RESULTS

The major results of our study fall into the following areas:

- Qualification differences among ARNG and USAR personnel and units
- Causes of unqualified personnel among E3 to E9 personnel
  - The relationship between qualification and changes in DMOS and units
  - Retraining required for entering prior-service personnel
  - Long retraining times for new DMOS.

Qualification Status of the Army Reserve Components

Soldiers not minimally qualified in their assigned MOS severely degrade the readiness of units in the Army Guard and Army Reserve. Approximately 16 percent of E3 to E9 personnel in the Guard and 25 percent of Army Reserve personnel were not qualified in June 1986. The rates of unqualified personnel are much higher for prior-service personnel and those in noncombat skills. Nonprior-service personnel had unqualified rates in the Guard and Reserve of 12 percent and 20 percent, respectively, compared with 23 and 29 percent for prior-service personnel. Combat jobs in the Guard had unqualified rates of only 7 percent compared with 25 percent for noncombat high-skilled
jobs and 19 percent for noncombat low-skilled jobs. In the Army Reserve, combat jobs had only slightly lower unqualified rates of 22 percent compared with 26 percent for high-skilled jobs and 25 percent for low-skilled jobs.

Causes of Unqualified Personnel Among E3 to E9 Personnel

In trying to determine why the qualification rate is so low among E3 to E9 personnel, we considered a number of possible causes including introduction of new equipment, migration of reservists resulting from civilian job changes, frequent changes in units and DMOS, retraining of prior-service accessions at entrance, and long requalification times. We find the main causes of unqualified personnel is the frequent retraining of prior-service accessions because of a lack of job matching with their active PMOS and frequent voluntary changes in units and components for both prior- and nonprior-service personnel that lead to a change in DMOS and long retraining times.

About 50 to 60 percent of entering prior-service personnel need retraining because their reserve DMOS does not match their previous active-duty DMOS. Some of this MOS mismatch is unavoidable because prior-service personnel chose geographical locations based on civilian job opportunities or personnel preference, and the choice of reserve MOS will be limited to local units that may not have jobs or availability for the particular MOS. However, some of the mismatch may occur because individuals do not fully search all available units for appropriate matches or simply prefer to change DMOS. Some may occur because of timing—job openings do not correspond with when individuals choose to join. We discuss below some policy options for addressing some of these problems.

Reservists change DMOS frequently once in the component. We find that over a 15-month period, 21 percent of E3 to E9 personnel in the Guard and 32 percent in the Army Reserve change DMOS. DMOS switching from combat skills is less frequent. This high rate of switching means that the original IADT or SOJT investment from previous training is lost. After five years in the reserves, only one-half of nonprior-service enlistees are in their original IADT PMOS. For prior-service personnel after five years in the reserves, only 20 percent are in their original active-duty MOS.
Conclusions and Recommendations

Most DMOS switching occurs in conjunction with unit switching. Unit switching is not primarily a result of geographical migration of reservists, but is rather voluntary switching among local units. Eighty percent of unit switches occur among units less than 50 miles apart. Over 80 percent of reservists have a choice of ten or more units within 50 miles of their home. There is strong evidence in the Guard that switching is driven primarily by promotion, whereas for the Reserve changing to more desirable skills may play an important role.

Changing units is more prevalent among prior-service personnel. Within six years of entry, about 50–60 percent of prior-service accessions have switched units. For nonprior-service accessions, 25–40 percent have switched units. Switching units is much more common in the Army Reserve than in the Guard. The combination of switching units and/or switching DMOS leaves only 62 percent of ARNG and 56 percent of USAR E3 to E9 personnel in the same unit and same DMOS after 15 months.

Equipment modernization and unit structure changes appeared not to be a major cause of disqualification. This may be due to the infrequency of such changes in the FY86 and FY87 time period or because retraining occurs faster for these units. It may also be the case that we have not captured all of these changes in the current database. We have measured unit changes through identifying Series J MTOE units. We have also identified units who changed Unit Identification Code (UIC) in the period. A closer examination of these methods is required for reserve personnel to determine whether the methods capture all of the changes in requirements and equipment.

We have found no differences in MOS qualification levels as a result of units being in ALO-1 category. More combat service and service support units are in this category, and these types of units have somewhat lower qualification levels than combat units. However, controlling for type of unit, there appears to be no increase in MOS qualification for ALO-1 units. Either the additional resources provided do not affect qualification levels or few additional resources are provided as a result of being in an ALO-1 status.

Qualification rates will be lower the longer it takes to retrain personnel through SOJT. We have developed an estimate of the average retraining times for reservists by tracking individuals who changed
DMOS and either did or did not requalify by the end of the 15-month period. Improved data that track individuals over longer time periods would considerably improve these estimates. The present estimates show average retraining times of between nine and ten months for both the Guard and Army Reserve. However, combat MOS take considerably longer to retrain than noncombat MOS. Combat MOS take 12–13 months whereas noncombat MOS take 6–9 months. In the active force, combat MOS have the shortest training times. The difference might be explained by the need for field training and testing and the fact that Reserve combat units go to the field only four to six times a year. Alternatively, combat retraining may be more structured and tighter quality control exercised for a variety of reasons—some related to risk of personnel injury or equipment damage.

INITIAL RECOMMENDATIONS AND POTENTIAL FUTURE RESEARCH

Given these results, what actions should policymakers take to address these issues? Our recommendations fall into two broad areas: those that promote a better job match and those that work to reduce the amount of job and unit changing that goes on by stabilizing personnel in their jobs.

From a policy perspective, it is important to determine whether the training loads are primarily driven by voluntary decisions or by component decisions. In the case of prior-service accessions, one would like to know whether the individual had a choice of joining units that could use his or her previous PMOS. We know from the present analysis that almost all reservists have a wide choice of available units. How thoroughly does the individual search among units? If the job search were complete, would it result in a job match with previous jobs? Or does the individual prefer to change into a new job upon joining the Reserve?

Recommendations to Promote a Better Job Match

• Change bonus policies to reward job matching at entry and job longevity once in the force.
Under the current prior-service bonus system, the individual has no incentive to search for a job match with existing skills among all local units, and there is no way for a reservist to wait until appropriate jobs open up. We should be willing to pay higher bonuses to prior-service individuals who use active PMOS in the reserves because we do not have to pay retraining costs. We might also create temporary positions for individuals with the appropriate job PMOS where it is probable that an MOS matching the active PMOS will open within three to six months. Currently, such an individual usually starts retraining for a new position rather than await a position for which no retraining is required. We should also make downstream payments for enlistment and reenlistment bonus payments conditional on spending a minimum time in the current job.

- Evaluate the possibility of centralized local recruiting and reserve component employment information across all components to ease job matching and to monitor interunit and inter-component transfers.

Competition between components and units for prior-service personnel may also play a role in low levels of job matches. Units have no incentive to refer individuals to other units to create better job matches. A more centralized and cooperative local reserve component recruiting network for prior-service personnel could result in the individual obtaining better information on reserve component positions and better matches of people to jobs for reserve component units.

The Department of Defense should evaluate the costs and benefits of a local area reserve component employment and information service. Component data on current vacancies could be pooled to provide information to prospective prior-service recruits and those in the internal labor market. It would provide better information to prospective recruits and help channel individuals to utilize previous skills. It would also serve as a clearinghouse for individuals seeking unit or component changes. Historical data on reservists in the area could be available to check on job longevity, length of service, and eligibility to change jobs and components. It could also provide the basis for better regulation of unit changes to minimize retraining.
Policies to Reduce Job and Unit Switching

- Make “simple” modifications to the reserve component pay table that would extend or increase longevity increments and reduce promotion incentive.

Several policies could be effective in deterring job changes. First, it is important to recognize that an important motivation for switching comes from the current reserve component pay table and from the TOE structure of reserve component units. The reserve component pay table—because it mirrors the active pay table—provides strong incentive for promotion rather than longevity. A typical E5 will receive an immediate 10 percent increase upon promotion and a 3 percent increase for serving two more years in the current grade. Moreover, many reservists stay in grade so long that they no longer receive longevity increments. This means that the only route to higher pay is promotion. Since retirement pay is linked to active pay, it is also substantially boosted through the promotion process.

- Initiate proficiency pay for reservists.

Changing the reserve component pay table may face serious political and practical obstacles. However, proficiency pay could provide many of the same advantages. Proficiency pay was once used in the active force to reward job proficiency and provide pay for individuals who preferred to stay in place and develop higher job proficiency rather than be promoted into positions requiring supervisory or administrative responsibilities. Reserve proficiency pay would be paid for longevity in a job and could be varied across units and jobs. It would provide additional pay the longer an individual stayed in a particular MOS. It would reduce the monetary incentive associated with promotions and work to keep individuals in their jobs longer.

- Prudently change MTOE to make higher grade progression possible within certain jobs that are difficult to fill or require longer training times.

Today’s promotion-oriented system is exacerbated by a TOE authorization structure that limits the maximum pay grade achievable for a job. Many skills have ceilings on how many people can hold the higher pay grades. Further advancement means either waiting for a
vacancy or switching jobs, and the latter is frequently the faster route.
We thus have an incentive system that encourages individuals to seek
higher pay grades as a route to higher pay, and to achieve higher pay
grades by switching jobs.

This pay table and TOE structure serve the active component better
than the reserves. Active forces need a higher grade structure and
more senior careerists to man the more extensive training base and
administrative structure of active forces. Active members pursue job
retraining full-time and can complete it more quickly and surely than
the reserves. The reserves need an incentive system that pays indi-
viduals to stay in jobs longer. Ideally, this would mean a redesigned
pay table that could provide the same or higher pay to reservists but
would provide less incentive for promotion and more incentive—in
the form of higher and longer longevity increments—to stay in cur-
rent jobs. The authorization structure could also be changed to allow
higher grade progression for certain skills. Basically, we need to de-
sign a career incentive system for the reserves that keeps individuals
in skills for five or ten or twenty years, depending on the type of skill.

• Establish minimum job tenure periods to recoup training in-
vestment.

Establishing minimum lengths of service within a skill before trans-
fers are possible would reduce job switching. Exceptions for geo-
graphical migration could be provided. Transfers between compo-
nents should be more strongly regulated to ensure that training
investment is protected. The role of competition between compo-
nents for personnel should be examined.

• Regulate intercomponent and intraunit transfers to protect job
investment.

Changing units appears to be by reservists' choice. Much could be
done to reduce the training load arising from these transfers. Reservists behave in the internal labor market much like in the civil-
ian labor market. They shop for better jobs and switch once they find
them. Better jobs mean higher pay grades or preferred jobs or units.
Other jobs might be preferred because of status, civilian transferabil-
ity, or compatibility with civilian work schedules or family time.
Reservists are quite active in these internal job searches, and almost
all reservists have a wide choice of available units. Current component and DoD policies neither restrain nor discourage such voluntary moves. Thus, substantial investments made in training are not protected or recouped, and increased training resources become necessary.

AREAS OF FURTHER RESEARCH

This research has raised several questions that require policy evaluation, policy initiative, or further research:

• How do we prudently redesign MTOE structure for reserve component units to keep individuals in jobs longer?
• Are “simple” modifications to the reserve component pay table like extended longevity payments politically and economically feasible?
• How effective would proficiency pay be in keeping individuals in their jobs?
• How can we impose minimum job tenure rules without suffering undue attrition losses?
• Would tighter regulation of unit and component transfers result in increased attrition?
• How do we regulate intercomponent transfers to protect training investment and minimize attrition?
• How effective would additional bonus payments be for prior-service personnel to find matching reserve component MOS?
• How effective would enlistment and reenlistment bonus payments be if longer job commitments are required?
• How do we design a reserve component “career” to keep individuals in the same jobs for ten or fifteen or twenty years?

This analysis used data from FY86 and FY87—three years before Operation Desert Storm. Evidence from Desert Storm mobilization indicates that many reserve component personnel were non-deployable because they were not MOS qualified. Additional analysis with more recent data could determine whether there have
been changes in qualification levels. We have analyzed only the Army components. Determining and comparing qualification and turbulence levels across all reserve components would provide additional evidence as to the causes. Comparison with active-duty levels would also be interesting since the assumption that all active units have fully qualified personnel may not be accurate. Finally, survey data directed to understanding the causes of unit switching would provide a much clearer picture of individual motivation for such action.