

**REPORT OF THE  
CWO TIME IN GRADE COMMITTEE**

**COMMITTEE MEMBERS**

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## **Purpose**

The Time in Grade (TIG) committee was formed to consider the development of a formal request, from the Chief Warrant Officers Association, to reduce time in grade for promotion to CWO3 and CWO4. A reduction in TIG has been a topic of discussion amongst several CWO Association members. A formal proposal was presented to the Commandant in August of 2000, and was subsequently denied in December 2000 (Enclosure 1). The Philadelphia, PA and Boston, MA CWOA Chapters have more recently submitted recommendations in 2002 and 2003 (Enclosure 2). This committee did not review the subjects of creation of a CWO5 pay grade or pay compression.

## **Background**

After initial review of all three proposals, and the Commandant's response, the Committee agreed a formal recommendation to reduce TIG must be thoroughly researched prior to the formulation of a recommendation. The Committee also unanimously agreed that any recommendation must present a sound business case as to how this change would benefit the Coast Guard as a whole, not simply the Warrant Officer corps. Committee members determined that the following items needed to be researched prior to making a final determination on a proposal.

- Funding impact of the TIG reduction
- Funding of CWO billets
- Average years of service for CWO2, CWO3, CWO4
- Retirement/attrition data; CWO to LT numbers
- CWO TIG comparisons with officer and senior enlisted TIG
- CWO promotion policies of the other branches of the military
- CWO Specialty Review Team

The following paragraphs outline what Committee members discovered during their research.

### **Funding Impact for TIG Reduction**

Per correspondence received from Commandant (CG-8), acceleration of the promotion to both CWO3 and CWO4 would cost the Coast Guard approximately \$2.2 Million dollars. This amount is based on the January 2004 pay scale and current workforce data, but would be an annual, recurring cost to the organization. We were unable to obtain a further breakdown of this amount, but were informed that this information was derived from standard personnel budget models. The (CG-8) representative also pointed out that a Headquarters Directorate (probably G-W) would need to go on budget for these additional, annual funds.

### **CWO Billet Funding**

There have been assumptions that since all CWO billets are W4 billets, they are funded at the W4 level. Communications with CG-8 revealed that this is not the case. CWO billets are funded at the same level, however the actual funding level per billet is an average of the previous year's costs based on the total number of CWOs at that time.

During the annual budget process, the estimated annual cost (Standard Personnel Cost – SPC) for a CWO is determined by calculating the total AFC-01 costs (payroll account) for all CWOs from the previous year; that amount is then divided by the number of CWOs from the previous year. For example, estimated payroll costs for the FY05 budget proposal submitted to Congress would be figured as follows:

$$\frac{\text{Total AFC-01 expenditures for CWOs in FY04}}{\text{Total number of CWOs on duty in FY04}} = \text{average payroll cost for each CWO}$$

The payroll amount is only a portion of the total SPC. To that amount, an estimated amount for training (AFC-56), PCS (AFC-20), operations and maintenance (AFC 30), and medical (AFC-57) is added to determine the Standard Personnel Cost for a CWO billet. See enclosure (3) for current SPCs for warrant officers.

Seeing that these amounts are estimated, there may be differences between what is actually received and what is actually expended. Per CG-8, any surplus would be applied toward the costs associated with the 1000+ over billets Coast Guard wide.

## Average Years of Service for CWOs

The average years in service upon promotion are as follows:

At time of appointment to CWO2 – 18.11 (from 2000 – 2003)

At time of promotion to CWO3 – 21.77 (from 2000 – 2003)

At time of promotion to CWO4 – 23.80 (from 1996 – 2003)

Although individual time in service upon appointment/promotion may vary, the above averages indicate that the majority of CWOs have sufficient time to reach the CWO4 level prior to their 30 year mandatory retirement date. Charts diagramming time in service upon appointment/promotion, for the above years, are included as enclosure (4).

## Retirement/Attrition of CWOs

There has been much discussion concerning the adverse impact the current TIG requirements have on retention of the warrant officer corps. The committee collected the following data for review.

### ***CGPC-opm-1 Data:***

According to records maintained by CGPC-opm-1, the average rate of retirement for CWOs is 198.25 per year over the past five years, with 131 being the average voluntary retirements each year. The data from 1/1/1999 through 12/31/2003 breaks down as follows:

Voluntary Retirement: 655

Mandatory Retirement (for 30 Years AD): 119

Mandatory Retirement (for Disability): 17

Mandatory Retirement (for Board Action - Performance): 1

Mandatory Retirement (for Board Action - Conduct): 1

Total of 793 CWO retirements, which is the general trend.

Caveats/Sources of Error:

It may be possible that some of the Voluntary Retirements may have been mandatory if the member had not requested it. Today they are recorded as MANRET with voluntary clauses. In the past they may have been purely listed as VOLRETs. The same thing may be true for those retiring in lieu of board action that may be making a voluntary gesture but it is in fact and inevitably a mandatory separation. I suspect that the MANRETs should be higher, with the VOLRETs offset equally but I can't estimate by how much. There are definitely far more VOLRETs than MANRETs.

Another area that impacts CWO retention is the CWO to LT program, which promotes approximately 50 CWOs to LT per year.

**COMDT (G-WP-1) Data:**

According to the G-WP (Workforce Forecasting and Analysis Branch) website, the attrition forecast rate for FY04 is 7.21%. This figure represents the attrition rate for the entire workforce and encompasses all forms of separation across all levels of the organization. It is not truly representative of the group this committee was looking at. At our request, G-WP gathered the below data, which targets the sections of the workforce with 19 years or more of service. The following chart compares time in service loss rates for retirement eligible individuals, broken down by each workforce segment, over the past few years. Enclosure (5) includes a breakdown of this data by workforce segments.

<b>TIME IN SERVICE LOSS RATES</b>			
TIS at start of FY	Officer Loss Rate	CWO Loss Rate	Enlisted Loss Rate
	FY02-FY04	FY02-FY04	FY01-FY03
19	20.7%	5.1%	38.1%
20	17.2%	11.4%	22.4%
21	9.7%	6.8%	19.9%
22	15.4%	6.9%	15.1%
23	10.7%	6.9%	14.1%
24	9.8%	7.5%	14.6%
25	11.0%	6.5%	16.7%
26	23.0%	13.1%	12.6%
27	17.8%	13.4%	15.2%
28	14.5%	9.4%	18.1%
29	56.9%	21.7%	75.8%
30	51.4%	68.4%	30.8%

**This shows the loss rates for personnel who BEGIN the Fiscal Year with the TIS shown in Column B.**

**For example, 20.7% of ALL officers who began the Fiscal Year with 19 years of total service ended up leaving the service by the end of that same Fiscal Year.**

**Members with 19 years TIS are eligible for 20-year retirement. Members with 29 years TIS are usually subject to 30-year mandatory retirement (with certain exceptions).**

### *CGPC-opm-2 Data:*

In addition to the above information, the CWO detailers conducted an informal survey of CWOs with voluntary retirement requests on file for 2004 & 2005 (those on file as of date of survey). Although this data was not collected from every retiring CWO, it is a sampling of the reasons for requesting voluntary retirement. The survey (enclosure 6) was sent to 40 individuals. Of those, 37 responded. The following data was collected:

- Respondents had on average 16.5 years of service upon appointment to CWO
- Primary reason for retirement:
  - 13 at mandatory 30 yr retirement
  - 9 were tired of moving
  - 9 were tired of the Coast Guard in general
  - 3 had great job offers
  - 3 indicated that it takes too long to promote
- Would reduction in the TIG for promotion affected their decision to retire:
  - 15 no
  - 6 N/A
  - 5 yes
  - 2 maybe
- Rank upon retirement:
  - 10 CWO2
  - 6 CWO3
  - 19 CWO4

### *Career Intentions Survey Data (for the period from 1 Oct – 31 Dec, 2003)*

Finally the Committee reviewed the results of the Career Intentions Survey (for the above period), which is a voluntary survey available to all employees who have decided to either separate or stay with the service. Survey responses are separated into two subgroups, those who express intent to remain employed by the Coast Guard (**stayers**) and those who express intent to leave (**leavers**). Factors seen as important to leavers and stayers are as follows:

- Among factors seen as important to both **stayers and leavers** "My opportunities for promotion" ranks number 4 from the top out of a list of 14.
- Among factors seen as important to **stayers, but not leavers**, "Advancement/Promotion policies and practices" ranks 6 from the top out of a list of 7 factors.
- Among factors seen as important to **leavers, but not stayers**, "Advancement/Promotion policies and practices" was not on the list. However, future/current assignment(s), geo stability, and frequency of PCS moves were listed as factors (out of a list of 8 factors).

## Comparison of CWO, Officer and Promotions

ALCOAST 309/02 announced the reduction of TIG for junior officers (ENS – LT) from 4.5 to 4 years. LTJG promotions *normally* occur 18 months from the ENS date of rank. LT promotions *normally* occur 30 months from the LTJG date of rank. This reduction was instituted to better align the Coast Guard promotion policies with those of the other armed services.

Comparing junior officer promotions to CWO promotions is not appropriate because these two groups are at entirely different points in their careers. Junior officers (O1 – O3) are in the developmental stages of their careers and are assigned to entry level and training positions (much like junior enlisted personnel who also have the capability to advance rather rapidly).

CWOs, on the other hand, are in the mid to late stages of their careers and are considered both technical experts and management level personnel. If comparisons are to be made between the warrant officer and regular officer, it is more appropriate to compare CWOs to mid grade officers (O4 and O5 level) because they are at similar places in their careers. Promotions to O4 and O5 are decided by a best qualified board (competitive, with most capable candidates advancing to positions of higher responsibility). Their promotions are based on vacancies and these officers have a decreasing opportunity of selection due to the pyramid structure of the officer workforce (up or out system). Although they may be considered earlier, on average it takes approximately 11 years for an ENS to reach the rank of LCDR.

In comparison to the mid grade officer, CWOs have a very favorable promotion system. Promotions are based on time in grade, warrant officers are not promoted to vacancies, and there is an extremely high opportunity of selection that does not decline due to a pyramid type workforce structure. Typically, a warrant officer can promote from CWO2 to CWO4 three years earlier than the typical LCDR (sooner if deep selected). In addition, warrant officers also have additional opportunities of promotion through deep selection, CWO to LT program, OCS and the Direct Commission Officer program.

As for TIG for senior enlisted advancements, it is true that enlisted members may be able to compete after two years TIG. However, depending on rating and current workforce conditions, these members do not typically advance that quickly due to the pyramid structure of the enlisted workforce and the limited number of E8 and E9 positions.

## **Promotion Policies of the Army and Navy**

One other area the Committee considered was the TIG policies of the other Services. The following information was reviewed by the Committee.

### ***U. S. Army Warrant Officer Grade Structure***

There are five grades within the Army Warrant Officer Corps:

- A person is initially appointed as a Warrant Officer (WO1), and progresses to Chief Warrant Officer Two (CW2) after 2 years.
- Competitive promotion to CW3, CW4, and CW5 occur at approximately **six year** intervals for Aviation Warrant Officers and **five year** intervals for those in technical fields.

### ***U. S. Navy Chief Warrant Officer Structure and Promotions***

There are four grades within the Navy Chief Warrant Officer Corps (W2 – W5)

- The Navy recently reduced TIG for **W2 to W3 from 4 to 3 years**, to control what they call Flow Point (The Navy recently established a W-5 paygrade and made this change to ensure enough people are eligible to make it. No more than 5% of the Warrant Corp. will be promoted to W-5)
- TIG for promotion to W4 remains 4 years
- All Navy CWOs must currently obligate 3 years; after October 1 of this year they must obligate 4 years
- The average time to make CWO in the Navy is currently 17 years of service.

## **CWO Specialty Review Team**

The CWO Specialty Review Survey did not specifically address the time in grade for promotion issue.

## **Final Recommendation**

Committee members felt very strongly that any recommendation made to the Commandant would reflect upon the credibility of the CWO Association. Because of this, any recommended change must be fully documented as being in the best interest of the Service as well as the CWO corps. After thorough review of all of the information collected, the TIG committee was unable to develop a sound business case to support the recommendations to reduce the time in grade for CWO promotions.

The Committee was unable to substantiate the claim that CWOs were leaving the Coast Guard prematurely because of their inability to promote to W3/W4 at the three year time in grade point, vice the current 4 year TIG requirement. The surveys, both formal and informal, and the data provided by G-WP-1 did not support that assertion. In addition to the data provided, both Warrant Officer detailers served on the panel and indicated that from their personal experience CWOs normally decide to voluntarily retire when they no longer want to “play the game”. These individuals typically either do not want to relocate, are not satisfied with a new assignment, have good civilian job opportunities, or have unusual family needs or children still in school.

In a budgetarily constrained environment, the additional funding necessary to support such an initiative would have to come at the expense of other programs. Since the Committee was unable to document a direct correlation between a reduction of TIG and either increased CWO retention or senior enlisted retention, we feel there is no adequate evidence to justify this request.

The Committee does, however, recommend that this issue be revisited if the Coast Guard decides to establish a W5 paygrade. As with the Navy, the CG would need to reduce at least one promotion “flow point” in order to ensure that a sufficient number of warrant officers would be available to compete for W5.