

## Send the Reserve!

# New Ways to Support NATO through Reserve Forces

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In a January 2012 publication, the NATO Military Committee revised its Framework Policy on Reserves: “As many nations increasingly make use of professional soldiers in their Regular Forces, whilst simultaneously reducing them in size, the need for Reservists will be even greater.”<sup>2</sup> This reflects a position shared across NATO, where most member states recognize the need for volunteer, part-time Defence Forces able to deliver significant capability when needed. In a challenging security environment, whilst the Regular Forces are largely reduced and professionalized, Reserve Forces act as a pool to support, reinforce, enhance and improve their regular counterparts.<sup>3</sup> They provide a surge of personnel that can be drawn upon.

In recent years, and especially in the demanding operations of the last decade, few operations could have been sustained without embedding and including reservists, either in individual positions or in units. For several countries, services have been thinking harder about the Reserve Forces as a means of achieving their output goals. In the US, the Army Reserve provides “a cost-effective way to mitigate risk to national security.



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<sup>2</sup> MC 0441/2 (NATO Framework policy on Reserves), 19 January 2012. This paper is built upon a joint Symposium held in Brno, Czech Republic, 1-2 August 2013, by the National Reserve Forces Committee (NRFC), the International Confederation of Reserve Officers (recognized by its French acronym CIOR), and the International Conference on Employer Support for the Reserves (ICESR). CIOR is the Inter-allied Confederation of Reserve Officers, bringing together associations of reserve officers and reservists from over 35 member and partner nations of NATO. It is recognized by the NATO Military Committee through MC 248/1. See [www.cior.net](http://www.cior.net) for more information. NRFC is the National Reserve Forces Committee, an inter-Allied joint committee composed of the senior official responsible for Reserve Forces from each member nation, which reports to NATO's Military Committee in accordance with MC 392. See <http://www.act.nato.int/nrfc> for more information. ICESR is the International Conference on Employer Support for the Reserves, held every 2 years. Previous conference venues have included Great Britain (2007), Australia (2009) and Canada (2011).

<sup>3</sup> MC 0441/2: “Reserve Forces consists of various categories of personnel coming from civilian life and not normally employed on full-time military service. Personnel may be Voluntary, Ex-Regular or Conscript. They may be assigned to organized units or serve as individuals supporting Regular units”.



For only 6% of the Army budget, the Army Reserve provides almost 20% of the Total force”.<sup>4</sup> In the United Kingdom, since 1996, about 10% of every deployed force has been made up of reservists and 25,000 have been mobilized since 2003 – mostly for Iraq and Afghanistan.<sup>5</sup> Australia, a global NATO partner, deploys Reserve Forces to maintain its presence in the Solomon Islands at a cost which has been estimated to be four times cheaper than sending regulars.<sup>6</sup> In short, reserve forces not only play a major role in nations’ military strategies; they are complementary to the Regular Forces. The Reserves offer key niche capabilities in a cost-effective way as well as surge capacity, which is important in times of declining military and defence budgets.

At first glance, Reserve Forces appear to be the panacea. They could be an effective way to mitigate and compensate the shrinking military, providing not only surge capacity but also specific help in domains where Regular Forces lack skills. Reservists are more than just a “reservoir of part-time bodies that can be used to fill gaps in the regulars”.<sup>7</sup> But there are some underlying issues: the question of their training and their ability to undergo a broad range of missions, the additional costs and, in short, the balancing of demands between their civilian employment and reserve service. According to a famous Winston Churchill quote, reservists are “twice a citizen”, but when it comes to employing them, competing demands are placed on the individuals, by the military on the one side and their civilian employer on the other side.

For the Ministries of Defence who are more and more dependent on this manpower, it means finding

innovative ways to achieve full Manning and capability requirements. In short, the key issue is how to get reservists when you need them – that means ensure their availability.

This depends on many important factors, such as political willingness, community encouragement, family and employer support. This paper addresses the issue of availability from the Defence and employer sides. What solutions have, so far, been imagined and proposed? Some examples – mainly taken from Anglo-Saxon NATO member states – might provide useful insights in order to help nations enhance their reserve component and mitigate critical shortfalls.

### **Reservists: a unique alternative manpower**

“Military reservists today are more than just strategic reinforcements to enhance readiness in time of conflict”.<sup>8</sup> Since the collapse of the Soviet Union, the radical transformation of the geopolitical environment has triggered new threats that demand a new mindset, new solutions and new approaches. This evolving security environment can be summed up in the following quote: “while today our borders know no threats, current threats know no borders”. Individual nations, but NATO too, have felt the need to adapt their strategy, command structures, expectations and operations, in order to address this evolving environment. Budgetary constraints have also seen defence budgets being severely reduced, with direct impact on future capabilities.<sup>9</sup>

In several countries, this explains why Reserve Forces

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<sup>4</sup> “America’s Army Reserve: a life-saving and life-sustaining force for the Nation”, *2013 posture statement*, [http://www.usar.army.mil/resources/Media/ARPS\\_2013\\_6-6-13%20\(2\).pdf](http://www.usar.army.mil/resources/Media/ARPS_2013_6-6-13%20(2).pdf), accessed 3 September, 2013.

<sup>5</sup> As quoted by Major General Crackett, TD. At a peak in 2004, reservists made up 20% of British forces in Iraq and 12% in Afghanistan.

<sup>6</sup> According to financial reporting in 2004/2005. For additional information, see Andrew Davies, *Presentation delivered to the Defence Reserves Association 2008 Annual Conference*, 26 August, 2008 (available on <http://www.aspi.org.au/admin/eventFiles/Andrew's%20reserve%20speech.pdf>, accessed 10 August, 2013). In the UK, a Regular/Reserve Cost Comparison Model has been developed, based on a light infantry battalion. The audit indicated that the steady-state costs of a Territorial Army (TA) infantry battalion are 20% of those of a Regular battalion of similar size. The costs of a TA infantry battalion mobilised for 12 months, including a six month operational tour, are 87% of a Regular battalion over the same period. (The Independent Commission to review the United Kingdom’s Reserve Forces, *Future Reserve 2020*, London, Ministry of Defence, July 2011, p. 40 (<https://www.gov.uk/government/consultations/future-reserves-2020-consultation>, accessed 28 August, 2013).)

<sup>7</sup> Andrew Davies, *Presentation delivered to the Defence Reserves Association 2008 Annual Conference*, p. 2

<sup>8</sup> Colin Busby, “Supporting Employees who Deploy: The Case for Financial Assistance to Employers of Military Reservists”, *Backgrounder n°123*, C.D. Howe Institute, January 2010, p. 1.

<sup>9</sup> NATO, *Chicago Summit Declaration on Defence Capabilities: Towards NATO Forces 2020?*, 20 May 2012.



have become more important to national security, especially where the downsizing of Regular Forces requires complementary, additional and ready, part-time soldiers able to support and safeguard their crucial national capabilities.<sup>10</sup> While they cannot substitute all military capability, reserves are able to achieve a range of core tasks in a cost-effective way and, in specific domains, their expertise is invaluable and unique. In the United States, about 206,000 “warrior citizens” currently serve in the Army (19% of the force). They provide nearly 90% of civil affairs personnel, more than half of the medical and quartermasters, more than a third of the chemical and transportation, and a quarter of intelligence and Military Police. In Canada, almost half of the total force is composed of reservists.<sup>11</sup> In Australia, reservists make up 43% of the total force. In France, there are almost 60,000 reservists who average about 23 days of service each year.<sup>12</sup> This French reinforcement amounts to more than 1,000 full-time equivalent regulars, or the equivalent of one additional infantry battalion. Most of these reservists are committed to national operations such as Vigipirate, the codename for the surveillance of public spaces against potential terrorist threats. In Germany, during the last floods, an emergency unit manned by reservists intervened in Lower Saxony with more than 300 German reservists committed during the critical days.<sup>13</sup>

Looking at the various types of missions and operations to which NATO member countries may be committed, the full use of skills, experience and capabilities of individual reservists is indeed possible. According

to a general officer, a reservist himself, to meet the challenges that lie ahead, reservists – and, in essence, every soldier – must be able to rapidly transition between complex tasks with relative ease: he must be a warrior, a strategist, a diplomat, a businessman and a humanitarian operator. He must know how to work with other government entities and to operate in other cultures. He must be multi-skilled, innovative, agile, and versatile.<sup>14</sup>

While some nations contemplate reducing the size of their Regular Forces, there is an urgent need to redesign the Defence force so as to better integrate regulars, reservists, Government Defence civilians and contractors.<sup>15</sup> As identified in other studies, three challenges have to be addressed:<sup>16</sup>

- What is expected of the military in the future and what does that mean for Reserve Forces?
- How do we better recruit, train, and retain reservists?
- How do we engage with employers and industry, as their support is vital to achieving full manning and capability requirements?

The first two questions are generally linked with the institutional side, as part of a holistic strategic approach to national security. This mainly concerns Ministries of Defence within their respective portfolios.

The last question illustrates the importance of ensuring reservists are available. If one is to consider that the Reserve Forces must be able to cope with increased operational demands, their availability is an essential

<sup>10</sup> Despite the rhetoric, some surveys have found that reductions in the regular forces are not always offset by an increase in the Reserve (see Paul Earnshaw and John Price, *Employer Support for Reserves: Some International Comparisons of Reserve Capabilities*, Australian Defence Force, 2010, pp. 48-49).

<sup>11</sup> The Canadian Reserve force is composed of four subcomponents, but not all deploy on operations. The Primary Reserve (27,000) and Canadian Rangers (5,000) may be employed on operations while the Cadet Instructors (8,000) are not. The Supplementary Reserve (15,000) is a holding list of qualified members and they may be mobilized if required. The Regular Force is 68,000 so if one compares those forces who may be employed on operations, the ratio is almost 50% of the total force.

<sup>12</sup> Conseil Supérieur de la Réserve Militaire, *Rapport d'évaluation de la réserve militaire 2011*, juin 2012, pp. 7-8.

<sup>13</sup> Interview of Bundestag deputy Roderich Kiesewetter, (<http://www.handelsblatt.com/politik/deutschland/cdu-politiker-fordert-steuererleichterung-wer-reservisten-freistellt-zahlt-weniger/8342848.html>, accessed 5th September, 2013) and feedback about Reservists' commitment in the flood areas (<http://augengeradeaus.net/2013/06/bis-jetzt-332-reservisten-im-hochwasser-einsatz> (accessed 6 September 2013))

<sup>14</sup> Discussion with Major General Kasulke, 1 August 2013.

<sup>15</sup> This “Whole Force” is a UK Concept which intends optimising all these components. The UK example thus calls for a proportional increase in the Reserve elements: for additional information, see United Kingdom's Reserve Forces, *Future Reserve 2020*, art. cit.

<sup>16</sup> Some of these issues are addressed by Mark Phillips, “The Future of UK's Reserve Forces”, *RUSI occasional paper*, April 2012, p. V.



component to operational success and, by implication, national security.<sup>17</sup> From a Defence perspective, this is potentially a critical vulnerability: will reservists be available and competent, as and when required? Multiple pressures burdening the reservist (e.g. family and financial situation, civil employment and career, defence service) call for additional measures that may encourage and maximize the availability of reservists. In doing so, government officials have to think about all the prerequisites for promoting and furthering such a process. A “Comprehensive Approach” has, therefore, to be encouraged, including discussions with representatives of the private sector and those from civil society.

### Employment protection

Relations between a Defence force and its reservists cannot ignore the significant role played by the civil employer for each reservist, whether it be the private or the public sector. In most countries, while legislation addresses issues dealing with military service, it is the responsibility of the reservist employee to give sufficient notice to his employer and advise him that he will be undertaking military service. The employer’s responsibility is to assess the impact on his business before giving his answer. Except in rare cases of involuntary service due to a state of emergency that requires the calling up of reservists into active duty (in many nations this would also require a specific Act), reservists are usually authorized to leave their jobs for a period during which their employer has to maintain their rights. In France, for instance, if the military service does not exceed five days, the employer cannot oppose it. If the period extends to over five days, the employer may refuse under certain conditions.<sup>18</sup> In several countries, a “hardship clause” may also apply that denies a request for military service, if the employer can justify the difficulties caused by the absence of his employee. Some nations ask for employer support only

in cases of employment on operations while others have a broader programme that includes time off for military training, exercises and professional development as well as operations.

In order to better protect, as well as maintain the rights of the employee who undergoes reserve military service, governments have introduced various kinds of legislation. In France, this was done in 1999, at the time the armed forces were shifting from conscription to fully professional forces. In Australia, the Defence Reserve Service (Protection) Act was passed in 2001. The Czech Republic is currently undergoing a similar process. In federal states, this issue can be complex. In Canada, increasing use of reservists on operations during the last decade has led to the development of a proliferation of federal and provincial job protection legislation. Each of these measures is unique and therefore a challenge to interpret and apply across the Reserve Force.

Whatever the country, the legislation falls into three generic measures:<sup>19</sup>

- It is an offence to discriminate, disadvantage, hinder or dismiss an employee because of his reservist affiliation;
- Employers cannot – except in particular cases – prevent or hinder employees from volunteering or serving in the reserve; in some cases, a clause requires that employers have to release their employees for a certain duration;
- After he/she returns, the reservist has to be reinstated without detriment to him/her.

Some countries are more willing to refer to legislative constraints and binding legislation than others. One very interesting case study is the United States’ Uniformed Services Employment & Re-employment Rights Act (USERRA). This act reinforces a previous decision that made clear that “reemployment statute

<sup>17</sup> Colin Busby, *Supporting Employees who Deploy*, art. cit.

<sup>18</sup> Article 10 de la loi n°99-894 (22 octobre 1999) « portant organisation de la réserve militaire et du service de défense » (<http://legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000579308>, accessed 6th September, 2013). The text has been slightly reviewed by Law n° 2006-449 (19 avril 2006).

<sup>19</sup> Colin Busby, *Supporting Employees who Deploy*, art. cit., p. 3.



should be liberally construed for he who has laid aside his private concerns to serve his country in its hour of great need.”<sup>20</sup> Enacted for those who participated in World War II, USERRA was applied in 1994 to cope with Veterans’ claims after the Gulf War of 1991. It extends to all employers, federal government, state and local governments, small and large US private employers (in the United States and overseas), including multinational companies that hire reservists.<sup>21</sup> This legislation is designed to support Reserve Forces, allowing both for their training and for deployment duties. It seeks to prevent difficulties, as the number of reservists undertaking service has increased dramatically over the past decade. Due, primarily, to the Global War on Terror, 875,000 National Guard and reserve members have been called to active duty in the last 13 years – 330,000 of them more than once. Of those, 15,000 have been wounded and 1,200 have died.<sup>22</sup>

USERRA forbids discrimination in reservists’ hiring, retention, promotion and benefits. It guarantees that a reservist will return to his/her previous employment, with the added compensation or promotion that peers may have received: this “escalator principle” states that “the returning veteran does not step back on the seniority escalator at the point he stepped off. He steps back on at the precise point he would have occupied had he kept his position continuously during the war.”<sup>23</sup> Under the Act, there are also obligations on the reserve member. First, the reservist must provide his/her civilian employer with advance notice of service, and may not serve for more than five years on active duty.<sup>24</sup> After completing that service, the reservist must

return to work in a timely manner and must be released by the Department of Defense without punitive or other-than-honourable discharge.

Despite this protective and tough legislation and the energy put into solving some obvious cases by both the Department of Labor and the Department of Justice, critical issues still appear. According to the Reserve Officers Association (ROA), the unemployment rate for reservists is three times higher than the average (approx. 21% vs. 7.3%).<sup>25</sup> While there was great patriotic enthusiasm throughout the country following 9/11, the Global War on Terror has turned into a long war – the longest ever waged by the United States. More importantly, reservists have been mobilized not only for extended periods of service, but multiple times. In addition, the economic situation within the US has been affected by the global financial crisis, leading to high unemployment and job loss. The initial support for the Global War has waned substantially and reservists have suffered “stealth discrimination” and “leave fatigue” after 13 years of continuous commitment. The ROA, whose mission includes assisting discriminated reservists, reports receiving more than 800 calls per month, pertaining mainly to this issue.

The US situation is of particular interest, as its legislation is currently under scrutiny. Recently, the US Department of Defense tasked the RAND Corporation to consider whether changes are needed to USERRA, to the activation and deployment procedures and to the Employer Support of the Guard and Reserve.<sup>26</sup> One of the key findings is that employer knowledge

<sup>20</sup> US Supreme Court, *Fishgold v. Sullivan Drydock & Repair Corp.*, 328 U.S. 275, 285 (1946).

<sup>21</sup> 38 U.S.C. 4301(b): “It is the sense of Congress that the Federal Government should be a model employer in carrying out the provisions of this chapter.” However, there are some exceptions, as religious institutions, Indian tribes, foreign embassies and International organizations are not included.

<sup>22</sup> Major General (Ret.) Andrew B. Davis, Presentation on USERRA, Brno, 1 August 2013

<sup>23</sup> US Supreme Court, *Fishgold v. Sullivan Drydock & Repair Corp.* An interesting fact is that this escalator can descend as well as ascend, except for Federal employees.

<sup>24</sup> This has some drawbacks for the Reserve Force, as it calls for increased attention to retaining reservists if possible but also to enlisting new candidates.

<sup>25</sup> According to the Bureau of Labor Statistics, the links between being a reservist and being unemployed is not crystal clear. According to the Employment status of Gulf War era veterans by Reserve or National Guard status: “Among Gulf War-era II veterans, those who were current or past members of the Reserve or National Guard had an unemployment rate of 7.2 percent in August 2012, lower than the rate for those who had never been members (13.7 percent). Gulf War-era II veterans who were current or past members of the Reserve or National Guard had a higher labor force participation rate than those who had never been members (85.8 and 78.7 percent, respectively). For veterans of Gulf War-era I, labor force participation rates and unemployment rates were similar for members and non-members.” (Available at <http://www.bls.gov/news.release/vet.t08.htm>, data as of 12 August 2012, accessed 8 September 2013.)

<sup>26</sup> Susan M. Gates, Geoffrey McGovern, Ivan Waggoner, John D. Winkler, Ashley Pierson, Lauren Andrews, Peter Buryk, *Supporting Employers in the Reserve Operational Forces Era: Are Changes Needed to Reservists’ Employment Rights Legislation, Policies, or Programs?* RAND, August 2013 (available on [http://www.rand.org/pubs/research\\_reports/RR152.html#abstract](http://www.rand.org/pubs/research_reports/RR152.html#abstract), accessed 9 September 2013).



of obligations is incomplete, while the low response rates to the review's supporting employer survey and employer unwillingness to participate in interviews suggest that USERRA is not a high-priority issue for employers except when dealing with duty-related absences.<sup>27</sup> Canada provides another example. The country has traditionally had a history of voluntary employer support, and federal legislation was initially developed to cover potential mobilization or extended periods of absence when greater numbers of reservists were deployed on operations in in the past decade. The problem is that the range of legalization expanded to also include ten provinces and three territories, and this has caused similar challenges to those noted in the US: "the legislation came into force (...) without forethought, without supporting regulations (...) and without teeth (...): it is nothing more than a 'cuddle blanket' or, more formally, it is 'attitudinal rather than prescriptive'."<sup>28</sup>

### **Making the benefits higher and the costs less: compensation programmes**

If the countries counting on their Reserve Forces agree that employment protection is paramount, they also realize that the employer seems to unfairly support the burden of the reservist's military service. In some institutional publicity material, there is a reminder that neither the government, nor the Ministry of Defence "wants to impose unreasonable burdens on employers".<sup>29</sup> Of course, depending on the company (private or public sector, small or large) the consequences will vary. It is not just the loss of an employee during his/her annual absence but rather the role played in the business by the reservist. The bigger the company, the easier it is to absorb the potential slowdown in production or any additional expenses. Thus, smaller companies tend to suffer more, while self-employed reservists who

own their business sometimes have to shut it down. Legislation and goodwill do not address the whole employer support challenge, so many nations are now having discussions about employer compensation and employer engagement.

Both instruments are complementary. Employer engagement begins with a "statement of support", a valuable acknowledgement that employers support and will contribute to facilitating reserve military service. Financial incentives recognize that there is a cost incurred by the employer when military leave is granted to one or more employees. This kind of mechanism aims at compensating employers for the disruption caused by the absence of reservists. Compensation may be as simple as a standard stipend or as complex as reimbursement for actual expenses incurred in training or hiring a replacement. Employer compensation recognizes and rewards employers for their support, not only to the reserve member but to the nation's armed forces, and augments other tools of employer support. Australia, the United Kingdom, the Netherlands and Poland have current financial incentive programmes, Canada is in the process of developing one and the Czech Republic is considering introducing financial incentives. In Germany, Roderich Kiesewetter, a member of the Bundestag and the President of the German Reservists' Association, recently proposed that companies who would agree that some of their employees leave for military duty on a regular basis could get tax deductions.<sup>30</sup> In Australia, the emphasis has been put on an "Employer Support Payment Scheme". Developing and implementing these schemes is not simple and there are many details to consider, including the source of funding, the administration of the programme, the control over and allocation of funding, the return on investment and the cost/benefit for the employer, the institution,

<sup>27</sup> Ibidem, p. 79-32. In the UK, the survey that helped identify the Green Paper for Reserve Issues discovered that reserves were little-known and thought that anti-discrimination legislation was not very effective.

<sup>28</sup> Valerie Keyes, "Sustainment of Reserve Service Through Employer Support", *Journal of Military and Strategic Studies*, vol. 12, n°4, Summer 2010, p. 63-69. This quote can be found on p. 64.

<sup>29</sup> This refers directly to the Australian booklet, Employer Handbook, *Everything you need to know about employing Defence Reservists*, 5th edition, January 2013, p. 11 (available on the institutional website, <http://www.defencereservessupport.gov.au>)

<sup>30</sup> Bundestag deputy Roderich Kiesewetter in Handelsblatt, 14 June 2013.



the Defence Forces and the reservist. In Canada, the potential introduction of financial incentives following an extended period of high operational tempo for reservists with completely voluntary employer support raised some interesting questions and considerations about cost, necessity, uptake and practicality. To quote one academic: “These schemes might in fact be pricing reservists out of the deployment market. If the cost of employing reservists becomes too high, there’s the very real possibility that reserve deployments will be reduced.”<sup>31</sup>

The issue of cost is definitely worth considering. The Czech Republic, which puts a strong emphasis on its reserve component, admits that “financial compensation is indispensable especially in the private sector which is naturally profit-oriented. There has been a debate about some form of a tax relief for the private companies’ support but – similarly as for instance in the UK – this was rejected on the basis of the administrative complexity and cost of such a measure. It is much easier and transparent to pay direct compensation for the working hours spent on reserve activities”.<sup>32</sup> NATO’s global partner Australia has had such a solution for over a decade. Basically, the Department of Defence provides financial support to employers who release their employees for reservist duty, in order to offset any resulting loss of business or to employ a temporary replacement. Under certain circumstances, part-time employees and self-employed reservists also qualify for this payment. In the Australian case, each employer of a reservist is provided with a booklet that explains how the scheme works and what information the employer has to provide to claim payments. This employer support payment scheme was designed to minimize the administrative burden to defence: the payment awarded is equivalent to the average weekly full-time adult ordinary time earnings. For the fiscal year

2013/14, this was Aus \$ 1,393/week.<sup>33</sup> On average, the Australian Department of Defence spends Aus \$35 million in payment and administration. This is considered acceptable, as the scheme has increased the capability of the Reserve Forces through increased availability of individual reservists for both operational deployments and training.

In the United Kingdom, the compensation scheme was established in 1997 and is therefore more mature, but also more complex. For instance, businesses can claim some costs, such as recruiting agencies’ fees for replacement or advertising costs.<sup>34</sup> In addition, the employer can claim any difference between the reservist’s wage and the replacement employee’s wage, subject to a cap of £110 per day. The recently announced UK White Paper will seek to accommodate employers’ suggestions to simplify the claim system. Legislation is being changed, to enable companies employing less than 250 employees to be given £500 each month whilst their employees are mobilized. But this financial compensation is only part of a more comprehensive effort to engage employers and convince them of the benefits of having reservists working for them.

### **Achieving employer support and recognition**

Job protection legislation and financial compensation are valuable tools for employer support. However, a key enabler and one of the first considerations in establishing an employer support programme should be to promote the reserve as an added value for industries, institutions and employers, across all sectors. Of course, good communication is critical to this. As Ambassador Jiří Šedivý pointed out, “one should convince the employers that having reservists (who by definition are expected to possess an above-average moral profile and ethics of discipline as well) in their staffs

<sup>31</sup> Valerie Keyes, *Sustainment of Reserve Service Through Employer Support*, art. cit., p. 65.

<sup>32</sup> Ambassador Jiří Šedivý, *NATO and Reserve Forces: A Czech View*, Brno, 1 August 2013.

<sup>33</sup> <http://www.defencereservessupport.gov.au/for-employers/esps-employer-support-payment-scheme.aspx> accessed September 11th, 2013. In some circumstances, ESPS may be paid at a higher rate.

<sup>34</sup> Colin Busby, *Supporting Employees who Deploy*, art. cit., pp. 7-8.



is a good thing for the company and they should be proud of it”.<sup>35</sup> On the other side, some incentives, even non-monetary ones, should be considered. Communication programmes should aim at engaging and informing employers and may even help to change their perception of the military and the Reserve Forces. Discussions with them should also allow for the military to gain a better understanding of issues affecting employers and illustrate ways they can enhance their corporate/social responsibility in supporting military service. In short, the core objective of employer engagement is to achieve mutual understanding and mutual support between the employer and the employee.

In several countries, this “outreach” approach is at the core of the employer support programme. After initial engagement and commitment of support by the employer, the focus should shift from employer support to employer engagement – i.e. staying connected with the employers, to encourage not only their continued support but advocacy within the community on the value (and importance) of Reserve service. This is done through strategic communication and outreach towards all potential sectors, engaging business representatives, government, educators, civil society and, of course, the reservists themselves. Reservists are wonderful spokespersons and their engagement in the employer support process is critical. This will also serve to motivate them, and engage them in delivering key messages and making wider connections in their civilian communities.

### ***Statement of support***

In Denmark, “InterForce” was developed back in 1999, as a format for cooperation between civilian companies – private as well as public – and the Danish armed forces on personnel matters. The purpose is to ensure that reserve personnel and volunteers in the Home Guard maintain their affiliation to the Defence

forces, retain their civilian jobs while employed by the military, and are given the opportunity and time to participate in military education, training, exercises and operations. “InterForce” relies on a “carrot-better-than-stick” policy: the idea is not to impose any legal or financial obligations on the company, but to strengthen the “moral obligation” to let employees participate in armed forces education and training, or in international and national operations. A supportive company signs a declaration stating that: “The Company recognizes and supports the need of the society to get the Defence Forces’ voluntary personnel and reserve personnel released for military education, national assignments and international missions”. So far, 1,600 private support companies and 170 public support companies, representing 0.9 million employees (out of a total Danish working force of 2.7 million), have signed this declaration of intent.<sup>36</sup>

In France, the government established a “Defence Partner” label in 2005. The objectives were initially very broad: participating companies could expect to validate military training as part of the employee’s individual training entitlement, and use a specific logo recognizing their efforts, amongst other possible incentives.<sup>37</sup> In the early stages, the underlying idea was also to generate new business opportunities for small and medium-sized companies that would support this initiative.<sup>38</sup> So far, just over 320 companies have signed this agreement – mainly defence and procurement companies, major consulting firms or public-funded businesses. In Canada, the “Statement of Support for the Reserve Force” is a key tool to register employer support and engagement. It is distributed at every opportunity with employer support publicity material, using a variety of promotional techniques such as employer visits, speaking engagements, trade shows and mail-outs. Employers who sign a “Statement of Support” or who send a copy of their military leave

<sup>35</sup> Ambassador Jiří Šedivý, *NATO and Reserve Forces: A Czech View*, Brno, 1 August 2013.

<sup>36</sup> Presentation made by Major General (Ret.) Norgaard, Head of the InterForce Secretariat, Brno, 1 August 2013.

<sup>37</sup> The official incentives are listed on the official website of the French MoD <http://www.defense.gouv.fr/reserves/reserve-et-entreprises/partenariat-et-conventions/partenariat-et-conventions>, accessed 4 September 2013.

<sup>38</sup> Défense et PME, la clé du succès, on-line editorial by Jean-Marie Bockel, June 2009, p. 5 (available <http://www.cgpme-paris-idf.fr/index.php?module=sspages&id=55>, accessed 4 September 2013).





policy receive a letter of appreciation from the national Chair of the Canadian Forces Liaison Council (a national network of civilian volunteers from across business and education who work with the Canadian Forces), as well as a certificate that can be displayed in their workplace.<sup>39</sup> In the United Kingdom, employers who pledge their support receive a certificate issued by the official Support for Britain's Reservists and Employers (SaBRE) organisation and also appear on the list of publicly supportive employers, a cost-effective way to attract highly qualified employees but also to advertise free.

### ***Outreach, awards and recognition***

In order to promote the reserve, some countries have also created programmes that enable employers to interact directly with reservists in the military environment to gain an appreciation of what their employees do on military service. To demonstrate the role of reservists, outreach programs like “Boss Lift” have been established to allow employers and supervisors to visit facilities like military venues, training grounds, vessels and air bases. In this way, they can see first-hand the type and quality of training their employees receive. It is also a unique opportunity for them to talk with Defence representatives and share their insights, making useful recommendations. In the United States, one Boss Lift is organized per year in each State, including airlift on a military aircraft to a military training site. Participation is limited, to make the event seem special. Similarly, the Canadian Forces Liaison Council (CFLC) has developed the “ExecuTrek” scheme: employers can not only visit reserve training, exercises and operations, but also take part in specific activities to reinforce the lesson. In Australia, a recent “Boss Lift” took 27 business leaders and Human Resources directors to the Solomon Islands, to gain insight into the roles and responsibilities of individual reservists while on operations. The Boss Lift also included participation in a leadership activity that considered the Guadalcanal campaign of 1942.<sup>40</sup> In Denmark, VIP treatment is

given to selected employers, who can accompany the Danish Chief of Defence or other high-ranking officers during visits to Danish units deployed overseas, and attend briefings by the most prominent representatives of the MoD. In September 2013, the participation in “InterForce” activities will peak with a concert and buffet in a Royal Palace in the presence of the Queen of Denmark.<sup>41</sup> These social events and opportunities to engage with the military are highly praised by employers.

In addition to employer engagement through special events, some nations have also developed an awards programme to recognize and thank employers for their support. Since 1994, Canada has had a programme for reservists to nominate their employers for awards in a range of categories. Employers are formally recognized and receive an award for their outstanding support in ceremonies held at the local, provincial and national level with dignitaries and Canadian Forces VIPs. National award winners, nominators and their guests are brought to Ottawa for an Awards dinner and special ceremony with dignitaries from Government, the Ministry of Defence and the Canadian Forces. In the United States, the Employer Support for Guard and Reserve scheme grants a series of Department of Defense awards which recognize employers as individuals or as companies that not only respect or encourage the leave of their employees, but go “above and beyond the legal requirements of USERRA” or adopt innovative personnel policies. The highest award – the Secretary of Defense Employer Support Freedom Award – was instituted in 1996 and the recipients are welcomed in Washington, DC, where they are honoured by senior officials of the Department of Defense. This model is very effective in a country that not only values the military but also acknowledges their social responsibility vis-à-vis the community. This is also the case in Singapore, which grants a “Total Defence Award” for firms who employ five or more reservists or nominate an individual reservist on their staff.

All these initiatives share the same goal – to thank the

<sup>39</sup> Rear-Admiral Jennifer Bennett, *Exposing Employers to Reserve Service. Canadian Model of Employer Engagement*, Brno, 1 August 2013.

<sup>40</sup> Financial Review, *Operation Boss Lift*, 5 August 2013.

<sup>41</sup> Presentation made by Major General (ret.) Norgaard.



employer and recognize their commitment, while at the same time encouraging their continued support. This outreach activity also opens doors to new partnerships between defence, industry and education, to explore potential mutual benefits and draw society into a more collective responsibility for national security.

### **Responsible employers: where is the business case?**

The overarching messages for gaining employer support are linked to the reservists' added value for their employer. Even without incentives, employers have every interest in employing reservists, considered a valuable asset to any company. Employers who have been given this information or who have seen this first-hand often pledge their support to reservists on a completely voluntary basis, without legislation or incentives.

The UK-based SaBRE website insists on the "wide variety of skills and qualities a whole that can be transferred directly to the workplace". This is not just the habitual narrative about team-working, leadership and confidence, but foregrounds practical priorities such as first aid, health and safety, precision, accuracy and organizational skills.<sup>42</sup> The underlying idea is that hiring reservists – or former military – is an exceptional added value: a recent UK report, endorsed by the Chartered Management Institute, found that "an employer would have to purchase over £8,000 of commercial civilian training to provide the same amount of development that an average reservist's military service provides in a year (this research relates only to the skills that are relevant to the civilian workplace)".<sup>43</sup>

In some military cultures, the back and forth movement between civilian life and the military is so common that the Ministry of Defence is able to build and maintain enduring employer partnerships. The US Army, for instance, establishes partnerships

with industry, institutions or businesses to give reserve soldiers employment opportunities, with an emphasis on specialties in medicine, engineering, telecommunications, transport and logistics, law enforcement and civil affairs specialties. This Employer Partnership Initiative facilitates the connection between employers and job seekers, and matches skills between service members and civilian sector jobs. It is not just about reducing unemployment, but also about increasing the readiness of the force by counting on civilian skills that enhance unit mission capability through strategic relationships with employers. One of the best-known examples can be found in a major trucking company which uses a state-of-the-art training centre with truck simulator cabs. The Army Reserve drivers, who are employees of this trucking company, use the simulator to confront an array of driving hazards. When these soldiers change their civilian truck for a military one, they are better, more experienced drivers because of the previous training they received from the civilian company. As the report states, "America gets a better, more disciplined, service-oriented employee, a more skilled and capable truck driver, and a stronger soldier."<sup>44</sup> So far, the US Army Reserve has signed 1,190 Employer Partnership Agreements. Commercial campaigns proclaim that "it is not just about recruiting soldiers, but employees for America's industry at the same time."<sup>45</sup>

Elsewhere, businesses have already understood the benefits of the bridge that reservists provide between the civilian and the military worlds. This is particularly obvious when it comes to new technologies and especially cyber: the ever-increasing sophistication of defence systems and progressive employment of dual-use technologies in military affairs require greater and closer cooperation and complementarities between the civilian and military worlds. In France, following the emphasis on the role of "cyber defence reservists", the French Ministry of Defence tasked some experts

<sup>42</sup> <http://www.sabre.mod.uk/Employers/What-Reservists-offer/Transferable-Skills>, accessed 10 September 2013.

<sup>43</sup> Tim Corry, *Businesses offered incentives to employ Reservists*, SaBRE Website, 24 July 2013 (<http://blog.sabre.mod.uk/post/2013/07/24/Businesses-offered-incentives-to-employ-Reservists.aspx>, accessed 11 September 2013).

<sup>44</sup> Mark Phillips, *The Future of UK's Reserve Forces*, art. cit., p. 70.

<sup>45</sup> *America's Army Reserve: a life-saving and life-sustaining force for the Nation*, art. cit., p. 15.



from the business world to raise awareness with a view to making cyber defence a national priority.<sup>46</sup> One of their missions is to focus on small and medium-sized businesses, providing advice on how to protect against cyber-attacks even without the resources available to larger companies. In this sense, reservists play a major role in alerting the general public to new threats and how to respond. To quote Luc-François Salvador, CEO of Sogeti (a wholly owned subsidiary of Capgemini Group, a leading professional services corporation), the private sector is not always looking at “the [chances of making a] quick dollar”, and some people see themselves as patriots yearning to take part in the defence of their country.<sup>47</sup> This approach is fully endorsed by major companies such as Total, which see their reservists as potential high-level manpower whose education and leadership are definite assets. It also recognizes the importance of the armed forces to protect their vast population of expatriate workers, in sometimes difficult situations. For instance, the company decided to extend the authorized military leave from 5 to 10 days, shortening the warning notice and maintaining wages without obliging the reservists to pay back their military salary.<sup>48</sup>

## Conclusions and recommendations

“Having reservists as part of the team is a win-win partnership: the employer benefits by having a loyal, well-trained staff member who can bring valuable skills in terms of management, leadership and team-work to an office environment. The reservist benefits by being able to continue his military career without having to sacrifice his civilian (...) livelihood. And the Defence Forces benefit as reservists bring skills to the military environment that might not exist amongst members of the regular forces.”<sup>49</sup> At

a time when the security environment requires agile responses and flexible, adaptable and judicious force generation to meet the challenges of current and future conflicts, a premium must be placed on better integration and “more sophisticated” relationships between Ministries of Defence, the private sector and civil society.<sup>50</sup> Reservists not only fill some capability gaps, they can also provide useful surge capabilities, as well as knowledge in domains where the military lacks competency – not only in national missions but also in NATO operations.

To ensure greater availability of reservists, the active backing of employers is paramount. It has to be developed and tailored according to national specific culture and needs, and rooted in the history, social conditions and military cultures of individual militaries. Most countries share useful lessons learned in terms of employer support. At this point, some recommendations may be helpful:

- **Legislation can't do everything.** First, it is a nation's individual choice as to whether it wants to develop a legislative arsenal or not. Legislation can be very coercive or limited, comprehensive or prescriptive, but it ultimately depends on the goodwill of the different players.
- **Encourage multifaceted courses of actions.** To provide long-term results, a successful employer support programme has to have some incentives for the employer and these do not necessarily have to be monetary. To allow reservists the flexibility to have time for military service is only one side of the coin; the employers must also be convinced. Communication is an essential requirement for the engagement of employers; a range of tools needs to be developed, to target institutions, unions, business organisations, academic institutions

<sup>46</sup> Jean-Yves Le Drian, *Discours d'ouverture du colloque sur la Cyberdéfense*, Rennes, 3 juin 2013 (<http://www.defense.gouv.fr/ministre/prises-de-parole-du-ministre/prises-de-parole-de-m.-jean-yves-le-drian/discours-du-ministre-de-la-defense-au-colloque-sur-la-cyberdefense>, accessed on 5 September 2013).

<sup>47</sup> Luc-François Salvador, *The industry perspective by a CEO (& a Reserve Officer)*, Brno, 1 August 2013. In France, the main IS security operators, including Sogeti, are taking part in the Council of Trusted and Security Industries alongside national authorities.

<sup>48</sup> Interview with Frédéric Bouffard, “référént Défense” of the Total company, 31 July 2013.

<sup>49</sup> Valerie Keyes, *Sustainment of Reserve Service Through Employer Support*, art. cit., p. 66.

<sup>50</sup> Mark Phillips, *The Future of UK's Reserve Forces*, art. cit., p. 91.



and companies who hire reservists. The benefits of reserve service and the skills that reservists will gain through their military service have to be appropriately illustrated to current and potential employers.

- **Financial compensation is only one partial response.** Of course, financial compensation might be important to employers, but financial programmes have real meaning only if they are included in a wider range of programmes. Depending on the individual country's mindset and cultural approach, this may not always be the most cost-effective.
- **Promote the skills of reservists and the added value they bring.** It is still a challenge to document and effectively translate military skills using terms that civilian employers will understand, and to assess the added value that reserve service represents for employers. Therefore, it is important to engage

employers using a range of tools and options that allow them to assess the value of the experience and skills their employees are bringing back. How the military can best communicate the resulting added value is thus a major question.

At a time when militaries across the Alliance – but also NATO itself – are undergoing difficult reform processes and strategic reviews, reserves have an opportunity to demonstrate just why they are important: not only are they relevant as the high operational tempo of recent years begins to slacken, but they actually bring considerable added value to national forces and to NATO. However, they must also adapt in order to remain up-to-date and relevant. With increased use of Reserve Forces and greater integration with Regular Forces, reserves are an integral and important part of a nation's Defence strategy. Their proven experience, skills and dedication are a clear benefit to their communities, employers and nations, as well as to the Alliance.