

Defense Issues

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QDR Conference Proceedings

Quality of Life Programs

Because military service demands more from its participants than civilian employment does, the military provides a wider range of support than other employers. Much of this support flows through what are known as quality of life (QOL) programs, which include a broad spectrum of programs and services ranging from housing to financial counseling to craft shops. In the aggregate, these programs are expensive. Furthermore, they have evolved over a number of years, sometimes decades. It is not clear that they are accomplishing their original objectives, that those objectives are still relevant today, or even that the objectives have been clearly thought through. DoD's Quadrennial Defense Review (QDR) provides an excellent forum to review the goals of these programs, because it is examining all DoD programs in light of the sweeping changes that have occurred in the past several years. A group of senior members of the Department of Defense and the National Defense Research Institute recently met to discuss these questions and identify key issues for resolution.

HOW WELL DOES THE CURRENT SET OF QOL PROGRAMS SUPPORT DOD GOALS?

While consensus exists on the broad goal of these programs, there is less agreement on the specific QOL objectives required to achieve this goal. The broad goal, as outlined in the 1995 *Report of the Defense Science Board (DSB) Task Force on Quality of Life*, is to ensure the readiness of the U.S. armed forces. Readiness requires the enlistment and retention of high-quality personnel who consistently perform to their abilities. The DSB task force observed that these outcomes generally depend on the quality of life of service members. Less clear is how specific QOL services contribute to improving enlistment, retention, and performance outcomes.

Determining how QOL programs contribute to these outcomes is difficult for a number of reasons. First, programs tend to target problems (a high rate of indebtedness or alcohol abuse) rather than specific groups. Thus, the targeted problem may be ameliorated, but the effect on the goals of military effectiveness and service member well-being remains uncertain. Information about who uses the different programs, why, and how use affects decisions such as remaining in the military is spotty. In particular, information about who uses the programs and why is crucial information, because policymakers want programs and eligibility criteria that retain the best people. Second, even with these data, the relationship between program use and important outcomes such as retention and job performance is difficult to quantify. This relationship is confounded by a myriad of other factors that affect the same outcomes, and the causality in the relationship is unclear. For example, are members happy because they exercise or do happy members exercise?

Determining how to supply the best service also presents challenges. Child care provides a case in point. Child development centers supply a great deal of military child care and typically have a waiting list, in part because current policies offer an economic incentive for using them, in part because parents know and trust the centers, and in part because they are the most convenient care available. But from many perspectives, Family Child Care, which is delivered by military spouses in government quarters, offers a more flexible form of care that seems to mesh better with military objectives of readiness and productivity. Providing child care through child development centers may not provide the services most difficult to obtain, support military objectives, or yield the most cost-effective care.

Defense Issues reports on the proceedings of a series of conferences held to address issues of importance to the Quadrennial Defense Review. The views and conclusions expressed here summarize those of the conference participants, who were senior members of the Department of Defense and RAND. They do not necessarily represent those of RAND or its research sponsors.

Without better information about how services contribute to readiness and how best to provide services, policymakers have a hard time making good decisions about programs. The first task, then, is to identify the specific ways the programs enhance readiness. This task poses some difficulties, and a framework may be useful. A review of QOL programs suggests that they enhance readiness in four ways. The first way is to increase members' physical and mental abilities; the second is to offer benefits that enrich members' personal lives; the third is to assist members with personal or family growth, and the fourth is to lessen difficulties caused by the unique nature of military life. Most programs contribute in more than one way. For example, fitness centers both improve the physical fitness of service members and provide members with convenient recreational facilities. Drug and alcohol programs boost retention and performance by helping members recover from substance abuse problems. Another set of programs falls into what might be called a "stewardship" category. These programs teach life skills such as financial management and effective parenting. They have a much more tenuous relationship to purely military ends, and their defenders frequently justify them by arguing that the military services incur a unique responsibility for young members because military life often removes them from their family support networks.

HOUSING IS A CENTRAL ISSUE

In many ways, housing stands at the center of the quality of life discussion because it consumes significant resources and because it influences so many other things. Regardless of how it is provided, housing is expensive. The Navy estimates that the expenditure for housing equates to 40 percent of that for base pay. The cost to the government for family housing can be quite high. Again drawing on the Navy for an example, housing allowances for a family living off-post average \$8000 annually. Government-provided housing is even more expensive, rising to an average annual cost of \$15,000. Nor are the funds distributed evenly. About 45 percent of the family housing dollars get spent on 30 percent of the families.

In spite of the high cost of government housing, the Navy is not getting good value for its money. The average family values DoD housing at about \$8000 per year. These valuations are enough to generate a waiting list for government quarters but are far less than the service spends. Based on an average valuation of \$8000 for government housing, the Navy is overspending by \$7000.

Housing also tends to drive the use of other programs. Most programs take place on installations, so those who

live there are more likely to take advantage of them. Child development centers, family support centers, and chapels and chaplains typically are located on installations, and the programs associated with them (counseling, youth activities) also take place there. A service member who lives off the installation, particularly if at a distance, is less likely to use these programs.

Government housing serves four distinct populations, and each has different desires for and views of the housing program. The groups are married, living on the base; married, living off the base; single, living on the base; and single, living off the base. Some married families who live in the civilian community view those who live on-post as having a more desirable living arrangement and want to move on-post as soon as they can. There may be a substantial financial incentive to do so. One service estimates that those who rent housing off-post pay \$2000 annually out of their own pockets. When this additional cost is coupled with the greater difficulty in using QOL programs, those who live off-post tend to regard those who live in government-provided quarters as deriving a much greater benefit. Exceptions occur. Married couples who are both service members can each draw housing allowances and thus have a strong financial incentive to live off-post.

Single service members view the housing benefit as disproportionately favoring married couples. In their view, a married couple gets better living surroundings and more personal freedom than they do. Single members' rooms are subject to inspection, decorations are constrained by government policies, and many believe that they receive an unfair share of undesirable duties simply because they live in barracks where they are accessible for short-notice tasks. They regard their living circumstances as decidedly inferior to those of their civilian peers. As a result, single people generally prefer to move out of the government quarters and on to the local economy. Some feel so strongly about it that they pay the cost of off-post quarters out of their own pockets.

As currently structured, the military housing program satisfies only some in the four populations it serves, and even the on-base population values the benefit below what it costs the government to provide it. Furthermore, the program fosters perceptions of inequity. These observations about the current program have been made in several studies and government reports, but suggestions for making the program more cost-effective differ. Some believe that allowances may be a better way of providing the housing benefit. This approach would take the military out of the housing business and eliminate spending inequities, since all members in like categories would

draw equal allowances. Others focus on ways to lower the cost to DoD of providing military housing. Government housing could be leased from private-sector landlords or built and maintained in public/private joint ventures. This housing could be made available to members based on fair market value, and thus demand would be based on preferences rather than economic subsidies. Given the age and condition of government housing on some installations, many might prefer housing in the civilian community. A concern would be the loss of a sense of a military community that would accompany any substantial migration of military families to the civilian community.

However, this raises a second issue. How important is the sense of community? Might it be better to foster closer ties with the civilian community? Further, if a sense of military community is important, is housing the best way to get it? Providing a range of services may accomplish the same end at less cost.

THE PROBLEM OF EQUITY

One aspect of the QOL programs that many would like to see addressed is that of equity. Inequities exist both in program use and location. The use of the programs varies widely. Some, such as the housing office, get heavy use, with a third of the military members visiting it within the first two years at a location. Others, such as stress management and effective parenting, serve less than 4 percent of the population during the first two years. Furthermore, some groups benefit disproportionately. As mentioned, those who occupy housing on an installation have easier access to many of the programs than those who live in the civilian community. Also, many programs target families, and single service members perceive a skewed allocation of resources toward that group.

Inequities can also exist between locations and services. Housing may be plentiful and cheap at one location and scarce and expensive at another. This issue can be particularly important in high-cost areas where government housing is unavailable, because it can result in high out-of-pocket costs even when variable allowances are taken into account. Thus, two service members of the same grade and experience can have very different financial situations based solely on where they live. Differences between services also crop up. Some services have more elaborate and widespread programs than others. The increasing emphasis on joint exercises and assignments make any cross-service differences more apparent. For example, two members from different military services attending the same community college may receive substantially different support for their educational expenses.

THE EFFECT OF CHANGE

Further arguing for a searching review of QOL programs is the kaleidoscopic change the services have experienced in the past several years. Both the makeup of the force and the nature of the workplace have changed immensely. Many QOL programs were initiated long before these changes occurred.

Changing Demographics

The demographics of the armed forces are shifting. Some shifts mirror trends in the population at large, but others run counter to them. The force has aged since the inception of the all-volunteer force. On average, it is two years older, a trend that augurs for an increased number of families. This increase is even more likely in the military, since, unlike the general population, military members tend to marry sooner. Today, about one-fifth of the men between 20 and 24 in the United States are married. In the armed forces, the figure approaches 50 percent. Women in the military show a similar trend, but the difference is not quite as large—about 37 percent of civilian women between 20 and 24 are married compared with about 50 percent in the military. So instead of being 17 or 18, as they were in the 1970s, recruits are 19 or 20, and they have a propensity to marry sooner than their civilian counterparts. They are also more likely to have a child before they are 25.

Furthermore, today's recruit is far more likely to be female. The all-volunteer force has seen the percentage of women in the military triple—from 4 to 5 percent at its inception to 12 to 15 percent in 1994. This trend has important implications for QOL programs because women are far more likely to be single parents. A male parent with custody of a child is relatively rare, but fully 25 percent of the military women with children are single parents.

And more military spouses are working. The number working is not as large as that in the civilian population, but the trend is up. In 1992, almost half of the military spouses with children under 5 were working, and for those with children between 6 and 17 the percentage climbs to 55.

Changing Workplace

The makeup of the force is not the only change with significant implications for QOL programs. The workplace itself is changing, much as it is in the private sector. In the military, the move is toward jobs that require specific skills and more education. For decades, jobs requiring

only general military skills have been decreasing, and those requiring clerical, craftsman, or technical skills have been increasing. At one time, almost all positions required only general military skills. Today, such jobs account for less than one quarter of the entire force.

Changes in both of these areas have broad implications for QOL programs. They may sharply affect the demand for some types of programs, either positively or negatively. For instance, an increase in the number of families will likely foster greater demand for married housing and the types of programs that families want. Demand for child care is likely to increase, particularly if the female military population continues to rise. And the need for counseling services could be greater, especially if the rate of deployments remains high. Workplace changes may drive up the demand for educational assistance, as service members attempt to acquire, maintain, or improve the skills that lead to promotion and job satisfaction. And there may be a concomitant decline in demand for clubs and craft shops as military personnel devote more of their off-duty time to family activity or night school. These changes may also lead service members to become increasingly connected to local communities, which may increase the difficulty of retaining high-quality people and ensuring unit cohesion. Yet it may also increase the opportunities to draw on the resources of the local community for support of military families.

POSSIBLE POLICY APPROACHES TO QOL ISSUES

Clearly, QOL issues present a range of challenges for policymakers. How to address them? Three courses of action seem to be indicated. First, QOL programs should be tied more closely to objectives. The programs should be analyzed within the broad categories of military and stewardship objectives and specific objectives determined for them. Programs that do not link well to a specific set of objectives could be considered for elimination in favor of those that do. Consideration should also be given to providing service from a nonmilitary source. In this analysis, single service members need equal consideration because eliminating some of the inequities—perceived or real—may favorably affect retention. Although a transitory population because they either depart the service or get married, at any time single service members make up nearly half the armed forces. Better retention among this population could both reduce accession costs and provide the services more flexibility in responding to short-notice contingencies. Determining the linkage between programs and objectives will hinge on the type of information collection mentioned above. Second, any analysis should begin with housing because so many of the programs—and problems—seem to be driven by housing. Finally, equity is important, but significant differences exist among locations and the needs of each service. It is in DoD's interest to recognize local variations, and policies should incorporate adequate flexibility to account for them.

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