



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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FEDERAL PERSONNEL AND
COMPENSATION DIVISION

B-157371

DECEMBER 31, 1980

The Honorable Sam Nunn
Chairman, Subcommittee on
Manpower and Personnel
Committee on Armed Services
United States Senate



114145

Dear Mr. Chairman:

Subject: [Quality of Career Non-Commissioned Officers]
(FPCD-81-33)

Recently, in the Congress and the press, concerns have been expressed about the loss of large numbers of "quality" non-commissioned officers (NCOs) from the services. Examples have been noted of career NCOs leaving for high-paying civilian jobs, mainly in highly skilled technical areas, such as those in aviation and nuclear technology. Beyond the loss of too many skilled NCOs, these concerns center on whether those NCOs staying in the services are of the same quality level as those who are leaving.

In order to answer this question, and at your request, we made a trend analysis of each service to determine whether there was any indication that the quality of NCOs leaving was better than the quality of NCOs remaining. The trend analysis covered fiscal years 1977 through 1979 and examined three quality indicators: mental category, educational level, and pay grade.

In sum, our work indicated that among those NCOs the services desire to retain:

- They tend to be losing those who have higher mental aptitudes than those reenlisting.
- There is little difference in the educational levels of those staying and those leaving.
- Those staying have average pay grades slightly higher than those leaving.

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DEFENSE INFORMATION ON
NCO REENLISTMENT QUALITY

Defense has no documented evidence that establishes whether "quality" career NCOs are separating rather than reenlisting in the services. Indeed, service officials told us that they do not attempt to determine the relative quality difference between reenlistment eligibles who reenlist or separate. Officials commented that once a determination is made that an NCO is eligible to reenlist, the person is considered qualified. Whereas the services and the Department of Defense (DOD) have conducted studies and surveys to determine why eligible first-term and career enlistees separate (see enc. II), these studies have not examined the quality question.

The services' minimum eligibility standard includes such items as age, mental aptitude, educational level, medical, grade level, and performance ratings. In each of the services, local commanders apply these standards to all NCOs who are approaching their separation date.

OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of this report was to determine--to the greatest extent possible--whether the services are keeping quality NCOs in their career ranks. In pursuing this objective, valid indicators which reflect a high correlation to on-the-job performance should be the key measurement tools. Unfortunately, due to state-of-the-art limitations, cost problems associated with adequately defining jobs and measuring performance, and problems in collecting data needed for statistical correlations, no such indicators are available for use in the Armed Forces. As a consequence, surrogate and less satisfactory measures--such as those addressed in the report--are used.

To evaluate the NCO quality issues in terms of those surrogate measures used herein, we received assistance from the Defense Manpower Data Center (DMDC), a DOD agency that maintains extensive automated personnel files. In response to our specifications, DMDC provided tabulations allowing us to compare NCO reenlistees with those leaving the service in terms of mental category, education, and pay level.

Within each branch of service, data were organized as follows: all personnel with scheduled expiration of term of service (ETS) for a given fiscal year were initially categorized as either continuers (as indicated by their presence on

the following fiscal year's personnel files) or losses (indicated by appearance on a termination file). Those initially defined as losses were further categorized into three groups, only one of which we considered appropriate to compare with reenlistees. Those three groups of losses were non-ETS losses, ETS losses, and other losses.

Non-ETS losses were those who were discharged prior to their ETS date and therefore never actually reached the point of making a reenlistment decision. Most of these cases involved disciplinary actions. Relative to the other two types of losses, non-ETS losses were proportionately very small.

ETS losses were those who reached the end of their contracted term of service and whose Interservice Separation Code (ISC) did not indicate a negative or undesirable performance. In terms of size, this group along with reenlistees predominated. This was the group of losses that we used in our comparisons with those continuing.

The groups described as "other" losses consisted of individuals whose ISC indicated that it would not be in the best interest of the service for them to continue. Most frequent ISCs for this group indicated retirement; disability; unsuitability; and motivational, drug or court-martial problems. As with the non-ETS losses, our analysis did not cover this group.

We considered those whose jobs fell into six of the DOD occupational codes. These six were:

- Combat arms (Army and Marine Corps only).
- Electronic Equipment Repairmen.
- Electrical/Mechanical Equipment Repairmen.
- Craftsmen.
- Communications and Intelligence Specialists.
- Other Technical and Allied Specialists.

Not considered in this analysis were those in medical and dental specialties, functional support and administration, and service and supply handlers.

Using these definitions of continuers and losses, and separating those in combat arms positions from those in technical jobs, we obtained individual fiscal year data from DMDC for the period 1973-79. Initial examination of these data, however, indicated considerable variance in the period from fiscal year 1973 to fiscal year 1976 which to a great extent could be accounted for by the departure from the military of those drafted and draft-motivated individuals who entered during the latter years of the Vietnam conflict. Therefore, to limit our study to the characteristics of those remaining in and those leaving the All-Volunteer Force, our analysis was limited to the fiscal year 1977-79 time frame.

Preliminary examination of the DMDC data also revealed that, with the exception of retirees, relatively few personnel leave the military after completing about 10 years' service. Because the ratio of ETS losses to continuers was sufficiently low beyond the 10 years of service point, we decided to focus our analysis on those with 10 years' service or less. In general, we found that among those with less than 5 years' service, losses significantly outnumbered continuers, while for those with between 5 to 10 years' service, about as many stayed as left.

FINDINGS

Our analysis of mental aptitude trends considered the characteristics of continuers and losses at the high and low ends of the Armed Forces Qualifications Test (AFQT) spectrum. The question we were interested in was: How do those staying compare with those who left in terms of the percentage of high-quality (mental category I and II) individuals and the percentage of low-quality (mental category IV) people?

Results pertaining to this question are displayed graphically on the charts in enclosure I. Close examination reveals (with a single exception) that in all services, for both year groupings, and for each of three fiscal years we analyzed, the group leaving the military had a greater proportion of mental category I and II personnel than did the group remaining in the service. This quality gap, while consistent, was relatively small in many cases (5 percent or less), somewhat wider in others (5 percent-10 percent), and most severe in the Navy for those with between 5 and 10 years' service. (See enc. I, p. 1.) For example, in fiscal year 1979 while 72 percent of Navy technical personnel leaving with between 5 and 10 years' service were in the upper two mental categories, only 53 percent of the reenlistees were at the upper end of the mental aptitude spectrum.

In the Navy, Air Force, and Marine Corps, the differences were greater between the 5 and 10 year groups than the groups with under 5 years' service. The opposite was true in the Army, for both the technical and combat arms skills. Viewed from the lower end of the mental aptitude spectrum, the groups consisting of individuals leaving the military contained proportionately fewer category IV personnel than those reenlisting. This generalization was true for all but two of the comparisons we made. Most of these differences were relatively small (5 percent or less), none exceeding 7 percent. The largest category IV difference for fiscal year 1979 was found for Marine Corps combat arms personnel with 5 to 10 years' service. The DMDC tabulations showed that, while 11 percent of those leaving were in mental category IV, 17 percent of those remaining in the Marines were so classified. (See enc. I, p. 3.)

For the most part, in each service, these differences were greater for those with 5 to 10 years' service than for those with less than 5 years.

Our analysis of the second quality indicator, educational levels, consisted of determining what if any difference existed in the percentages of reenlistees and losses with (1) less than a high school degree (or GED certificate) and (2) at least some college level training. As shown on tables 1 and 2 (enc. I), few sizable differences were found.

The only sizable and consistent differences were those found in the Marine Corps combat arms occupations for those with 5 to 10 years' service. In fiscal year 1979, 15 percent of such personnel who remained in the Marine Corps were classified as non-high-school graduates, while 23 percent of those who left were not high school graduates.

None of the differences in the percentages with college training was as high as 4 percent.

For fiscal year 1979 continuers with under 5 years' service, the percent of non-high-school graduates ranged from 2 percent (Air Force) to 24 percent (Marine Corps combat arms) and the percent of continuers with some college training from 3 percent (Navy) to 8 percent (Air Force). For fiscal year 1979 continuers with 5 to 10 years' service, the percent of non-high-school graduates ranged from 2 percent (Air Force) to 5 percent (Marine Corps combat arms), and the percent of continuers with some college training ranged from 4 percent (Navy) to 17 percent (Army technical).

Our assessment of the third quality indicator, pay grade, sought to examine the relative quality of those reenlisting and those leaving the service by determining whether those leaving had attained a higher average pay grade than those reenlisting. Since enlisted promotions are to a great extent dependent on time in service, our analysis of pay grade was done for individual years of service rather than for the years of service aggregations used in our study of mental category and education level.

For each service occupation category studied, we noted that certain years of service groups (especially 1 and 2) had relatively few continuers and ETS losses. This would be expected in view of the fact that most initial enlistment contracts are for 3 or 4 years. Therefore in each service our pay grade analysis concentrated on those year of service groups with the most continuers and ETS losses. Table 3 in enclosure I presents the average grades for continuers and ETS losses for fiscal years 1977, 1978, and 1979.

Close examination of this table shows that in most cases continuers have an average pay grade slightly higher (less than two-tenths of a grade) than the comparable loss group. These differences tended to be greater in the Marine Corps and Army and (especially in fiscal year 1979) tended to increase along with years of service. The greatest difference in fiscal year 1979 was found among Marine Corps combat personnel with 6 years' service, where the continuers had a higher average pay grade (4.87) than the losses (4.52). Translated into percentages, this difference can be described as follows:

Marine Corps Combat Personnel
With 6 Years' Service (FY 1979)

<u>Pay grade</u>	<u>Continuers</u>	<u>Losses</u>
E1 - E3	7.5%	18.5%
E4	23.0	24.8
E5	41.0	39.9
E6	27.3	16.8
E7 - E9	<u>1.2</u>	<u>0.0</u>
	100.0%	100.0%

The largest mean fiscal year 1979 pay grade difference favoring the loss group was found between continuers (4.72) and losses (4.95) in the Navy--6 years of service comparison.

This was the only comparison favoring the loss group. Again converting this finding to percentages, the following relationships result:

Navy Technical Personnel
With 6 Years' Service (FY 1979)

<u>Pay grade</u>	<u>Continuers</u>	<u>Losses</u>
E1 - E3	2.5%	1.5%
E4	28.5	15.0
E5	64.1	70.0
E6	4.2	13.5
E7 - E9	<u>0.7</u>	<u>0.0</u>
	100.0%	100.0%

CONCLUSION

Concerning the specific results of our trend analysis, it is clear that no major differences exist between the two measured groups, at least in terms of the three factors. Had major differences been revealed, further followup research and study would have been justified. Due to the narrowness of the differences, however, together with the absence of more valid measures, it is our view that further explorations of the relative quality issue at this time would not be justified. More relevant, perhaps, would be an examination of the prospects in the services for attaining or developing valid measures of the capabilities of their remaining NCOs--regardless of their relative quality--to perform needed tasks and missions.

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At your request, we have not obtained formal comments on our findings from DOD or the services. However, we worked with the DOD staff in developing our findings, and we are sending copies of this report to the Secretary of Defense and to the service Secretaries.

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We stand ready to discuss our findings and any possible followup work with you at your convenience.

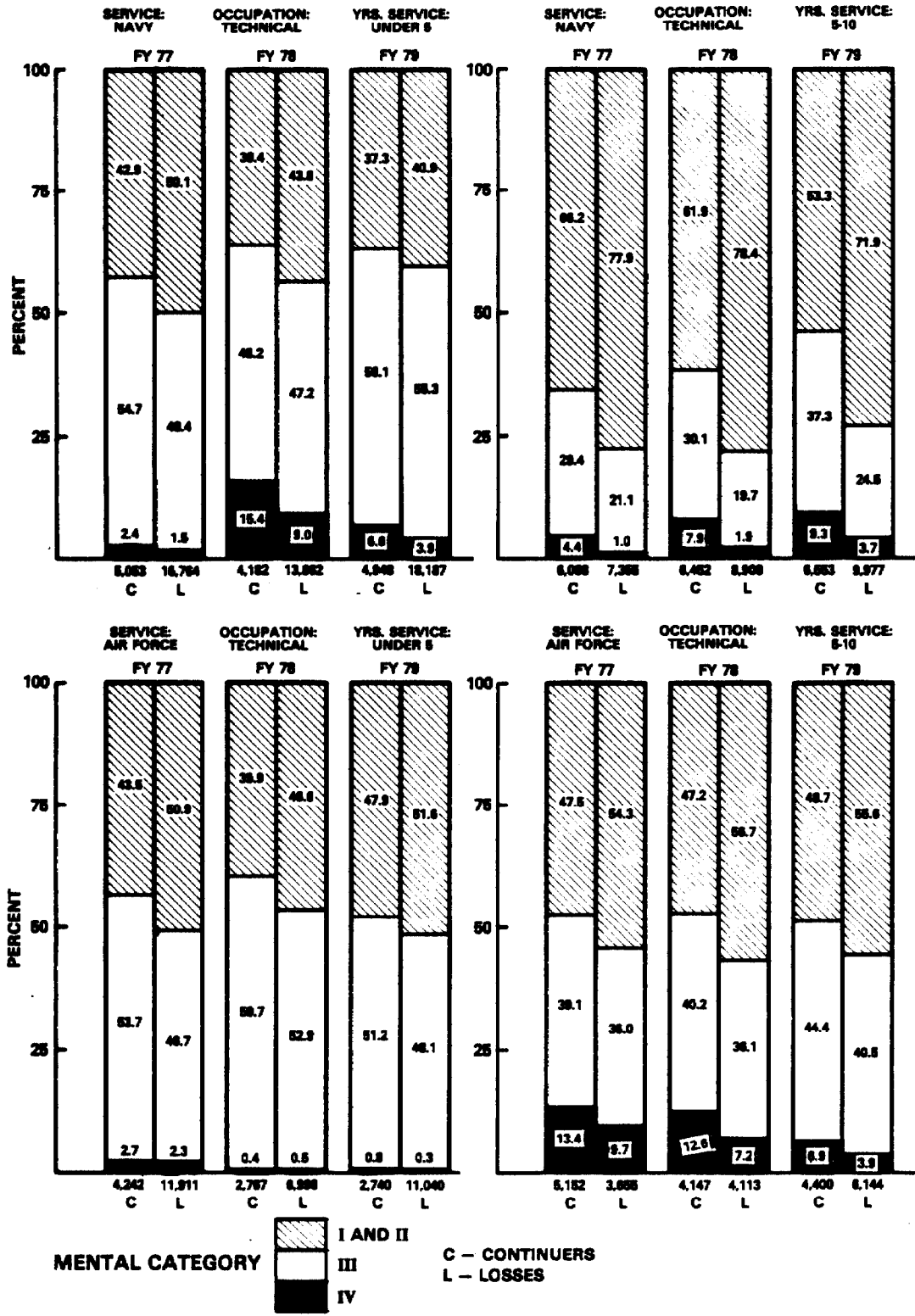
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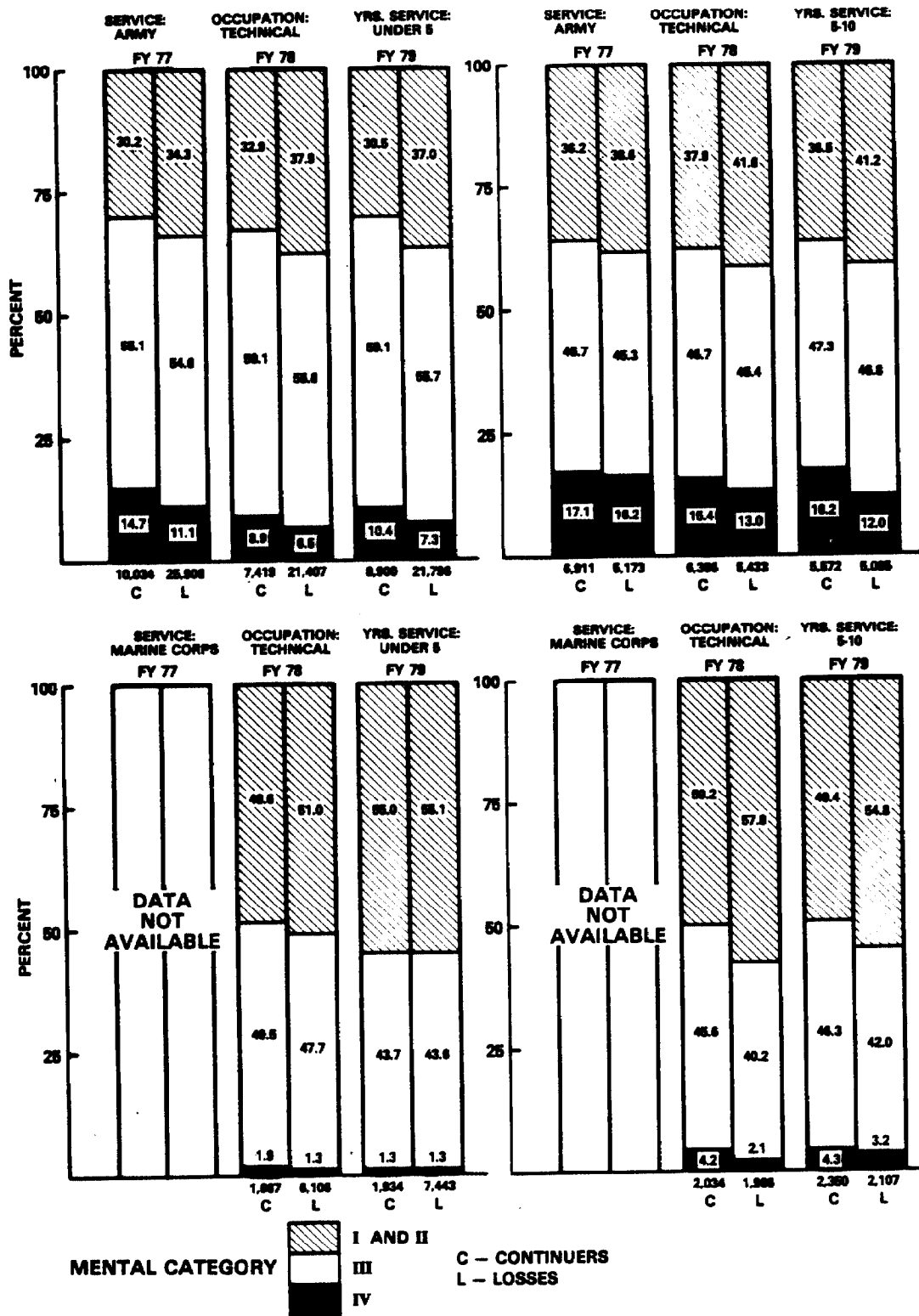
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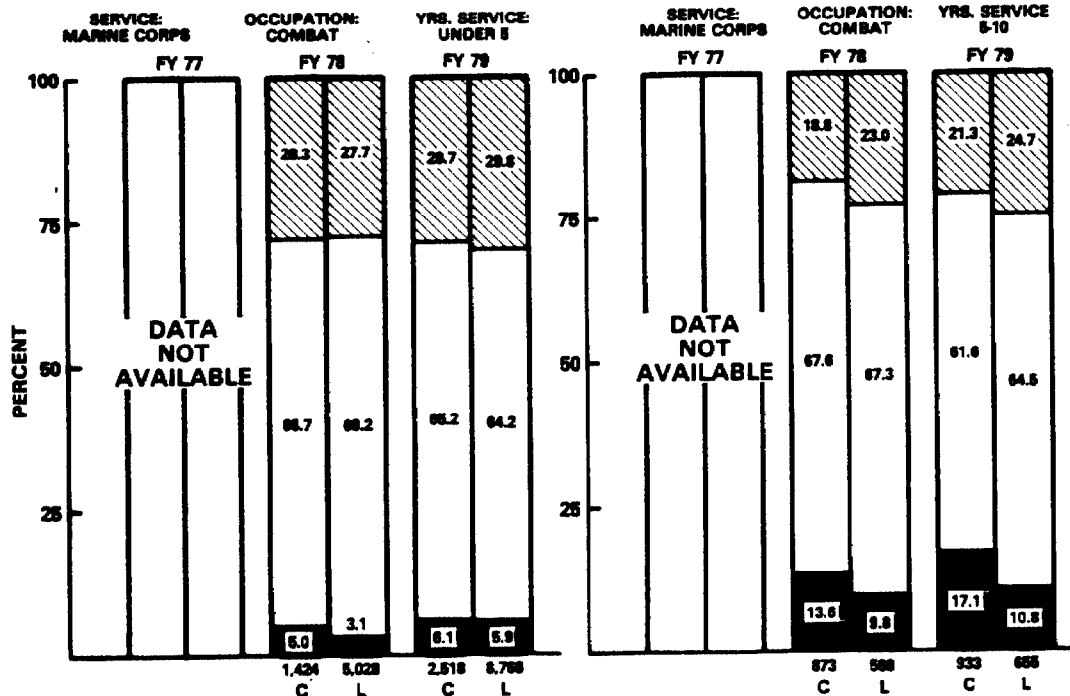
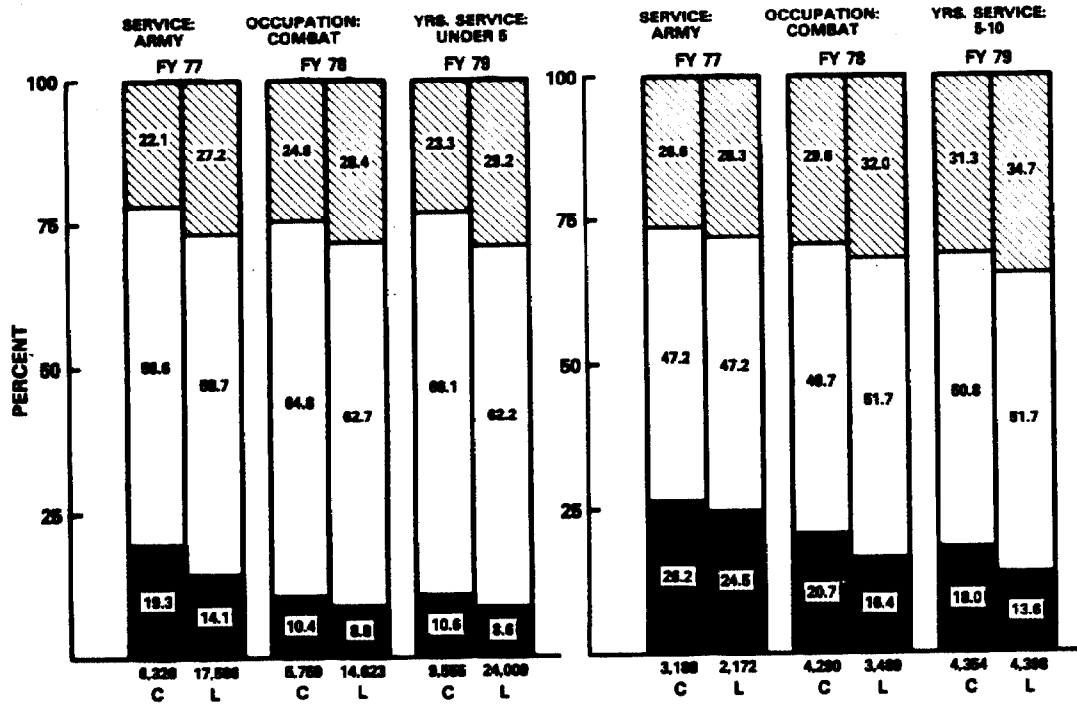
H. L. Krieger
Director

Enclosures - 2

**MENTAL CATEGORY COMPARISONS
OF CONTINUERS AND LOSSES**







MENTAL CATEGORY

 I AND II
 III
 IV
 C - CONTINUERS
 L - LOSSES

TABLE 1
Percent Non-High-School Graduate

<u>Branch</u>	<u>Occupation code</u>	<u>Years of service</u>	<u>Fiscal Year</u>					
			<u>1977</u>		<u>1978</u>		<u>1979</u>	
			<u>Continuers</u>	<u>Losses</u>	<u>Continuers</u>	<u>Losses</u>	<u>Continuers</u>	<u>Losses</u>
Army	Combat	Under 5	30.1	32.0	20.4	23.4	23.1	23.9
	Combat	5-10	7.2	13.2	4.4	7.9	3.5	5.2
	Technical	Under 5	23.8	24.8	14.8	15.6	22.2	21.7
	Technical	5-10	5.1	8.3	3.5	6.5	3.2	5.0
Marine Corps	Combat	Under 5	37.3	40.5	32.7	35.8	24.4	26.0
	Combat	5-10	16.0	24.3	15.7	21.9	14.9	23.2
	Technical	Under 5	26.6	28.2	21.4	23.0	16.6	17.9
	Technical	5-10	5.9	9.8	6.7	8.6	6.0	8.7
Navy	Technical	Under 5	16.0	13.6	21.7	20.0	12.7	12.5
	Technical	5-10	6.3	3.6	7.1	4.2	9.8	6.6
Air Force	Technical	Under 5	3.8	3.7	3.5	3.7	1.7	2.0
	Technical	5-10	2.5	2.4	2.6	2.2	1.9	2.1

TABLE 2
Percent With Some College Training

<u>Branch</u>	<u>Occupation code</u>	<u>Years of service</u>	<u>Fiscal Year</u>					
			<u>1977</u>		<u>1978</u>		<u>1979</u>	
			<u>Continuers</u>	<u>Losses</u>	<u>Continuers</u>	<u>Losses</u>	<u>Continuers</u>	<u>Losses</u>
Army	Combat	Under 5	4.0	4.7	5.4	4.7	4.7	4.6
	Combat	5-10	12.0	9.1	11.7	11.3	12.5	10.9
	Technical	Under 5	6.9	6.4	8.8	8.7	6.4	6.6
	Technical	5-10	16.9	15.0	17.7	15.7	17.0	14.7
Marine Corps	Combat	Under 5	2.8	2.1	3.0	2.5	3.4	2.6
	Combat	5-10	5.4	3.5	5.4	3.7	6.1	3.8
	Technical	Under 5	4.4	4.5	4.6	3.8	4.4	4.6
	Technical	5-10	11.7	9.9	10.4	9.5	9.9	7.6
Navy	Technical	Under 5	1.6	1.4	2.5	1.1	2.6	1.3
	Technical	5-10	3.3	4.4	3.0	4.0	3.6	3.1
Air Force	Technical	Under 5	7.3	10.9	6.8	8.2	8.1	9.6
	Technical	5-10	12.5	16.2	14.5	17.5	14.9	17.1

TABLE 3
Average Grade

<u>Branch</u>	<u>Occupation code</u>	<u>Years of service</u>	<u>Fiscal Year</u>					
			<u>1977</u>		<u>1978</u>		<u>1979</u>	
			<u>Continuers</u>	<u>Losses</u>	<u>Continuers</u>	<u>Losses</u>	<u>Continuers</u>	<u>Losses</u>
Army	Combat	3	3.89	3.77	3.85	3.78	3.76	3.70
	Combat	4	4.29	4.15	4.31	4.21	4.27	4.22
	Combat	6	4.98	4.67	4.90	4.73	4.77	4.64
	Combat	7	5.29	4.96	5.26	4.99	5.10	4.94
	Combat	8	5.50	5.11	5.55	5.33	5.51	5.24
	Technical	3	3.93	3.84	3.98	3.92	3.84	3.83
	Technical	4	4.34	4.36	4.34	4.29	4.35	4.35
	Technical	6	4.91	4.75	4.85	4.74	4.86	4.82
	Technical	7	5.12	4.96	5.14	5.02	5.10	5.00
	Technical	8	5.33	5.12	5.40	5.22	5.36	5.21
Marine Corps	Combat	3	3.54	3.46	3.52	3.38	3.24	3.23
	Combat	4	4.08	3.94	4.13	3.89	3.85	3.76
	Combat	5	4.56	4.29	4.67	4.16	4.27	4.02
	Combat	6	4.95	4.59	4.92	4.70	4.87	4.52
	Technical	3	3.92	3.67	3.83	3.53	3.45	3.39
	Technical	4	4.22	4.12	4.23	4.08	4.06	3.98
	Technical	7	5.53	5.36	5.53	5.38	5.46	5.28
	Technical	8	5.82	5.46	5.77	5.63	5.77	5.53
Navy	Technical	3	3.44	3.16	3.71	3.53	3.57	3.54
	Technical	4	4.08	3.96	4.06	3.94	4.07	3.98
	Technical	5	4.42	4.38	4.45	4.40	4.55	4.58
	Technical	6	4.70	4.91	4.77	4.98	4.72	4.95
	Technical	8	5.42	5.39	5.43	5.46	5.42	5.46
	Technical	9	5.61	5.54	5.61	5.59	5.64	5.64
Air Force	Technical	4	3.98	3.96	3.99	3.97	3.98	3.97
	Technical	5	4.04	4.07	4.09	4.06	4.07	4.05
	Technical	6	4.24	4.25	4.33	4.34	4.42	4.39
	Technical	8	4.76	4.69	4.85	4.73	4.86	4.72

MAJOR NON-COMMISSIONED OFFICER

SEPARATION FACTORS

Army

Quality of Life Survey November 1979

Factors having greatest influence on career enlisted personnel reenlistment decision:

- Job satisfaction.
- Soldier's perception of Army leadership..
- Retirement pay.
- Pay.
- Medical Care for self and dependents.
- Family housing/bachelor enlisted quarters.

Sample Survey of Army Military Personnel, June 1979

Critical factors affecting decision of career enlisted personnel not to reenlist:

- Pay.
- To use educational benefits.
- Chances for promotion.
- Frequency of family separation.
- Amount of harassment.
- Does not like MOS and cannot change.

Survey Report: Job Satisfaction, Unit Morale and Reenlistment Intent/Decision for Army Enlisted Personnel, March 1979

Major reasons why career soldiers indicated they definitely plan to separate:

- Army policies, procedures, and life, including amount of busy work, harassment, and extra duties; too much

concern for such things as haircuts, appearance and discipline; don't like MOS and can't get one I do like; and pay and allowances are too low.

- Short-term motivation, including I joined the Army to find myself/growup/mature and I've done that, to use GI educational benefits, learned a skill to use in civilian life.
- Job related, including very little "real work" to do in the Army, the Army does not challenge or demand enough of me.

NavyExit Interview Results
August/September 1980

Top 10 reasons why first-term and career enlisted personnel are separating:

- Pay is too low.
- Dislike family separation.
- Too many petty regulations.
- Not being treated with respect.
- Lack of recognition for doing a good job.
- Too much unfair treatment.
- Senior officers don't care about people.
- Want to live someplace permanently.
- Dislike sea duty.
- Poor berthing areas afloat.

CNO Retention Study 1979, U.S.
Pacific Fleet Units, March 1980

First-term and career enlisted personnel. Negative retention factors:

- Economic factors, including base pay too low, housing inadequate: too costly, long waiting, and substandard; incentives too low or inequitable.
- Dissatisfaction centered on work itself, including long working hours, work instability, not enough time on primary tasks, and lack of recognition for a job well done.
- Dissatisfaction centered on working environment, including discipline-related problems, bypassing of chain of command, lack of proper supervision, dissatisfaction with hair grooming standards and inconsistent enforcement, dissatisfaction centered on shipboard habitability conditions and habitability conditions

in barracks ashore, nonresponsive chain of command (to both complaints and special requests), and credibility gap (broken promises).

- Problems at CPO/junior officer level, including failure to let CPOs make minor decisions, failure of junior officers to back the CPOs in discipline decisions, junior officers failing to rebuke enlisted who bypass chain of command, lack of respect between junior officers and petty officers, and lack of management and leadership training of petty officer and junior officers.
- Problems relating to equipment, including aging equipment with excessive breakdowns requires too frequent maintenance, and obsolete equipment, supply problems and unavailability of spare parts, and excessive cannibalization.
- Dissatisfaction with duty rotation, including inequitable length of sea duty tours for different rates and a belief that preferential duty assignments ashore go to Navy women and civilian, separation from family and friends by deployments and not tied up in home port enough when in CONUS (some ships only), and insufficient travel and adventure (some ships only).
- Dissatisfaction with professional and intellectual development, including lack of college level education within the Navy, lack of fully subsidized GI bill, insufficient quotas open to the fleet in specialized technical service, poor shipboard on-the-job training programs, command promotion used too infrequently, promotion of marginal petty officer without job or leadership skills, and misuse of performance evaluations.
- Command factors, including commanding officer is not people oriented, and command visibility is poor.

Marine Corps

Memorandum for Under Secretary
of the Navy on Personnel Reten-
tion, March 1980

Marine Corps headquarters evaluation of field command career planning reports reveals six major reasons for separation of first-term and career enlisted personnel. They are:

- Inadequate military compensation.
- Family separation and special assignment.
- Inadequate dependent health care.
- An inadequate reenlistment bonus program.
- Real and perceived erosion of benefits.
- Lack of adequate quarters for married junior enlisted and improved bachelor enlisted quarters.