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BY THE COMPTROLLER GENERAL

# Report To The Congress

OF THE UNITED STATES

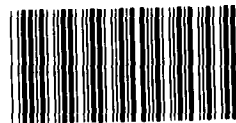
## Attrition In The Military--An Issue Needing Management Attention

Attrition of first-term enlisted personnel--their separation from service before completion of their tours--has become a serious and costly problem for the All-Volunteer Force, affecting its ability to maintain full strength and combat readiness. GAO found that the primary cause of increased attrition after initiation of the All-Volunteer Force was the changed military environment and the change in policy allowing easier discharges for substandard performance or disciplinary problems.

The Department of Defense and the services have tried to better manage their personnel, but more needs to be done, including

- establishing more definitive separation criteria to insure equitable discharge decisions and avoid making discharges too easy;
- establishing a more systematic approach to policy and program development and evaluation;
- developing more uniform data reporting systems; and
- abolishing attrition goals or ceilings.

The Department concurred in the recommendations and said that in two areas it had taken or planned to take corrective actions.



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FPCD-80-10  
FEBRUARY 20, 1980





COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

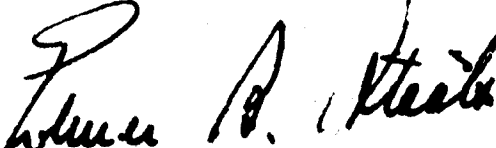
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To the President of the Senate and the  
Speaker of the House of Representatives

This report discusses the causes and management of first-term enlisted attrition in the military and was requested by Senator Harry F. Byrd, Jr. We determined that attrition rose under the All-Volunteer Force primarily because of the changed environment and military policy governing early separations. We conclude that the Department of Defense and the services need to make significant improvements to more effectively manage the problem.

We believe this report is extremely relevant at this time since the Congress is considering the option of peacetime registration to meet any potential mobilization requirements. Attrition--the separation of first-term enlisted personnel prior to completion of their tour--speaks directly to the military's ability to meet this need in an all-volunteer force. Our recommendations to the Secretary of Defense are directed at developing a totally coordinated and integrated approach to the management of attrition. They follow closely the recommendations made in our previous reports which determined that Defense and the services need to improve their enlisted personnel management.

We are sending copies of this report to the Director, Office of Management and Budget; the Secretaries of Defense, the Army, the Navy, and the Air Force; the Chairmen, House and Senate Armed Services Committees; and other interested parties.

  
Comptroller General  
of the United States



D I G E S T

A sharp increase in the number of first-term enlisted personnel leaving the services before completion of their obligated tours has become a major concern for the All-Volunteer Force. The services have difficulty replacing these people while still meeting their normal recruiting requirements.

The attrition rate for male recruits entering the service in fiscal year 1971 was 30 percent over their initial enlistment period. For those joining the services in 1974, attrition was 40 percent. (See p. 6.)

In a recent report, GAO estimated that attrition of those who entered the services during fiscal year 1974 through 1977 cost the Government an estimated \$5.2 billion in veterans benefits and veterans unemployment compensation. High attrition is a barrier to military readiness and also may adversely affect individuals receiving early discharges, labeling them as losers.

There is no readily identifiable cause or simple solution to the attrition problem. It must be viewed in terms of the overall enlisted personnel management system.

The services could lower the attrition rate by arbitrarily limiting the number of individuals discharged, but this solution is unacceptable. Retaining unproductive personnel or those with disciplinary problems could adversely affect military readiness. In addition, an appropriate level of attrition cannot be objectively determined since at no time can the number of enlisted individuals who are not assets to the services be precisely quantified.

FPCD-80-10

## WHY ATTRITION ROSE UNDER THE ALL-VOLUNTEER FORCE

Attrition rose under the All-Volunteer Force primarily because of the significant change in the military environment and in the military policy dealing with substandard performers or disciplinary problems.

One researcher has described the changed military environment as a movement away from an institutional environment where an individual's self-interest was secondary to institutional goals to an employer-employee relationship in which individuals see their goals as more important than those of the institution's. (See p. 18.)

With the implementation of the All-Volunteer Force, the services changed their policy on early discharges. They instituted "marginal performer" programs to expeditiously rid themselves of unwanted personnel. As a result, individuals who would have been retained under the draft were discharged. (See p. 21.)

## CAN ATTRITION BE REDUCED?

The military has little control over some factors affecting attrition. The recruiting and selection systems can never be perfect, so some mistakes must be weeded out. In addition, some individuals never respond to any amount of counseling or assistance and should be discharged. The state of the economy, national perceptions of service obligation, and the Privacy Act of 1974 which prohibits recruiters from searching through juvenile records for disqualifying information affect attrition levels.

The military does, however, through its personnel management policies and practices, play a major role in determining how well the sometimes opposing goals and characteristics of the individual mesh with the mission and requirements of the military. The military's most important charge is to seek

a balance in management where individuals are motivated to remain and succeed in the service without completely eliminating the traditional military institutional environment. In so doing, the military can do more to reduce attrition without adversely affecting readiness.

Although the Secretary of Defense and the services have taken some positive measures to manage attrition more effectively, further improvements are needed.

#### RECOMMENDATIONS

The Secretary of Defense needs to establish more definitive criteria for discharge. GAO recognizes that it will be difficult to develop separation criteria but believes that current policy does not supply commanding officers with sufficient guidelines to insure equitable decisions and makes discharging personnel too easy. (See p. 23.)

The Secretary should improve management information systems to include more uniform data-reporting systems. Each service, for example, has designed its own system of classifying attrition by reasons which may vary by installation according to commanders' interpretations of criteria. Consequently, the Secretary and the services are unable to compare trends by cause among the services. (See p. 26.)

The Secretary should also establish a more systematic approach to developing and evaluating manpower and personnel policy and programs (see p. 27) and abolish attrition goals or ceilings as a long-term means to control attrition levels. (See p. 29.)

GAO believes that although the Secretary has a right, and, in fact, a responsibility to oversee the services' management of attrition and may have had to intervene initially by imposing ceilings, the long-term use of arbitrary ceilings diverts attention from

the more important responsibility of insuring the effectiveness of policies and programs to manage personnel. In addition, ceilings contribute to the inconsistent application of discharge criteria.

Overall, Defense concurred in GAO's recommendations and said that, in two areas--establishing more specific criteria for discharge and improving management information systems--it had taken or planned to take corrective actions. GAO discusses agency comments more fully in chapter 5.



C o n t e n t s

	<u>Page</u>	
DIGEST	i	
CHAPTER		
1	INTRODUCTION	1
	What is attrition?	1
	Is attrition an important issue?	1
	Scope of review	3
2	ATTRITION TRENDS OF ENLISTED PERSONNEL	6
	DOD and service attrition trends	6
	Who is leaving?	14
3	WHY ATTRITION ROSE	18
	Organizational climate changes	18
	under AVF	18
	Separation policy changes under AVF	21
	Movement toward a volunteer-in,	21
	volunteer-out environment	21
	Incentives to leave increase	22
	attrition	22
4	OSD AND THE SERVICES NEED TO IMPROVE	23
	THEIR SYSTEMS TO MANAGE ATTRITION	23
	More definitive discharge criteria	23
	are needed	23
	OSD and the services need better	26
	quality attrition data	26
	Services need to better coordinate	27
	and evaluate manpower and person-	27
	nel policy and programs	27
	OSD should abolish attrition ceilings	29
5	OVERALL CONCLUSIONS, RECOMMENDATIONS, AND	33
	AGENCY COMMENTS AND OUR EVALUATION	33
	Conclusions	33
	Recommendations	35
	Agency comments and our evaluation	36
APPENDIX		
I	Letter dated September 27, 1979, from the	
	Assistant Secretary of Defense (Man-	
	power, Reserve Affairs and Logistics)	41

ABBREVIATIONS

AVF	All-Volunteer Force
AWOL	absence without leave
DMDC	Defense Manpower Data Center
DOD	Department of Defense
EPTS	existed prior to service
GAO	General Accounting Office
OSD	Office of the Secretary of Defense

## CHAPTER 1

### INTRODUCTION

Although the All-Volunteer Force (AVF) was initiated 6 years ago, much debate still surrounds it. Critics point to the difficulty in recruiting qualified personnel and the resulting issues of recruiter malpractice and fraudulent enlistments. Some publicly doubt the ability and willingness of the volunteer soldier, sailor, airman, or marine to respond in cases of national emergency. Advocates reaffirm the unfairness of the draft and portray the volunteer as a more highly educated and motivated individual. Various issues, including attrition, are studied and restudied, and often directly opposing conclusions are reached.

#### WHAT IS ATTRITION?

Attrition is the separation of military personnel before completion of their obligated tours, whether the tour be for 3, 4, or more years. Though attrition can occur at any time, in fiscal year 1977 nearly 90 percent of all Department of Defense (DOD) male attrition losses occurred during the initial enlistment period. In addition, since men account for the bulk of all service personnel, most of those separating were males.

#### IS ATTRITION AN IMPORTANT ISSUE?

Attrition has always existed in the military. At no time was the recruiting and selection system so perfect or military life so insulated from personal or environmental problems that there was no cause for early discharge. Severe disciplinary problems, medical disabilities, and hardship cases were ultimately dealt with by discharge. There was relatively little concern over attrition levels during the draft era since manpower was unlimited, readily available, and relatively cheap. Many men, acknowledging that they would ultimately face induction, enlisted in the service of their choice and at the time of their choice. The result was a relatively steady flow of manpower regardless of attrition levels: for every person who was separated, a replacement was available.

It was not until sometime after the beginning of AVF that attrition became a major concern. The services were no longer able to control the flow of manpower, but, rather, had to entice the number and types of people they required, and these recruits were more costly. The premature separation of any serviceman meant that more work had to be done to recruit additional personnel. Attrition, which was not

expected to be a major problem, rose from 30 percent of those entering the service in fiscal year 1971 to 40 percent of those entering the service in fiscal year 1974. (See p. 6.)

This rise in attrition, coupled with patterns of losses different from what was expected and a projected declining pool of eligible recruits, has caused concern among the Office of the Secretary of Defense (OSD), the services, and the Congress. Attrition was also of concern because it

- made it more difficult to meet accession and force level requirements,
- had a negative effect on military readiness,
- had a high cost, and
- had a potentially adverse effect on the personal lives of the individuals separated.

The Congressional Budget Office estimates that the gap between service requirements and manpower availability will continue to grow. With a good civilian job market and with existing attrition levels, the services will be hard pressed to meet acquisition requirements. Such shortfalls could, in turn, affect the operational readiness of field units. In fiscal year 1979 each service fell short of meeting its recruiting goals, which resulted in a DOD-wide shortfall of non-prior-service male recruits.

Since military readiness is determined, in part, by the supply of trained personnel, a replacement must be found for every person who is discharged or has retired. If, however, equally qualified personnel are not available, which results in inadequately trained personnel or understrength units, a unit's capability to meet its mission requirements could be severely limited.

The cost of attrition to the military and civilian sectors is high. In a previous report <sup>1</sup>/ we estimated that attrition of those who entered the military during fiscal year 1974 through fiscal year 1977 cost \$5.2 billion in terms of lost investment in training, higher recruiting and salary costs, veterans benefits, and unemployment compensation to those leaving before completing their first term.

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<sup>1</sup>/"High Cost of Military Attrition Can Be Reduced,"  
FPCD-79-28, Feb. 16, 1979.

The flow of persons back into the civilian labor market, who some may not think are marketable because of their inability to complete their tours, also affects the Nation's ability to meet some of its social goals, such as reducing unemployment.

The personal effects of attrition on those who leave have generally been downplayed, but they undeniably exist. A record of an incompleting tour of service, with either "good" or "bad" papers, that is, honorable or less than honorable discharges, can be viewed by civilian employers as being indicative of an individual's chances of failing on the job. As such, future job potential could be severely hampered. This would be true even if the discharge occurred through no fault of the recruit: an individual mistakenly accepted with disqualifying medical problems would still have the blot of a premature discharge on his record.

#### SCOPE OF REVIEW

Our review does not assess the success of AVF, nor is it a treatise either pro or con the AVF. Rather, we discuss the attrition phenomenon, pull together available information, detail the services' and DOD's activities in the area, and identify what needs to be done to better manage attrition. Though much has been studied and written about attrition, little has been done to explain the attrition phenomenon in the light of the new military environment and to evaluate the services' management of attrition.

The key issue we address is the question of whether OSD and the military services can do more to reduce attrition through more effective manpower management without adversely affecting the quality of the output. We also question whether some attrition results from less than fully effective manpower policies and programs to recruit, train, and maintain a motivated and an effective military force.

To help resolve this issue, we reviewed major research on the causes and management of attrition; interviewed military and knowledgeable researchers on the effects of the current military environment on attrition; evaluated attrition trends; reviewed DOD's and each service's attrition policies, programs, and directives; and visited headquarters and selected command and training bases where we interviewed command personnel and trainees to determine perceived causes of attrition and counterattrition programs.

In addition, we held a conference with representatives from DOD and each of the services and with highly regarded experts from the academic and research communities to

--solicit their reactions to those issues we identified as the most significant ones affecting attrition and

--suggest alternatives to current manpower policy and practices to more effectively manage attrition.

Many of their comments have been incorporated in this report.

#### Why we focused on attrition management

Attrition is a complex issue. It is impossible to identify one or two causes with readily available and easy solutions. Rather, attrition is the result of many interactive factors, stemming from both the personal characteristics and aspirations of individuals and the military's mission, policies, and programs. How well these forces mesh, to a large extent, determines attrition levels. The ability to effectively join these sometimes opposing goals is one of the functions of personnel management.

The very effectiveness and survivability of AVF may ultimately depend, in part, on how well DOD and the services manage their personnel. High attrition--though in itself is deleterious--may be a symptom of personnel management deficiencies.

We assumed that attrition does not stem solely from the quality of the recruit as measured by level of education and mental category and that recruiting higher "quality" personnel is not the only means to reduce attrition. Our previous report 1/ concerning attrition at the five Federal service academies concluded that, although intrinsic characteristics of the students had an important role in why they separated, the academies' environment and command philosophy had a significant effect on attrition levels. We did not believe that we would uncover substantially different findings in our analysis of the active military.

We were also concerned that OSD and the services might, because of congressional concern over attrition levels, attempt to control rather than manage attrition. While control, through such means as attrition ceilings, is a quick and an easy way to reduce attrition, it could ultimately prove counterproductive by retaining in the service persons who do not belong there, which would result in equally

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1/"Student Attrition at the Five Federal Service Academies,"  
FPCD-76-12, Mar. 5, 1976.

serious problems. By changing to a "hard-out" policy under which draft-era personnel served, separation levels could be reduced to previous or almost any desired level.

Separation policy should be formulated on the premise that the services must be able to quickly separate those individuals who have not performed well or have given strong indications that they will not perform well in the future. A hard-out policy of either putting lids on the use of discharge programs or imposing attrition ceilings may prohibit separation of nonproductive individuals. Since it is impossible to specify an appropriate level of attrition, that is, quantify in gross numbers all nonproductive individuals who should be separated, the services must be allowed some flexibility in separating individuals. If they cannot, readiness in terms of a qualified and an efficient fighting and support force will suffer.

At the same time, the services are responsible for minimizing the number of ineffective enlisted personnel through good personnel management. Discharges should be granted only when individuals cannot be rehabilitated; they should not be used as an excuse for poor leadership. Only after determining whether management could be improved could we determine whether attrition could be reduced while still maintaining a quality force.

## CHAPTER 2

### ATTRITION TRENDS OF ENLISTED PERSONNEL

It is important to understand the differences between draft-era and AVF attrition trends since they relate to differences in the military environment and policy and program changes. Generally, attrition changes can be characterized by

--rising attrition levels under AVF, particularly those caused by performance failure or by disciplinary infractions--generally called adverse attrition--and

--a higher concentration of attrition during the early phase of enlistment under AVF.

### DOD AND SERVICE ATTRITION TRENDS

The chart on the following page shows attrition rates for non-prior-service enlisted males for up to a 4- or more-year enlistment period for those entering the service during fiscal years 1971-74. 1/ Fiscal year 1971 is used as a base year since it is the first year for which data was available. Fiscal year 1974 is the most recent cohort year for which a full 4- or more-year period has elapsed. As can be seen, DOD-wide, 30 percent of those entering the service in fiscal year 1971 were discharged before completion of their tours. The loss rate rose to 40 percent for the fiscal year 1974 cohort. 2/

Overall, the rise in total attrition during this time was spearheaded by considerable growth in first-term attrition in the Army.

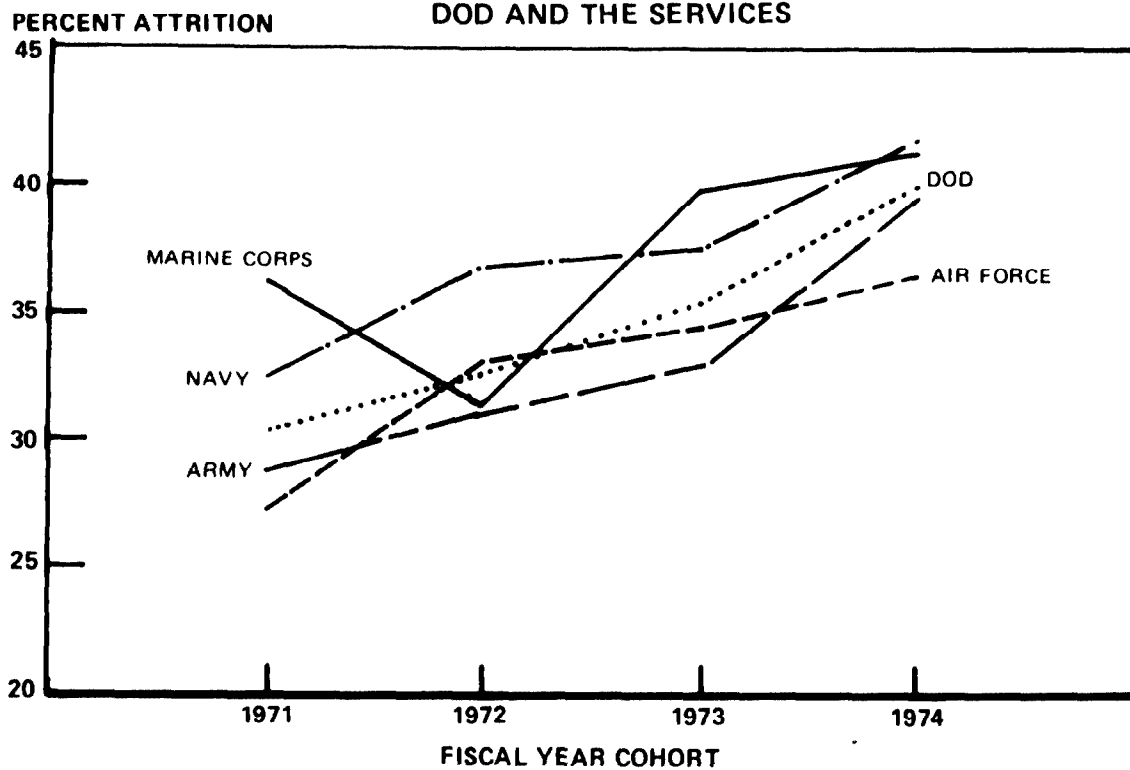
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1/We obtained all attrition data from the Defense Manpower Data Center (DMDC). This data often differs from official service data. We chose to use DMDC data since the services generally calculate attrition for the first 3 years of an enlistment only, while DMDC does so for 4 or more years, which we believe most closely reflects the true magnitude of attrition. We nevertheless have reservations about the accuracy of the DMDC data and thus cannot attest to its accuracy. As of January 1980, this was the most recent data available.

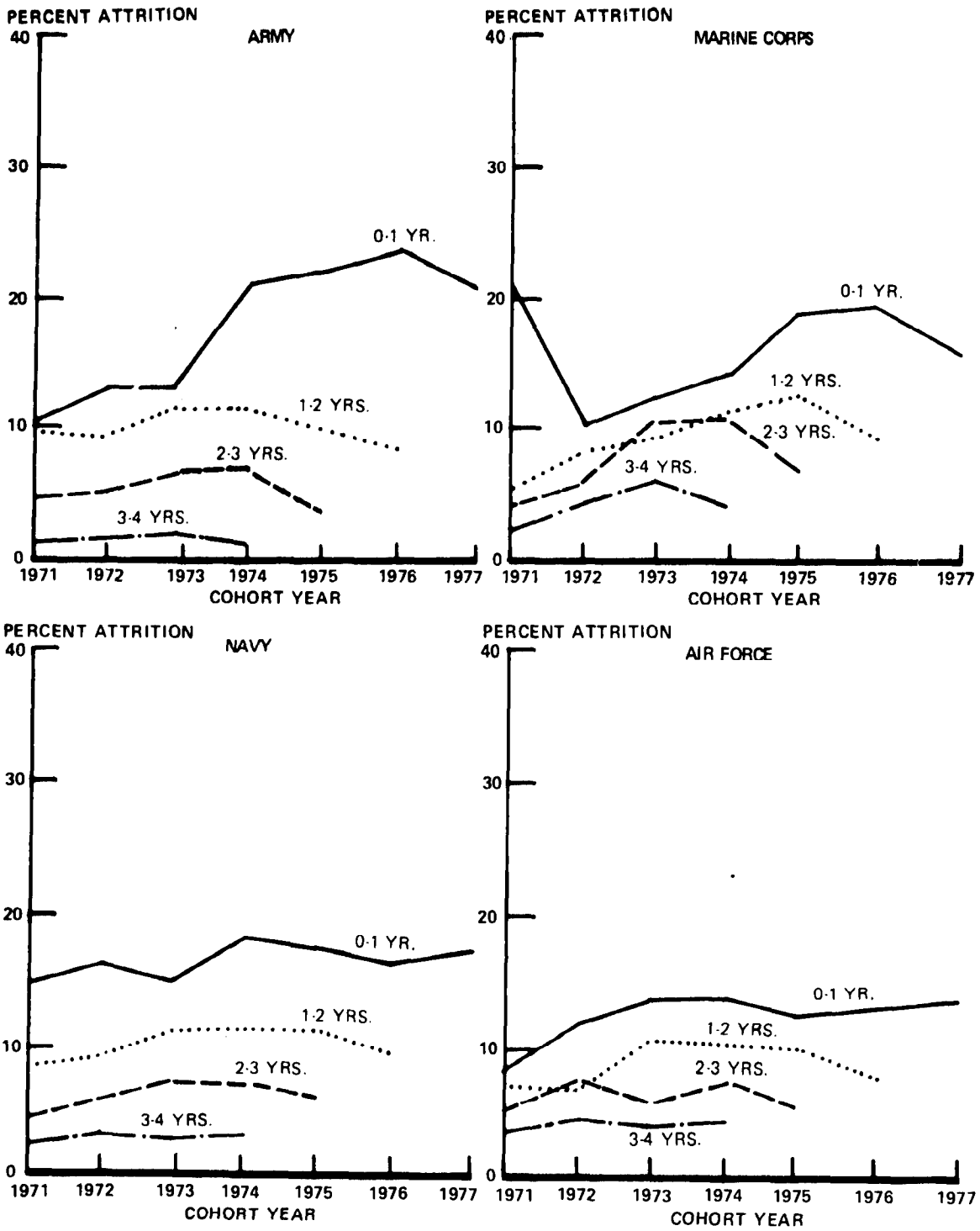
2/A cohort is the group of men enlisting in a given fiscal year. For example, the 1974 cohort includes all men enlisting in fiscal year 1974.



COHORT ATTRITION RATES FOR NON-PRIOR SERVICE MALES  
DOD AND THE SERVICES



**TRENDS IN ATTRITION OF NON-PRIOR SERVICE MALE ENLISTEES BY LENGTH OF SERVICE AND BY FISCAL YEAR COHORT**



Because of the size of the Army Force, a growth of 1 or 2 percentage points in Army attrition will affect overall DOD rates much more than a similar rise in attrition rates of the other services. In fiscal year 1978 the Army accounted for 39 percent of all male, non-prior-service enlisted accessions into the active services and for 43 percent of first-term enlisted attrition losses.

The other services also experienced attrition gains but not to the extent or in the steady fashion as the Army.

#### Attrition declining

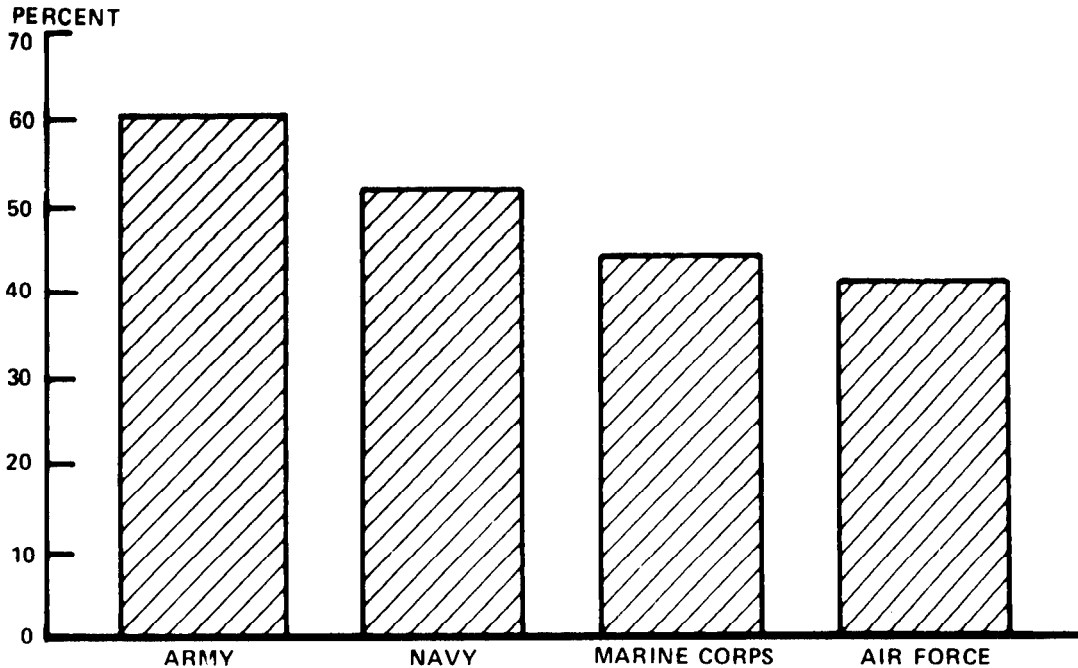
According to recent data, the services, most notably the Army and the Marine Corps, are reducing attrition. Attrition of men enlisting in fiscal year 1977 in their first year of enlistment declined from earlier cohorts for both the Army and the Marine Corps. (See the chart, p. 8.) All services generally experienced attrition reductions during the latter part of enlistment tours for earlier cohorts also. This could indicate the start of a trend toward further reductions.

#### When attrition occurs

Attrition is now more highly concentrated during the first year of enlistment. Forty-three percent of all fiscal year 1971 cohort losses occurred during that time, while 46 percent of the fiscal year 1974 cohort losses occurred during the first 12 months of enlistment.

The greater increase in first-year attrition, particularly in the Army, was due primarily to the services' policy of separating individuals as quickly into their enlistment as possible. While all services attempt to discharge clearly unacceptable personnel as soon as they are identified, there are differences among the services in applying the early discharge programs. For example, as shown in the chart on the following page, the Army, in fiscal year 1977, had greater losses of individuals during the first year of enlistment than did the other services. This results from the Army's more intense application of its policy of separating individuals identified as unsuccessful as early as possible to keep costs at a minimum and the more extensive use of its Trainee Discharge Program.

PERCENT OF FY 1977 LOSSES OCCURRING DURING  
THE FIRST YEAR OF ENLISTMENT



Attrition by reported cause

DOD Directive 1332.14 provides a broad frame work of policies, standards, and procedures for administratively separating enlisted personnel. From this frame work, the services have developed their own discharge criteria and programs. The result has been a wide disparity in both the reasons for and characterization of discharges.

The table below gives the recorded reasons for discharge for first-term enlisted personnel separated in fiscal years 1977 and 1978. Nearly half the men the Army separated were discharged for marginal performance, whereas the proportion of men the Air Force separated for this reason was 37 percent in fiscal year 1977. Marginal performance separations in the Army declined in proportion to those prematurely separated in the following year because the Army was able to lower attrition during training and subsequently the use of the Trainee Discharge Program.

The Navy and the Marine Corps, however, separated personnel for reasons such as character or behavior disorders, good of the service, and inaptitude. They relied less on the marginal performer program.

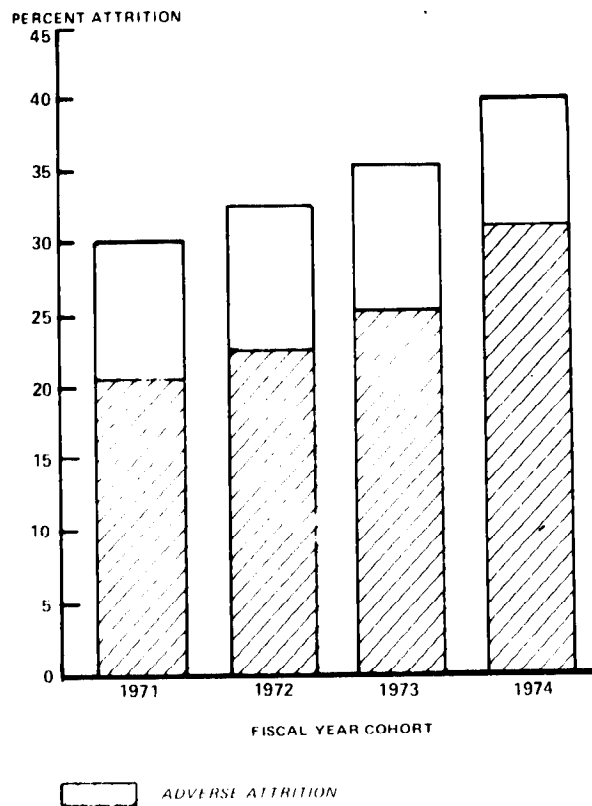
Cause for Discharge for Individuals Discharged  
Before Completion of Their Tours in  
Fiscal Years 1977 and 1978

<u>Service</u>	<u>Males, first-term enlisted, DOD sep- aration code</u>	<u>Percent of total FY 1977 attrition</u>	<u>Percent of total FY 1978 attrition</u>
Army	Trainee Discharge Program (marginal performer)	26	17
	Expeditious Discharge Program (marginal per- former)	23	25
	Unqualified for active duty	10	7
	Hardship	3	4
	Good of the service	12	15
	Drugs	5	7
Navy	Character or behavior dis- order	18	14
	Inaptitude	13	5
	Motivational problems	10	6
	Discreditable incidents	13	13
	Erroneous enlistments	9	11
	Good of the service	5	6
	Unsuitability	4	4
	Expeditious Discharge Program (marginal per- former)	4	12
Marine Corps	Good of the service	17	15
	Expeditious Discharge Program (marginal per- former)	11	11
	Character or behavior disorder	11	7
	Motivational problems	9	8
	Erroneous enlistment	7	10
	Medical (existed prior to service)	7	4
	Medical (disability)	6	5

<u>Service</u>	<u>Males, first-term enlisted, DOD sep- aration code</u>	<u>Percent of total FY 1977 attrition</u>	<u>Percent of total FY 1978 attrition</u>
Air Force	Expeditious Discharge Program (marginal per- former)	21	20
	Trainee Discharge Program (marginal performer)	16	13
	Miscellaneous	13	10
	Unqualified for active duty	9	9
	Motivational problems	9	12
	Hardship	6	6

Nearly all attrition growth between the fiscal year 1971 and 1974 cohorts is attributable to what the services call "adverse" attrition--that is, separation for reasons such as marginal performance, unsuitability, or misconduct--as shown below.

INCREASE OF ADVERSE ATTRITION ACCOUNTS FOR THE BULK OF ALL ATTRITION GROWTH



E R R A T A

To the recipients of the Comptroller General's report to the Congress "Attrition in the Military--An Issue Needing Management Attention" (FPCD-80-10, Feb. 20, 1980).

The attached sheet has been corrected and should be inserted in place of the existing one that appears as page 12 of your copy of the report.

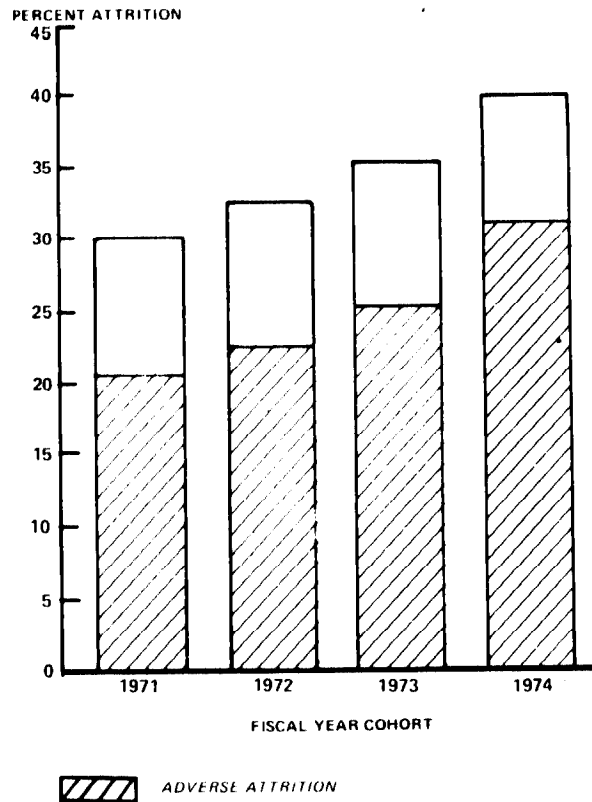




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INCREASE OF ADVERSE ATTRITION ACCOUNTS FOR THE BULK OF ALL ATTRITION GROWTH





## Personal characteristics affect attrition

There is a relationship between personal characteristics and attrition. Less educated and lower aptitude individuals (as measured by the enlistment examination) have the highest attrition rates. For example, DOD-wide, the attrition rate for fiscal year 1974 male high school graduates was 29 percent and for non-high-school graduates the attrition rate was 53 percent.

## Characterization of service varies

The characterization of service, that is, the type of discharge given, also varies among the services. This is a function of both the designated reason for discharge and each service's overall policy. As a result, in fiscal year 1978 the percent of honorable discharges granted to those individuals who were separated early ranged from 54 to 60 percent in the Army, Navy, and Marine Corps to 87 percent in the Air Force.

Each service determined the type of discharges allowed under each reason for discharge. Army personnel discharged under the Trainee Discharge Program for marginal performance, for example, are awarded an honorable discharge. Army directives state, however, that those separated for misconduct should normally receive a less than honorable discharge, but they allow for granting honorable discharges.

The Air Force is more likely to grant individuals prematurely discharged honorable discharges regardless of cause. In our previous report 1/ on absence without leave (AWOL), for example, we compared the types of discharges given to AWOL offenders in our study group by analyzing how many of them had been administratively separated for reasons of marginal performance, unsuitability, and misconduct. The Air Force issued the most honorable discharges and the Marine Corps the least. To put it another way, if months of service and number of convictions were similar, the probability of receiving an honorable discharge in the Air Force was about 13 times greater than in the Marine Corps.

The other services tend to split characterization between honorable and general discharges. The number of dishonorable discharges granted is low for all the services. (See the table, p. 17.)

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1/"AWOL in the Military: A Serious and Costly Problem,"  
FPCD-78-52, Mar. 30, 1979.

## WHO IS LEAVING?

An analysis of characteristics of males separated during fiscal years 1977 and 1978 show that the individual characteristics vary by service. Discharged airmen, for example, are more likely to be older, high school graduates and have served longer than discharged Army soldiers.

The profiles of men discharged are the function of both the characteristics of the recruit class and the organizational conditions, programs, and policies of each service. Since nearly all Air Force recruits are high school graduates, it follows that most individuals separated early were graduates. In addition, since the Air Force tends to delay separations, it is logical to expect fewer separated persons to be trainees. No such clear cut pattern emerges, however, when the occupational classification of these men are reviewed.

### Bulk of losses occur in a few occupations

A large portion of each services' fiscal year 1978 attrition losses were trainees. Forty-six percent of all Army first-term losses that year, for example, occurred during training. The trends in posttraining occupational losses varied by service, however. Within each service, a few occupations account for a large share of discharged personnel. This results from both the occupational structure of each service and the unique characteristics of each job, as well as the personal traits of the jobholders.

Generally, though, the services sustain heavier post-training losses in the less skilled or undesirable jobs. The relationship between job and performance was demonstrated in our previous report 1/ on AWOL in the military in which we determined that, regardless of education levels and mental aptitude, job assignments affect AWOL rates. People assigned to low-skilled or undesirable jobs have much higher AWOL rates than those assigned to higher skilled jobs which are generally viewed as more desirable and challenging. People who are better educated and in the higher mental categories go AWOL less often than others in the same jobs, but their AWOL rates increase as the skill level of their job

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1/"AWOL in the Military: A Serious and Costly Problem,"  
FPCD-78-52, Mar. 30, 1979.

decreases. Research in the Navy also shows that such job-related factors as leadership support, work group cooperation, professional esprit de corps, and job challenge also affect AWOL rates. We found similar patterns when looking at attrition.

The Army and the Marine Corps experience their largest attrition losses in the combat arms. This can be expected since combat arms jobs account for a large share of their enlisted personnel and are often filled by personnel in the lower mental categories who are more likely to be separated early than those in higher mental categories. Actual job tasks, however, also play a major role. This, coupled with the relative inactivity surrounding combat arms in a peacetime force, would tend to result in low job satisfaction and motivational problems. About 13 percent of all Army and 22 percent of all Marine Corps personnel separated in fiscal year 1978 were in combat arms.

About 6 percent of Navy personnel discharged before completing their first tour in fiscal year 1978 had shipboard propulsion-related jobs, which the Navy acknowledges can be dirty and sometimes dangerous. The Navy experiences its most severe retention problems in this area. However, Navy personnel with highly skilled and marketable backgrounds are also being separated. Four percent of those separated were in aircraft and related repair jobs.

The Air Force, the most technically oriented service, loses many of its operational personnel from highly skilled areas. Thirteen percent of those separated in fiscal year 1978 worked in aircraft and related repair jobs. These individuals, having as much as a year's training, would be most apt to find suitable employment in the civilian job market.

Primary DOD Occupations of Individuals Separated  
in Fiscal Years 1977 and 1978, Except for Trainees

	<u>Percent of total FY 1977 attrition</u>	<u>Percent of total FY 1978 attrition</u>
Army:		
Infantry	12	13
Artillery	7	7
Supply, Logistics	3	4
Automotive	4	6
Navy:		
Shipboard propulsion	7	6
Aircraft and related repair	4	3
Marine Corps:		
Infantry	21	22
Transport	5	4
Material receipt, storage, and issue	4	3
Air Force:		
Aircraft and related repair	11	13
Law enforcement	6	2
Administration	6	4
Radio/radar repair	4	6

Profile of Individuals Separated Prior to completion  
of their initial tours (0 to 48 months)  
in Fiscal Years 1977 and 1978 by Service (note a)

	<u>Army</u>	<u>Percent of separations</u>		<u>Navy</u>	<u>Percent of separations</u>	
		<u>1977</u>	<u>1978</u>		<u>1977</u>	<u>1978</u>
Age at separation	19 or younger	49	44	19 or younger	48	46
Education	High school graduate and above	49	55	High school graduate and above	65	68
Mental category	III	71	71	III	54	60
Months of service	0 to 6 month	43	30	0 to 6 months	38	37
Occupation code	Trainee	47	35	Trainee	68	69
Character of service	Honorable	63	59	Honorable	54	56
Reason for separation	Marginal performance	48	42	Character or behavior disorder; inaptitude; dis-creditable incidents; motivational problems	54	38
	<u>Marine Corps</u>			<u>Air Force</u>		
Age at separation	19 or younger	43	43	19 or younger	34	36
Education	High school graduate and above	52	57	High school graduate and above	89	92
Mental category	III	64	64	III	54	53
Months of service	0 to 6 months	31	33	0 to 6 months	31	32
Occupation code	Trainee	42	43	Trainee	35	35
Character of service	Honorable	51	54	Honorable	89	87
Reason for separation	Good of service; marginal performance; character or behavior disorder; motivational problems	48	45	Marginal performance	37	33

a/The DMDC profile data on those separated prior to completion of their tours in fiscal years 1977 and 1978 was not accurate because of the number of unknowns. For example, DMDC could not determine in which mental category 35 percent of the marines separated early in fiscal year 1977 belonged. To compensate for these deficiencies, we assumed that the unknowns were evenly distributed among all the factors within each group. To illustrate, by distributing the unknowns cited in the example above, the percent of marines separated who were classified as mental category III changed from 42 percent to 64 percent.

## CHAPTER 3

### WHY ATTRITION ROSE

The conversion from the draft to AVF resulted in major changes in the military's organizational climate and in policies and practices regulating manpower management. These changes were the major forces behind the rise in attrition between the fiscal year 1971 cohort (30 percent) and the fiscal year 1974 cohort (40 percent).

#### ORGANIZATIONAL CLIMATE CHANGES UNDER AVF

Charles C. Moskos most clearly identified the changed environment in his thesis <sup>1/</sup> that, with the advent of AVF, the military moved from an institutional format to one more and more resembling that of an occupation. According to Moskos, an institution is characterized in terms of values and norms, where an individual's self interest is secondary to "higher" institutional goals. Members of such institutions usually see themselves as being apart from the general society, while the institution itself reacts in a paternalistic manner to its members. The occupational model, however, implies priority of the individual's goals, interests, and aspirations as opposed to those of the institution. Monetary rewards and negotiations between the individual and the organization are characteristic.

Paramount to the institutional climate of the draft era was obligation and conformity. Military service was generally viewed as a short-term duty which could, or could not, prove beneficial to a young man's long-term career goals. In either case, the obligation had to be met and the organizational norms and mores complied with. The consequences of draft avoidance or aberrant behavior were well known--disciplinary actions.

To enforce recruits' perceptions of obligation, the military resisted discharging personnel before completion of their tours. To allow an easy exit from the military would undermine the integrity of the draft. As a result, discharges usually were granted only after disciplinary actions were taken.

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<sup>1/</sup>"The Enlisted Ranks in the All-Volunteer Army," in John Keeley, ed., "The All-Volunteer Force and American Society" (University of Virginia Press, 1978).



Recruits' expectations and their perceptions of obligation to complete their tours appeared to have changed with the advent of AVF. Without any obligation to serve, recruits had to be induced to enlist. The services were forced to "sell" their way of life in direct competition with civilian employment and educational institutions. Recruits, to a greater degree, questioned what the services could do for them personally and weighed a military commitment against opportunities available in the civilian sector. When the military was chosen, it was often seen as a means to obtain paid employment, a marketable skill, and a free education, hence, the movement to what is called an occupational model.

The movement from a draft to a volunteer force and the resulting change in the military climate should be looked at along with what is happening in society in general. The changes the military was attempting to make closely paralleled other changes in society. The demise of the draft occurred partly in response to national reevaluation of priorities and goals, especially as related to individual rights versus societal obligation. Clark Kerr noted, for example, that the 1970s saw a culmination of a movement in the civilian work force begun in the 1960s and identified as the search toward personal self-fulfillment and political rights. 1/ In addition, the Privacy Act of 1974 reaffirmed the rights of individuals to be protected against an invasion of personal privacy.

The focus, even in the civilian sector, was turning more and more toward the individual. What the military was experiencing as it converted to AVF could, in many ways, be considered a reflection of what was happening in society as a whole.

The significance of personal enrichment as a motivating factor in enlistment and its ultimate effect on attrition and policy cannot be understated. W. H. Mobley, H. H. Hand, J. E. Logan, and R. Baker, in an analysis 2/ of expectations of Marine Corps recruits, determined that recruits place the highest value on learning new skills. An earlier report

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1/"Introduction, Work in America: The Decade Ahead (Symposium)," Work in America Institute, Inc. (New York, 1979).

2/"Pre-Recruit Training Values, Expectations and Intentions of Marine Corps Recruits," Center for Management and Organizational Research, College of Business Administration, University of South Carolina, May 1977.

by A. H. Fisher <sup>1/</sup> evaluated trends in enlistment motivation in fiscal year 1972, when the draft was starting to subside. Fisher found that the most frequently mentioned reason for enlistment was to learn a trade or skill valuable in civilian life.

Moskos, after an extended visit with American soldiers in Germany, came to these conclusions.

"One source of discontent which exists in the all-volunteer Army has no real parallel in the peacetime draft Army. This is post-entry disillusionment resulting from expectations as to what the military would offer. The peacetime draftee never held high expectations as to what he would encounter and therefore was not unpleasantly surprised; indeed, he might often--at least in hindsight--find the Army favorable on its own terms. In all-volunteer recruitment, however, a consistent theme has been the stress--out of necessity, to be sure--on the instrumental aspect of military service, that is, what can the Army do for the recruit in the way of skill training transferable to civilian jobs. \* \* \* Post-entry disillusionment in the all-volunteer Army underlies many morale and disciplinary problems; it speaks directly to the excessive attrition rate. For once a soldier had decided he wants out, he will not be particular as to the kind of discharge that will accomplish the purpose (though he will regret this once again on the outside)." <sup>2/</sup>

The AVF enlistee is then likely to have different expectations and motivations than his counterpart under the draft. This, coupled with the dissolution of the need to "protect" the draft, has resulted in new management policies and practices for the acquisition and retention of military personnel.

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<sup>1/</sup>"Trends in Enlistment Motivation: Results of Surveys of Enlisted Men from April 1971 to April 1972," Human Resources Research Organization, Alexandria, Va., September 1973.

<sup>2/</sup>Moskos, Ibid., p. 39.

## SEPARATION POLICY CHANGES UNDER AVF

Unlike the draft era when attitude or performance problems were handled primarily through disciplinary measures, similar matters are now generally treated by counseling and, when unsuccessful, by discharge. A former Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics), in responding to a congressional inquiry as to why AVF attrition was considerably higher than draft-era levels, said that permitting early separation of marginal performers was not feasible when people served involuntarily but was not inconsistent with AVF.

Supporting this view, the House Committee on Appropriations, reporting on the DOD appropriation bill for fiscal year 1974, said that all services needed simplified and expeditious procedures to administratively discharge ineffective enlisted members of operational units. The Committee felt that the services would identify and discharge about 6,500 marginal performers that year. Our report 1/ to the Secretary of Defense recommended that DOD initiate a service-wide marginal performance program to quickly discharge unproductive personnel.

This theme was reinforced many times in our conversations with unit commanders. They said that, without a means for expeditiously separating individuals, unit readiness would suffer. The effect of this policy change on attrition, however, seems well beyond what the Congress expected.

## MOVEMENT TOWARD A VOLUNTEER-IN, VOLUNTEER-OUT ENVIRONMENT

Basically, a person who wants out of the service badly enough can obtain a discharge. While official policy opposes this attitude, the reality of the counseling-discharge procedure confirms it. Those sufficiently dissatisfied with the military can act in such a manner as to build a case for dismissal through substandard performance or disciplinary infractions. In some instances, personnel may even openly request separation. Although there is no way to quantify the magnitude of such behavior, some service members view the contract with the military as being nonbinding and easily broken.

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1/"Urgent Need for a Department of Defense Marginal Performer Discharge Program," FPCD-75-152, Apr. 23, 1975.

## INCENTIVES TO LEAVE INCREASE ATTRITION

Individuals who willingly seek an early discharge share, to a large extent, similar veterans benefits as those who complete their tours. We believe this situation negatively affects enlisted persons' attitudes about the value of honorable service; their motivation; and, in turn, attrition. In our previous report on attrition costs, mentioned earlier in this report, we recommended that for costs' and equity's sake, only those individuals who complete their tours, unless separated for a service-connected disability, should be entitled to veterans benefits. Adopting this recommendation could help reduce attrition by reinforcing the concept that honorable service is worthy of reward.

At the time this report was published, bills limiting veterans benefits had been introduced in the Congress. In testifying before an appropriate committee, we reiterated our concern over the costs and inequities associated with granting benefits under the current eligibility criteria.

## CHAPTER 4

### OSD AND THE SERVICES NEED TO IMPROVE

#### THEIR SYSTEMS TO MANAGE ATTRITION

Because of the importance of attrition to military readiness, its complexity, and the many factors which affect it, OSD and the services should have effective systems for assessing the impacts of their policies, programs, and practices on attrition. The military needs to know how its policy and the changes it makes affect personnel motivation, adjustment, and ultimately attrition. In addition, it must insure that policy and programs are being properly carried out and that all personnel are treated fairly and consistently. This requires explicit policy, good information, and a coordinated approach to policy development and program evaluation.

OSD and the services need to make improvements in their management systems if they are to meet the above-stated goals. Specifically, OSD needs to

- establish more definitive criteria for discharge to insure that service members are treated consistently and to tighten up on the ease of discharge;
- improve the quality, consistency, and timeliness of service attrition data;
- improve the coordination and evaluation of manpower and personnel policy and programs; and
- abolish attrition ceilings as a long-term solution to attrition management.

#### MORE DEFINITIVE DISCHARGE CRITERIA ARE NEEDED

Although current discharge policy rightfully allows for expeditious discharging of unacceptable personnel, lack of explicit discharge criteria seems to make separating personnel too easy and likely results in inconsistent treatment of personnel and some unnecessary attrition.

The DOD directive on administrative discharges provides the services with a broad outline of procedures, standards, and reasons for discharge. Reasons include factors as diverse as misconduct, homosexuality, erroneous or fraudulent enlistments, and marginal performance. This last category

was specifically added at the start of AVF to give the services more simplified and expeditious means for discharging unproductive individuals.

Because discharge criteria are, by design, general in nature, it is frequently the installation or company commander, or even the first-line supervisor (e.g., first sergeant), who ultimately establishes acceptable performance standards, the degree of rehabilitative measures to be used, and attrition levels. The result can be inconsistent application of discharge criteria and inequitable treatment of enlisted persons. It can also promote the quick discharge of marginal personnel who could, with more attention, become productive members of the military services.

The local command influence on attrition is exemplified by significantly changed attrition rates when new commanders take charge. For example, during our visit to two Army training bases, we noted that, as new commanders took charge, attrition rates dropped sharply. No new programs were initiated, but rather, local policy was changed. This policy required lower command personnel to spend more time working with potential failures. In another case, a Navy commander said that, on his own initiative, he reduced attrition by lowering academic performance standards during recruit training.

A 1978 triservice study group on the administrative discharge system, in assessing current procedures and practices in separating individuals, concluded that the ease of discharge does, in fact, contribute to unnecessary attrition. It stated that

"\* \* \* as currently instituted the program [marginal performer] makes separation for unauthorized reasons extremely easy and consequently contributes to unnecessary first-term attrition." 1/

The group recommended that the marginal performer program apply to individuals in their first 2 years of enlistment who have not received more than a combination of three article 15 punishments or convictions by courts-martial after recruit training. The intent of this recommendation is to push more adverse separations into more applicable programs or into the punitive system and to encourage rehabilitation for less serious offenses in lieu of discharge.

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1/"Report of the Joint-Service Administrative Discharge Study Group" (1977-78), Department of Defense, August 1978.

Although commanding officers will and should have some flexibility in setting performance standards regardless of the explicitness of discharge criteria, there seems to be too much individual or local command flexibility in setting the standards. Our previous report 1/ determined that the services could not explain what constituted a quality enlisted person by using performance standards. This seems to be reflected in the generality of the criteria used in discharging individuals the services do not want, and in the fact that the Selected Reserve components have been recruiting individuals the Active Forces discharged early as unfit for duty.

In fiscal year 1978, of the 48,988 Army Reserve and National Guard prior-service accessions from the Active Forces, 5,892 individuals, or about 12 percent, had been prematurely discharged from the Active Forces for such reasons as medical disqualifications or marginal performance. 2/ We therefore question whether these individuals should have been discharged from the Active Forces in the first place and, if the separations were warranted, why they were then judged acceptable for the Reserves.

This is not the first time our office has called for more explicit OSD guidance in dealing with the separation of military personnel. In our report 3/ on AWOL, we determined that, since neither OSD nor the services have established criteria regarding the separation of AWOL offenders, commanders have no framework for making cost-effective decisions. In addition, inadequate policy guidance combined with differing attitudes among the services have resulted in wide disparities in the types of administrative discharges imposed in similar cases. We therefore recommended that the Secretary of Defense direct the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics) to develop criteria for separating people with AWOL records and incorporate absenteeism as a reason for separation.

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1/"Needed--A More Complete Definition of a Quality First-Term Enlisted Person," FPCD-79-34, Apr. 25, 1979.

2/"Difficulties in Army Selected Reserve Recruiting Under the All-Volunteer Force," FPCD-79-71, Aug. 20, 1979.

3/"AWOL in the Military: A Serious and Costly Problem," FPCD-78-52, Mar. 30, 1979.

OSD and the services need to supply field commanders with more definitive criteria for discharge to insure more equitable treatment of personnel and reduce unnecessary attrition taking place because of divergent performance standards. Instituting the discharge study group's recommendation on marginal performance separations would be a first step toward supplying more definitive measures for unacceptable performance.

OSD AND THE SERVICES NEED BETTER  
QUALITY ATTRITION DATA

Attrition data is inconsistent, incomplete, and at times untimely. Consequently, it is difficult for OSD and the services to assess attrition trends and the factors behind their changes.

Consolidating service and DMDC's reporting on more uniform categorization of reasons for attrition and enlarging the scope of service attrition data to include entire enlistment periods would greatly improve the consistency and accuracy of the data.

Inconsistent attrition data

Attrition data is inconsistent among and within the services by reason for discharge. To compare trends, OSD requires the services to report attrition rates quarterly by sex, level of education, and months of service. It does not, however, require consistent reporting by reason for discharge, nor does it provide explicit criteria for discharge for each reason. As a result, each service has developed its own system for classifying reasons for discharge; thus, what may appear as a discharge for a medical condition which existed prior to service (EPTS) in one service could show as an erroneous enlistment in another service.

These reporting systems are also inconsistent within a service. The Navy, for example, discharges recruits for "nonswim." Yet, significant differences exist in attrition levels for this cause among Navy training centers. A recruit training official said that this was due to different command philosophies. One may view the inability of a recruit to learn to swim as a motivational problem and classify it as such, while another may categorize it and the discharge under the separate nonswim category. Such discrepancies make it difficult for the services to explore the factors behind early separations.



Data is also inconsistent because of the number of components within DOD and the services which collect and report the data, using different systems, definitions, and time frames. While OSD obtains cohort attrition from each service directly, DMDC, organizationally located in the Defense Logistics Agency of DOD, independently develops similar trend data. Yet, these two sets of data are different. Consequently, DMDC's reports may differ from the services' reports by a few percentage points in either direction.

#### Incomplete attrition data

Service attrition data is incomplete because it does not cover entire enlistment periods. Each service reports to OSD attrition for the first 3 years of an enlistment only, since it is for this period that OSD established attrition ceilings. As a result, in reporting to the Congress, DOD and the services understate actual attrition levels. For example, DMDC estimated that the Army lost an additional 1 percent of its fiscal year 1974 accessions in its third to fourth year; the Navy, 3.3 percent; the Marine Corps, 3.8 percent; and the Air Force, 4.5 percent. This amounted to 7,330 men who had not been included in reported attrition losses.

#### Untimely attrition data

We found instances in which Navy attrition data was untimely. The Navy was unable, for example, to report to OSD quarterly trends at the required time. Such delays affect DOD's ability to analyze and plan corrective actions.

#### SERVICES NEED TO BETTER COORDINATE AND EVALUATE MANPOWER AND PERSONNEL POLICY AND PROGRAMS

Through its personnel management policies and practices, the military plays a major role in determining how well the sometimes opposing goals and characteristics of the individual mesh with the mission and requirements of the military. The military's most important charge is to seek that balance in management where individuals are motivated to remain and succeed in the service without completely eliminating the traditional military institutional environment. In so doing, the military can do more to reduce attrition without adversely affecting readiness. We found, however, that because of the decentralization of authority and the weaknesses in policy and program evaluation systems, the services are unable to determine the most cost-effective approaches to long-term attrition management. As a result, the programs appear to

be developing in a vacuum without regard to their relationship to other programs or policies, while evaluations are usually made piecemeal by the services' major commands or research arms and on a short-term effectiveness basis only.

The Army, Navy, and Air Force are organized into major commands by mission. Each service headquarters gives to major commands flexibility in interpreting personnel policy and authority to manage programs. Army headquarters officials, for example, told us that it was not their practice to oversee installation attrition trends or programs; major commands have this responsibility. Major service commands told us they delegated much of this authority to the installation level to give local commanders maximum flexibility in managing their personnel, including the development of attrition-related programs.

While we believe that local commanders should have flexibility to manage their personnel programs, we also believe that OSD and service headquarters have the responsibility for assuring that such programs and practices are consistent with overall OSD policy, are uniformly applied, and are effective.

This requires a coordinated approach to attrition management, with OSD establishing policy and receiving systematic feedback on the application of that policy from the services. Such oversight would allow OSD to identify successful and unsuccessful approaches and insure that the services at all levels apply policy uniformly and consistently. Yet, program development seems to be taking place with little central coordination and oversight. For example, it was difficult for us in this review to determine what programs existed and where and who was accountable for their effectiveness. Headquarters personnel referred us to major commands for information on programs and practices at bases under their jurisdiction. Even at that level, major commands' knowledge of programs varied, and many programs are instituted by base commanders without any apparent further monitoring and oversight.

None of the services have evaluated their attrition-related programs to determine which programs are most effective in managing attrition in the long run. All services, for example, employ setback systems in basic training whereby recruits experiencing difficulties can retake parts of the course. Yet, the services do not know whether these individuals ultimately become successful military members and, therefore, whether this is a cost-effective approach.

Improving coordination and oversight would greatly improve the military's ability to assess the effect of its policies and the soundness of its attrition programs, even under a decentralized structure. <sup>1/</sup> To do this, the military must correct two weaknesses which hinder an effective program evaluation. First, the services must track individuals through their obligated tours, and, second, they must establish more formal feedback systems. Both Army and Air Force training command officials said that the ability to longitudinally track individuals to determine the long-term effect of policies or programs would greatly improve their ability to manage attrition. They are now designing data systems to meet this need, but these systems will not be operative for a number of years. Current feedback systems are generally too informal and sporadic to supply managers with timely information on policy and program effectiveness.

#### OSD SHOULD ABOLISH ATTRITION CEILINGS

OSD is responsible for establishing overall attrition policy and for insuring that the services' attrition programs and practices conform to this policy, including insuring that individuals in all services are treated fairly and consistently. Yet, there seems to be a general lack of overall knowledge at both the OSD and service headquarters levels on the full range of attrition-related programs being implemented and how well they are working, including whether they are being equitably applied. To a large degree, this stems from the decentralized nature of attrition management and the lack of adequate feedback data on these programs and their effectiveness.

As an alternative to effective data systems for attrition oversight, OSD seems to rely on attrition goals or ceilings to control attrition levels among the services.

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<sup>1/</sup>Our previous reports have addressed the importance of a coordinated approach in manpower and personnel management and actual service systems. We reported, for example, that manpower management in the Army and Navy was disseminated among many organizations with little coordination. ("Total Force Management--Fact or Rhetoric?," FPCD-78-82, Jan. 24, 1979.) In addition, we determined that present service policies in dealing with AWOL offenders lacked credibility and that OSD and the services needed to establish more methodical and coherent methods for handling the problem. ("AWOL in the Military: A Serious and Costly Problem," FPCD-78-52, Mar. 30, 1979).

OSD's premise for establishing attrition ceilings seems to be that attrition under AVF should be no higher than that which existed under the draft and that the services would take positive management actions to meet these ceilings. Since no long-term draft-era attrition rates are available, OSD based the current ceilings principally on the attrition rates incurred by the fiscal year 1971 accessions of male high school graduates and non-high-school graduates only, as follows:

Attrition Ceilings for FY 1979 Male Accessions

	<u>High school graduates</u>	<u>Nongraduates</u>
	(percent)	(percent)
Army	23	44
Navy	23	44
Air Force	23	44
Marine Corps	23	49

Using attrition ceilings can and does tend to control attrition levels; however, in our view it diverts attention from the more important aspects of attrition management to one of attrition control. That is, the preoccupation of military managers tends to become one of maintaining a level of attrition consistent with the ceiling rather than on managing their personnel to insure that all individuals who can potentially make good career military personnel are given a chance. For example, some supervisory and command military managers said that they based their decisions on whether to retain or separate recruits more on the basis of actual or perceived attrition ceilings than on the individuals' performance or potential for success. Some Army basic training drill instructors told us that, if they kept attrition below 15 percent, their recommendations for discharges were generally accepted. If attrition was more than 15 percent, however, the discharges were often not approved. This situation is not only inappropriate but also inequitable.

It was also clear from our discussions with lower level managers that ceilings create an impression that they are being evaluated on the basis of how high or how low their attrition rates are rather than on how well they manage their personnel. These managers felt that ceilings were of little value and were not valid.

Finally, imposing attrition ceilings contributes to the misclassification of discharges, which affects not only the individual involved but also the problems with the management data systems we discussed earlier.

An Army basic training medical official, for example, said that recruits were being inappropriately discharged for medical reasons to limit discharges for other causes for which installation personnel perceive themselves as being more accountable. In other words, who can argue with discharging an individual who has a disqualifying physical condition which existed prior to service? If attrition were to rise above ceilings because of an increase in the number of medical discharges, installation personnel could, therefore, blame inadequate physical enlistment examinations.

At one base we visited, this misclassification had occurred so often that the Surgeon General instructed his medical personnel not to approve EPTS discharges when they were more appropriately related to other causes. This resulted in major drops in the number of EPTS discharges, as shown below.

EPTS Discharges at Army Basic  
Training Installation

<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>
323	380	397	370	189	123	120	175	156	131	91

In view of these problems, OSD should abolish the use of attrition ceilings. Although OSD may have believed it necessary to establish attrition goals to draw attention to the attrition issue, both OSD and the services should now concentrate on long-term management actions. OSD should further improve its oversight of the services programs, including the data systems needed for this oversight. In line with this, we recommended in our AWOL report 1/ that the Secretary of Defense should exercise leadership and oversight in developing and maintaining a methodical and coherent approach for dealing with AWOL encompassing the life cycle of the problem--recruit quality, military justice training, jobs, punishment for the offense, and separation of offenders--and the interrelationships among these components.

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1/"AWOL in the Military: A Serious and Costly Problem,"  
FPCD-78-52, Mar. 30, 1979.

Abolishing ceilings does not imply that lower level commanders should not be held accountable for attrition. Abnormally high attrition could, for instance, indicate that commanding officers are applying retention standards well above the service norm or placing little emphasis on rehabilitation. At the same time, the mission of the installation should not be sacrificed if, after all possible steps have been taken, attrition rises above the ceiling. Commanding officers should be held accountable for carrying out policy and programs and for developing a climate in which all individuals have the capability to maximize their potential to succeed and be judged on this basis.

## CHAPTER 5

### OVERALL CONCLUSIONS, RECOMMENDATIONS, AND AGENCY COMMENTS AND OUR EVALUATION

#### CONCLUSIONS

Attrition of first-term enlisted personnel in the military services--that is, the separation of individuals before completion of their obligated tours--has always existed. Even during the draft, at no time was the recruiting and selection system so perfect or military life so insulated from personal or environmental problems that there was no cause for early discharges. Attrition emerged as a significant concern during the all-volunteer environment, however, because of the following factors:

- It increased sharply with the implementation of AVF from 30 percent for those entering the service in fiscal year 1971 to 40 percent for those entering the service in fiscal year 1974, over a 4- or more-year enlistment period. Although recent attrition seems to have declined somewhat, it is still higher than at the beginning of AVF.
- It is difficult to replace individuals who are separated early and still meet accession requirements because of the limited and projected declining pool of eligible recruits.
- Attrition is costly. Our recent report estimated that attrition of those who entered the military during fiscal year 1974 through fiscal year 1977 cost \$5.2 billion in terms of costs to the military, veterans unemployment compensation, and veterans benefits.
- High attrition is a barrier to military readiness.
- Early discharges may adversely affect individuals' future, labeling them as losers.

Attrition is a complex issue and must be viewed in terms of the overall enlisted personnel management system. There is no readily identifiable single cause of attrition with a simple solution. The civilian sector, in fact, experiences similar problems in retaining its young workers. Data indicates, for example, that between 1972 and 1973 about one-third of workers between the ages of 18 and 19 changed jobs or dropped out of school.

Attrition can be lowered by arbitrarily limiting the number of individuals discharged, but this is unacceptable. Retaining unproductive personnel or those posing disciplinary problems would adversely affect military readiness. In addition, an appropriate level of attrition cannot be determined objectively since at no time can the number of individuals enlisted who are not assets to the military be precisely quantified.

#### Why attrition rose under AVF

Attrition rose under AVF primarily because of the significant change in the military environment under the all-volunteer concept and the change in military policy dealing with substandard performers or with those having disciplinary problems. These changes made it easier for the military to discharge individuals and easier for individuals to separate early.

The changed military environment is characterized by one researcher as the movement from an institutional environment under the draft to one resembling the employer-employee relationship as exists in the civilian sector. During the draft, the individuals' self-interests were relegated to a secondary position in favor of the obligation to serve one's country. Many individuals who were drafted, or draft-motivated to enlist, may not have expected to personally gain from the military. The services now induce individuals to join by offering themselves not only as a means to serve their country but also as a way to obtain training, education, and a satisfying job. Recruits, not facing the threat of induction, can ask what the services can do for them.

With the implementation of AVF, the services also changed their policy on early discharges. Without the integrity of the draft to protect, the services believed they could more readily discharge unproductive personnel. The services instituted marginal performer programs to expeditiously rid themselves of unwanted personnel. As a result, individuals who would have been retained under the draft are now being discharged.

#### Can attrition be reduced?

The military has little control over some attrition factors. The recruiting and selection systems can never be perfect, so some "mistakes" must be weeded out. In addition, some individuals would never respond to any amount of increased counseling or assistance, and they should also be discharged. The state of the economy, national perceptions



of service obligation, and the Privacy Act of 1974 which prohibits recruiters from searching through juvenile records for disqualifying information also cannot be controlled by the military to any substantive degree but can affect attrition levels.

The military does, however, through its personnel management policies and practices, play a major role in determining how well the sometimes opposing goals and characteristics of the individual mesh with the military's mission and requirements. Through manpower and personnel management, the military does have control and can do more to reduce attrition, although we cannot quantify to what extent.

OSD and the services have, until very recently, made limited attempts to evaluate how their policy and programs have affected attrition levels. Admittedly, the services have undergone an important and difficult transition from a draft to an all-volunteer environment. Each agrees that it has made mistakes in personnel management during these early phases and may not have paid adequate attention to the role and effects of management on morale, ability to adjust, and motivation. Some of these mistakes have been corrected. Yet, despite improved management in selected areas, the military still tends to believe that the individual's failure to complete a tour is a fundamental problem of the individual. As a result, to reduce attrition the military relied heavily on identifying and enlisting those individuals who had proved themselves to be the best risks, namely, high school graduates in the higher mental categories.

But people can be made to fail on the job because of poor management, whether they be scientists in research laboratories, semiskilled assemblers in automotive factories, or recruits in basic training. This can be especially pronounced when an institution believes an employee will probably not succeed regardless of the management approach, for example, non-high-school graduates in the military. Even if the military could enlist all high school graduates, which it cannot and still meet accession requirements, the problem would not be solved, and personnel management would need to be improved.

#### RECOMMENDATIONS

OSD and the services have taken some positive measures to more effectively manage attrition, but further improvements are needed.

We recommend that the Secretary of Defense:

- Establish more definitive criteria for discharge. We recognize that it will be difficult to develop separation criteria but believe that current policy does not supply commanding officers with sufficient guidelines to insure equitable decisions and makes discharging personnel too easy.
- Improve existing management information systems to include data-reporting systems that are more uniform. Each service, for example, has designed its own system of classifying attrition by reasons which may vary by installation according to commanders' interpretations of criteria. Consequently, OSD and the services are unable to compare trends by cause among the services. In addition, OSD data does not cover attrition for entire enlistment periods.
- Establish a more systematic approach to developing and evaluating manpower and personnel policy and programs and require more centralized monitoring and oversight.
- Abolish attrition ceilings as a long-term means to control attrition levels. We believe that, although OSD has a right and, in fact, the responsibility to oversee the services' management of attrition, the long-term use of arbitrary ceilings diverts attention from the more important responsibility of insuring the effectiveness of policies and programs to manage personnel. In addition, ceilings contribute to the inconsistent application of discharge criteria.

#### AGENCY COMMENTS AND OUR EVALUATION

We received comments from the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics). Overall, DOD concurred in our recommendations and said that in two areas--establishing more specific criteria for discharge and improving management information systems--it either had taken or planned to take corrective actions.

OSD concurred in our recommendation on the need for a more coordinated approach to the development of manpower and personnel policy and programs. It did not, however, offer any alternatives to the situation we identified. OSD stated that it agreed that the use of attrition ceilings as a long-term solution to attrition could be counterproductive. But it did not agree to eliminate them. Its explanation was that, as the services reduced attrition and neared the goals, the ceilings would have less meaning and impact. We still

maintain that the existence of these ceilings would force the services to reduce attrition without regard to whether such reductions result from improved management and fewer individuals warranting discharge. Even if the services meet the goals and the pressure to reduce attrition further is removed, the harm may have already been done.

OSD also commented on specific points in the body of the report. In some cases OSD's suggestions were valid and were incorporated. We did not believe, however, that the following comments are totally supportable and warrant substantive changes in the report.

"1. Cover Summary, 2nd paragraph: Use of the words 'early discharge policy' should be changed to words used later in the report, 'shift in military policy dealing with substandard performance or disciplinary problems.' The report tends to point a finger at the marginal performer program as the primary cause of attrition. Had we not had that specific program, similar overall losses would most likely have occurred anyway - under other separation provisions - due to the basic reasons found in the study."

We partially concur in this comment. We changed the wording in the cover summary to reflect the entire magnitude of the policy shift and not just the implementation of the marginal performer program; the change in policy allowing this program was a contributor to attrition growth. We do not agree that the report points a finger at the marginal performer program per se as the primary cause of attrition; we identified a number of factors contributing to attrition. We do believe, though, that the lack of specific discharge criteria and guidance left too much flexibility to commanding officers who may have used these expeditious discharge procedures in lieu of sound management techniques.

An Army Research Institute study concluded, in fact, that nearly half of the Army personnel separated at the start of the marginal performer program may have been separated because of sympathetic supervisors who responded to members' desires to leave the service. Although we recognize that OSD and the services have tried and are continuing to try to rectify this situation, these programs may have, especially in their early stages, resulted in unnecessary attrition. We do not know if similar attrition trends would still have existed without them, nor are we calling for

their elimination. The policy behind these programs is sound but must be accompanied by realistic implementing criteria and oversight.

"2. [Page 111.] It should be noted here that there was a conscious decision which had Congressional and GAO support to increase attrition under the AVF."

This comment applies to the digest where we state that attrition rose because of the changed military environment under the AVF and the shift in policy dealing with substandard performers or disciplinary problems. We explained in chapter 3 that, while both the Congress and GAO supported changes to more expeditiously discharge ineffective personnel, the outcome of this change seemed well beyond what the Congress expected. We do not think it necessary to repeat this point here.

"3. [Page 2.] It should be noted here as it is elsewhere that higher attrition during this period would have undermined that integrity of the draft system."

In this section we are explaining why attrition emerged as an important issue, not why the level of attrition rose with implementation of AVF. Our focus here was that attrition, regardless of its level under the draft, would probably not have received significant attention because of the relatively steady flow of manpower into the services. It was only when the volunteer force came into existence and the services had to recruit its first-term personnel, yet saw that retention was becoming a serious problem, that attrition became a significant issue.

"5. [Page 9, note 1 and page 36, para 3.] The note is incorrect in that while the Services only report to OSD attrition through the first three years of an enlistment, they track attrition (maybe not at the same level of detail) throughout an entire career."

Throughout our work we attempted to obtain the most thorough attrition data the services maintained. We requested cohort attrition data from each service. In all cases, the services supplied us with detailed attrition trends for the first 3 years of an enlistment only. We are unconvinced that all services could have given us adequate and comparable attrition data for 4 or more years.

In addition, the OSD comment implies that the 3-year trend data is used for OSD monitoring purposes only. Three-year attrition trends are, however, the ones reported to the Congress and published as official first-term attrition rates. As we show in this chapter, these official rates underestimate actual losses.

"6. [Page 18, para 1.] The first sentence is not accurate as stated, '--that the Air Force is most apt to take the viewpoint that individuals prematurely discharged should be given an honorable discharge, regardless of cause.' The Air Force does award a high percentage of honorable discharges when viewed in the context of 'all separations.' But it is not an Air Force 'viewpoint' to award an honorable 'regardless of cause.' To briefly illustrate, for misconduct separations for FY78, the Air Force awarded a General or Other Than Honorable Discharge in 75% of the cases. If discharges in lieu of court martial are added to the basic misconduct category, the overall percentage rises to almost 80%. Recommend rewording of the first sentence to eliminate 'regardless of cause' and properly place the statement in appropriate context."

When reviewing the disposition of discharges, it still appears that the collective viewpoint of Air Force commanding officers is to generally award honorable discharges. To further illustrate this point, we added to our report comparative information on discharges granted to AWOL offenders where we noted that the Air Force was more apt to grant more honorable discharges than the other services when controlling for variables such as number of AWOLs. To avoid any inference that we are implying that this is official Air Force policy, we reworded the statement somewhat.

"7. [Page 18, para 1.] The last sentence is misleading and not essential. The GAO report discusses administrative separations; therefore, there is no need to mention dishonorable discharges which are punitive."

This report discusses attrition which includes all types of discharges. We wanted, therefore, to put in perspective the levels of honorable and less than honorable discharges received.

"8. [Page 28, last para.] Regarding any recommendation limiting VA [Veterans Administration] benefits, certain considerations that would be addressed during the staffing of such a proposal should be mentioned in the report. Examples of such considerations are: the effects of the proposal on recruiting and retention, the maintenance of equity between differing terms of enlistment, and the appropriateness of denying benefits to certain loss categories."

In our previous report on the costs of attrition, we recommended that, for costs' and equity's sake, veterans benefits be limited to those individuals who complete their tours, unless separated for a service-connected disability. We stand by this recommendation and believe it is DOD's responsibility to address the specifics needed to implement it. As such, we do not see a need to further detail criteria for such a policy.



MANPOWER  
RESERVE AFFAIRS  
AND LOGISTICS

ASSISTANT SECRETARY OF DEFENSE  
WASHINGTON D C 20301

27 SEP 1979

Mr. H. L. Krieger  
Director, Federal Personnel and  
Compensation Division  
United States General Accounting Office  
Washington, D.C. 20548

Dear Mr. ~~Krieger~~:

We have reviewed the GAO Draft Report dated July 30, 1979, "Attrition in the Military -- An Issue Needing Management Attention" (OSD Case #5245 Code 962113) and find the report's treatment of military attrition to be generally accurate and constructive. There are some areas that require further clarification and we have attempted to lay these problems out in the enclosed comments. Enclosure 1 contains summary comments on the major recommendations in the report. Enclosure 2 provides the detailed minor comments.

With the relatively minor revisions outlined in the enclosures, we believe the GAO report will accurately reflect our considerable progress in understanding and managing attrition.

Robert B. Pirie, Jr.  
Assistant Secretary of Defense (MRAEL)

Enclosures

Comments on Major Recommendations

Recommendation 1: Establish more definitive criteria for discharge. GAO recognizes that it will be difficult to develop separation criteria, but believes that current policy does not supply commanding officers with sufficient guidelines to assure equitable decisions and makes discharging personnel too easy.

Comment: The draft of DOD Directive 1332.14, "Enlisted Administrative Separations," resulting from the Joint Service Study of the Administrative Discharge System is now being readied for final coordination within OSD. This draft directive has been influenced by both a concern over attrition and the practical need to separate non-productive and otherwise disruptive members of the Military Services. The stigma associated with the General and Other Than Honorable Discharges, lack of Service uniformity and due process were also integral concerns. Thus, the directive has as objectives increased standardization among the Services, and protection of Service discharge prerogatives. The directive recognizes that the dynamics of change in our society have affected all three major features of the administrative discharge system. These features (reasons, characterization and procedures) have been updated to comport with existing circumstances. The changes are designed to coordinate and accommodate the diversity of interests affected by the system. These include a special sensitivity to the rights of the individuals affected as well as the practical and unacceptable impact an over lenient system would have on first-term attrition. Both of these factors were central in the drafting of a more unifying control directive which would provide a basis for narrowing the disparities in Service applications of both reasons for separation and characterization of service. We recommend in the GAO report that further acknowledgement be given to the discharge study, and more importantly the draft "Enlisted Administrative Separations" directive. Acknowledgement and encouragement for adoption as published in the Federal Register would complement the findings in Chapter 4 and the recommendation made in the report.

Recommendation 2: Improve existing management information systems to include establishing more uniform data reporting systems. Each service, for example, has designed its own system of classifying attrition by reasons which may vary by installation according to commander's interpretation of criteria. As a result, OSD and the services are unable to compare trends by cause among the services. In addition OSD data do not cover attrition for entire enlistment periods.

Comment: DOD concurs with this recommendation. A Joint Service work group will be established to review the current system. This group will be tasked to determine the minimum categories of Separation Program Designators (SPD's) which will satisfy current requirements, identify which SPD has priority when more than one is involved, and then to provide implementing instructions to the Services.

The low quantity and quality of historical attrition data is attributable to the inherent time lag for increasing attrition to emerge as a major area of concern to all-volunteer force managers. The need for comprehensive attrition data became readily apparent as OSD and the Services began to focus on ways to cope with the attrition problem. The quality of the data being collected and compiled has steadily improved and will continue to improve as experience is gained as to the accuracy, adequacy and



timeliness of available data, and what types of reports are needed by Service and OSD managers.

There are presently two sources of attrition data -- the Defense Manpower Data Center (DMDC) data base and the quarterly attrition rate reports submitted by the Services to OSD. The DMDC data base is the foundation for long-range storage and retrieval of attrition data. It is updated quarterly by the Services and has the flexible capability to react to the needs of managers by producing reports in a variety of formats; e.g., attrition rates for a particular entry cohort by length of enlistment, education level, mental category, race and sex. The quarterly attrition rate reports submitted to OSD were designed specifically to monitor Service attrition goal attainment and are, therefore, an interim procedure. However, DMDC has been tasked by OSD to establish a data base for these reports and a system for automating their update. This will assist in reconciling any differences between the two attrition data sources.

Recommendation 3: Establish a more systemic approach to the development and evaluation of manpower and personnel policy and programs, and more centralized monitoring and oversight.

Comment: Concur

Recommendation 4: Abolish attrition "ceilings" as a means to control attrition levels. GAO believes that while OSD has a right, and in fact a responsibility to oversee the services' management of attrition, the usage of arbitrary "ceilings" diverts attention from the more significant responsibility of assuring the effectiveness of policies and programs to manage personnel. In addition, "ceilings" result in the inconsistent application of discharge criteria.

Comments: We agree that the use of attrition ceilings as a long-term solution to the attrition problem could prove to be counter productive. The use of attrition goals has been necessary to focus attention on the attrition problem. However, current service attrition experiences achieve, and in many cases improve on, the established attrition goals. As this trend continues, the attrition goals will have less meaning and impact. Thus, in the long-term, the goals will not be necessary.

Other Comments on GAO Attrition Report

1. Cover Summary, 2nd paragraph: Use of the words "early discharge policy" should be changed to words used later in the report, "shift in military policy dealing with substandard performance or disciplinary problems." The report tends to point a finger at the marginal performer program as the primary cause of attrition. Had we not had that specific program, similar overall losses would most likely have occurred anyway - under other separation provisions - due to the basic reasons found in the study.
2. Page 111. It should be noted here that there was a conscious decision which had Congressional and GAO support to increase attrition under the AVF.
3. Page 2. It should be noted here as it is elsewhere that higher attrition during this period would have undermined the integrity of the draft system.
4. Page 8, para. 2. "Discharges should be granted only after reasonable rehabilitative avenues have been attempted--" should be modified to read, "Discharges, in most cases, should be--." Rehabilitation in the military is not appropriate for some offenses such as aggravated sexual assault, and certain other acts.  
  
Page 17, para. 3. GAO states that those being discharged under the TDP are awarded either an Honorable or General Discharge. This is not true. Only honorable discharges are awarded for TDP discharges.
5. Page 9, Note 1 and Page 36, Para 3: The note is incorrect in that while the Services only report to OSD attrition through the first three years of an enlistment, they track attrition (maybe not at the same level of detail) throughout an entire career.
6. Page 18, para 1. The first sentence is not accurate as stated, "--that the Air Force is most apt to take the viewpoint that individuals prematurely discharged should be given an honorable discharge, regardless of cause." The Air Force does award a high percentage of honorable discharges when viewed in the context of "all separations. But it is not an Air Force "viewpoint" to award an honorable "regardless of cause." To briefly illustrate, for misconduct separations for FY78, the Air Force awarded a General or Other Than Honorable Discharge in 75% of the cases. If discharges in lieu of court martial are added to the basic misconduct category, the overall percentage rises to almost 80%. Recommend rewording of the first sentence to eliminate "regardless of cause" and properly place the statement in appropriate context.
7. Page 18, para 1. The last sentence is misleading and not essential. The GAO report discusses administrative separations; therefore, there is no need to mention dishonorable discharges which are punitive.
8. Page 28, last para. Regarding any recommendation limiting VA benefits, certain considerations that would be addressed during the staffing of such a proposal should be mentioned in the report. Examples of such considerations are: the effects of the proposal on recruiting and retention, the maintenance of equity between differing terms of enlistment, and the appropriateness of denying benefits to certain loss categories.

(962113)

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