

GAO

Testimony

Before the Subcommittee on Military Personnel,
Committee on National Security, House of Representatives

For Release on Delivery
Expected at
2:00 p.m., EST
Thursday,
March 12, 1998

MILITARY ATTRITION

DOD Needs to Better Analyze Reasons for Separation and Improve Recruiting Systems

Statement of Mark E. Gebicke, Director, Military
Operations and Capabilities Issues, National Security and
International Affairs Division



Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss our work on the attrition and recruiting of the military services' enlisted personnel. GAO has conducted a series of jobs to determine why the attrition of enlisted personnel during their first terms of duty has remained relatively constant despite the increased quality of new recruits. Our work has included (1) a report outlining the reasons for attrition during the first 6 months of an enlistee's term,¹ (2) a report recommending how recruiter selection and incentive systems could be improved to increase recruiter performance and the likelihood that enlistees will complete their first terms,² (3) an ongoing study to identify reasons for enlisted attrition after basic training, and (4) an ongoing study of the process of screening incoming recruits to detect criminal backgrounds.

Today, we would like to discuss the historical problem of attrition and its costs; DOD's lack of complete data on why enlistees are being separated early; our recommendations on ways to improve the screening of recruiters and recruits; and DOD's actions thus far to respond to our recommendations.

Results in Brief

Despite increases in the quality of DOD's enlistees, about one-third of all new recruits continue to leave military service before they fulfill their first term of enlistment. This attrition rate is costly in that the services must maintain infrastructures to recruit and train around 200,000 persons per year. For example, in fiscal year 1996, the services' recruiting and training investment in enlistees who separated before they had completed 6 months totaled \$390 million.

Solving the problem of attrition will not be simple in large part because DOD does not have complete data on why enlisted personnel are being separated. In our work, we have concentrated on what we have found to be major categories of separation, such as medical problems and fraudulent enlistments. Because these types of separations involve the services' entire screening processes, we have reexamined these processes from the time recruiters are selected, through the time that applicants are prescreened by recruiters, through the medical examinations applicants

¹Military Attrition: DOD Could Save Millions by Better Screening Enlisted Personnel (GAO/NSIAD-97-39, Jan. 6, 1997).

²Military Recruiting: DOD Could Improve Its Recruiter Selection and Incentive Systems (GAO/NSIAD-98-58, Jan. 30, 1998).

undergo, and through the physical preparation of recruits for basic training. The process of attracting quality recruits and retaining them involves many service entities and many processes.

We have recommended ways to improve (1) the data DOD collects to analyze reasons for attrition, (2) the services' criteria for selecting recruiters, (3) the incentive systems for recruiters to enlist persons who will complete basic training, and (4) the services' mechanisms for identifying medical problems before recruits are enlisted. Many of these recommendations have been incorporated into the National Defense Authorization Act for Fiscal Year 1998 (P.L. 105-85). On the basis of ongoing work, we hope to recommend ways that attrition can be reduced after enlistees reach their first duty stations and ways that the services can better screen for enlistees with criminal backgrounds.

DOD and the services have already taken some positive steps in response to our recommendations and to the National Defense Authorization Act. However, we believe that DOD needs to take further action to change the criteria by which recruiters are selected, provide recruiters with more opportunities to interact with drill instructors, and revise recruiters' incentive systems to improve their quality of life.

High Rate of Attrition Continues Despite Increases in Recruit Quality

By 1986, recruit quality was at historically high levels. All services had met or exceeded their overall enlistment objectives for percentages of recruits who held high school diplomas and scored in the top categories on the test taken to qualify for military service.³ Specifically, the percentage of recruits with high school diplomas increased from 72 percent during the 1964-73 draft period to 92 percent in 1986. Also, 64 percent of new recruits in 1986 scored in the upper 50th percentile of the Armed Forces Qualification Test, up from 38 percent in 1980.⁴ The services' success in recruiting high quality enlistees continued through the 1980s and into the 1990s, with the percentage of high school graduates reaching a high of 99 percent in 1992 and the percentage of those scoring in the upper half of the Armed Forces Qualification Test peaking in 1991 at 75 percent.

³See our report [Military Recruiting: More Innovative Approaches Needed](#) (GAO/NSIAD-95-22, Dec. 22, 1994).

⁴The Armed Forces Qualification Test is a composite of 4 of the 10 components of the Armed Services Vocational Aptitude Battery. This battery of tests is given to applicants at high schools, Military Entrance Processing Stations, or independent sites and is used to determine whether applicants are qualified for enlistment and military job specialties.

Studies of attrition have consistently shown that persons with high school diplomas and Armed Forces Qualification Test scores in the upper 50th percentile have lower first-term attrition rates. For example, for those who entered the services in fiscal year 1992 and had high school diplomas, the attrition rate was 33.1 percent. For persons with 3 or 4 years of high school and no diploma, the rate was 38.9 percent; and for those with General Education Development certificates, the attrition rate was 46.3 percent. Similarly, those who scored in the highest category, category I, of the Armed Forces Qualification Test had an attrition rate of 24.7 percent, and those in category IVA had a rate of 40.7 percent.

Increases in the quality of DOD's recruits since the 1970s, coupled with the lower attrition rates of those considered "high quality" recruits, logically should have resulted in lower first-term attrition rates throughout the services. However, first-term enlisted attrition has remained at 29 to 39 percent since 1974. For enlistees who entered the services in fiscal year 1992,⁵ first-term attrition was 33.2 percent. The Army's attrition was the highest of all the services, at 35.9 percent, followed by the Marine Corps at 32.2 percent, the Navy at 32 percent, and the Air Force at 30 percent.

The highest portion of attrition occurs during the early months of enlistees' first terms. Of enlistees who entered the services in fiscal year 1992, 11.4 percent were separated in their first 6 months of service. Attrition was fairly evenly distributed over the remaining period of enlistees' first terms. The rate was 3.4 percent for those with 7 to 12 months of service, 7.3 percent for those with 13 to 24 months of service, 6 percent for those with 25 to 36 months of service, and 5 percent for those with 37 to 48 months of service.

Attrition Is Costly

On the basis of DOD-provided cost data, we estimated that in fiscal year 1996, DOD and the services spent about \$390 million to enlist personnel who never made it to their first duty stations. Of this total cost, which includes the cost of DOD's training and recruiting infrastructure, about \$4,700 was spent to transport each recruit to basic training; to pay, feed, house, and provide medical care for the recruit while at basic

⁵Fiscal year 1992 is the most recent year for which we have complete data from the Defense Manpower Data Center on enlistees who entered the services and would have been able to complete 4-year enlistment terms. These attrition statistics include persons with 2-, 3-, and 4-year terms, which would have expired in fiscal years 1994, 1995, and 1996.

training; and to transport the separated recruit home.⁶ We estimated that if the services could reduce their 6-month enlisted attrition by 10 percent, their short-term savings would be \$12 million, and their long-term savings could be as high as \$39 million.

DOD Does Not Have Data Available to Establish Appropriate Targets for Reducing Attrition

DOD and the services need a better understanding of the reasons for early attrition to identify opportunities for reducing it. Currently, available data on attrition does not permit DOD to pinpoint the precise reasons that enlistees are departing before completing their training. While the data indicates general categories of enlisted separations based on the official reasons for discharge, it does not provide DOD and the services with a full understanding of the factors contributing to the attrition. For example, of the 25,430 enlistees who entered the services in fiscal year 1994 and were discharged in their first 6 months, the data showed

- 7,248 (or 29 percent) had failed to meet minimum performance criteria,
- 6,819 (or 27 percent) were found medically unqualified for military service,
- 3,643 (or 14 percent) had character or behavior disorders, and
- 3,519 (or 14 percent) had fraudulently entered the military.

These figures were based on data maintained by the Defense Manpower Data Center and collected from servicemembers' DD-214 forms, which are their official certificates of release or discharge from active duty. Because the services interpret the separation codes that appear on the forms differently and because only the official reason for the discharge is listed, the Data Center's statistics can be used only to indicate general categories of separation. Therefore, DOD does not have enough specific information to fully assess trends in attrition.

In an attempt to standardize the services' use of these codes, DOD issued a list of the codes with their definitions. However, it has not issued implementing guidance for interpreting these definitions, and the services' own implementing guidance differs on several points. For example, if an enlistee intentionally withholds medical information that would disqualify him or her and is then separated for the same medical condition, the enlistee is discharged from the Air Force and the Marine Corps for a fraudulent enlistment. The Army categorizes this separation as a failure to meet medical/physical standards unless it can prove that the enlistee withheld medical information with the intent of gaining benefits. The Air

⁶We used Navy data to estimate the cost of transporting recruits to basic training, supporting them while there, and separating them. The other services were unable to provide comparable data.

Force and the Marine Corps do not require this proof of intent. The Navy categorizes this separation as an erroneous enlistment, which indicates no fault on the part of the enlistee.

To enable DOD and the services to more completely analyze the reasons for attrition and to set appropriate targets for reducing it, we recommended that DOD issue implementing guidance for how the services should apply separation codes to provide a reliable database on reasons for attrition.

Reducing Attrition Will Not Be Simple

In the absence of complete data on why first-term attrition is occurring, we examined the various preenlistment screening processes that correspond to the types of separations that were occurring frequently. For example, because a significant number of enlistees were being separated for medical problems and for fraudulent entry, we focused our work on recruiting and medical examining processes that were intended to detect problems before applicants are enlisted. These processes involve many different military personnel. Recruiters, staff members at the Military Entrance Processing Stations,⁷ drill instructors at basic training, instructors at follow-on technical training schools, and duty-station supervisors are all involved in transforming civilians into productive servicemembers. The process begins when the services first identify and select personnel to serve as recruiters. It continues when recruiters send applicants to receive their mental and physical examinations at the Military Entrance Processing Stations, through the period of up to 1 year while recruits remain in the Delayed Entry Program,⁸ and through the time recruits receive their basic and follow-on training and begin work in their first assignments.

Reexamining the roles of all persons involved in this continuous process is in keeping with the intent of the Government Performance and Results Act of 1993, which requires agencies to clearly define their missions, to set goals, and to link activities and resources to those goals. Recruiting and retaining well-qualified military personnel are among the goals included in DOD's strategic plan required under this act. As a part of this

⁷A military applicant is sent to 1 of 65 Military Entrance Processing Stations located throughout the country to (1) take the Armed Services Vocational Aptitude Battery to determine whether he or she is qualified for enlistment and a military job specialty and (2) undergo a medical examination to determine whether he or she meets physical entrance standards.

⁸After it has been determined that a military applicant is qualified, the applicant is sworn into the service and enters the Delayed Entry Program. When an applicant enters the Delayed Entry Program, he or she becomes a member of the Individual Ready Reserve, in an unpaid status, and awaits being called to active duty. An individual may remain in the Delayed Entry Program for up to 1 year.

reexamination, we have found that recruiters did not have adequate incentives to ensure that their recruits were qualified and that the medical screening processes did not always identify persons with preexisting medical conditions. We believe that the services should not measure recruiting success simply by the number of recruits who sign enlistment papers stating their intention to join a military service but also by the number of new recruits who go on to complete basic training. We also believe that the services' mechanisms for medically screening military applicants could be improved.

Recruiter Selection and Incentive Systems Are Critical in Enlisting Recruits Who Are Likely to Complete Their First Terms

We found that recruiters did not have adequate incentives to ensure that their recruits were qualified. Accordingly, we have identified practices in each service that we believe would enhance recruiters' performance and could be expanded to other services. Specifically, in our 1998 report on military recruiting, we reported that the services were not optimizing the performance of their recruiters for the following reasons:

- The Air Force was the only service that required personnel experienced in recruiting to interview candidates for recruiter positions. In contrast, many Army and some Marine recruiting candidates were interviewed by personnel in their chain of command who did not necessarily have recruiting experience. The Navy was just beginning to change its recruiter selection procedures to resemble those of the Air Force.
- The Air Force was the only service that critically evaluated the potential of candidates to be successful recruiters by judging their ability to communicate effectively and by using a screening test. The Army, the Marine Corps, and the Navy tended to focus more on candidates' past performance in nonrecruiting positions.
- Only the Marine Corps provided recruiter trainees with opportunities to interact with drill instructors and separating recruits to gain insight into ways to motivate recruits in the Delayed Entry Program. This interaction was facilitated by the Marine Corps' collocation of the recruiter school with one of its basic training locations.
- Only the Marine Corps conducted regular physical fitness training for recruits who were waiting to go to basic training, though all of the services gave recruits in the Delayed Entry Program access to their physical fitness facilities and encouraged recruits to become or stay physically fit.
- Only the Marine Corps required all recruits to take a physical fitness test before reporting to basic training, though it is well known that recruits who are not physically fit are less likely to complete basic training.

-
- Only the Marine Corps' and the Navy's incentive systems rewarded recruiters when their recruits successfully completed basic training. The Army and the Air Force focused primarily on the number of recruits enlisted or the number who reported to basic training.
 - Recruiters in all of the services generally worked long hours, were able to take very little leave, and were under almost constant pressure to achieve their assigned monthly goals. A 1996 DOD recruiter satisfaction survey indicated that recruiter success was at an all-time low, even though the number of working hours had increased to the highest point since 1989. For example, only 42 percent of the services' recruiters who responded to the survey said that they had met assigned goals for 9 or more months in the previous 12-month period.

To improve the selection of recruiters and enhance the retention of recruits, we recommended that the services (1) use experienced field recruiters to personally interview all potential recruiters, use communication skills as a key recruiter selection criterion, and develop or procure personality screening tests that can aid in the selection of recruiters; (2) emphasize the recruiter's role in reducing attrition by providing opportunities for recruiter trainees to interact with drill instructors and separating recruits; (3) encourage the services to incorporate more structured physical fitness training for recruits into their Delayed Entry Programs; (4) conduct physical fitness tests before recruits report to basic training; (5) link recruiter rewards more closely to recruits' successful completion of basic training; and (6) encourage the use of quarterly floating recruitment goals as an alternative to the services' current systems of monthly goals.

Screening Processes Do Not Fully Identify Persons With Preexisting Medical Problems

We have also found areas in which the medical screening of enlistees could be improved. Specifically, DOD's medical screening processes did not always identify persons with preexisting medical conditions, and DOD and the services did not have empirical data on the cost-effectiveness of waivers or medical screening tests. In summary,

- the services did not have adequate mechanisms in place to increase the likelihood that the past medical histories of prospective recruits would be accurately reported;
- DOD's system of capturing information on medical diagnoses did not allow it to track the success of recruits who received medical waivers;
- the responsibility for reviewing medical separation cases to determine whether medical conditions should have been detected at the Military

Entrance Processing Stations resided with the Military Entrance Processing Command, the organization responsible for the medical examinations; and

- the Navy and the Marine Corps did not test applicants for drugs at the Military Entrance Processing Stations but waited until they arrived at basic training.

To improve the medical screening process, we recommended that DOD (1) require all applicants for enlistment to provide the names of their medical insurers and providers and sign a release form allowing the services to obtain past medical information; (2) direct the services to revise their medical screening forms to ensure that medical questions for applicants are specific, unambiguous, and tied directly to the types of medical separations most common for recruits during basic and follow-on training; (3) use a newly proposed DOD database of medical diagnostic codes to determine whether adding medical screening tests to the examinations given at the Military Entrance Processing Stations and/or providing more thorough medical examinations to selected groups of applicants could cost-effectively reduce attrition at basic training; (4) place the responsibility for reviewing medical separation files, which resided with the Military Entrance Processing Command, with an organization completely outside the screening process; and (5) direct all services to test applicants for drugs at the Military Entrance Processing Stations.

Inclusion of Our Recommendations in the National Defense Authorization Act for Fiscal Year 1998

In its National Defense Authorization Act for Fiscal Year 1998 (P.L. 105-85), the Congress adopted all recommendations contained in our 1997 report on basic training attrition, except for our recommendation that all the services test applicants for drug use at the Military Entrance Processing Stations, which the services had already begun to do. Specifically, the act directed DOD to, among other things, (1) strengthen recruiter incentive systems to thoroughly prescreen candidates for recruitment, (2) include as a measurement of recruiter performance the percentage of persons enlisted by a recruiter who complete initial combat training or basic training, (3) improve medical prescreening forms, (4) require an outside agency or contractor to annually assess the effectiveness of the Military Entrance Processing Command in identifying medical conditions in recruits, (5) take steps to encourage enlistees to participate in physical fitness activities while they are in the Delayed Entry Program, and (6) develop a database for analyzing attrition. The act also required the Secretary of Defense to (1) improve the system of

pre-enlistment waivers and assess trends in the number and use of these waivers between 1991 and 1997; (2) ensure the prompt separation of recruits who are unable to successfully complete basic training; and (3) evaluate whether partnerships between recruiters and reserve components, or other innovative arrangements, could provide a pool of qualified personnel to assist in the conduct of physical training programs for new recruits in the Delayed Entry Program.

DOD and Service Actions in Response to Our Recommendations and the Fiscal Year 1998 Defense Authorization Act

DOD and the services have taken many actions in response to our recommendations and the requirements in the Fiscal Year 1998 Defense Authorization Act. However, we believe that it will be some time before DOD sees a corresponding drop in enlisted attrition rates, and we may not be able to precisely measure the effect of each particular action. While we believe that DOD's and the services' actions combined will result in better screening of incoming recruits, we also believe that further action is needed.

As of January 1998, DOD reported that the following changes have been made in response to the recommendations in our 1997 report: (1) the Military Entrance Processing Command is formulating procedures to comply with the new requirement to obtain from military applicants the names of their medical insurers and health care providers; (2) the Accession Medical Standards Working Group has created a team to evaluate the Applicant Medical Prescreening Form (DD Form 2246); (3) DOD has adopted the policy of using codes from the International Classification of Diseases on all medical waivers and separations and plans to collect this information in a database that will permit a review of medical screening policies; (4) DOD plans to form a team made up of officials from the Office of the Assistant Secretary of Defense (Health Affairs) and the Office of Accession Policy to conduct semiannual reviews of medical separations; and (5) all services are now testing applicants for drugs at the Military Entrance Processing Stations. We believe that these actions should help to improve the medical screening of potential recruits and result in fewer medical separations during basic training.

In its response to our 1998 report on recruiting, DOD stated that it concurred with our recommendations and would take action to (1) develop or procure assessment tests to aid in the selection of recruiters and (2) link recruiter rewards more closely to recruits' successful completion of basic training. The Office of the Assistant Secretary of Defense for Force Management Policy is planning to work with the

services to evaluate different assessment screening tests. This office will also ensure that all services incorporate recruits' success in basic training to recruiter incentive systems.

We understand that DOD plans to form a joint service working group to address the legislative requirements enacted in the National Defense Authorization Act for Fiscal Year 1998. Specifically, the working group will be tasked with devising a plan to satisfy the legislative requirements for DOD and the services to (1) improve the system of separation codes, (2) develop a reliable database for analyzing reasons for attrition, (3) adopt or strengthen incentives for recruiters to prescreen applicants, (4) assess recruiters' performance in terms of the percentage of their enlistees who complete initial combat training or basic training, (5) assess trends in the number and use of waivers, and (6) implement policies and procedures to ensure the prompt separation of recruits who are unable to complete basic training.

We believe that the steps DOD and the services have taken thus far could do much to reduce attrition. It appears that the soon-to-be-formed joint service working group can do more. As the group begins its work, we believe that it needs to address the following six areas in which further action is needed.

- First, we believe that DOD's development of a database on medical separations is a necessary step to understanding the most prevalent reasons for attrition. However, we believe that DOD needs to develop a similar database on other types of separations. Until DOD has uniform and complete information on why recruits are being separated early, it will have no basis for determining how much it can reduce attrition. Also, in the absence of the standardized use of separation codes, cross-service comparisons cannot be made to identify beneficial practices in one service that might be adopted by other services.
- Second, we believe that all the services need to increase emphasis on the use of experienced recruiters to personally interview all potential recruiters or explore other options that would produce similar results. DOD agreed with the general intent of this recommendation but stated that it is not feasible in the Army due to the large number of men and women who are selected annually for recruiting duty and to the geographic diversity in their assignments. While it may be difficult for the Army to use field recruiters to interview 100 percent of its prospective recruiters, we continue to believe that senior, experienced recruiters have a better

understanding of what is required for recruiting duty than operational commanders.

- Third, we believe that an ongoing dialogue between recruiters and drill instructors is critical to enhancing recruiters' understanding of problems that lead to early attrition. DOD concurred with our recommendation to have recruiter trainees meet with drill instructors and recruits being separated or held back due to poor physical conditioning. However, the Air Force has no plans to change its policy of devoting only 1 hour of its recruiter training curriculum to a tour of its basic training facilities. We believe this limited training falls short of the intent of our recommendation.
- Fourth, we believe that the services should incorporate more structured physical fitness training into their Delayed Entry Programs. All the services are encouraging their recruits to become physically fit, but there are concerns about the services' liability should recruits be injured while they are awaiting basic training. DOD is currently investigating the extent to which medical care can be provided for recruits who are injured while in the Delayed Entry Program.
- Fifth, we believe that, like the Marine Corps, the other services should administer a physical fitness test to recruits before they are sent to basic training. DOD concurred with this recommendation, and the Army is in the process of implementing it. The Navy and the Air Force, however, do not yet have plans to administer a physical fitness test to recruits in the Delayed Entry Program.
- Finally, we continue to believe that the services need to use quarterly floating goals for their recruiters.⁹ DOD did not fully concur with our recommendation on quarterly floating goals. DOD believes that floating quarterly goals would reduce the services' ability to make corrections to recruiting difficulties before they become unmanageable. We believe, however, that using floating quarterly goals would not prevent the services from managing their accessions. The floating quarterly goals we propose would not be static. Each recruiter's goals would simply be calculated based on a moving 3-month period. This floating goal would continue to provide recruiting commands with the ability to identify recruiting shortfalls in the first month that they occur and to control the flow of new recruits into the system on a monthly basis. At the same time, such a system has the potential of providing recruiters with some relief from the

⁹Under the current monthly goal system, recruiters are under pressure to make their quota every single month and, as a result, have difficulty taking leave. Under a quarterly floating goal system, recruiters would still be assigned monthly goals, and their performance would still be evaluated on a monthly basis. However, each month the current month's goal would be added to the goals of the previous 2 months and compared to the recruiter's performance during that 3-month period, rather than comparing the current month's performance to the current month's goal.

problems that were identified in the most recent recruiter satisfaction survey.

Mr. Chairman, this concludes my prepared statement. We would be happy to respond to any questions that you or the other Members of the Subcommittee may have.

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are \$2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. VISA and MasterCard credit cards are accepted, also. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

**U.S. General Accounting Office
P.O. Box 37050
Washington, DC 20013**

or visit:

**Room 1100
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC**

**Orders may also be placed by calling (202) 512-6000
or by using fax number (202) 512-6061, or TDD (202) 512-2537.**

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (202) 512-6000 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

For information on how to access GAO reports on the INTERNET, send an e-mail message with "info" in the body to:

info@www.gao.gov

or visit GAO's World Wide Web Home Page at:

<http://www.gao.gov>

**United States
General Accounting Office
Washington, D.C. 20548-0001**

**Bulk Rate
Postage & Fees Paid
GAO
Permit No. G100**

**Official Business
Penalty for Private Use \$300**

Address Correction Requested
