WHO STAYS AND WHO GOES: ARMY ENLISTED RESERVE AND NATIONAL GUARD RETENTION

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FOREWORD

The U.S. Army faces global challenges that have required it to use reserve components in a manner unseen since World War II and the Korean War. Today, there are many questions and concerns about the future of the Army Reserve and National Guard due to the unprecedented, continued mobilization of these reserve components and problems involving retention. Without adequate retention of personnel, valuable experience and unit readiness are at risk. The Army would have to spend its limited resources to replace many seasoned soldiers with junior personnel or use more contractors who may not be as effective or efficient.

This monograph examines Army Reserve and National Guard enlisted retention patterns from 1995-2002. It provides a necessary background to compare retention patterns in the past with those of today. This information will help reserve component leadership to assess their personnel retention efforts and adjust appropriate public policies to improve their force structure.

The Strategic Studies Institute is pleased to offer this monograph as a contribution to the debate on reserve component personnel issues.

DOUGLAS C. LOVELACE, JR.
Director
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SUMMARY

Today, USAR and ARNG personnel serving with their active components are a common sight and are transparent in many areas of operation. Army reserve components have actively participated in Somalia, Haiti, Bosnia, Kosovo, Afghanistan, Iraq, and for homeland security. Reserve and National Guard units provide specialist and augmentation support for active forces. In some cases, active forces could not sustain field operations without reserve component support. National leadership increasingly has called upon these reserve components to replace operational active Army units as commitments grow in breadth and scope. Force commitments around the globe will ensure future mobilizations of U.S. Army Reserve (USAR) and Army National Guard (ARNG) personnel in areas away from home and under conditions not foreseen just a few years ago.

Frequent and large mobilizations of units and individuals to supplement and support active forces come at a cost, not only financially, but in terms of readiness and perhaps retention. Like their active duty counterparts, USAR and ARNG forces rely strictly on volunteers to fill their ranks. If conditions become intolerable for potential recruits and existing members, these organizations may find personnel refusing to consider participation in the reserves. Perhaps a first step in determining whether the Army faces such a problem is to determine if it faces retention concerns among its forces.

This monograph examines trends in USAR and ARNG enlisted members' retention. Its primary objective is to create a baseline to compare future USAR and ARNG retention and concentrates on the period from 1995 to 2002. The author compares demographic factors, such as race and martial status, to examine who stays and who leaves their respective components. These trends should provide the basis for further study and policy recommendations. The USAR and ARNG face many of the same problems as the active Army, but their situation is more complex. They face problems with their members balancing civilian and military careers, family concerns, and other challenges that can force them to leave service before the completion of a full reserve career.

Three groups are examined: enlisted members with 4-7 years, 8-10 years, and 19 years of service. These groups represent relatively junior, middle grade, and senior military members. If the junior members start to leave, the reserve component needs to work harder to recruit more soldiers. Middle grade enlisted members serve as the backbone of the reserve force and affect future senior enlisted leadership capability. If soldiers start to retire, lack of senior leadership can affect unit readiness and capabilities by forcing junior and middle grade enlisted members to take over positions and work assignments earlier than they might otherwise. This could also affect their retention.

Several notable differences have occurred between the groups. Overall, the Army Reserve had a higher retention rate than the National Guard. Within all of the three enlisted groups, USAR groups had a higher retention rate than comparable ARNG ones. Retention actually increased in almost all groups over the period, despite lowered unemployment rates. During some periods of decreased unemployment, some retention rates among junior enlisted members increased, while in other cases high unemployment corresponded with lower retention.

Other demographic trends include married members having higher retention rates than single members whether the person was in the USAR or ARNG. However, if one examines individuals who indicate how many dependents that member claims, the observation changes. Single members with dependents normally have greater retention rates than married members with the same number of dependents, up to a point. These observations could have significant policy implications to improve retention among particular groups, like providing health insurance or childcare that could affect retention.

Retention rates regarding males and females also differ. In the 4-7 year group, female retention was generally greater than male rates. The other groups indicate males staying in the military at greater rates. One could wonder if this is a new trend where females seek a career with the USAR and ARNG; this will create new challenges. Conversely, as the reserve female members gain experience, they tend to leave at greater rates. This may signal new areas for research on why they leave.

Curiously, deployments did not affect retention in this period. Members with one or two deployments had better retention rates than those who had none. Perhaps those members who were not deployed faced more work, did not get a chance to practice their skills, faced the loss of a career opportunity, or felt left out of their unit, which affected their behavior.

Race was the last major demographic factor examined. White members had lower retention rates than nonwhites. Given the changing national demographics and potential impact on future recruitment, nonwhites must play a larger role in the reserve components. This will affect a host of leadership, training, and other policy issues in recruitment and retention of our enlisted forces.

These observations are general and indicate further study is needed to examine policy changes that improve retention. Today, Operations ENDURING FREEDOM and IRAQI FREEDOM have placed additional stress on the reserve components. While one does not know what retention rates will be found in the reserve components, certainly these events will change perceptions about a reserve career. This monograph may provide the basis to compare retention rates between the continued mobilizations of reserve components and the period where selected deployments were the norm. If the United States returns to a period where reserve components are used in less routine deployments, retention may return to its previous rates. The reserve components face problems they must solve to retain soldiers. Policy options, like bonuses, have been implemented to improve retention. Perhaps other options, based on who stays or goes, might be more effective. Personnel policies to sustain retention rates might not be motivated solely by monetary rewards.

WHO STAYS AND WHO GOES: ARMY ENLISTED RESERVE AND NATIONAL GUARD RETENTION

Since the end of the Vietnam War, the nation has relied heavily upon her reserve components in times of peace and war. In the 60 years since World War II, the government has mobilized elements of the reserve components on a number of occasions, but other than the Korean Conflict and the Persian Gulf War, these mobilizations have been relatively small and short. The Army mobilized 138,600 National Guardsmen[1] and 240,500 Army Reservists[2] for the Korean Conflict from 1950 to 1953. Other mobilizations included the 1961 Berlin Crisis and much smaller amounts for Vietnam and other conflicts. During the 1990-91 Persian Gulf War, the President called to active duty more than 140,000 Army National Guard (ARNG) and U.S. Army Reserve (USAR) members from over 1,040 units from around the country.[3] Since then, and especially since September 11, 2001, the nation has increased its reliance on reserve components, and this has changed the character of the armed forces.

Today, USAR and ARNG personnel serving with their active components are a common sight and component source is transparent in many areas of operation. Army reserve components have actively participated in Somalia, Haiti, Bosnia, Kosovo, Afghanistan, Iraq, and for homeland security. Approximately 143,000 reserve component members were on active duty on June 9, 2003.[4] Reserve and National Guard units provide specialist and augmentation support for active forces. In some cases, elements of the active force could not sustain field operations without reserve component support. National leadership increasingly has called upon the reserve components to replace operational active Army units as commitments grow in breadth and scope. Force commitments around the globe will ensure future mobilizations of USAR and ARNG personnel and employment in areas away from home and under conditions not foreseen just a few years ago.

Frequent and large mobilizations of units and individuals to supplement and support active forces come at a cost, not only

financially, but in terms of readiness and perhaps retention. Like their active duty counterparts, USAR and ARNG forces rely strictly on volunteers to fill their ranks. If conditions become intolerable for potential recruits and existing members, these organizations may find personnel refusing to consider participation in the reserves. Perhaps a first step in determining whether the Army faces such a problem is to determine if it faces retention concerns among its forces.

This monograph examines trends in USAR and ARNG enlisted members' retention. It concentrates on the period from 1995 to 2002, with a primary objective of creating a baseline to compare future USAR and ARNG retention. The project compares demographic factors, such as race and marital status, to examine who stays and who leaves their respective components. These trends should provide the basis for further study and policy recommendations. The USAR and ARNG face many of the same problems as the active Army, but their situation is more complex. They face problems with their members balancing civilian and military careers, family concerns, and other challenging opportunities that can force them to leave military service before the completion of a full reserve career.

Given the current status of forces and potential expansion of the use of the military element of power, the Army's reserve component faces a host of future challenges that includes acquiring new equipment, adjusting to force structure modifications, reorganization issues, changes to mission, more frequent mobilizations, and other issues. For example, before Operations DESERT STORM/DESERT SHIELD, a typical reserve component member might expect a once in a generation mobilization of his or her unit to deploy to an active theater. Today, mobilizations have become a question of "when," not "if." In some respects, the difference between active and reserve components, in terms of deployments, are minimal. Soldiers with certain reserve component capabilities, especially civil affairs, may even surpass their active duty counterparts in deployments because of the nature of today's conflicts and the preponderance of that capability in the reserve components.

Retention questions are front and center for the Army's reserve components. If retention falters, experience, readiness, leadership, resources, and a number of other issues become a focus for the USAR

and ARNG. Soldiers completing their first and second enlistments represent the core of valuable mid-level enlisted strength. For example, less qualified or experienced junior noncommissioned officers (NCOs) might require the Army to have its more senior NCOs focus more attention on their subordinates, thus taking the senior NCOs away from their main duties. Readiness might suffer. Similarly, the Army might have to substitute technology for experience. Instead of having certain field maintenance conducted or supervised by these NCOs, equipment components would need to be designed for removal and replacement only. The Army could also rely on contractors. This may reduce operational capability, and personnel costs may spiral. Replacing USAR and ARNG personnel may require higher recruitment goals that may force a lowering of quality that could further affect retention.

Failure to maintain such individuals in the USAR and the ARNG will create problems for future leadership. Since the USAR and ARNG uniformed members promote from within, they usually do not enlist nonprior service personnel to fill junior or mid-grade NCO positions directly; thus, whole cohorts of reserve components may be wanting for personnel. This action may affect Army operations in a number of areas. Additionally, personnel might stay to qualify for a reserve military retirement, but if retention rates fall among these individuals, then senior leadership quality and effectiveness might come into question. Leadership is still one of the top qualities that the nation's military must capitalize on to adapt to an uncertain world. The lack of senior NCO leadership and capability would then default to junior and middle grade NCOs that might force them to make decisions and perform in positions where they are not qualified. This may create more morale problems that affect retention or, worse, wrong decisions on the battlefield.

The USAR and ARNG do have some tools to improve retention, but effective targeting of groups of individuals and policies might help sustain a more vibrant force that could address potential retention concerns. Past events and trends offer one approach to identify where Army leadership might concentrate its efforts to improve its retention efforts.

Retention: The Key to the Army's Future.

Force structure in the United States has relied on a Total Force approach for decades, especially in times of crisis. Reserve components have supported crisis intervention, humanitarian assistance, peacekeeping, training, and a host of activities to supplement, and in some cases replace, active duty forces. The dawn of the All-Volunteer military created a situation where the active forces could no longer draw upon relatively "cheap" and "available" pools of drafted personnel to meet mission needs. Instead, a professional active force, supplemented by reserve components, could handle most contingencies. The integration of the active and reserve components worked well, assuming that the respective components could recruit and retain sufficient personnel to meet their mission requirements.

Today, operations in Iraq and Afghanistan, homeland security, humanitarian missions, and other activities around the world have strained both components. Since the mid-1990s, reserve call-ups and mobilizations of reserve components have become more frequent and longer. Those reserve forces conduct missions that are either unique to or predominately conducted by the USAR or ARNG. Although the Department of Defense (DoD) has attempted to privatize or use civilian employees instead of uniformed personnel for some functions, many activities still require uniformed personnel to accomplish a mission. Reserve components provide manpower for many of these activities. Additionally, some combat arms capabilities also rest in the reserve components that act as the nation's immediate insurance in case of an emergency.

USAR and ARNG retention is the key to maintaining a flexible response to crises. The loss of experience, added cost of replacements, readiness issues, and other concerns are highlighted if the Army cannot retain its trained personnel. Future leadership springs internally within the USAR and ARNG through grooming individuals from each year group or cohort. The reserve components do not generally hire nor do they promote from outside military sources. The reduction in any one year's cohort will, in fact, deplete the pool of candidates for leadership positions that affects future capabilities for the USAR and ARNG specifically, and the nation's interests in general.

Retention has become a strategic issue, given that certain capabilities reside only in the reserve components. For example, many of the Civil Affairs functions reside predominantly in the reserve components. Given the nature of conflict termination and efforts to establish democracy in selected areas, without these functions the Army may not be able to meet national objectives in a timely, effective, and efficient manner.

Today, the USAR and ARNG face a very significant shift in operations in terms of scale and scope. Soldiers in reserve components must be ready to deploy rapidly and repeatedly to areas of the world that take them into harm's way. Although this aspect of reserve duty has always been part of their obligation, the frequency and uncertainty of deployments has added increased stress to these citizen-soldiers. Given the volunteer status of these individuals and the demands placed on them, the state of the reserve component may come into some question. One measure, retention, may provide a signal to decisionmakers about how individuals value the reserve component service.

People choose to leave the service for many reasons. However, the first step is to find out if historical retention rates have changed. Retention rates for a single year or two may not provide sufficient breadth and depth for analysis. Similarly, retention rates among groups of individuals may differ. For example, persons with one enlistment may have alternatives, job opportunities, or school, relative to senior enlisted members who have higher motivation to gain from further service like a future reserve retirement or higher rates of compensation.

Retention rates may also differ not only by year group cohorts, but by demographic characteristics as well. Women entering the reserve components may desire a military career that offers more independence, financially and skill-wise, rather than an alternative work career. Race, marital status, number of dependents, and other factors can become major determinants in a study of retention. These factors provide clearly identifiable variables to characterize people for study.

Information from a retention study can visibly aid in making or revising policy. Retention trends may tell us where to concentrate

efforts to recruit or put funding, in terms of reenlistment bonuses. Conversely, it could tell us if certain personnel actions, policies, or events can affect our retention. These general trends can provide an overall look at the health and future of the force. As the face of America changes, the composition and the look of the reserve components will change as well. This survey of retention can help senior leaders devise ways to help transform the reserve components for the 21st century.

Methodology.

Retention rates are measured between cohorts based on the number of years of credible reserve service for retirement. Retention is a relative term. In this monograph, one compares who is eligible to stay in the particular reserve component and who leaves the service. These retention rates can lead to potential trends that indicate how particular groups have chosen to act towards retention.

The monograph examines three groups of enlisted personnel from 1995 to 2002. The first group includes individuals that have 4-7 years service, the junior enlisted members in the USAR and the ARNG. The second group examines experienced personnel with 8-10 years of reserve duty. The last group studies personnel with 19 years service[5], to see if people will stay in the service or retire. These enlisted groups are composed of traditional reservists who perform their monthly weekend training and 2-week active duty period per year. It does not examine those USAR or ARNG personnel who choose to take extended tours of duty with the active Army.

Each group acts as a cohort that can provide insights into trends of retention. All personnel in the studied group were eligible to separate at the end of their enlistment contracts or retire. Each group of individuals was compared a year later, after they could separate from the reserve component, to see if they had continued in the USAR or ARNG. The analysis includes as a loss individuals who transfer to active duty or transfer to another reserve component (e.g., Army USAR to ARNG or to another service), since these are still considered "losses" to the USAR and ARNG components.

The collected information is also organized by year group, from 1995 to 2002, with separate entries based on the three age cohorts.

This organization allows the analysis to compare cohorts over an extended period. This longitudinal approach can provide more confidence in the extrapolation of results. The data is arrayed such that a person could also appraise the difference between the cohorts in a particular year. This can show how a particular event can affect the retention rate on the cohort, such as the September 11, 2001, attacks on the United States.

The data was collected from records maintained by the Defense Manpower Data Center (DMDC) at Fort Ord, California. The USAR and ARNG keep identical records, with data elements that are suitable for comparison.[6] Unfortunately, there are periods in the data files where definitions and data elements changed such that comparisons are not possible among various years. For example, a reliable data element that consistently measures when an individual is eligible to separate from service is important. Selected years do not have records that contain such data.

Normally, a study about retention would use a sample since collecting the data from all personnel would be difficult and expensive. Since the USAR and ARNG maintain individual records for each soldier, the collection of data was relatively easy. This aspect of the DMDC records is a key aspect to consider. Instead of a sample of records that one can use to **estimate** the effect on all USAR and ARNG eligible members, we face a different situation. These records tell us **exactly** who left and who stayed with their components, and we have consistent measures of particular characteristics about those individuals. Through this method we can tell, with confidence, which elements of the population acted in a certain way or did not.

Additionally, the manipulation of computerized records allowed for the search and segregation of records fitting certain characteristics, e.g., those eligible to separate from the service. Records were selected based on certain characteristics, e.g., years of service credited for a reserve retirement, that allowed a researcher to further study a cohort by a particular year, given those individuals' demographic characteristics.

Isolating the particular reasons why soldiers choose not to stay affiliated with the USAR or ARNG is difficult. Certainly economic conditions, social acceptance, and other opportunities exist to affect

retention decisions. Exit surveys do not exist for the past, and such surveys would only measure the intent of individuals. However, intentions are not the same as actual actions of individuals. For example, some individuals may show an intention to separate. However, on future reflection those soldiers may decide to do otherwise because of economic reasons such as unemployment prospects, organizational loyalty, a new promotion, or other reasons.

Officers were not included in the analysis. Officers usually do not have terms of service, but serve at the convenience of the President. However, officers who have been recently commissioned, or taken a training course, may have an obligated term of service. Officers can separate from the service by merely resigning their commissions. Further study of officer retention merits attention since many of the same dynamics that affect retention in the enlisted ranks affect officers too.

USAR and ARNG.

Retention rates between the USAR and ARNG do show differences. The USAR personnel have a higher overall retention rate than ARNG members. Although the general enlisted retention rates among all reserve components have increased from 1995 to 2002, the trend has improved much more with USAR personnel than the ARNG.

There are several general trends that confirm conventional wisdom. Enlistees with 4-7 years of credible service tend to stay for further duty at lower rates than individuals who have 8-10 years. The retention rates fall after individuals reach retirement eligibility. The difference between rates is significant. The difference in rates between soldiers with 4-7 and 8-10 years of service was 11.3 percentage points on average for the ARNG, and an even greater 12.7 percentage points for the USAR. Perhaps those personnel who left only wanted certain benefits, such as educational ones and, once vested, left. Conversely, when personnel attain sufficient time to qualify for a reserve retirement, they start to leave. Retention rates fall between the 8-10 and the 19-year groups. Despite being able to

retire, the 19-year groups still show significantly higher retention rates than the junior 4-7 year groups by about 6 percentage points for each component. This would suggest retention among junior members of the USAR and ARNG remains the toughest problem facing the reserve components in this period.

One might argue that economic conditions could explain retention rates for reserve component retention. Individuals desiring to increase their income or trying to maintain employment, albeit part-time, may want to maintain their status in the reserves. This would result in a positive relationship between unemployment and retention rates. If unemployment is high, reserve retention rates would also be greater than average. From 1995 to 2000, the level of unemployment fell to historic lows. However, the reserve retention was generally higher, despite low unemployment. If the economy offered a position to any qualified person willing to work, then the individual had the opportunity to leave the USAR or ARNG to take that opportunity.

The response was not as predicted. Persons in the USAR and ARNG did not leave the service. In fact, retention increased among several groups, while unemployment rates tumbled. However, as unemployment rates increased, there was some decline in retention rates among some ARNG cohorts. This observation also seemed contrary to conventional wisdom. Although these problems fell mostly on the enlisted members with 4-7 years, the other two ARNG cohorts did have some minor declines. Individuals could seek economic security in the reserves, but they did not.

The USAR and ARNG each had much different retention rates. Perhaps this is a signal that the ARNG and USAR have different personnel policies that affect retention rates. Since the USAR and ARNG offer different opportunities; have similar, but different missions; and varying deployments, certain demographic factors might illustrate where policy changes or enforcement could help improve retention among these components.

Marital Status.

The military culture has changed significantly over the past few decades. During the 1960s, the vast majority of military uniformed

ARNG	1995	1996	1997	1998	1999	2000	2001	2002	Mean
4-7	59.8	59.6	58.3	61.6	58.3	66.1	57.8	62.9	60.6
8-10	72.5	71.5	71.9	73.4	69.4	77.1	68.9	70.8	71.9
19	58.1	64.6	68.6	67.5	68.0	71.7	70.0	69.8	67.3
USAR									
4-7	59.5	62.6	62.9	67.9	65.7	66.3	66.7	74.3	65.7
8-10	73.3	76.2	75.5	79.3	77.6	77.1	77.5	79.7	77.0
19	63.2	70.8	75.2	67.5	77.6	71.7	72.8	75.4	71.8
				Unemployment Rate					
	5.6	5.4	4.9	4.5	4.2	4.0	4.7	5.8	

Table 1. Retention Rates Between USAR and ARNG Components.

members were single. Today, under a volunteer force, many see military duty, active or reserve, as a career with its subsequent appeal to members with families. One characteristic concerning retention, easily measured, is a person's marital status. However, as individuals begin to marry later and people decide to become more career oriented, then the trend of retention biased towards married individuals may not be as strong as some might expect.

From 1995 to 2002, married individuals generally had higher retention rates than single soldiers. However, the rates of retention between married and single individuals did not differ significantly. The greatest differences occurred at the 4-7 year period. The least experienced enlisted members had a 3.3 percentage point difference between married and single retention rates, with married having a higher retention rate. A more significant variance is between the USAR and ARNG members. The propensity to stay in the reserves was at least 5 percentage points higher among both married and single USAR soldiers compared to ARNG soldiers. This shows that the lowest retention rates among USAR single members were greater than the highest ARNG married rates for the same year groups.

These findings provide many potential policymaking implications for senior leadership. Does the USAR have programs that tend to attract and retain married and single members at a greater rate than the ARNG? Focusing on married members and trying to retain them

may be a very legitimate focus. However, if those members wish to stay anyway, should the proper emphasis become more on single members? What might motivate single members and how do their views differ from those of married members? Although retention rates among single members over time improve, as the member transitions from junior to senior enlisted status, what might we learn from this experience? These members become self-selected, and those who desire to finish their career do so regardless of their marital status.

One trend that appears in the USAR and the ARNG is a gradual narrowing of retention rates between married and single personnel from 2000 to 2002. For example, ARNG rates once dominated by married personnel were slowly eclipsed in the 8-10 and the 19-year groups. Perhaps married members were motivated to stay in service, but something changed. With additional peacekeeping and homeland security requirements, increases began in both the number and duration of voluntary and involuntary deployments. Could the prospects of uncertain requirements for deployments start a new trend where single vice married members tend to maintain their reserve commitments? Single members may have greater flexibility without familial requirements to stay in the USAR or ARNG. Before Operations DESERT SHIELD/DESERT STORM, the reserve components normally had a once in a generational, massive call-up for active duty. Today, USAR and ARNG personnel are frequently called to relatively long stints of active duty to supplement or replace active duty units.

Married members now encounter higher opportunity costs to stay in the USAR and ARNG, as these members deploy and the costs due to family concerns start to rise. This fundamental change in personnel policies may create conditions where married individuals may become the focus of attention among reserve retention concerns.

Marital and family structures normally seek stability. Whether the issue involves job security, social situations, or other concerns, people with family responsibilities may be attracted to situations where routines become more of the norm than the exception. Increased reliance upon reserve components to replace active components throughout a range of possible situations from hostile situations to

ARNG	1995	1996	1997	1998	1999	2000	2001	2002	Mean
4-7									
Married	61.9	61.2	59.8	63.2	59.8	68.8	59.8	64.0	62.3
Single	58.1	58.2	57.2	60.3	56.9	62.9	55.9	62.1	59.0
8-10									
Married	72.9	72.1	72.6	74.2	69.3	78.7	70.2	70.3	72.5
Single	71.5	70.3	70.6	72.2	69.5	73.3	67.1	71.6	70.8
19									
Married	57.9	65.9	67.9	67.4	67.6	71.6	69.3	69.6	67.2
Single	58.7	57.7	71.9	67.6	69.7	72.2	72.6	70.7	67.6
USAR									
4-7									
Married	62.8	65.4	66.2	70.5	68.3	69.2	67.2	73.8	67.9
Single	57.8	61.2	61.3	66.6	64.4	64.8	66.4	74.6	64.6
8-10									
Married	74.9	75.5	76.2	80.5	77.8	76.0	77.3	82.2	77.6
Single	71.1	76.9	74.6	78.2	77.3	76.8	77.7	76.2	76.1
19									
Married	82.2	71.6	76.6	67.2	76.1	74.4	74.0	75.5	74.7
Single	76.2	68.8	71.3	68.2	81.8	71.0	69.8	75.3	72.8

Table 2. Retention Rates between Components by Marital Status.

supplementing training functions may bring more stress and pressure on the married than the single member to seek added stability. The expectation of increased deployments may create conditions among married members that further service would risk levels of stability to a point where they decline re-enlistment.

Marital Status and Dependents.

Marital status can provide many insights into retention rates. Perhaps individuals seeking a career with the reserves also may be influenced by not only marital status, but the number of their dependents. Single parents or divorced members who desire a secondary career may be motivated to stay in the reserves. They

also face legal and financial responsibilities for dependent care that necessitate continued participation in the reserves. As the condition of reserve participation changes, will this affect their tenure in the reserves?

Increasingly, members of the reserve and active duty components face a problem with individuals who become single parents or have concerns providing care of dependents while performing their duties. For families having both parents in the military, either both in the reserves or one serving in the reserves and the other on active duty, having to perform additional military duties may strain their relations as spouses and parents. However, financial considerations also play a major role in many career decisions. Support and care for family members is a very expensive proposition. Perhaps members in an enlisted status may be motivated to begin a reserve component affiliation in part, due to the financial reward in the short time frame as opposed to longer term considerations. Few business opportunities offer a "part-time" career that can provide a retirement annuity, medical care, and other benefits to the extent of the reserve components. Pressure on family responsibilities and financial considerations become locked in conflict. One way to examine this idea is to compare the married and single members who have dependents. Perhaps married members with dependents become sensitive to retention as deployments become more probable over a career. Conversely, single members with dependents, either divorced or sole wage earners, may find that they have to serve to satisfy their financial obligations since they are starved financially.

Generally, USAR and ARNG personnel follow a pattern in retention. Members who have more dependents tend to have greater retention rates. However, where married members normally have greater retention rates than single members, this is reversed if the single member indicates that he or she has dependents. Single members with dependents tend to stay in the reserves more than members with no dependents. Members with dependents also show stratification based on longevity which is consistent with other groups. For example, single members with 4-7 years of credible service for retirement have lower retention rates, retention increases with members in the 8-10 years of service, and then the rate drops after completion of at least 19 years of service.

For the USAR, the pattern of retention reflects several trends. In the 4-7 year group, single members have higher retention rates when the number of dependents is one or two; those members tend to stay in service at a higher proportion than married members. This trend reverses as the number of dependents increases. Perhaps this is because the financial rewards are outweighed by the familial obligation or responsibilities, especially if a member can provide more support. The 8-10 year cohort also demonstrates this effect, but to a lesser extent. Single members have higher retention rates than married ones, plus as the number of their dependents rise, they stay in at a higher rate. The potential to serve out a career, higher pay (presumably due to higher rank),[7] older dependents who require more financial support, and other rationale most likely play into the decision to continue in the reserve component. This trend generally continues, albeit at overall lower rates, with the 19-year group. Many single members with one or two dependents decide to postpone separation at higher rates than married ones, but the degree of difference is slight. (See Table 3.)

The ARNG data indicates that single members with dependents stay in uniform more than married ones. In the 4-7 and 8-10 year groups, single members with dependents remain in the reserves at increasing rates as the number of dependents the member claims increase. In the ARNG, the rates of retention differ between these groups by 2 to 3 percentage points. These are slight differences, but the trend towards increased retention with the number of dependents seems remarkable. The drop in retention rates for singles with four dependents in the 8-10 year cohort, and three or four dependents in the 19 year cohort most likely represent a very small population and thus may not be statistically relevant. In general, the greater the number of dependents, the more likely one stays in the ARNG and USAR.

Relative differences between ARNG and USAR groups show some interesting patterns. For married members, differences between the USAR and ARNG start to increase with the number of dependents. the USAR has greater rates of retention as the number of claimed dependents rise in the 4-7 year groups. The other year groups also show the USAR retentions groups at higher rates, but with a much lower difference. For the single members, this trend also continues

USAR	1995	1996	1997	1998	1999	2000	2001	2002	Mean
4-7									
Married									
1	58.7	62.7	61.1	64.7	57.5	63.3	63.1	61.8	61.6
2	60.6	63.6	67.8	71.3	60.9	67.8	65.9	65.7	65.5
3	69.8	68.7	68.3	76.3	64.7	76.2	73.1	67.2	70.5
4	70.0	80.1	77.6	78.5	64.3	78.9	76.9	69.1	74.4
Single									
1	63.5	66.8	64.6	71.6	63.8	68.5	71.9	68.5	67.4
2	67.8	68.3	71.0	80.7	60.3	75.9	67.2	67.9	69.9
3	67.2	66.7	59.7	69.5	62.2	70.0	70.5	70.3	67.0
4	68.4	52.9	46.7	44.0	72.7	80.0	75.0	42.1	60.2
8-10									
Married									
1	72.1	70.4	72.1	80.5	68.9	73.3	75.2	79.8	74.0
2	74.6	73.3	78.4	80.3	69.8	76.8	77.5	81.9	76.6
3	73.7	78.2	77.0	82.7	68.4	77.4	77.3	86.5	77.7
4	82.1	82.8	80.9	76.6	73.6	80.0	85.1	80.4	80.2
Single									
1	67.8	74.8	80.6	80.0	71.9	79.2	86.6	75.7	77.1
2	76.5	83.3	77.7	75.0	70.6	83.3	69.7	81.8	77.2
3	75.7	69.7	85.3	90.9	76.0	71.4	69.6	86.9	78.2
4	87.5	70.0	60.0	100.0	71.4	85.7	80.0	66.7	77.7
19									
Married									
1	54.5	66.7	71.8	64.4	61.7	73.7	66.7	73.3	66.6
2	60.8	74.4	77.9	66.0	74.0	80.8	69.7	68.2	71.5
3	65.5	75.5	75.9	70.9	67.4	69.1	75.2	76.3	72.0
4	69.0	69.1	81.7	67.9	71.7	77.8	81.9	82.1	75.2
Single									
1	64.5	71.4	54.7	62.5	62.8	70.5	75.7	82.1	68.0
2	60.0	72.4	75.9	73.7	77.3	66.7	76.7	70.8	71.7
3	61.1	72.7	90.9	88.2	65.0	64.3	33.3	75.0	68.8
4	100.0	50.0	100.0	25.0	100.0	100.0	66.7	75.0	77.1

Table 3. Marital Status and Dependents, USAR.

with USAR members having a greater overall retention rates than ARNG members. (See Table 4.)

These results have profound policy implications. Members with increasing number of dependents have greater retention rates. Improving retention may hinge on the perceived benefits that

ARNG	1995	1996	1997	1998	1999	2000	2001	2002	Mean
4-7									
Married									
1	59.5	60.2	57.9	61.2	57.5	67.7	57.9	61.8	60.5
2	64.1	61.2	61.8	63.9	60.9	66.7	61.7	65.7	63.3
3	66.3	64.6	62.1	67.6	64.7	72.9	60.7	67.2	65.8
4	64.5	63.1	65.8	68.4	64.3	74.1	65.4	69.1	66.8
Single									
1	63.1	57.7	62.8	68.9	63.8	62.8	60.6	68.5	68.2
2	69.3	62.1	67.8	72.7	60.3	75.5	64.3	67.9	67.0
3	61.8	62.5	50.9	76.9	62.2	81.8	73.0	70.3	68.6
4	77.8	72.7	71.4	63.6	72.7	0.00	72.2	42.1	67.4
8-10									
Married									
1	73.2	70.2	72.2	72.8	68.9	79.4	69.2	67.2	71.6
2	71.5	72.7	72.4	76.5	69.8	75.5	71.0	72.8	72.8
3	72.8	75.6	72.1	76.2	68.4	78.5	71.9	71.6	73.4
4	74.4	73.4	76.2	73.7	73.6	84.1	71.0	75.1	75.2
Single									
1	70.6	73.7	74.3	76.2	71.9	72.7	70.4	74.2	73.0
2	76.0	66.9	74.5	78.2	70.6	75.6	67.4	72.4	72.7
3	86.9	69.6	71.4	67.9	76.0	75.0	77.8	73.2	74.7
4	75.0	54.5	28.6	60.0	71.4	66.7	80.0	100	67.0
19									
Married									
1	51.7	63.8	68.2	63.6	61.7	71.9	67.7	67.2	64.5
2	59.1	65.8	73.9	67.5	74.0	67.6	68.5	72.8	68.7
3	60.5	65.2	63.9	69.9	67.4	74.2	67.9	69.8	67.4
4	62.8	65.9	66.2	67.9	71.7	75.0	77.4	68.6	69.4
Single									
1	50.0	46.8	72.1	66.2	62.8	83.3	79.5	75.3	67.0
2	56.3	74.1	87.1	69.0	77.3	40.0	67.3	77.5	68.6
3	71.4	41.7	80.0	57.1	65.0	100.0	70.0	53.8	67.4
4	66.7	33.3	50.0	75.0	100.0		0.00		54.2

Table 4. Marital Status and Dependents, ARNG.

members can receive to support those dependents. Issues such as pay, benefits, terms of service, and other quality of life issues may play a key part in maintaining or strengthening those rates. Conversely, problems with single members who have sole custody of dependents or provide support may have implications for

deployment or other concerns. For example, more family support programs while members deploy may help. However, as more and longer deployments occur, these concerns about family support and benefits will become more important.

Male/Female Retention.

Another interesting aspect of retention involves male and female decisions to stay or leave the reserve components. The decision to remain as part of the USAR or the ARNG may depend on a number of factors. Familial responsibilities, available opportunities, financial considerations, and other concerns affect people's decisions to consider a reserve career. In the last 2 decades, many career opportunities for women have expanded the horizons for increased participation of females in the USAR and ARNG. This action may have added motivation for females to stay in the reserves. If true, the retention rates should exceed or at least be similar to male retention rates. More junior enlisted members would be exposed to greater career opportunities than the more senior enlisted members. Additionally, the more senior female enlisted members may have been limited to certain career fields that could also affect their promotion chances.

The retention rates between male and female members do not seem to differ greatly between members in their own component. For example, the mean retention rates for ARNG enlisted members with 4-7 and 8-10 years of service differed by less than 1 percentage point between males and females. Although female retention rates were greater than male rates from 1995 to 2000, the difference was slight. In the USAR, one sees a similar pattern of slim differences between mean averages within the same year groups. The retention rates for USAR personnel at the 19-year group does not show a clear difference between males and females.

Curiously, the female mean retention rates for the ARNG and USAR were greater than the comparable male rates. However, from about 2000 onwards, a trend towards greater male retention rates has occurred. Why might this happen? One reason may be opportunity costs among female personnel to pursue more lucrative employment and other business ventures. Pay compatibility between civilian male and female members, although still not equal, had narrowed, and

gains for females were made. Perhaps the increased pay compatibility and other business avenues to advancement have put pressure on women to pursue civilian opportunities and not ones in the Army reserve components. Similarly, the overall drive in the business world is to increase work productivity among its workers. In some respects, one manner of increasing productivity is to increase overtime hours or spread responsibilities among fewer workers. Given the cost of hiring new workers or increasing the work load on existing workers, an employer would try to save money by using existing workers. The challenge for the worker is to keep their main civilian occupation, yet maintain their reserve affiliation. Increased deployments among USAR and ARNG units during the latter time period of the analysis may have also caused a change affecting decisions to stay in or leave the reserves. These observations may work well to explain some of the decisions that influence retention. The relatively constant level of retention rates, male and female, may reflect the success of the ARNG and USAR in weathering some of these concerns.

The rates of retention between USAR and ARNG do seem to differ. Is the problem one reflected among males and females? If so, then the retention rates should differ significantly between one another. One does not find this in the data. Males and females, within their respective component and time cohort, seem to stay in the USAR and ARNG at about the same rates. Perhaps the USAR has transitioned to a more accepting environment for females better than has the ARNG. If the question becomes one of females not being willing to stay in the reserves, then one only needs to see the rise in retention rates in the USAR during 2001 and 2002 (see Table 5 and 6). Increased mobilizations for active duty tours did not seem to diminish female retention rates in the USAR (though they may have affected the ARNG); in most cases, USAR female retention rates started to increase along with male rates. Retention rates varied, but there was no great exodus of female reserve members in either component.

Policies directed towards female retention rates may become more focused on maintenance rather than expansion. The actions among female reserve members seem to mirror the male rates. This might imply that expansion of opportunities might be better served with an eye to male and female members, not just one specific group.

USAR	1995	1996	1997	1998	1999	2000	2001	2002	Mean
4-7									
Male	58.3	62.0	62.6	67.7	65.3	66.7	67.3	75.0	65.6
Female	63.2	64.5	64.2	68.7	66.9	65.0	64.9	72.6	66.3
8-10									
Male	74.0	76.7	76.5	80.3	77.9	76.2	77.5	80.2	77.4
Female	70.2	74.8	73.2	76.2	76.6	76.8	77.3	78.1	75.3
19									
Male	64.5	69.8	75.6	67.6	78.3	74.8	71.7	75.2	72.2
Female	54.3	75.5	73.6	67.4	74.4	68.5	76.9	76.4	70.9

Table 5. Male and Female Retention Rates for the USAR.

ARNG	1995	1996	1997	1998	1999	2000	2001	2002	Mean
4-7									
Male	59.6	59.3	57.9	61.5	58.1	65.9	57.8	63.3	60.4
Female	61.6	61.9	62.3	62.2	59.8	67.5	57.3	60.4	61.6
8-10									
Male	72.5	71.5	71.8	73.4	69.3	77.1	69.2	70.9	71.9
Female	71.9	71.3	72.2	74.3	71.4	76.0	66.4	69.1	71.6
19									
Male	58.3	64.9	68.4	68.0	67.9	71.9	70.0	70.2	67.5
Female	52.0	56.7	73.3	54.2	69.0	66.7	69.8	63.1	63.1

Table 6. Male and Female Retention Rates for the ARNG.

Deployments.

Deployments have increased for USAR and ARNG over the past 2 decades. Much debate has swirled among policymakers about the impact of deployments on retention. The major deployments identified for this period involved combat actions like Operations DESERT SHIELD/STORM, peacekeeping, Operation NOBLE EAGLE, and Operation ENDURING FREEDOM. The current period of unheard of mass mobilizations of USAR and ARNG personnel starting after the 1991 Persian Gulf War has transformed the

reserve components. Previously, senior USAR and ARNG members probably would have expected a once in a generational mobilization. Although the reserve components were a part of a total force structure, the immersion of USAR and ARNG personnel in total force planning caused them to routinely supplement or replace active forces. This has changed the face of reserve service, and expectations of future service may affect retention.

Most senior USAR and ARNG personnel had no, one, or two deployments in a full career. Individuals who performed three or more deployments were very rare. Due to the increased emphasis on deployments over the last 2 decades, junior enlisted members have experienced more deployments in their careers than their seniors. This may create interesting leadership problems. The retention issues may seem fairly straightforward: If a member has signed onto service with the USAR or ARNG with a belief that he or she would serve in a role with a more traditional link of service to the local community, or as a mobilization of last resort, then retention problems may arise due to increased mobilizations. Individuals could decide that the commitment was not what they imagined and simply fail to re-enlist.

Surprisingly, the USAR and ARNG show some interesting patterns. Individuals with no deployments have lower retention rates, at least with the 4-7 and 8-10 year cohorts, than individuals with one or more deployments. In the USAR, the rates of retention increase from 63.8 percentage points for no deployments to 70.0 percentage points for one deployment in the 4-7 year group. Higher retention rates occurred in the 8-10 year group. If we take the once in a generational mobilization, Operations DESERT SHIELD/ DESERT STORM, out of consideration, focusing on people in the 4-7 year group starting in 1998 and onwards, we find retention rates in some cases were higher than earlier periods. This may suggest that even with the expectation of more peacekeeping operations or the prospects of service in Afghanistan in 2002, individuals tended to stay in service. Retention in the 8-10 year cohort and even the 19 year cohort improved. If the 1996 retention rates for members with one deployment is excepted, then even the 19-year group, despite its lowered mean average, would fit the pattern of other year groups higher retention with more deployments.

The ARNG shows similar patterns to the USAR. Individuals with deployments, in most cases, tend to stay at a slightly higher rate than those with none. Improvement in retention has occurred from 1995 to 2002. The 4-7- year ARNG cohort tended to mirror the USAR group, except for people with two deployments. In this case, more than one deployment tended to reduce retention rates. How ARNG deployments differ from USAR ones might explain these rates.

Why might retention improve because of deployments? A sense of increased patriotism and duty after September 11, 2001, may have created emphasis for higher re-enlistments. In most cases, in 2002 the retention rates were higher than in previous periods. This is especially true for those with at least one deployment. Curiously, individuals with no deployments had lower retention rates in 2002. Could deployment service have been a motivating factor to demonstrate trained skills, or did individuals who joined the reserves really want to serve in ways other than traditional images of the reserve? Similarly, individuals with deployment histories may view their service as a career enhancement or a reflection of their desire to volunteer. Unfortunately, the period studied did not include Operation IRAQI FREEDOM and subsequent deployments. Follow-on studies to test retention rates, given routine deployments into hostile areas, may show significant alterations in the retention of personnel.

Smaller scale deployments that were nonroutine and fairly defined were more of the norm after Operations DESERT SHIELD/ DESERT STORM. Retention largely was unaffected by a history of deployment. Policies toward the use of reserves in deployments might need revision, given the past history and retention rates that we have seen in the 1995 to 2002 period. Perhaps more peacekeeping, humanitarian, homeland security, and supplemental use of reserves during a major conflict may not have affected retention. Until data from Operation IRAQI FREEDOM is analyzed, policy decisions relating to rotation of reserve components need to be delayed.

Race.

Another visible demographic factor to compare retention rates among reserve component personnel is race. In the United States

USAR	1995	1996	1997	1998	1999	2000	2001	2002	Mean
4-7									
0	58.4	59.3	61.9	67.9	65.6	66.2	66.3	64.7	63.8
1	62.2	63.5	68.6	68.1	66.6	67.0	71.8	92.0	70.0
2	87.8	56.1	71.4	69.6	63.8	81.4	80.0	92.7	75.4
8-10									
0	71.3	74.9	75.1	78.4	76.9	75.5	77.2	71.9	75.2
1	76.7	79.1	76.5	82.2	79.5	79.7	77.8	88.9	80.1
2	92.6	85.2	74.3	81.5	76.0	76.5	85.0	94.7	83.2
19									
0	64.8	72.5	75.9	68.6	78.6	74.6	72.1	65.9	71.6
1	58.7	27.5	72.8	65.1	76.2	69.6	73.7	86.9	66.3
2	66.7	60.0	100.0	62.5	50.0	77.8	100.0	90.2	75.9

Table 7. USAR Retention Rates and Deployments.

ARNG	1995	1996	1997	1998	1999	2000	2001	2002	Mean
4-7									
0	60.8	59.3	58.0	61.4	58.0	68.0	57.4	52.2	59.4
1	53.3	63.4	63.2	64.4	59.3	59.4	60.8	81.4	63.2
2	50.0	56.1	57.6	57.7	58.3	57.6	57.9	86.6	60.3
8-10									
0	72.1	71.1	71.8	73.4	63.3	77.1	77.2	62.4	71.1
1	74.8	73.8	72.9	73.2	70.9	76.8	77.8	83.3	75.4
2	78.0	71.4	70.9	76.6	100.0	76.5	85.0	87.9	80.8
19									
0	59.5	63.9	67.8	67.2	67.4	69.4	72.1	63.4	66.3
1	53.3	68.0	73.9	68.9	71.0	81.8	73.7	79.7	71.3
2	25.0	60.0	60.0	85.7	75.0	100.0	100.0	94.6	75.0

Table 8. ARNG Retention Rates and Deployments.

today, there have been social changes to concepts of race. Past census classifications have focused on only a few race and ethnic categories; today with wider identification of more ethnic and racial groups, classifications have become more graduated. Immigration has also

added finer comparisons between racial groups. Additionally, individuals raised in interracial marriages are free to identify with two or more racial groups. In this portion of the monograph, individuals are sorted as "white" or "nonwhite" to provide a more manageable comparison.

Do minorities or those who self-identify themselves as "nonwhite" have a higher or lower rate of retention? How "nonwhites" view possible opportunities for future service is key. In many populous states, like California or Texas, the rise of nonwhite populations may one day surpass the white majority. Understanding how nonwhites view future service is important in order to integrate future populations to man the reserve component.

The USAR and ARNG retention rates for nonwhites are higher than ones for whites. Differences between the USAR and ARNG vary. The USAR rates have larger differences between the two groups than the ARNG among more junior members, but the trend reverses with seniority. For example, in the 4-7 year cohorts, nonwhites stay in the USAR at a 7.4 percentage point higher rate than whites, while the ARNG difference is only 2 percentage point difference. Conversely, in the 19-year cohort, the ARNG holds more nonwhites in service after they are eligible for retirement than the USAR. USAR and ARNG middle seniority personnel, with 8-10 years, demonstrate a similar percentage point difference between whites and nonwhites of 2.8 percentage points.

Why, then, do nonwhites stay in service more than whites? What are the implications for future leadership, recruitment, training, and other policies? As U.S. demographics change to a higher rate of population growth for nonwhites than whites, the face of who serves may change rapidly. If the population becomes heavily nonwhite and the reserve components are successful in recruitment, then retention problems may not appear as severe. However, this assumes certain conditions are present to explain why nonwhites stay in service. Do nonwhites stay in service because the USAR and ARNG offer better opportunities than other business opportunities? Like women in the past, as nonwhites become a more predominant face in America, they may find better prospects, in their opinion, than the reserves. Conversely, if nonwhites start to eclipse whites in the reserves, then

USAR	1995	1996	1997	1998	1999	2000	2001	2002	Mean
4-7									
White	55.8	60.2	60.1	65.5	62.7	62.4	64.9	73.5	63.1
Nonwhite	65.9	67.0	68.1	72.8	71.4	73.5	69.9	75.7	70.5
8-10									
White	70.8	74.7	73.4	79.8	75.6	75.6	76.4	80.0	75.8
Nonwhite	77.4	78.3	78.6	78.8	80.5	77.4	78.9	79.2	78.6
19									
White	60.0	68.5	72.7	66.9	73.5	69.8	70.6	72.5	69.3
Nonwhite	67.5	74.0	78.6	68.3	82.9	77.8	75.7	79.5	75.5

Table 9. USAR Retention Rates by Race.

ARNG	1995	1996	1997	1998	1999	2000	2001	2002	Mean
4-7									
White	59.2	59.7	57.9	61.2	57.5	65.3	57.4	63.0	60.2
Nonwhite	62.3	59.1	59.8	63.2	61.2	70.1	59.0	62.8	62.2
8-10									
White	71.4	70.8	71.2	73.0	68.5	76.9	68.3	70.1	71.3
Nonwhite	75.8	73.5	74.3	75.1	72.6	77.9	71.0	73.2	74.2
19									
White	57.2	63.3	66.3	65.2	65.7	70.1	65.6	68.2	65.2
Nonwhite	60.2	67.8	74.5	73.0	73.6	78.3	81.6	74.7	73.0

Figure 10. ARNG Retention Rates by Race.

the USAR and the ARNG may need to evaluate policies that influence everything from personnel to training policies. For example, how can the USAR and ARNG ensure adequate leadership which helps ensure growing nonwhite enlisted populations are motivated to meet their missions? How will the Army overtake potential language and social barriers? These and other concerns may create many situations that can challenge future leaders.

Potential Retention Policy Modifications.

The USAR and ARNG can undertake several initiatives to increase retention. If conditions return where deployments become

more of the exception than the rule, the reserves could approach an environment similar to the 1995-2002 period. Unfortunately, contingencies not withstanding, national security leadership may not have the benefit of a return to past times. However, several insights into the reserve component retention become clear to an observer. The type of person who stays in the reserve component can lead to selected policies to enhance retention.

First, during the 1995-2002 period, retention did not change over time among similar cohorts. For example, among members of the 4-7 year cohort, retention for ARNG hovered around 60 percentage points, while USAR was about 65 percentage points. Throughout the period, there was some retention increase after 2001, presumably due to terrorist attacks here in the United States. However, two observations must be made at this stage. If retention seems adequate at the 60 percentage point level, does this provide sufficient experience to ensure mission requirements? Hypothetically, what if we retained 100 percent of all eligible individuals? Do the USAR and ARNG have sufficient funds and manpower authorizations to keep these people in the reserves? Would this slow promotions and affect entry by nonprior service or other junior enlisted members? The second observation is that, even within the Army reserve components, there is a distinct difference between the USAR and ARNG. Generally, the USAR has a higher rate of retention than the ARNG. The difference between the two organizations involves mission, personnel composition, and organization. Developing policies for the ARNG may not work for the USAR, and the same for USAR policies and the ARNG. Two distinct personnel policies may need to be considered. Curiously, perhaps the existence of different personnel policies may have contributed to the USAR and ARNG retention rate disparity.

Second, if the reserves have changed their approach fundamentally from being "on call" to frequent and routine support of active forces since 2002, then this analysis is somewhat muted. Continual deployments, on a routine and large scale basis, have distorted the view of the traditional duties for reserve components. The return of certain reserve activities required for large scale deployments to the active duty forces or the increase in privatized efforts could change how the nation uses its reserve components. Our reliance on reserve components has altered the traditional use of reserve components

such that the difference between deploying reserve or active duty units is marginal. There may be less of an advantage towards a career in the reserves since members returning from deployments may experience a financial loss, disruption in their lives, delay in education, or sudden unemployment.

However, who stays and who leaves the USAR and ARNG is still relevant in finding proper personnel policies. Depending on how one views retention policies, one can establish policies to entice those members who traditionally stay, try to keep those in uniform who are likely to leave, or both. Given limited resources, if the member will stay in service regardless of "perks" or benefits used to retain personnel, then perhaps we can use those resources in a more effective and efficient manner. This is not to imply that the Army should allow decay in benefits such that those members who currently stay would find reasons to depart. Maintaining practices or policies that retain members should continue. Perhaps looking at those members who tend to leave or have a lower retention rate may be more fruitful for the USAR and ARNG.

One possible area of review is determining why there is a difference between USAR and ARNG retention. The USAR had higher retention rates overall in almost all categories. Mission, personnel policies, deployments, and other factors have a bearing on retention. Unfortunately, the USAR and ARNG have many significant differences in composition, use, and funding. The USAR succeeds perhaps due to a single focus, support to the active Army. Unlike the USAR, the ARNG has two masters, the support of the active Army and the appropriate state level government. This creates more opportunities for calls to active duty, and tasks that may fall out of a unit's trained mission.

In some respects, many of the same problems faced with one group probably have application to many others in the service. One such contention is that pay and benefits are a prime element of decisions by those in civilian occupations to leave the service. For example, retention rates differ by not more than 3 percentage points between married and single members of the USAR and ARNG. Married members have a higher retention rate than single members. One could propose, with some legitimacy, that married members have more responsibilities in terms of dependent needs. If so, then

they may be motivated to stay in the reserves for the immediate and long-term financial returns for service. Conversely, single members without the obligations of family or financial burdens may face a set of opportunities that offer higher return from free time, or provide higher immediate (e.g., civilian occupation) or long-term (e.g., education) return for their time. Unlike in-kind benefits, like the expanded commissary or exchange benefits, finding a means to reward single or married reservists, without the appearance of discriminating against either group is important. Single members can use the commissary, but the perceived benefit for a married family member might alter the view of the "true" worth of this opportunity in comparison to single members. Instead, the increase in pay or educational benefits designed solely for the member is an important policy decision.

Another area where one can focus the difference between married and single personnel is dependents. The difference between single and married soldiers with dependents provides more ground to explore. Soldiers tend to stay in the USAR and ARNG at greater rates as the number of dependents rise. This positive relationship is important, since one might be able to design programs that could help married or single soldiers to stay in the reserves. Single soldiers with dependents tend to have an even greater rate of retention than married individuals with the same number of dependents. Perhaps these single soldiers have more financial or other pressures to maintain or support dependents and households. Despite the possibility of deployments or other conditions that might have caused individuals to quit, these soldiers decide to stay for immediate and long-term compensation. DoD has added unlimited commissary shopping and exchange privileges, and has explored extending healthcare insurance as benefits for the individual and his or her dependents. Perhaps access to more morale, welfare, and recreation, e.g., childcare or other benefits, might help to increase retention. Financial incentives, perhaps an exploration of tax-free (at the federal level) payments of certain stipends such as a truncated housing allowance or subsidized commercial health care program, might attract these members to stay.

A general pay raise might help, but notice Table 1, where general unemployment rates were posted with retention rates: Retention

rates actually increased in many cases with lower unemployment rates. Normally, with lower unemployment rates, pressure to raise wage rates is put on a smaller available labor pool. This means that the opportunity cost of an individual serving in the reserves is higher. Perhaps the existing rates of pay were sufficient, given the pay raises for the period. This is especially telling since the lower unemployment rates started in the mid-1990s. Individuals may have stayed in the reserve components for other reasons.

Similarly, retention appears to sag at the two extremes of senior and junior personnel. The drop for senior personnel might be explained by the availability of retirement. What personnel policies might encourage those who are eligible to stay in longer than their retirement eligibility? Would this include additional promotion opportunities of some type to motivate individuals? This is probably not an area where the Army should concentrate its retention efforts since most of these individuals might stay a short period of time. Conversely, if the Army looks at the 4-7 year group, there is more potential for gain than cost. These individuals could potentially stay in for as many as 16 or more years or as little as 13 years. This group would help the USAR and ARNG in their enlisted force.

Programs to support retention by the sex of the member do not seem to be necessary. Males have a higher retention rate than females. However, the difference in rates is not great. Adding more programs to extend opportunities may not aid significantly in their retention. Opportunities that have widened enlisted careers may have succeeded, and the USAR and ARNG could maintain its program without significant changes.

Recent events have focused on the number, type, duration, and frequency of mobilizations and deployments. Today, the use of the reserve components has put a strain on the USAR and ARNG. Surprisingly, up to 2002, the number of deployments by reserve component personnel did not seem to affect the level of retention. In fact, personnel without a deployment history did not have a higher retention rate than those that did. Although most soldiers, if they had a deployment, had a single deployment, one has to evaluate this data carefully. Routine deployments may act as a means to validate the individual and unit's service. However, repeated deployments for multiple mobilizations or for uncertain time commitments may

not support this observation in the future. There was some decrease between 2001 and 2002 in the 19-year cohort for retention. Perhaps the opportunity cost of staying in the reserve components was too high compared to a competing requirement, like a highly paid profession, to be away on deployment. So, they tended to opt out of the reserves.

Conclusion.

Retention is a potential concern among active and reserve components in all branches of service. Keeping a quality soldier in uniform not only improves force capability, but is cost effective as well. Although retention seems to have stayed relatively constant from 1995 to 2002, one might not find the same results today. Changing conditions from a periodic reliance on reserve component use to a routine one may solve current force structure problems, but may create problems in the future.

This monograph examined a slice of history for the USAR and the ARNG. My intent was to use the data as a basis to compare future retention studies with a relatively stable period where the United States did not use the reserve components as frequently as today. Only a sustained comparison of reserve components in the future can shed light on the impact of increased and scheduled use of USAR and ARNG units on retention.

Future examination might focus on the effect on reserve component members who were mobilized for active duty and those who were not. This could answer questions about the effect of mobilization on decisions to separate or retire. Unlike the 1991 Persian Gulf War that was relatively short, future mobilizations may last more than a year, and members might face the possibility of repeated deployments just like active military members. This type of analysis could yield valuable insight in viewing options for using the reserve components immediately compared to longer-term impacts. Small, infrequent mobilizations during this period did not seem to affect retention. However, future mobilizations in conflicts that are relatively long, extensive, and unpopular at home may have other results.

Perhaps future reserve component leadership will view the period before 2002 as a "golden" one in terms of retention. The challenge for the future is two-fold. First, recruit the type of personnel that, in the past, have been willing to stay in the reserve components. However, this action is no guarantee. Certain conditions affecting retention may change rapidly depending on a conflict or future deployments. Changing conditions of reserve duty can have unexpected consequences. Second, trying to use "one size fits all" incentives for retention may not work or may become counterproductive. Individuals continue in the USAR and ARNG for various reasons, from job training, to patriotism, to future annuities. Simplifying the retention study to demographic groups was a start to examine where particular groups stayed or left. A concentrated focus on a particular group might offer insight into what types of incentives may encourage future retention.

ENDNOTES

1. Michael D. Doubler, *I Am The Guard: A History of the Army National Guard, 1636-2000*, Washington, DC: Department of the Army, 2001, p. 237.

2. Richard B. Crossland and James T. Currie, *Twice the Citizen*, Washington, DC: Office of the Chief, Army Reserve, 1984, p. 99.

3. Frank N. Schubert and Theresa L. Kraus, *The Whirlwind War*, Washington, DC: Center of Military History, 1995, p. 121.

4. E. J. Degen Gregory and David Tohn, *On Point*, Ft. Leavenworth, KS: Combat Studies Institute Press, 2004, p. 176.

5 . The 19-year timeframe was selected to coincide with a decision to retire at exactly 20 years.

6. All data used for the monograph was taken from the DMDC's "Reserve Components Common Data System" files. These files include information on each USAR and ARNG member. DMDC personnel assessed 8 years of data and created the subfiles to represent each cohort. All references to study results come from these subfiles.

7. Increased rank and pay may act to reduce the opportunity cost of working more hours at a regular civilian job or finding alternative part-time work to care for dependents.