This PDF document was made available from www.rand.org as a public service of the RAND Corporation.

Jump down to document »

The RAND Corporation is a nonprofit research organization providing objective analysis and effective solutions that address the challenges facing the public and private sectors around the world.

Support RAND

Purchase this document
Browse Books & Publications
Make a charitable contribution

For More Information

Visit RAND at www.rand.org
Explore RAND National Defense Research Institute
View document details

Limited Electronic Distribution Rights

This document and trademark(s) contained herein are protected by law as indicated in a notice appearing later in this work. This electronic representation of RAND intellectual property is provided for non-commercial use only. Permission is required from RAND to reproduce, or reuse in another form, any of our research documents for commercial use.
This product is part of the RAND Corporation technical report series. Reports may include research findings on a specific topic that is limited in scope; present discussions of the methodology employed in research; provide literature reviews, survey instruments, modeling exercises, guidelines for practitioners and research professionals, and supporting documentation; or deliver preliminary findings. All RAND reports undergo rigorous peer review to ensure that they meet high standards for research quality and objectivity.
Reserve Recruiting and the College Market

Is a New Educational Benefit Needed?

Beth Asch, David Loughran

Prepared for the Office of the Secretary of Defense

Approved for public release; distribution unlimited
Like the active components, the reserve components seek to attract and retain high-quality individuals to meet their enlistment requirements. These high-quality youth are increasingly interested in obtaining a college degree, making it more difficult for the active and reserve components to meet their enlistment goals. Today, about two-thirds of high school graduates enroll in college within a year of graduation. Rising college enrollment has put colleges in direct competition with the active components for high-quality high school graduates. In response, the active components of the Navy and Army have developed new recruiting programs that allow enlistees to attend college before assuming the duties of active military personnel. These recruiting programs represent a significant departure from the traditional educational incentives offered to potential enlistees, such as Montgomery GI Bill (MGIB) benefits that fund college after, not before, an enlistee fulfills his or her enlistment obligation.

Whether rising college enrollment puts college attendance in direct competition with the reserve components is less clear. On one hand, individuals can easily join a reserve unit while attending college because reservists are generally only obligated to drill one weekend per month and two weeks during the summer. On the other hand, reserve participation entails an increasingly high risk of activation of uncertain length. Individuals who want to attend college full time and finish quickly may believe that such a risk is unacceptable.

RAND was asked to provide a preliminary assessment of whether new programs, such as those offered by some active components, could help the reserve components attract high-quality recruits, with prior or non-prior service, and whether the potential of these programs warrants a more extensive evaluation, including randomized field trials. The findings of our study are summarized in this report.

The approach we take to this assessment is largely qualitative and descriptive; we do not explicitly test how a new educational benefit program would affect reserve recruiting. In this report, we first review
the evidence on the rising demand for a college education among America’s youth in general and among reservists themselves, and we ask whether the composition of college students in terms of aptitude has changed over time. The composition of the college-bound population and how it is changing is relevant to the issue of designing educational benefits that appeal to this population. Second, we examine how reservists currently combine reserve service with college attendance and civilian employment and describe how the nature of college attendance has changed over time and varies according to cognitive ability. This evidence provides an indication of the extent to which potential recruits might view reserve duty as interfering with their civilian work and college plans.

Third, we review the principal types of educational benefits available to reservists and provide information on their usage and on how satisfied reservists are with those benefits. We also compare the educational benefits available to reservists with those available to civilians and other military personnel. While the adequacy of existing educational benefits must ultimately be judged on the basis of whether they cost-effectively improve high-quality accessions in the reserve components, the review of these programs and comparisons with benefits available to other individuals provides a useful starting point in that assessment. Finally, we synthesize the descriptive analyses of the college market, the way in which reservists combine work and college, and the educational benefits currently available to reservists in order to provide a preliminary assessment of whether a restructured reserve educational benefit is likely to affect reserve enlistments.

MAIN FINDINGS

Our description of the college market focuses on the reserve and civilian population ages 19 to 30—and in some cases ages 19 to 24—with a high school diploma.¹ We use several data sources, including the Monitoring the Future (MtF) survey of high school seniors for various years, the 1986, 1992, and 2000 Surveys of Reserve Component Personnel

¹ We include GED holders in our definition of the population with a high school diploma.
(RCS) provided to us by the Defense Manpower Data Center (DMDC), the March Current Population Survey (CPS) data for various years, and the 1979 and 1997 cohorts of the National Longitudinal Survey of Youth (NLSY). We find that while young reservists typically join the reserves with no more than a high school degree, they express a strong demand for higher education and a substantial fraction of reservists (23 percent, according to the 2000 RCS) do in fact obtain a college degree by age 30. Thus, like the overall population, the demand for college among reservists is high and has increased over time. We also find that the demand for college has increased throughout the AFQT distribution and, for men, especially among individuals scoring in Category II and below.

The nature of college attendance has changed over time, in part because college demand is rising among less skilled youth. We find that individuals in AFQT Categories I and II tend to pursue college much more intensively than those in Categories IIIA and IIIB. Less than one-third of Category III individuals finish a two- or four-year degree program within six years of their initial enrollment, and many of these individuals, no doubt, never finish. These individuals may have trouble completing their college studies because they must work intensively to finance their college education or, conversely, they work intensively because their returns upon receiving a college degree are relatively low.

To explore the relationship between work effort, enrollment intensity, and AFQT, we examined how reservists combine work and college. Reservists are particularly likely to work while attending college. Among reservists ages 19 to 24, 64 percent of those attending college reported working in a civilian job, compared to 52 percent of all civilian males in this age range attending college. Reservists also work more hours per week, conditional on working at all. We conducted regression analysis of the relationship between AFQT and work effort and college completion and find that the AFQT score has a negative effect on hours worked while in school and a positive effect on college-completion rates independent of family resources. This finding suggests that the latter explanation—those with lower AFQT work intensively because their
returns to college are lower—may drive college completion rates in this population.

Consequently, while it is true that far more individuals desire a college education today than did 20 years ago, the kind of college experience the typical student demands has changed. The key populations the reserve components seek to recruit, those in Categories II-IIIB, have a higher propensity to attend college than in the past, as is well known. Less well known, however, is that this population typically attends college less intensively and completes college less rapidly than individuals in AFQT Category I. This latter observation suggests that educational benefits in the Reserves generally need not be tailored to individuals who pursue college intensively.

Are current educational benefits offered to reservists sufficient to meet recruiting goals? We provide a partial answer to this question by comparing educational benefits in the Reserves with other financial aid programs and by tabulating the level of satisfaction with these benefits among reservists. We find that 70 percent of reservists ages 19 to 30 enrolled in college are using military education benefits. Of these individuals, about 65 percent reported in the 2000 RCS that their education benefits were an important influence on their decision to stay in the Reserves. Furthermore, we find that the financial aid received by reservists ages 19 to 30 is comparable to aid received by civilians and military veterans. Reservists earn lower monthly financial aid benefits under their GI Bill than active duty members do under the MGIB, but reservists are not required to make contributions to their benefit nor wait to fulfill a service requirement before receiving the benefit. Accounting for these programmatic differences, we find that until recently, the present value of the GI Bill benefit for reservists exceeded the present value of the MGIB benefit. Furthermore, even in more recent years, whether present value of the reserve benefit exceeded the present value of active duty benefit depended on what assumption is made about members’ personal discount rates. This comparison of the financial benefits did not account for the different demands of active duty and reserve service. Though reservists have been on call far more often and for longer durations since September 11, 2001, active duty
members are on call every day and year round, frequently work long irregular hours, deploy more frequently, and are subject to frequent moves that are disruptive to family life. Thus, on the basis of these comparisons we conclude that existing educational benefit programs used by reservists are generally adequate in terms of reported satisfaction with these benefits and in terms of how they compare to benefits available to other populations.

POLICY DISCUSSION

Our descriptive analyses suggest that reserve service is generally compatible with college attendance and existing educational programs provide benefits that are comparable to those available to civilians and other military personnel. The risk of activation while in the Reserves, however, has increased over the past decade, especially in the aftermath of September 11, 2001. Activation disrupts schooling in a number of ways, and, although the U.S. Department of Defense (DoD), the U.S. Department of Education (DOEd), and the Department of Veterans’ Affairs (DVA) have mechanisms and regulations to help reduce the financial loss associated with activation, many reservists report losses, and this risk of disruption and loss may be unacceptable to some potential recruits, especially those high aptitude youth who wish to pursue their college studies intensively and continuously. High aptitude youth demand a college education and many of these individuals may demand a college experience that prohibits a risk of activation of uncertain duration.

To the extent that more AFQT Category I and II personnel are required in the reserve components across the board or in specific occupational areas, allowing some reservists to pursue college first without the risk of activation, and serve in the Reserves subsequently, might serve as an effective recruiting incentive. One possibility would be to create an ROTC-like program for enlisted personnel that would allow individuals to attend college at a two- or four-year institution while serving in a reserve unit but not be at risk for activation. Following their completion of college, they could be required to enlist for a longer term of service or perhaps serve with a higher risk of activation.
More formal analyses of these types of programs may be warranted in
the future as the reserve components adjust to the demands of homeland
security and the war on terrorism, international peacekeeping efforts,
and the DoD’s desire to more fully integrate the reserve and active duty
forces. The 2002 Review of the Reserve Contributions to National Defense
articulated a new vision of reserve service, known as a “Continuum of
Service,” which argues for more flexible management of reserve personnel
and capabilities (Office of the Assistant Secretary of Defense for
Reserve Affairs, 2002). An ROTC-like program for enlisted personnel of
the sort described above is consistent with this new vision in that it
recognizes that cost-effective personnel management may entail allowing
some reservists to serve under enlistment contracts that are tailored to
their particular needs and the needs of the reserve components.

Based on this preliminary assessment, we offer the following
observations and recommendations with respect to restructuring education
benefits in the Reserves:

- Reserve service is generally compatible with college
  attendance for the vast majority of reservists.
- Higher aptitude potential reserve recruits (those in AFQT
  Categories I and II) may perceive the potential disruption to
  their academic studies entailed by activation to be
  unacceptable.
- To the extent the reserve components seek to attract more
  high-aptitude recruits in the future, they may wish to
  experiment with recruiting programs that minimize the risk of
  activation while these individuals attend college.
- These programs should be targeted at high-aptitude recruits
  and recruits training in hard-to-fill reserve occupations;
  these programs must also offer greater protection from
  activation than is currently available to non-prior service
  recruits following their initial reserve training period.
- Implementation of these programs should entail an evaluation
  component similar in nature to the ongoing evaluation of the
  Army’s College-First program.