so he could become an Academy professor.¹¹ The result: Kane "went anyway—as a civilian."¹² Despite his personal fallout, Kane claims he still thought the military must be doing right by most of its best officers, since the friends he left behind were becoming commanders and test pilots in deployed areas while he pursued his business ventures.¹³ According to Kane, it was not until 2008 when the Army failed to keep Lieutenant Colonel John Nagl beyond twenty years that Kane's "fantasy that all was well in the military snapped."¹⁴ At that point, "a decade and a half wiser and armed with an advanced degree in economics," Kane decided he needed to rescue the military from its dysfunctional talent management system.¹⁵

III. Entrepreneurs in Uniform

*Those who invented cannons won their wars; those who invented flanking maneuvers won theirs. Innovation is what defines the most famous entrepreneurs as well.*¹⁶

A. CEOs Are Wearing ACUs

Kane's assertion that a market-based system could be easily implemented thanks to the entrepreneurial nature of military leaders is probably valid. However, military leaders making solid CEOs should not be breaking news to the reader; higher-ranking officers have years of organized discipline and at least some experience in personnel management. If it is surprising, Kane cleverly educates the reader in merely two paragraphs, in which he presents CEO

military business successes, it seems the author is suggesting that the Air Force made a mistake in not granting his request to earn his Ph.D. in Economics while in the military.

¹¹ KANE, *supra* note 1, at 12.

¹² *Id.*

¹³ *Id.* "I was proud to know some of the pilots flying dangerous missions over Bosnia and Iraq . . . to know a few troops sent to Somalia, and to know my old friend John Nagl literally wrote the new army doctrine that was behind the surge in Iraq." *Id.*

¹⁴ *Id.* Lieutenant Colonel John A. Nagl was one of three officers who wrote a foreword to the *Counterinsurgency Field Manual*. The other two officers were General David H. Petraeus and Lieutenant General James F. Amos. See THE U.S. ARMY, MARINE CORPS COUNTERINSURGENCY FIELD MANUAL foreword (2007).

¹⁵ *Id.* at 13.

¹⁶ *Id.* at 60.

statistical data using the State of North Carolina's population, and then revealing that his numbers actually come from the military.¹⁷ Unfortunately, Kane, almost as if he believes he needs to oversell this less than novel concept, finds it necessary to take the reader on a historical, entrepreneurial, and page-padding voyage to discuss George Washington's fishery and Robert E. Lee's affinity for digging trenches.¹⁸ Though potentially illuminating to the lay reader, military readers accustomed to efficient issue identification and resolution will choose to either dutifully trudge through the material like a twelve-mile ruck march or simply "cut sling load" and fast-forward to the next section. Choosing the latter is probably in the reader's best interest, time-wise.

B. "Proof" Military Leaders Are Trading Boots for Suits—The West Point Survey

The author cites dismal officer retention rates during Vietnam¹⁹ as precedent for the continuing problem that "[t]he army is suffering a talent crisis, invisible to the public, but threatening to hollow out its ranks."²⁰ To bolster his contention, Kane proudly promotes the results of his West Point Survey. The survey, comprised of thirteen questions, involves 250 West Point graduates from the classes of 1989, 1991, 1995, 2000, 2001, and 2004 as respondents.²¹ However, his over-inflation of the survey's importance potentially makes the reader skeptical of the conclusions Kane draws, especially when he discloses the ratio of former military to active duty respondents. Colonel Thomas Collins, chief spokesman for Army Public Affairs, who questioned whether a survey of only 250 people is sufficient, shares that skepticism.²² In defense, the author submits that

¹⁷ *Id.* at 35. According to Kane, North Carolina has a population of 9.38 million people, and even though that only makes up three percent of the U.S. population, nine percent of CEOs of U.S. companies are from North Carolina. Therefore, North Carolina must be doing something to produce "highly savvy business leaders." *Id.* Kane then advises the reader to replace North Carolina with the U.S. military in order to gain an understanding of why corporations are constantly on the lookout for skilled officers. *Id.*

¹⁸ *Id.* at 64, 65.

¹⁹ *Id.* at 94. Retention rates for Officer Candidate School (OCS) officers dropped to 34 percent in 1969 and 11 percent for Reserve Officers' Training Corps (ROTC).

²⁰ *Id.* at 6.

²¹ *Id.* at 218–33. A few of the questions on the West Point Survey were: "Do the best officers leave the military early rather than serving a full career?"; "Does the current exit rate of the military's best young officers harm national security?"; and "Does the current exit rate of the military's best young officers lead to a less competent general officer corps?" *Id.*

²² *Id.* at 100. During an interview with Eric Tegler about Kane's West Point Survey, COL Thomas Collins, noted, "I'm not sure that a survey of only 250 people is enough to make such a sweeping judgment. Personally, I simply don't believe the best are leaving." *Id.*

250 people are “in the same ballpark of national surveys that use three or four hundred respondents to measure the attitudes of the entire nation.”²³ What the author fails to point out in his response, perhaps deliberately, is that of the 250 individuals who took the survey, 172 (69 percent) are like him—former military members who left because *their* desires were not met or because they had a better career opportunity waiting in the “outside world.”²⁴

The author argues that his survey questions are neutral, and that no one has taken issue with how they were designed.²⁵ This is hard for the reader to digest because the very first question, “Do the best officers leave the military early rather than serving a full career?” is extremely suggestive in nature, especially when the vast majority of respondents had already left military service.²⁶ Further, the e-mail Kane sent to prospective respondents most definitely elicited respondents who believed attribution of talented officers is an issue. It read in part, “Tim’s current project is to help the Army get better at retaining more of the amazingly talented officers that they have”²⁷ It is not a stretch to suggest quality active duty officers did not make it beyond Kane’s e-mail simply because they do not recognize the need to assist the Army in keeping officers around who voluntarily choose to leave. Even so, based on evidence of a past working relationship with the Pentagon²⁸ and the belief that his survey results were read by every active duty officer in the Army,²⁹ Kane could have achieved a stronger active duty contingent for his survey before *Bleeding Talent* was put to print. Instead, the author stood fast on the results most favorable to his position rather than encroach on the Pentagon’s “massive survey about letting homosexuals serve

openly.”³⁰ Consequently, the reader is left questioning what weight, if any, should be given to the lopsided West Point Survey that is the basis for Kane’s TVF.

IV. TVF—The End of Coercion, Promotion Boards, Year Groups, and Inflated OERs

Kane’s sections of *Bleeding Talent* addressing promotion boards, year groups, and inflated Officer Evaluation Reports (OERs) is by far the most compelling part of the book and will likely interest the judge advocate reader. Under Kane’s TVF model, military officers would not have to worry about filling the traditional assignments required for career progression.³¹ They could remain in their (desired) positions longer or choose to apply for positions they may not have the rank to fill under the current system.³² Additionally, an officer could turn down an assignment or shop it around to another officer who may want to trade.³³ Each of these changes would serve to eliminate the coercion of today’s All Volunteer Force (AVF). According to the author, the AVF is a subterfuge “because after men and women take their oath of office on the first day in uniform, the volunteerism ends.”³⁴ In fact, Kane goes as far as to argue that beyond day one, military officers are coerced to remain in the service primarily because retirement benefits do not vest until after twenty years of service.³⁵ The author presents valid evidence that the “cliff retirement at twenty years of service was a relic of an earlier area.”³⁶ However, to make a compelling argument, the author should have also discussed the benefits of the potentially flawed, but hugely enticing, service-above-self investment, especially as post-retirement life expectancy and medical costs continue to increase.

Another benefit to the individual under the TVF is the ability for the officer to leave the military to pursue outside

²³ *Id.* at 101.

²⁴ *Id.* at 218 (emphasis added).

²⁵ *Id.* at 101.

²⁶ *Id.* at 14–15, 219.

²⁷ *Id.* at 232.

²⁸ *Id.* at 7. In 2005, Kane asked the Pentagon for demographic data on every enlistee for the years 1999, 2001, 2002, and 2003 to conduct a study of recruit quality in the wake of the wars in Afghanistan and Iraq. The Pentagon provided him with the information and the results on the study were posted in “every major newspaper in America.” *Id.* See Tim Kane, Ph.D., *Who Are the Recruits? The Demographic Characteristics of U.S. Military Enlistment, 2003–2005*, THE HERITAGE FOUND. (Oct. 27, 2006), <http://www.heritage.org/research/reports/2006/10/who-are-the-recruits-the-demographic-characteristics-of-us-military-enlistment-2003-2005> (relying on Pentagon enlistee data).

²⁹ KANE, *supra* note 1, at 5. According to Kane, he was told that every officer in the Army had read his article about why so many talented officers are “abandoning military life.” See Tim Kane, *Why Our Best Officers Are Leaving*, THE ATLANTIC, <http://www.theatlantic.com/magazine/archive/2011/01/why-our-best-officers-are-leaving/308346/> (last visited Feb. 20, 2014).

³⁰ *Id.* at 14. Despite working with the Pentagon in the past as evidenced by his recruit quality study, Kane thought it would be better to conduct his West Point Survey independently rather than get formal approval from the Pentagon, which was dealing with a “monster of obtuseness” that was the survey about letting homosexuals serve openly. *Id.*

³¹ *Id.* at 133. Pursuant to West Point Survey statistics, the greatest call for change is not to allow officers to get promoted faster, but rather for officers to be able to proceed through different ladders for promotions. *Id.*

³² *Id.* at 134, 140. For example, “[a] 29-year-old Marine captain should be free to apply for an O-4 slot at the Pentagon or an O-2 slot in a Special Forces unit.” *Id.* at 140.

³³ See generally *id.* at 90–91, 177–79.

³⁴ *Id.* at 132.

³⁵ *Id.* at 28, 51.

³⁶ *Id.* at 181. The author recommends a terminal retirement package equal to the pro-rata portion of years served. For example, if a twenty-year vest yields a lifetime monthly payment equal to fifty percent of base pay, then a ten-year vest should yield a monthly payment of twenty-five percent of base pay. *Id.*

endeavors, and then rejoin the active-duty ranks via lateral entry.³⁷ For example, Captain Smith, a logistician trained by the military, could resign his commission to take a higher-paying job with the United Parcel Service (UPS), and then return to the military perhaps because he misses the camaraderie, or more likely because of an economic decline. Also pursuant to the TVF, today's military officers would have more freedom to "take time out of their careers for a full time graduate study" like the officers before them.³⁸ The author submits that in 1995, eleven out of thirty-six newly selected brigadier generals had attended full time graduate school at some point in their careers.³⁹ Conversely, only three of thirty-eight individuals selected to the same positions in 2005 had attended graduate school.⁴⁰ The author brushes over the drastic difference between the two year groups—the latter was either preparing to command during wartime or was already involved in multiple deployment rotations. Taking such high-ranking officers out of the fight to attend classes at the University of Virginia would be akin to a CEO letting his Chief Financial Officer (CFO) pursue his dream of teaching Economics 101 during the first year of a huge merger.

Perhaps the most agreeable of the author's suggestions to avoid bleeding talent is revamping current promotion rates and the Officer Evaluation Report (OER) process. However, the way the author couches the issue may alienate the active duty reader. For instance, on more than one occasion, Kane refers to a 2001 quote from a retired colonel, "If you breathe, you make lieutenant colonel these days."⁴¹ Moreover, the author's assertion may be moot, as statistics show that promotions rates are decreasing dramatically after a decade's worth of higher percentages to fill vital wartime positions.⁴² The author dutifully acknowledges that while he was writing *Bleeding Talent*, Army Human Resources Command (HRC) was implementing a new OER process, which complied with his stance that the military needed peer assessment (360-degree evaluation) and the return to required block rating of all officers.⁴³ However, so as to not

divert from his overarching theme that the military personnel system needs an extreme overhaul, Kane follows up his kudos with, "[I]t is a first step, but unfortunately it is so minor that advocates of the peer and subordinate review clearly lost to the old guard."⁴⁴

V. Conclusion

Bleeding Talent's historical and procedural anecdotes relevant to the military's personnel system make it an interesting read for those seeking such knowledge, but that was not Kane's purpose in writing it. The author struggles to fathom that a highly-talented military officer has the inner strength to deal with personal disappointment and put service to his country above himself. Although every military officer, both past and present, can relate to the sacrifice, not all of them chose or now choose to be a part of the exodus. Kane fails to address this fact in *Bleeding Talent*, a book that falls short of the potential to truly affect military retention efforts.⁴⁵ Despite his attempts to convince the reader of his ongoing respect for current military officers, Kane unquestionably believes today's active duty military leaders would be riding the bench if all those who voluntarily departed were still playing on the active duty team. Such an approach severely detracts from any merit his concepts have, and destroys the chances of implementation by those able to effect change in today's military—active duty leaders who shunned, "What's in it for me?" in favor of, "If I leave, who will lead?"

³⁷ *Id.* at 133.

³⁸ *Id.* at 22.

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ *Id.* at 19 (quoting Andrew Tilghman, *The Army's Other Crisis: Why the Best and Brightest Young Officers Are Leaving*, WASH. MONTHLY, Dec. 2001, <http://www.washingtonmonthly.com/features/2007/0712.tilghman.html>).

⁴² On 8 March 2012, the selection rate to lieutenant colonel dropped below 83% for the first time in a decade. The average primary zone rate for 2001–2011 was 94%. See Jim Tice, *O-5 Selections Plummet to Lowest Rate in Decade*, <http://www.armytimes.com/article/20120729/NEWS/207290315/O-5-selections-plummet-to-lowest-rate-in-decade> (last visited on Feb. 6, 2014).

⁴³ *Id.* at 211–14. According to the U.S. Army Resources Command, the new Officer Evaluation Reporting (OER) system will be implemented on 1

April 2014. It will be used to assess officers in the grades of Second Lieutenant through Brigadier General. In addition to requiring 360-degree peer evaluations, the implementation of Rater Profiles will preclude senior raters from placing everyone in the top box and requires raters to provide more succinct narrative comments. More information regarding the new OER system can be found at Evaluation Systems Homepage, U.S. ARMY HUMAN RESOURCES COMMAND WEBSITE, <https://www.hrc.army.mil/TAGD/Evaluation%20Systems%20Homepage> (last visited Feb. 20, 2014).

⁴⁴ *Id.* at 213.

⁴⁵ *Id.* book jacket cover.