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MILITARY PERSONNEL

Preliminary Results of DOD's 1999 Survey of Active Duty Members

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Mr. Chairman and Members of the Subcommittee:

Since the end of the Cold War and the subsequent downsizing, the U.S. military has undergone considerable change. Last year, Congress approved substantial increases in pay and retirement benefits for military personnel. It is too early to know the impacts of these changes; they only became effective in January. This year, with pay and retirement increases in place, Department of Defense (DOD) leaders are proposing significant funding increases to improve health care and housing.

Some accounts of military life today paint a bleak picture. Reports of declining military readiness and decreased retention raise several questions. What is the level of satisfaction in the military ranks? What is keeping people in, or driving them out, of the military? Is the smaller military being stretched too thin, resulting in long hours and too much time away from home? And finally, how do military personnel perceive they are faring in today's strong economy?

Last year, this Subcommittee asked us to provide information on these issues for this year's hearing season. We worked with DOD to help refine its 1999 Survey of Active Duty Personnel. DOD then administered the survey to a stratified random sample of 66,000 servicemembers and provided us preliminary data from over 32,000 respondents (a 49 percent response rate).[1] The information we are presenting today has been projected to represent the views of the entire force. We thank DOD for its cooperation in making this information available so that we could testify before you today.

Because we had limited time to analyze the data, we will keep our discussion at a summary level. We will focus on three main areas: (1) satisfaction with military life and the aspects of military life that influence decisions to stay in or leave, (2) the extent to which military personnel are working long hours and spending time away from home, and (3) the personal financial conditions reported by military personnel.

RESULTS IN BRIEF

Based on the survey results, more military personnel are satisfied with their way of life (about 50 percent) than are dissatisfied (about 29 percent). Officers have markedly higher satisfaction rates than enlisted personnel, and in general, satisfaction tends to increase with seniority. Satisfaction and intent to stay in the military are strongly linked. About 73 percent of satisfied personnel indicated that they are likely to stay in the military; in contrast, only 20 percent of dissatisfied personnel indicated they are likely to stay. Pay and job enjoyment were cited as top reasons for both intending to stay and considering leaving the military. Other top reasons cited for contemplating leaving included quality of leadership and amount of "personal/family time." Neither housing nor health care for families was among the top reasons cited by military personnel for

[1] DOD provided us with the responses they had received as of November 30, 1999. DOD has continued to collect and compile survey information since providing us this preliminary data. We anticipate receiving the final data set in March 2000. DOD has told us the final data set will have about a 56 percent response rate.

considering leaving the military. In fact, family medical care was among the top reasons for considering staying in the military. However, on balance, most military personnel believe that they would be better compensated and have more personal and family time available in the civilian world.

Concern that the smaller military force is being stretched thin in places may be warranted. Nearly two-thirds of the force reported working between 41 and 60 hours a week, and almost one-quarter indicated they worked more than 60 hours a week. Those working longer hours had lower overall satisfaction. Our analysis shows that satisfaction drops for the quarter of the force that reported working more than 60 hours per week. Top reasons cited for working more hours than usual included mission requirements, additional duties like special projects, staffing shortfalls, and deployment-related issues. About 82 percent reported spending less than 5 months away from their home duty station during the past year, and 45 percent were away from home less than one month. Personnel who spent 5 months or more away (about 19 percent) were less satisfied than those who spent less time away. The top difficulties encountered by servicemembers while they were away included managing expenses or bills, communicating with their families, and household and car repairs.

Overall, more than half of all military personnel (53 percent) reported being financially secure. However, some enlisted personnel appear financially strapped--about 22 percent reported that it was tough to make ends meet or that they were in over their head. Many enlisted personnel seem to have little financial cushion—more than half reported having less than $1,000 in savings. A small portion of the enlisted force reported that they had received assistance from government programs like Women, Infants, and Children; Food Stamps; and Medicaid. Although the percentage of the force receiving these types of assistance is fairly low—1 percent or less for Food Stamps, Medicaid, and state child care assistance—this translates into thousands of recipients throughout the force.

UNDERSTANDING REASONS FOR STAYING IN IS CRITICAL IN CHOOSING SOLUTIONS

Before discussing the details of our analysis, it is important to talk about how aspects of military life interact to form a decision to stay in or leave the military. That decision is complex and highly personal. Servicemembers use their own experiences and perceptions to answer one simple-sounding question: Would I be better off if I stayed in or left the military? If they have or are planning a family, they also consider their well being in the decision. The military's ability to retain personnel relies on the summation of all these personal decisions.

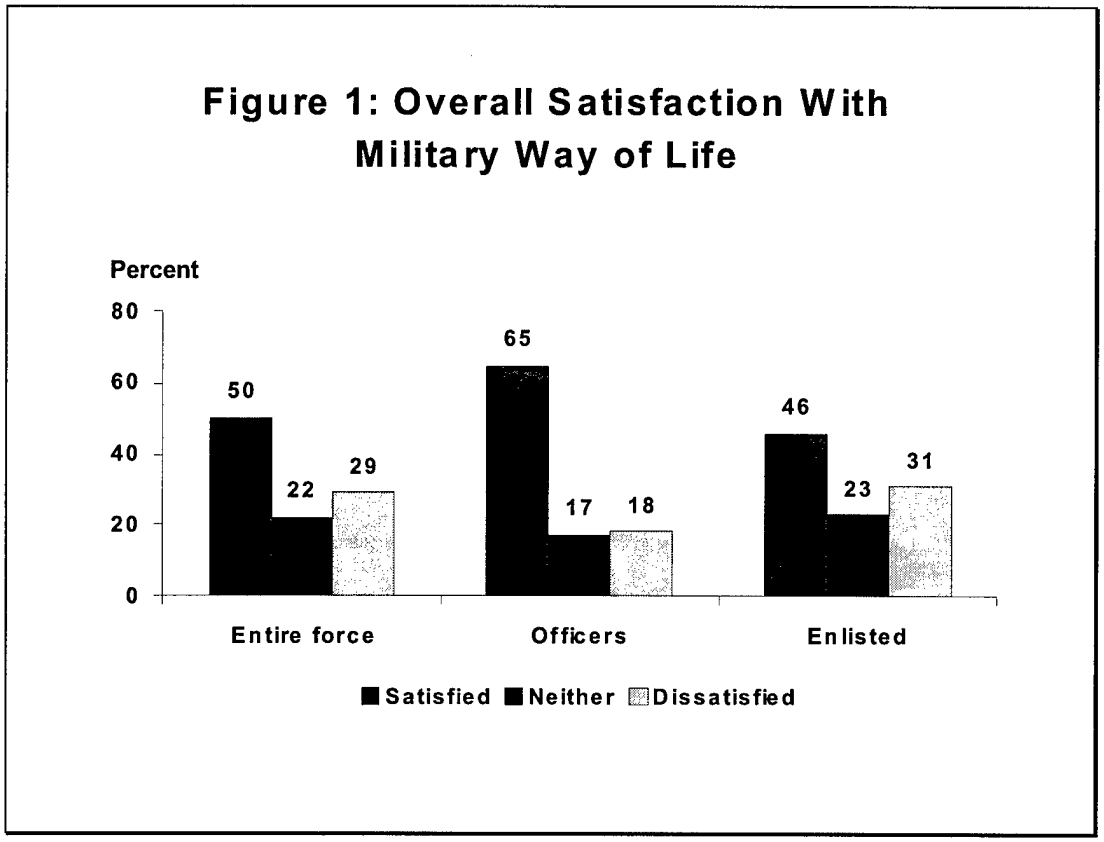
The decision is not simply monetary, though money and overall compensation are important. Compensation is within the control of the government; Congress and the President can give the military a pay raise or sweeten retirement or other benefits, as they did last year. However, other factors, such as the strength of the national economy, have a profound impact. Better-paying jobs, less time away from home, or a more stable lifestyle, may also lure military members to civilian life.

The nature of the retention challenges facing DOD needs to be better understood. We have reviewed retention patterns for 10 years for a report due out in March 2000. We found that the retention problem is concentrated in certain career fields like communications, intelligence, and equipment repair. In our view, keeping in mind the complexity of the reasons for staying in or leaving is important because solutions generally cannot be "one size fits all." As we testified before this Subcommittee last year, pockets of problems are best addressed with targeted fixes, not irreversible, across-the-board solutions.[2]

With that background, we will now discuss our analyses of the key survey data in three topic areas. First, we provide information about satisfaction and intent to remain in the military. Then, we discuss workload and time away from home and its impact on satisfaction. Finally, we provide an overview of the economic situation of military members. Appendix I describes our scope and methodology.

[2] Military Retirement: Proposed Changes Warrant Careful Analysis (GAO/T-NSIAD-99-94, Feb. 25, 1999).

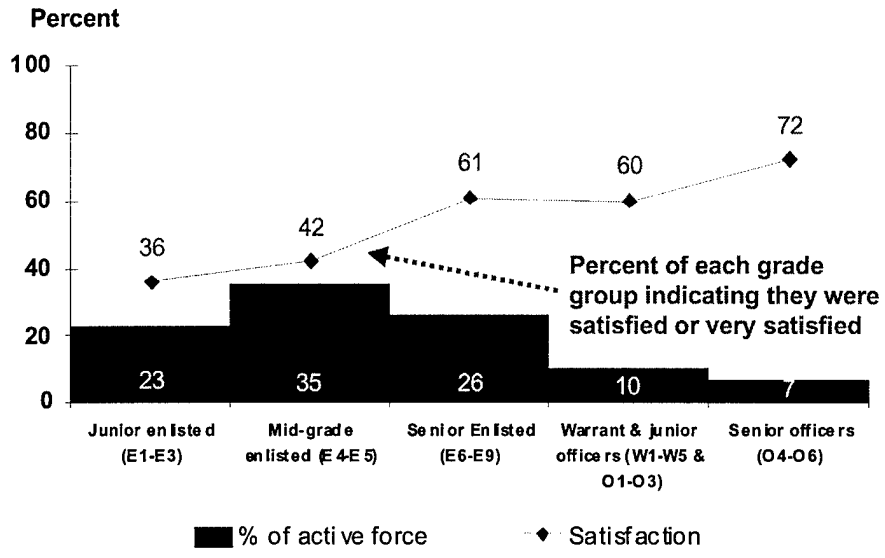
SATISFACTION AND INTENT TO REMAIN IN THE MILITARY



Overall, more active duty personnel reported they were satisfied (about 50 percent) than dissatisfied (29 percent).

Officers had markedly higher rates of satisfaction than enlisted personnel, with about 65 percent of officers indicating they were satisfied compared to about 46 percent of enlisted personnel.

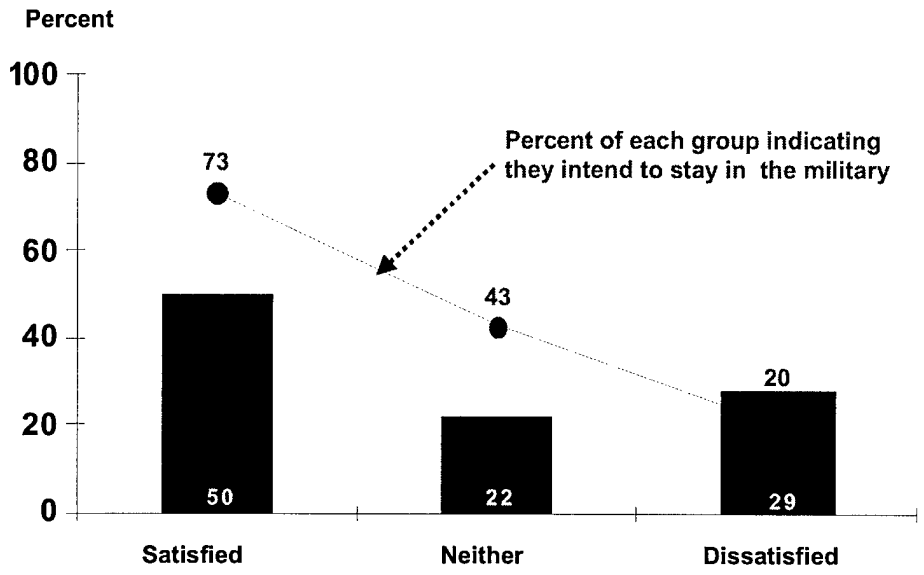
Figure 2: Overall Satisfaction and Pay Grade



Enlisted personnel constitute the bulk of the force—roughly 84 percent. This strongly affects any DOD-wide findings because the survey data has been weighted to represent all personnel in the force proportionately.

The line shows the percent of each grade group that indicated they were "satisfied" or "very satisfied" with military life. Officers were more satisfied than enlisted personnel. Within both the enlisted force and the officer corps, higher-ranking personnel tended to be more satisfied than lower ranking personnel.

Figure 3: Overall Satisfaction Rates Compared to Likelihood of Staying in Military



Satisfaction with military life and intent to stay in the military are strongly linked. However, not everyone who is satisfied intends to stay and not everyone who is dissatisfied intends to leave. About 73 percent of those who are satisfied with the military way of life indicate they intend to stay, compared to only 20 percent of those who are dissatisfied.

Overall, roughly half (51 percent) of members said that it was likely that they would stay in the military, and about 35 percent said it was unlikely.

Figure 4: Top 5 Reasons for Staying or Considering Staying

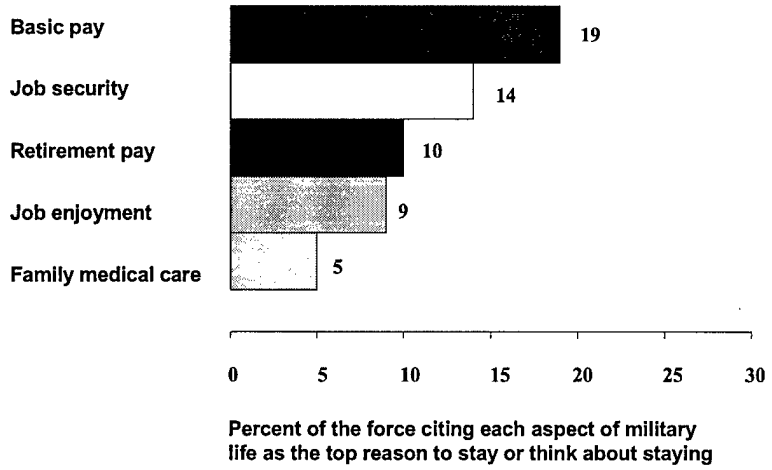
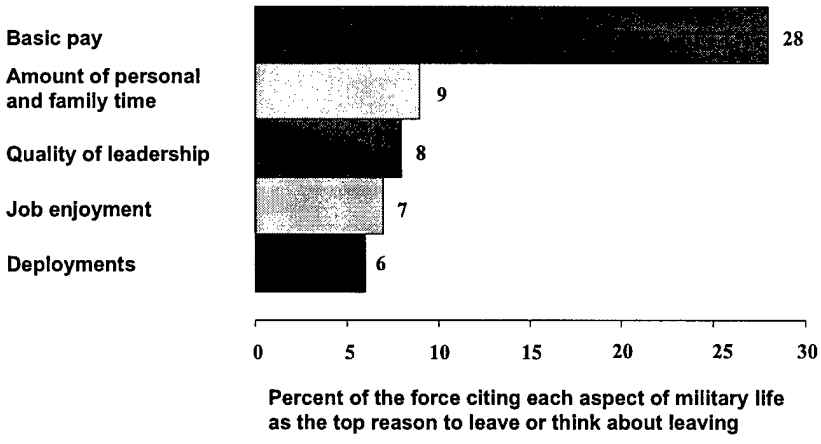


Figure 5: Top 5 Reasons for Leaving or Considering Leaving



Members were asked to rate their satisfaction with 37 aspects of military life. These aspects addressed a broad range of issues, including pay, health care, housing, workload, and deployments. Respondents were then asked to choose the most important reason for considering staying in or leaving.

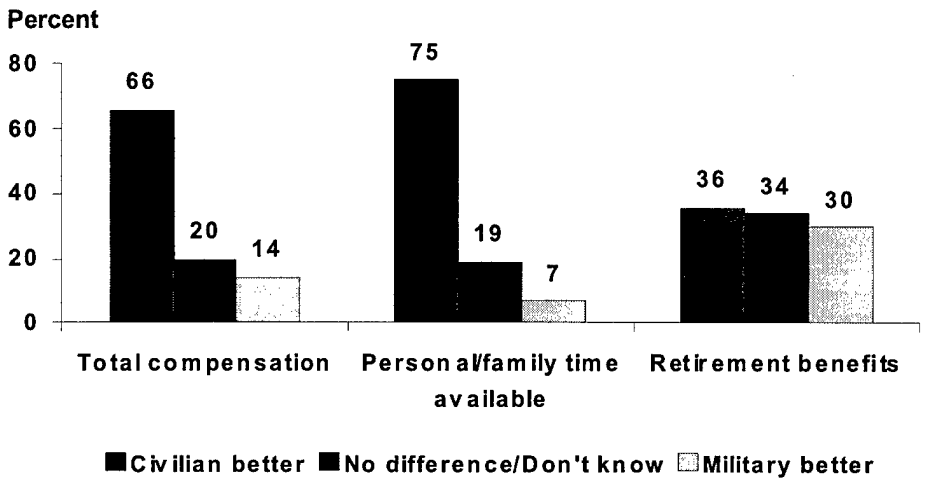
As shown in figure 4, basic pay was reported to be the most important reason to stay, followed by job security, retirement pay, job enjoyment, and medical care for families. Together, these five factors accounted for 57 percent of the responses; the other 32 factors garnered less than half the responses.

As shown in figure 5, reasons for leaving included two of the same factors, but also included quality of leadership, amount of "personal/family time available," and deployments. Pay was by far the most frequently cited reason for leaving or thinking of leaving. Taken together, the top five reasons accounted for approximately 58 percent of the members' answers.

Two aspects were among the top five on both lists (basic pay and job enjoyment), indicating that some view these items as incentives to stay while some view them as disincentives. We see this as an indication that these factors are generally important to military personnel. It should be noted that a significant pay raise and increased retirement benefits were approved, but had not yet appeared in paychecks, while this survey was being conducted.

Neither housing nor health care for families was among the top reasons cited by military personnel for considering leaving the military. In fact, family medical care was among the top reasons for considering staying in the military.

Figure 6: Service Member Perceptions of Comparability With Civilian Sector



Regarding some of the aspects of military life that were seen as top reasons to leave or consider leaving, military personnel perceived that the civilian sector would treat them better.

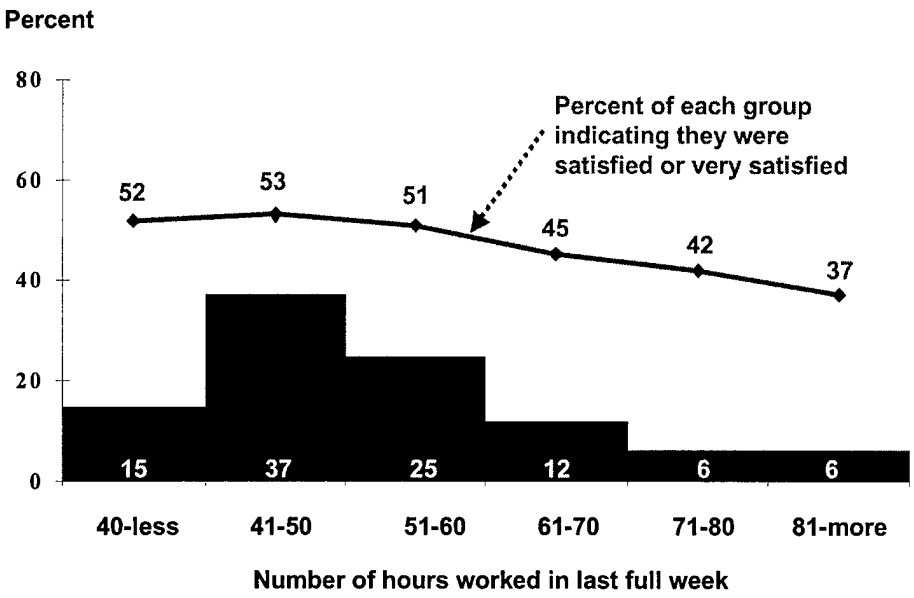
About two-thirds of the force cited total compensation, defined as pay, bonuses, and allowances, as being better in the civilian sector.

Three-quarters of the force indicated that more personal or family time was available in the civilian sector.

Perceptions about the comparability of retirement benefits between the civilian sector and the military were more mixed, with a little more than one-third seeing civilian retirement benefits as better and a little less than one-third seeing them as better in the military.

WORKLOAD AND TIME AWAY FROM HOME

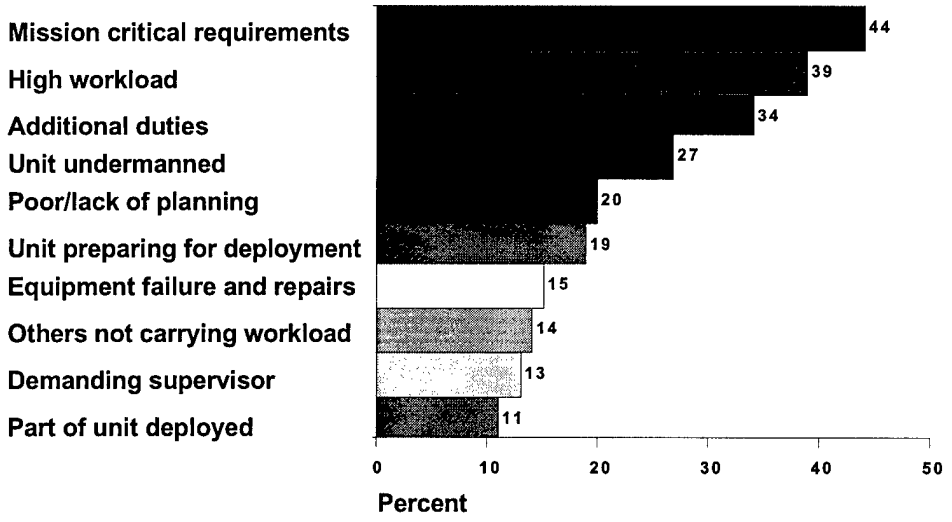
Figure 7: Number of Hours Worked and Its Relationship With Satisfaction



The bars in figure 7 show how many hours military personnel reported working during the week before they filled out the survey. About half of the force reported that they had worked more than 50 hours per week, and about 24 percent indicated more than 60 hours per week.

The line shows the satisfaction rate for each of the subgroups. Moderate amounts of overtime, up to about 60 hours per week, do not greatly affect satisfaction. However, satisfaction tends to decrease sharply for those who reported working more than 60 hours per week.

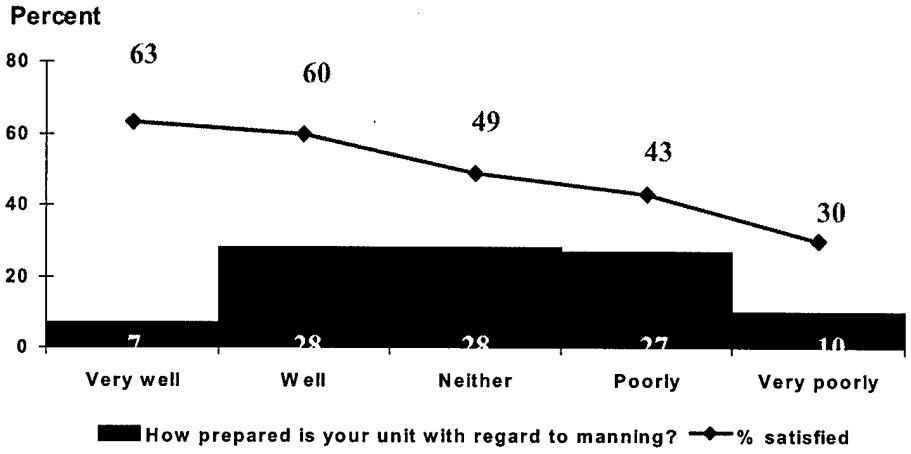
Figure 8: Reasons Why Worked Longer Hours



Members cited mission critical requirements as the top reason for working long hours during the past 12 months. Several of the other reasons appear to be related to staffing (e.g., high workload, additional duties, under-staffed unit, and others not carrying their share of the workload). Deployment issues were also prominent. About 19 percent of the members said that they had worked extra hours to prepare for deployment. About 11 percent cited deployment of part of the unit as a reason for working longer hours than usual.

Furthermore, the data suggest that long hours, per se, do not necessarily lead to lower satisfaction and retention. Those citing mission requirements as the reason for longer hours were actually more satisfied and more likely to lean toward staying in the service than those citing other reasons. However, personnel who reported that staffing shortfalls, equipment failures, others not carrying their share of the workload, poor/lack of planning, and demanding supervisor as the reasons for longer hours had lower rates of satisfaction.

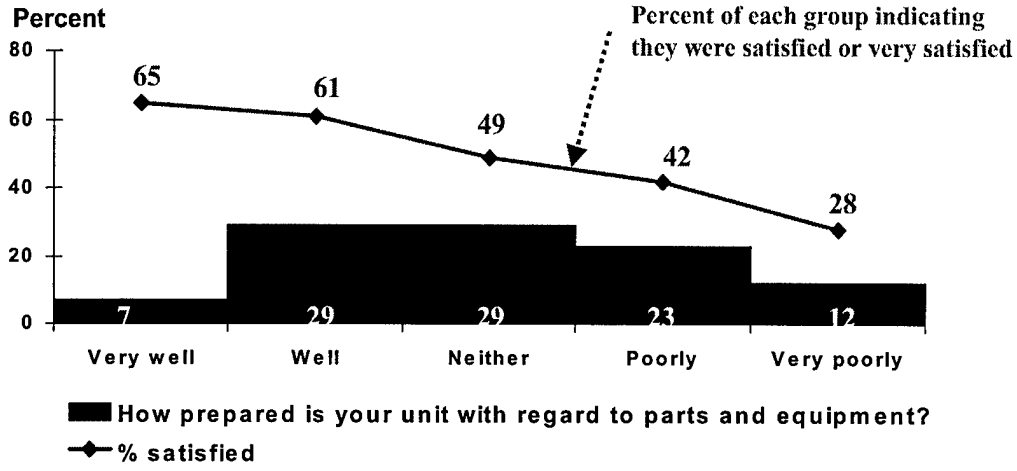
Figure 9: Perceived Manning Preparedness Compared to Satisfaction



Staffing shortfalls was one of the top reasons cited for working longer hours, so we looked at a related survey item that asked members to rate how well their unit was prepared in terms of having sufficient staff to accomplish its mission.

About 37 percent felt their unit was poorly or very poorly prepared from a staffing standpoint. These subgroups also had lower satisfaction rates than those who rated staffing preparedness higher.

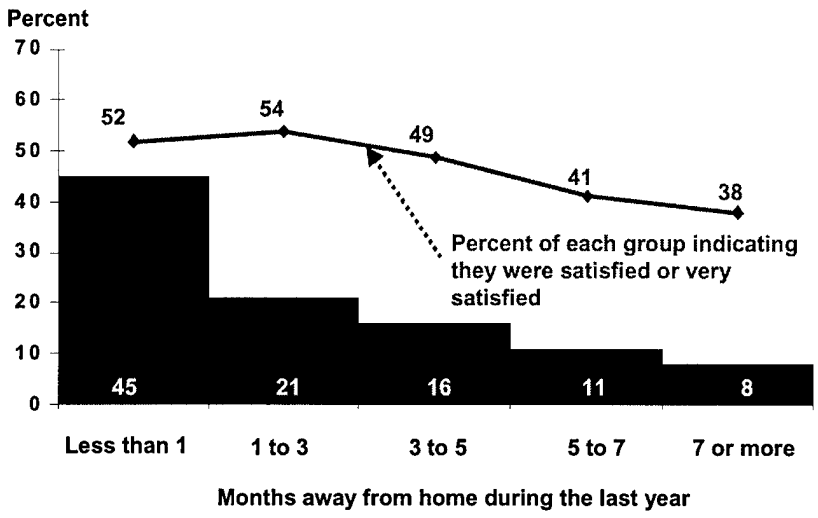
Figure 10: Perceived Parts/Equipment Preparedness Compared to Satisfaction



Since equipment failures and repairs were one of the top reasons cited for working longer hours, we looked at a related survey item that asked members to rate how well their unit was prepared in terms of the parts and equipment needed to accomplish their mission.

About 35 percent felt their unit was poorly or very poorly prepared from a parts and equipment standpoint. These subgroups also had lower satisfaction rates than those who rated parts and equipment preparedness higher.

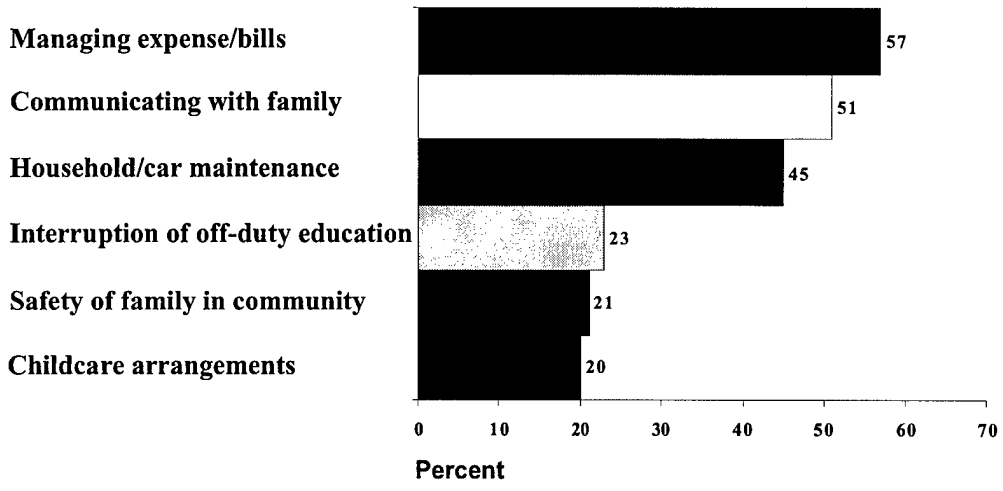
Figure 11: Total Time Away From Home Duty Station and Its Relationship With Satisfaction



The bars in figure 11 represent the number of months military personnel reported spending away from their home duty station during the past year. As shown, the vast majority of the force, almost 82 percent, reported that they spent less than 5 months away from home. Almost 45 percent were away from home less than 1 month. Thus, high deployment rates (defined as more than 5 months away) were limited to about 19 percent of the force.

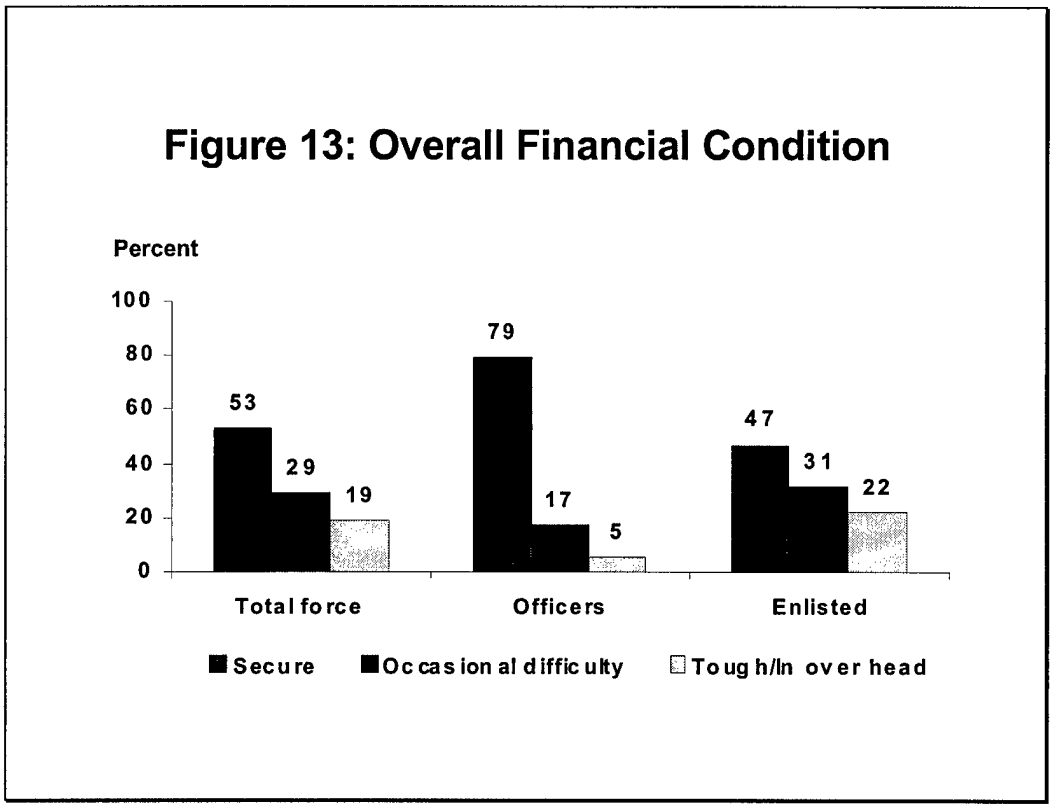
Satisfaction is relatively stable for those who were away for less than 5 months. However, it drops off considerably for those who were away for 5 months or more.

Figure 12: Most Frequent Concerns Experienced While Away From Home



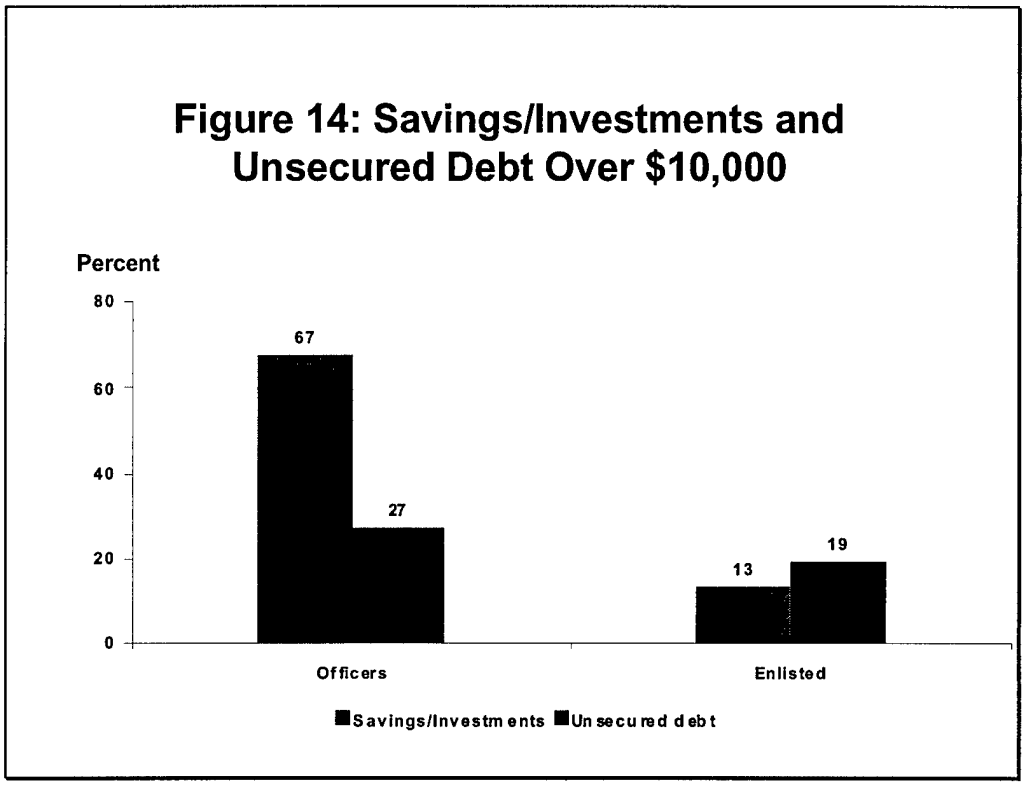
When personnel are away from home, they and their families can be affected in a variety of ways. About 72 percent of military personnel were away from home during the past 12 months. When asked about concerns they had when they were required to be away from their permanent duty station, many members cited problems that ranged from managing expenses or bills to child care arrangements for their children. Figure 12 shows the most frequently-cited impacts.

ECONOMIC SITUATION OF MILITARY MEMBERS



When asked to rate their overall financial security on a scale from "secure" to being "in over their head," slightly more than half of all personnel reported that they were financially secure or had no financial difficulties.

A higher proportion of officers reported being financially secure than enlisted personnel. More than one-fifth of enlisted personnel reported that things were tough financially or that they were in over their head.



To gain a better sense of members' financial condition, we analyzed how much they reported having in savings and unsecured debt. Savings were defined as bank accounts, individual retirement accounts, money market accounts, certificates of deposit, savings bonds, mutual funds, stocks, and bonds. Unsecured debt was defined as credit card debt, debt consolidation loans, exchange loans, student loans, and other personal loans. Members were told to exclude home mortgages and automobile loans.

Over one-quarter of the officers and nearly one-fifth of enlisted personnel reported unsecured debts exceeding $10,000. This level of indebtedness within the enlisted ranks raises some concern, especially when their low level of savings is considered. In fact, many enlisted personnel appear to have very little cushion for emergencies or unexpected expenses, since about 54 percent reported having less than $1,000 in savings.

Figure 15: Types of Financial Problems Reported by Enlisted Personnel

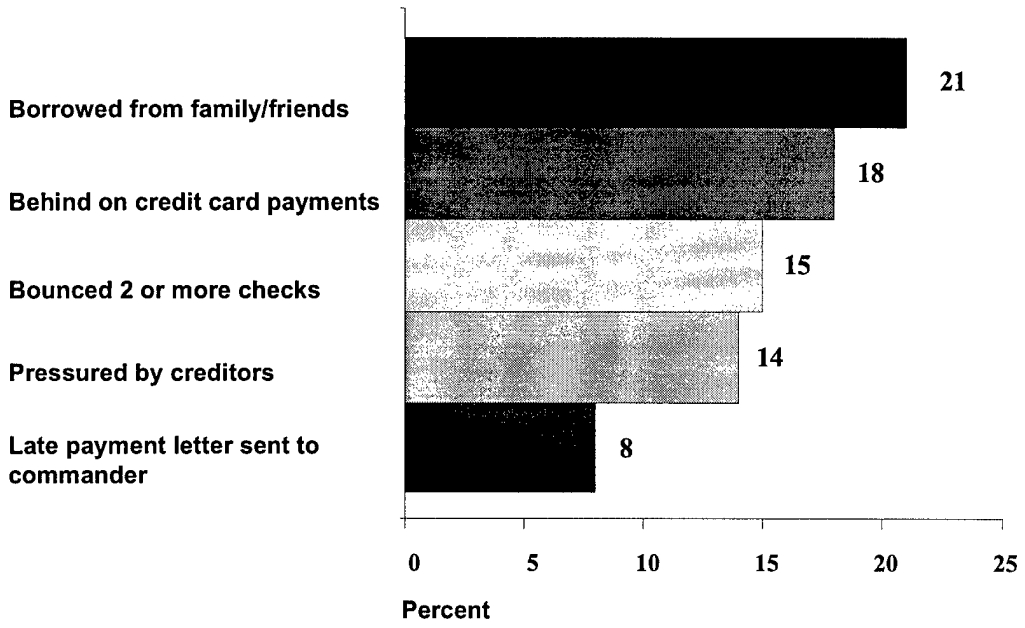
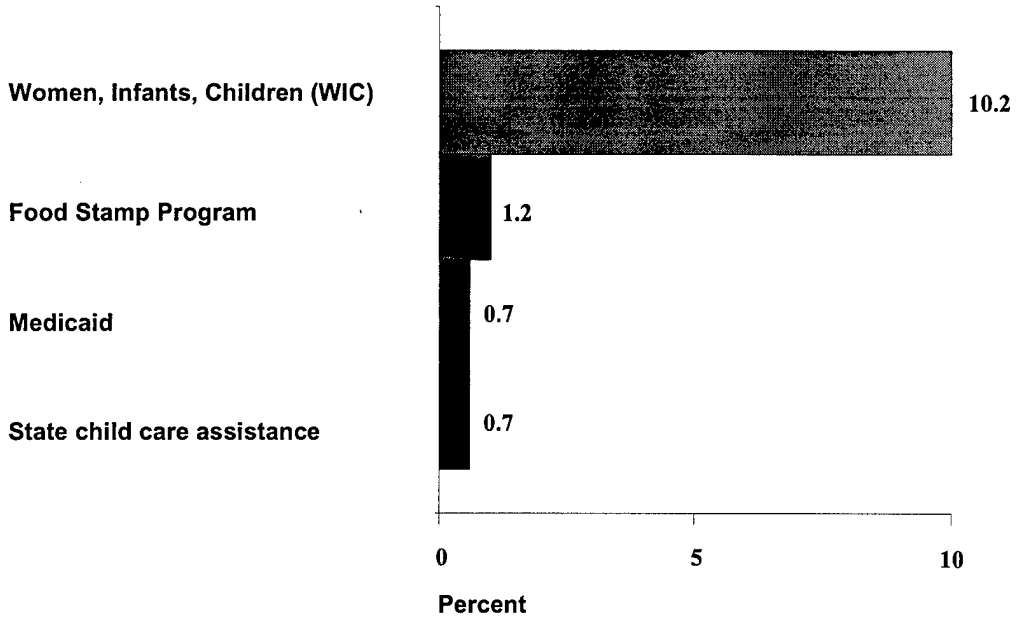


Figure 15 displays financial problems some enlisted members had experienced in the previous year. The list of 14 possible problems ranged from borrowing money from friends and family to pawning valuables to garnishment of wages.

Most enlisted personnel (about 57 percent) said they had not experienced any of the problems listed. Quite a few, however, reported having one or more of these problems, some of which can have serious repercussions. For example, 15 percent of enlisted personnel reported having bounced two or more checks, a potential violation of the Uniform Code of Military Justice.

Figure 16: Enlisted Personnel Receiving Various Forms of Government Assistance



Some enlisted members reported that they had received assistance from various government programs during the past 12 months. About 10 percent of the enlisted force reported receiving assistance through the Women, Infants and Children program. This program provides checks or coupons for the purchase of specific foods designed to supplement participants' diets. The program also provides other services to lower-income pregnant and postpartum women and children to the age of five. To be eligible, participants' gross income must be at or below 185 percent of the poverty level, depending on the income standard established by the states. According to DOD officials, the military seeks participants and supports the Women, Infants and Children program on some military bases.

Although the percentage of the force receiving government assistance is fairly low for other programs--1 percent or less for food stamps, Medicaid, and state child care assistance – this translates into thousands of recipients throughout the force.

APPENDIX I
SCOPE AND METHODOLOGY

The best way to reliably assess the pulse of military members is by surveying a broad-based, representative sample of personnel. This past year, we worked with the Department of Defense (DOD) to develop and administer such a survey, which covered a wide range of issues. It was mailed in the fall 1999 to a stratified random sample of over 66,000 military personnel. As of November 30, 1999, over 32,000 active duty personnel had completed and returned the surveys. DOD provided us with this interim data so that we could provide timely information to the Congress. Our work has been conducted in accordance with generally accepted government auditing standards.

QUESTIONNAIRE DEVELOPMENT

The active duty survey is a recurring survey that was last administered in 1992. When DOD learned that the Subcommittee on Military Personnel had asked us to administer a separate survey to military personnel, the Acting Assistant Secretary of Defense (Force Management Policy) offered to allow us to include questions on the active duty survey DOD was already planning to conduct. We worked with DOD staff to refine the survey instrument and address additional content areas.

The survey was pretested and refined at Navy bases around Jacksonville, Florida; Pope Air Force Base, Fayetteville, North Carolina; and the U.S. Marine base at Quantico, Virginia. Time constraints prevented additional pretesting with Army and Coast Guard personnel beyond that performed by DOD on an earlier version of the survey.

SAMPLE CONSTRUCTION

The sample of 66,040 military members was drawn from a May 1999 population of 1,419,269 active duty DOD and U.S. Coast Guard personnel who were below the rank of admiral or general and had at least 6 months of service. The sample was stratified on five variables: service; pay grade; gender; location, that is, inside or outside the continental United States; and marital status.

DOD survey experts used response rates from prior surveys to adjust the sample for groups with differing expected rates of survey completion. Also, the sample was designed to provide varying levels of precision for numerous subgroups (e.g., $\pm$ 3 percentage points for each service or pay grade group and $\pm$ 5 percentage points for senior officers in the Army).

SURVEY ADMINISTRATION

As of November 30, 1999, DOD had received 32,341 surveys with at least some questions answered. We classified all of these people as eligible respondents, but later, more in-depth analyses could show that some of the surveys should be reclassified as ineligible because the members left the military or for some other reason. Another 320

respondents were deleted from the survey because they did not qualify for participation. As a result, the unweighted response rate was 49.2 percent (32,341 of the adjusted sample of 65,720).

DOD used a contractor to administer the survey. We did not test the contractor's procedures or validate the data provided to us. We did review DOD's and its contractor's quality control procedures for a similar large survey.

WEIGHTING RESPONSES AND POTENTIAL NONRESPONSE BIAS

We adjusted the survey responses to reflect the DOD population. First, we divided the population size for each of the 348 cells in the sampling design by the number of completed surveys received from eligible respondents in that cell. Then, U.S. Coast Guard personnel and their returned surveys were removed from the population. This procedure adjusts for both the different proportions of people sampled from each cell and the response rate for the cell. DOD will develop more precise post-stratification weights that will accompany the full database when it is delivered in March. Using the simpler weights and the preliminary database was the only way that findings could be prepared in time for this testimony.

Survey findings assume that nonrespondents would have answered like respondents—an often-used assumption in survey methodologies. There is some risk of nonresponse bias, but it would take elaborate and time-consuming work to test for this bias. In recent years, both military and civilian surveys have experienced decreased response rates. Although weighting can be used to statistically adjust for the differing sampling rates and response rates within the sampling cells, weighting cannot adjust for possible differences between those who do and those who do not respond to a survey. However, it must be recognized that the active duty survey is the only source of DOD-wide information for many of the issues addressed by the survey and is far more reliable than anecdotal information or information generated by smaller, nonrepresentative samples.

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