

# CRS Report for Congress

## Recruiting and Retention: An Overview of FY2006 and FY2007 Results for Active and Reserve Component Enlisted Personnel

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Prepared for Members and  
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## Summary

This report provides a brief overview of the recruiting and retention rates for Active and Reserve Component enlisted personnel during FY2006 and FY2007. Since the September 11, 2001, attacks on the World Trade Center and the Pentagon, the United States has launched several major military operations which have dramatically increased the operations tempo of the military services, required the large scale mobilization of reservists, and resulted in significant battle casualties. These factors have been particularly applicable to the Army, Army Reserve, and Army National Guard, which have shouldered the bulk of the manpower burden associated with the occupation of Iraq. The Marine Corps and Marine Corps Reserve have also been heavily involved in Iraq. Many observers have expressed concern that these factors might lead to lower recruiting and retention rates, thereby jeopardizing the vitality of today's all-volunteer military. Recruiting and retention results for FY2006 and FY2007 are summarized below. This report will be updated as necessary.

**FY2006 — Active Components.** All of the Services achieved their quantity goals for FY2006, but concerns about Army recruit quality continue to receive Congressional and media interest and scrutiny as the Army missed the benchmark for High School Diploma Graduates (HSDG) and achieved the goal for the Armed Forces Qualification Test (AFQT) but only by one percent. Retention remained generally strong with only the Navy marginally missing its goal.

**FY2006 — Reserve Components.** While the Army National Guard, Army Reserve, Navy Reserve, and Air National Guard all missed their FY2006 quantity goals, their overall performance showed significant improvement over FY2005, especially for the Army National Guard and Army Reserve. Recruit quality also generally improved during FY2006 but the Army National Guard, Army Reserve and Navy Reserve each missed one of the DOD quality goals. All of the Reserve Components achieved their retention goals for FY2006.

**FY2007—Active Components.** All the Services again achieved their quantity goals. The Army again missed the goal for High School Diploma Graduates, one of the Department of Defense's key quality benchmarks. The other Services met or exceeded both of the established benchmarks. Retention slipped somewhat for the Navy, Air Force and Marine Corps.

**FY2007—Reserve Components.** Only the Army National Guard and Air National Guard missed their quantity goals for FY2007, a general improvement over FY2006. However, the Army Reserve missed both of the quality indicators and the Army National Guard again missed the AFQT benchmark. Retention remained strong with only the Army National Guard marginally missing its goal.

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# Recruiting and Retention: An Overview of FY2006 and FY2007 Results for Active and Reserve Component Enlisted Personnel

This report provides a brief overview of the recruiting and retention rates for Active and Reserve Component<sup>1</sup> enlisted personnel during FY2006 and FY2007. Since the September 11, 2001 attacks on the World Trade Center and the Pentagon, the United States has launched several major military operations which have dramatically increased the operations tempo of the military services, required the large scale mobilization and deployment of reservists, and resulted in significant battle casualties. These factors have been particularly applicable to the Army, Army Reserve, and Army National Guard which have shouldered the bulk of the manpower burden associated with the occupation of Iraq and ongoing military operations in Afghanistan. The Marine Corps and Marine Corps Reserve have also been heavily involved in both conflicts. Many observers have expressed concern that these factors might lead to lower recruiting and retention rates, thereby jeopardizing the vitality of today's all-volunteer military.

## Recruiting

Recruiting has been called the life blood of the military. Without a robust ability to bring new members into the military, the Services would lack sufficient manpower to carry out mission essential tasks in the near term and would lack a sufficient pool of entry-level personnel to develop into the mid-level and upper-level leaders of the future. To protect against this, the Active and Reserve Components set goals for new recruit "accessions"<sup>2</sup> each fiscal year. Officer and enlisted goals are

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<sup>1</sup> The term "Active Components" refers to the Army, Navy, Air Force, and Marine Corps. The term "Reserve Component" refers to the seven individual reserve components of the armed forces: the Army National Guard of the United States, the Army Reserve, the Naval Reserve, the Marine Corps Reserve, the Air National Guard of the United States, the Air Force Reserve, and the Coast Guard Reserve. This report, however, does not provide recruiting and retention data for the Coast Guard Reserve, which normally operates as part of the Department of Homeland Security, rather than the Department of Defense (DOD).

<sup>2</sup> In the case of the Active Component, "accessions" are individuals who have actually begun their military service, as distinguished from those who have signed a contract to serve but who have not yet begun their service. Accession for Active Component personnel usually occurs when an individual is "shipped" to basic training. For the Reserve Components, the term has a broader meaning: accession can occur shortly after an individual signs a contract, when he or she is "shipped" to basic training, or when a servicemember transfers from an Active Component to a Reserve Component.

set separately. There are both “quantity”<sup>3</sup> and “quality”<sup>4</sup> goals for the enlisted force.

## Active Components

The recruiting data presented in Table 1 below reflects that all of the Active Components met their enlisted accession *quantity* goals in FY2006 and FY2007.

At the start of FY2006, there was significant concern that the Army would not be able to meet its quantity goal due to the size of the goal (80,000 individuals), the small size of its Delayed Entry Pool (DEP)<sup>5</sup> and the fact that the Army had missed its FY2005 recruiting goal by over 6,500 new recruits.<sup>6</sup> Typically, the Army likes to have about 35% of the coming year’s accession goal enrolled in the DEP<sup>7</sup>; but at the start of FY2006 the Army’s DEP was only about 12% of its FY2006 accession goal.<sup>8</sup>

The Army met this challenge by raising the cap on Category IV soldiers from two to four percent, adding over 2,500 recruiters to the existing recruiting force, increasing the service’s advertising budget, raising the maximum age for enlistees from 35 to 40 and then to 42<sup>9</sup>, relaxing some existing standards such as the

<sup>3</sup> This “quantity” goal is normally based primarily on the difference between the congressionally authorized end strength of the Component for a given fiscal year and the projected number of currently serving personnel that Component will retain through the end of the year. Officer and enlisted accession goals are set separately. To simplify somewhat, if a Component has an authorized end strength of 200,000 enlisted personnel in a given year, and it projects that it will retain 175,000 of its current enlisted members through the year, it will set a goal of bringing in approximately 25,000 new enlisted recruits for that year (actually, the goal will be slightly higher to account for those new recruits who are discharged early, usually while in initial entry training). The actual number of new enlisted recruits a Component needs, however, may change during the year as new projections are made about the retention of currently serving enlisted personnel or if the Component must increase or decrease the total size of its force.

<sup>4</sup> DOD measures enlisted recruit “quality” based on two criteria: graduation from high school and score on the Armed Forces Qualification Test (AFQT). Since FY1993, DOD’s benchmarks for recruit quality stipulate that at least 90% of new recruits must be high school diploma graduates and at least 60% must score above average on the AFQT.

<sup>5</sup> The DEP is made up of those individuals who have signed a contract to join the military at a future date, up to one year in advance, but who have not yet “shipped” to basic training. In FY2004 and FY2005, the Army drew heavily from its DEP and even then, in 2005, missed the annual quantity goal.

<sup>6</sup> In FY2005, the Army’s recruiting mission was 80,000 and 73,373 new recruits were accessed for a shortfall of 8.3%.

<sup>7</sup> While the standard measure of recruiting success for the various Components is the achievement of their accession goals, the ability to achieve contract goals is often seen as a “leading indicator” of recruiting strength or weakness.

<sup>8</sup> One reason for this reduction in the size of the DEP was the decision to increase the size of the Army in early 2004, which created a need to send more people to basic training in both FY2004 and FY2005 than had previously been planned.

<sup>9</sup> Section 543, P.L. 109-163 increases the maximum allowable age for enlistment from 35  
(continued...)

prohibition on tattoos on the neck and hands, and increasing enlistment bonuses from \$20,000 to \$40,000<sup>10</sup>.

With these policy changes, the Army was able to recruit 100.8% of its accession mission for FY2006 by recruiting a total of 80,635 soldiers. However, the problem with the DEP continued and the Army ended FY2006 with only 12,000 potential new recruits in the DEP, which was just 15% of the mission requirement for FY2007.

For FY2007, the Army's accession goal was again 80,000 individuals (for the third consecutive year). While struggling in May and June, the Army recovered late in the year and ended FY2007 with 100.5% of its accession mission by accessing 80,407 new members. In September, the Army introduced a new "Quick Ship" bonus that was available to any recruit who agreed to report to Basic Training within 30 days of enlistment. While this incentive aided in achieving the overall FY2007 accession mission, it also contributed to the smallest ever DEP going into FY2008.<sup>11</sup> FY2007 also saw an increase in the number of medical and misconduct waivers being granted; nearly one in five new recruits required a waiver.<sup>12</sup>

**Table 1. Accession Data (Quantity) for Active Component Enlisted Personnel, FY2006 and FY2007**

Service	FY2006 (Goal) <sup>a</sup>	FY2006 (Achieved)	FY2006 (Percent of Goal)	FY2007 (Goal)	FY2007 (Achieved)	FY2007 (Percent of Goal)
Army	80,000	80,635	100.8%	80,000	80,407	100.5%
Navy	36,656	36,679	100.1%	37,000	37,361	101.0%
Marine Corps	32,301	32,337	100.1%	35,576	35,603	100.1%
Air Force	30,750	30,889	100.5%	27,801	27,801	100.0%

**Source:** Data provided by the Department of Defense. Past recruit quantity data available at [<http://www.dod.mil/prhome/docs/numgoals04.pdf>].

a. Some of the accession goals were changed during the course of FY2006. At the start of FY2006, the accession goal was 37,456 for the Navy, 32,701 for the Marine Corps and 30,822 for the Air Force.

The Navy, Air Force, and Marine Corps also met or exceeded their accession goals for FY2007 and this trend appears to be continuing into FY2008. After the first

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<sup>9</sup> (...continued)  
to 42.

<sup>10</sup> Section 635, P.L. 109-163.

<sup>11</sup> At the end of FY2007, the DEP was estimated at 6,500 to 7,000 enlistees, less than 9% of the recruiting mission for FY2008. Ann Scott Tyson, "Army Recruitment Meets Stated Goal", Washington Post, October 3, 2007.

<sup>12</sup> Bryan Bender, "Stepped Up Army Recruiting Enlists Many With Problems", Boston Globe, November 27, 2007.

two months of the year, all of the services reported meeting or exceeding their monthly accession targets.

The recruiting data presented in Table 2 show the performance of the Active Components with respect to the Department of Defense (DOD) enlisted accession *quality* benchmarks. The two principal DOD quality benchmarks are the percentage of non-prior service enlistees who are high school diploma graduates (HSDG) and the percentage who score above average on the Armed Forces Qualification Test (AFQT Categories I-III). With the exception of the Army, all of the Active Components exceeded the DOD quality benchmarks in FY2006, often by significant margins.

**Table 2. Accession Data (Quality) for Active Component Enlisted Personnel, FY2006 and FY2007 (Non-Prior Service Enlistees only)**

Service	DOD Quality Benchmarks		FY2006 (Achieved)		FY2007 (Achieved)	
	HSDG	AFQT CAT I-III	HSDG	AFQT CAT I-III	HSDG	AFQT CAT I-III
<b>Army</b>	90%	60%	81%	61%	79%	61%
<b>Navy</b>	90%	60%	95%	75%	93%	73%
<b>Marine Corps</b>	90%	60%	96%	68%	95%	65%
<b>Air Force</b>	90%	60%	99%	78%	99%	79%

HSDG: High School Diploma Graduate  
 AFQT: Armed Forces Qualification Test  
 CAT I-III: Categories I-III (above average scores)

**Source:** Data provided by the Department of Defense. Past recruit quality data available at [<http://www.dod.mil/prhome/docs/recqual04.pdf>].

The FY2006 quality metrics for the Navy, Air Force, and Marine Corps were little changed from those of FY2005. However, FY2006 saw a clear drop in recruit quality for the Army in comparison to FY2005. In FY2005, 87% of Army recruits were high school diploma graduates, but in FY2006 only 81% were. This latter figure was well below the DOD benchmark of 90%.<sup>13</sup> Additionally, the proportion of Army recruits who scored above average on the AFQT dropped from 67% in FY2005 to 61% in FY2006. While this proportion is above the DOD benchmark of 60%, the size of the decline is noteworthy and is the lowest level since 1985. Also, in FY2006 the Army, for the second consecutive year, accepted a much higher proportion of “Category IV” recruits — that is, recruits who score in the 10<sup>th</sup> through

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<sup>13</sup> The last year in which less than 90% of the Army’s accessions were high school diploma graduates was 1983. Past recruit quality data available at [<http://www.dod.mil/prhome/docs/recqual04.pdf>]. Past recruit quantity data available at [<http://www.dod.mil/prhome/docs/numgoals04.pdf>].

30<sup>th</sup> percentile of the AFQT. In FY2004, only 0.5% of Army recruits had AFQT scores in Category IV; in FY2005, that proportion increased to 4.0%, equal to the DOD maximum of 4%,<sup>14</sup> and in FY2006 the proportion remained high at 3.8%.

The data for FY2007 confirms a continuing decline in recruit quality for the Army as measured primarily by the number of high school diploma graduates being recruited. For the year, only 79% of Army accessions were high school diploma graduates although the ratio who scored above average on the AFQT remained stable at 61%. As a result, FY2007 represents the fourth consecutive year of decline in one or both of the quality indicators. In addition, it has been reported that the Army accessed 3,200 Category IV recruits for FY2007, meeting the DOD maximum of 4 percent in this category.

The Navy, Air Force, and Marine Corps all exceeded the DOD quality standards in each category for FY2007, though at slightly lower levels compared to FY2006 for the Navy and Marine Corps.

## Reserve Components

The recruiting data show that only two of the Reserve Components – the Marine Corps Reserve and the Air Force Reserve — met their enlisted quantity goals in FY2006 (see Table 3), though the Army National Guard and Air National Guard were very close.

For FY2006, the Army National Guard dramatically improved its recruiting performance; achieving 98.6% of its accession goal of 70,000, a goal significantly higher than the target of 63,000 in FY2005. With a total of 69,042 recruits in FY2006, the Army National Guard ended the year with an endstrength of 346,288, about 98.9% of its authorized endstrength of 350,000. This reversed a troubling trend that began in FY2005.

Similarly, the Army Reserve reflected some improvement in its ability to meet its accession quantity goals, achieving 95.4% of its accession goal of 36,032, a goal that was significantly higher than FY2005. This helped the Army Reserve achieve a modest increase in endstrength by the end of FY2006, ending the year at 189,975, but still at only 92.4% of their authorized level.

The Marine Corps Reserve and the Air Force Reserve continued to succeed in meeting their quantity accession goals during FY2006, achieving 100.4% and 105.8% of goal respectively. The Air National Guard enhanced its recruiting performance to 97.4% but failed to meet its recruit quantity goal for the third consecutive year even though it continues to achieve its authorized strength. The significance of the Navy Reserve's recruit quantity shortfall should be assessed in light of current plans to reduce the size of the Navy Reserve.<sup>15</sup>

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<sup>14</sup> DOD Instruction 1145.01, *Qualitative Distribution of Military Manpower*, September 20, 2005, paragraph 4.1.

<sup>15</sup> The authorized end-strength for the Naval Reserve has been declining for the past several (continued...)



For FY2007, quantity shortfalls were experienced by both the Army National Guard and the Air National Guard. In both instances, however, the shortfalls were relatively small—3,348 for the Army National Guard from a total annual mission of 70,000 and only 715 for the Air National Guard.

The Army Reserve, having missed its quantity goal for three consecutive years (FYs 2004, 2005 and 2006) rebounded in FY2007, achieving 100.6% of its annual requirement. This enabled the Army Reserve to maintain its strength at the 2006 level but still well short of the congressionally authorized end-strength of 189,882. The Navy Reserve, Marine Corps Reserve and Air Force Reserve also met their annual objective.

**Table 3. Recruiting Data (Quantity) for Reserve Component Enlisted Personnel, FY2006 and FY2007**

Reserve Component	FY2006 (Goal) <sup>a</sup>	FY2006 (Achieved)	FY2006 (Percent of Goal)	FY2007 (Goal)	FY2007 (Achieved)	FY2007 (Percent of Goal)
Army National Guard	70,000	69,042	98.6%	70,000	66,652	95.2%
Army Reserve	36,032	34,379	95.4%	35,505	35,734	100.6%
Navy Reserve	11,180	9,722	86.9%	10,602	10,627	100.2%
Marine Corps Reserve	8,024	8,056	100.4%	7,256	7,959	109.7%
Air National Guard	9,380	9,138	97.4%	10,690	9,975	93.3%
Air Force Reserve	6,607	6,989	105.8%	6,834	7,110	104.0%

**Source:** Data provided by the Department of Defense.

a. Some of these goals were modified during the course of FY2006. The Marine Corps Reserve began the year with an accession goal of 7,930 and the Air Force Reserve began with a goal of 6,836.

In addition to the recent difficulty in meeting recruit quantity goals, the data show that three of the six Reserve Components—the Army National Guard, the Army Reserve and the Navy Reserve—failed to meet one of the two DOD quality benchmarks in FY2006 (see Table 4 below). This represented an improvement over FY2005 when the Army National Guard and Navy Reserve missed both of their

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<sup>15</sup> (...continued)

years. In FY2005 the authorized end-strength was 83,400 (2,500 less than it was in FY2004), dropped to 73,100 for FY2006, and to 71,300 for FY2007. The FY2008 National Defense Authorization Act specifies an authorized end-strength for the Naval Reserve of 67,800.

quality goals while the Army Reserve and Air Force Reserve both missed the HSDG goal.

In FY2007, only the Army Reserve missed its HSDG goal while both the Army National Guard and Army Reserve missed their AFQT goals. Of note, all of the Reserve Components performed worse in the AFQT category than they had in the previous year.

**Table 4. Recruiting Data (Quality) for Reserve Component Enlisted Personnel, FY2006 and FY2007 (Non-Prior Service Only)**

Reserve Component	DOD Quality Benchmarks		FY2006 (Achieved)		FY2007 (Achieved)	
	HSDG	AFQT CAT I-III A	HSDG	AFQT CAT I-III A	HSDG	AFQT CAT I-III A
Army National Guard	90%	60%	91	57	91	57
Army Reserve	90%	60%	90	59	86	57
Navy Reserve	90%	60%	86	73	90	66
Marine Corps Reserve	90%	60%	96	74	96	73
Air National Guard	90%	60%	95	77	96	75
Air Force Reserve	90%	60%	96	75	99	73

**Source:** Data provided by the Department of Defense.

## Analysis

Military recruiting for the active component succeeded in meeting or exceeding its quantity objectives in both FY2006 and FY2007 in spite of a very difficult recruiting environment. This is especially true for the Army since it exceeded its large mission of 80,000 in both years. Quality concerns, however, persist with many analysts criticizing a perceived relaxation of standards. This is especially true for the Army which significantly missed the HSDG goal, recruiting high school diploma graduates as 79% of its recruits.

There are a number of likely causes for these recruiting difficulties. One factor that can have a powerful impact on military recruiting is the state of the economy. Military recruiting is generally easier in times of high unemployment and more difficult in times of low unemployment. Historical data indicate that unemployment dropped from 2003 through 2007, falling from 6.0% in 2003 to 4.6% for 2006 and 2007.<sup>16</sup> Institutions of higher education also compete with the military for manpower. Over the past 25 years, the proportion of high school graduates going

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<sup>16</sup> Department of Labor, Bureau of Labor Statistics, available at [<http://www.bls.gov/>]

directly on to college has increased from about half to about two-thirds.<sup>17</sup> This historically high proportion of college-bound youth reduces the size of the pool which military recruiters have traditionally targeted: young people who have recently graduated from high school.

However, while these factors contribute to a challenging recruiting environment in general, it is important to recognize that recruiting shortfalls have been most severe in the Army and its Reserve Components — the Army Reserve and the Army National Guard. Thus, in addition to broad social and economic forces which are likely having a dampening effect on recruiting generally, there are also other factors which appear to be undercutting recruiting for the *Army* in particular.

One factor likely affecting recruiting for the Army, Army Reserve, and Army National Guard is the major role they are playing in the Iraq conflict. Survey research conducted in 2004 indicates that the certain segments of the adult population — especially women and African Americans — have become less likely to recommend military service to young people since the war in Iraq began.<sup>18</sup> As a major source of recruits for the Army and its Reserve Components are young people without prior military service (primarily those who have recently graduated from high school), negative attitudes towards military service among those adults who are youth “influencers”<sup>19</sup> can have a powerful effect. There have been reports that Army recruiters are having difficulty signing up high school seniors, especially those below the age of 18, who require parental consent to enlist. Even among those old enough to enlist without parental consent, opposition to military service by parents or other influencers may discourage them from joining.<sup>20</sup>

Another factor affecting recruiting for the Army and its Reserve Components is the ongoing effort to increase the size of the active Army. In order to expand, the active Army has increased its goal for new recruits from 73,800 in 2003 to 80,000 in 2005, 2006, 2007 and 2008, thus providing active Army recruiters with a goal that is more difficult to reach. Additionally, this affects Army Reserve Component

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<sup>17</sup> Department of Education, *Digest of Education Statistics: 2003*, Table 186.

<sup>18</sup> For example, in a November 2002 survey, 60% of the men and 54% of the women surveyed indicated that they would recommend military service to a young person who came to them for advice. By May 2004, those figures had dropped to 57% for men and 37% for women. Also in the November 2002 survey, 59% of white respondents, 53% of African American respondents, and 51% of Hispanic respondents indicated they would recommend military service to a young person who came to them for advice. By May 2004, the figures had changed to 47% for white respondents, 28% of African American respondents, and 56% for Hispanic respondents. See *Mothers' Attitudes Towards Enlistment*, produced by the Department of Defense's Joint Advertising, Market Research, and Studies Program, May 2004.

<sup>19</sup> Influencers are those adults who regularly interact with youth, such as parents, coaches, teachers, and mentors.

<sup>20</sup> See for example: *Washington Post*, “Schools and Military Face Off,” June 19, 2005, A3; *New York Times*, “Growing Problems for Military Recruiters: Parents,” June 3, 2005, A1; *USA Today*, “Army and Marines Shift Focus to Wary Parents,” April 5, 2005, A1.

recruiting as well, as the active Army is now competing more vigorously with the Army Reserve and Army National Guard for some of the same potential recruits.

The comparatively high rates of mobilization in the Army Reserve Components in recent years may also be undercutting their recruiting efforts. A major source of recruits for both the Army Reserve and the Army National Guard is people leaving the active Army. These are people who want to embark on a civilian career but still wish to maintain their military affiliation and certain military benefits. Concerns about being promptly called back to active service via mobilization orders and deployed to Iraq, Afghanistan, or some other location may be discouraging reserve affiliation.

## Retention

The term retention refers to the rate at which military personnel voluntarily choose to stay in the military after their original obligated term of service has ended.<sup>21</sup> Imbalances in the retention rate can cause problems within the military personnel system.<sup>22</sup> A common retention concern is that too few people will stay in, thereby creating a shortage of experienced leaders, decreasing military efficiency and lowering job satisfaction.

### Active Components

The retention data presented in Table 5 show that the Active Components met or exceeded nearly all their goals for enlisted personnel in FY2006. Of particular note is the strong retention performance of the Army and Marine Corps, both of which are heavily involved in combat operations in Iraq and Afghanistan. Both of these services exceeded their retention goals in FY2006, often by large margins. The Navy was the only service which failed to meet a retention goal in FY2006, falling about 10 percentage points short of its goal for “Initial Term” sailors and less than one percentage point short of its goal for “Mid Career” sailors.<sup>23</sup>

Strong retention performance continued in FY2007 for the Army. Of particular note is the Army’s performance in the “Initial Term” category. These soldiers, about to complete their active military service which likely involved deployment to a

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<sup>21</sup> The obligated term of service for enlisted personnel is determined by their initial enlistment contract. The normal service obligation incurred is eight years, which may be served in the Active Component, in the Reserve Component, or some combination of both. For example, an individual may enlist for four years of service in the Active Component, followed by four years of service in the Reserve Component. See 10 USC 651 and DOD Instructions 1304.25.

<sup>22</sup> If too few people stay in, the military will suffer from a lack of experienced leaders, decreased military efficiency and lower job satisfaction. If too many people stay in, promotion opportunities decrease and a higher percentage of people must be involuntarily separated in order to prevent the organization from becoming “top heavy” with middle and upper level leaders. Each of these outcomes, in turn, can have a negative impact on recruiting by making the military a less attractive career option.

<sup>23</sup> See Table 5 for definitions of the various retention categories for each of the Services.

combat zone and faced with potential multiple deployments to Iraq or Afghanistan if they reenlist, are retaining well above the expectations of most observers. However, the Marine Corps experienced a shortfall in this same category, indicating a potential problem if the trend continues. The Navy, for the second consecutive year, missed its retention goal in the “Initial Term” category, possibly part of the multi-year plan to reduce Navy endstrength. Uncharacteristically, the Air Force missed its retention goals in all three categories after a very successful and strong performance in FY2005 and FY2006. However, the actual FY2007 shortfall represents less than 1,000 airmen.<sup>24</sup>

**Table 5. Active Component Enlisted Retention Data, FY2006 and FY2007**

Service/ Retention Category	FY2006 (Goal)	FY2006 (Achieved)	FY2006 (Achieved Compared to Goal)	FY2007 (Goal)	FY2007 (Achieved)	FY2007 (Achieved Compared to Goal)
<b>Army<sup>a</sup></b>						
Initial Term	26,490	28,081	106.0%	25,502	29,828	117.0%
Mid Career	24,510	24,562	100.2%	21,770	23,314	107.1%
Career	13,200	14,664	111.1%	14,928	16,636	111.4%
<b>Navy<sup>b</sup></b>						
Initial Term	15,000	13,593	90.6%	12,300	12,006	97.6%
Mid Career	8,000	7,945	99.3%	7,800	8,430	108.6%
Career	4,000	4,432	110.8%	4,700	5,103	108.6%
<b>Air Force<sup>c</sup></b>						
First Term	16,973	19,180	113.0%	18,000	17,860	99.2%
Mid Career	8,887	10,131	114.0%	11,000	10,315	93.8%
Career	6,341	6,924	109.2%	7,000	6,898	98.5%
<b>Marine Corps<sup>d</sup></b>						
First Term	5,892	6,013	102.1%	8,298	7,668	92.4%
Subsequent	6,250	7,242	115.9%	7,800	10,027	128.6%

**Source:** Data provided by the Department of Defense.

- The Army tracks retention rates in three categories: initial term (serving in first enlistment, regardless of length), mid-career (second or subsequent enlistment with less than ten years of service), and career (second or subsequent enlistment with ten or more years of service). It states its retention goals in numerical terms.
- The Navy’s most important retention categories were previously Zone A (up to six years of service), Zone B (6 years of service to under 10 years of service) and Zone C (10 years of service to under 14 years of service). Through FY2005, the Navy stated its retention goals in terms of the percentage of those eligible to reenlist; starting in FY2006 it began stating its retention goals in numerical terms. Also in FY2006, Zone A became Initial Term, Zone B became Mid-Career and Zone C became Career.

<sup>24</sup> This shortfall could be attributed to reductions in Air Force end-strength over the past several years.

- c. The Air Force recently changed its retention metric. The Air Force's most important retention categories are Zone A (17 months to under 6 years of service), Zone B (six years of service to under ten years of service), and Zone C (ten years of service to under fourteen years of service). Through FY2005, the Air Force stated its retention goals in terms of the percentage of those eligible to reenlist; starting in FY2006 it began stating its retention goals in numerical terms. In addition, Zone A became First Term, Zone B became Mid-Career and Zone C became Career. Finally, during FY2006 the Air Force modified its retention goals by reducing the First Term goal from 19,356 and the Mid-Career goal from 9,319 and increasing the Career goal from 6,178.
- d. The Marine Corps tracks retention rates in two categories: first term (serving in first enlistment) and subsequent (second or subsequent enlistment). The Marine Corps' retention goal is stated in numerical terms. The year to date goal is based on prorated projections of their annual goal by the Office of the Secretary of Defense, as the Marine Corps does not set quarterly or monthly retention goals.

## Reserve Components

The Department of Defense tracks Reserve Component retention via attrition rates. Attrition rates are a measure of the ratio of people who leave the reserves in a given year; they are the inverse of retention rates, which measure the ratio of people who stay in the service. Attrition goals are thus a maximum rate or ceiling, which the various Reserve Components try not to exceed. The data show all of the Reserve Components achieved enlisted attrition rates below these ceilings for FY2006 (see Table 6). The Army National Guard only exceeded its ceiling by a small margin.

FY2007's retention experience was very similar to the previous year. Again, the Army National Guard attrition rate exceeded the ceiling albeit by a small number. There was an especially strong performance by the Army Reserve and Naval Reserve.

**Table 6. Reserve Component Enlisted Attrition Data, FY2006 and FY2007**

Reserve Component	FY2006 (Ceiling)	FY2006 (Achieved)	FY2007 (Ceiling)	FY2007 (Achieved)
Army National Guard	19.5%	18.84%	19.5%	19.7%
Army Reserve	28.6%	21.58%	28.6%	24.4%
Naval Reserve	36.0%	32.6%	36.0%	29.9%
Marine Corps Reserve	30.0%	24.8%	30.0%	25.3%
Air National Guard	12.0%	10.9%	12.0%	10.5%
Air Force Reserve	18.0%	15.2%	18.0%	17.7%

Source: Data provided by the Department of Defense.

## Analysis

The fact that retention for the Active and Reserve Components has remained generally strong in recent years may seem counterintuitive, given the high operational tempo and large scale reserve mobilizations that have occurred since September 11, 2001, and especially since the invasion and occupation of Iraq. However, a number of studies conducted in the late 1990s indicate that deployments can enhance retention, perhaps by providing participants with a sense of accomplishment.<sup>25</sup> However, some of these studies also indicate that after a certain threshold level, this positive effect diminishes or becomes negative. Additionally, these studies focused on retention behavior during the 1990s, when the deployments were generally shorter and less hostile than at present.

## Options for Congress

Congress has a number of options to address any shortfalls in recruiting and retention. The traditional policy levers used by Congress and DOD include increasing funding for advertising, increasing the number of recruiters, and providing larger enlistment and reenlistment bonuses. Some have also argued that the high operational tempo must be reduced in order to bolster current recruiting efforts and to prevent retention problems in the future. To facilitate this, they have advocated either increasing the size of military — especially the Active Component Army and Marine Corps — or reducing the U.S. military presence in Iraq and other places. Others have advocated reinstating the draft, something which would require congressional action to implement. Opponents of the draft, however, argue that even if it were politically feasible, conscription would not generate the type of highly motivated and highly trained individuals which the military has come to rely on.<sup>26</sup> Those particularly concerned about Reserve Component recruiting and retention often urge a reduction in the number of reserve personnel deployed to places like Iraq or a shortening of the duration of reserve mobilizations for those who do get called up; doing so, however, could put additional operational strains on Active Component forces.

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<sup>25</sup> See for example James Hosek and Mark Totten, *Does Perstempo Hurt Reenlistment? The Effect of Long or Hostile Perstempo on Reenlistment*, RAND, 1998; Paul Sticha, Paul Hogan and Maris Diane, *Personnel Tempo: Definition, Measurement, and Effects on Retention, Readiness and Quality of Life*, Army Research Institute, 1999; Peter Francis, *OPTEMPO and Readiness*, Center for Naval Analysis, 1999; and Paul Hogan and Jared Lewis, *Voluntary Enlisted Retention and PERSTEMPO: An Empirical Analysis of Army Administrative Data*, The Lewin Group.

<sup>26</sup> See CRS Report RL31682, *The Military Draft and a Possible War with Iraq*, by Robert Goldich, for a more detailed discussion of arguments for and against a draft.