

**NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE ARMED SERVICES COMMITTEE**

**STATEMENT OF
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COMMANDER, NAVY RECRUITING COMMAND
BEFORE THE
SUBCOMMITTEE ON MILITARY PERSONNEL
OF THE
HOUSE ARMED SERVICES COMMITTEE
ON
NAVY'S FUTURE RECRUITING CHALLENGES
IN THE FISCALLY CONSTRAINED ENVIRONMENT
JANUARY 16, 2014**

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Introduction

Positioning Navy to meet future mission requirements demands a properly balanced force by recruiting and retaining Sailors in the right mix of ratings and pay grades. Navy has worked hard to achieve strong recruiting success over the past five years by attracting the nation's best and brightest to serve in America's Navy.

In fiscal years 2013 and 2014-to-date, we achieved our active component officer accession goals, and both active and reserve component enlisted accession goals. We also succeeded in recruiting into priority ratings in the Naval Nuclear Propulsion Program (NNPP) and Navy Special Warfare/Special Operations (NSW/SPECOPS). This includes SEALs, Surface Warfare Combatant Crewman (SWCC), Explosive Ordnance Disposal (EOD), and Navy Diver communities.

Recruiting of active and reserve component healthcare professionals remains a top priority. In recent years, we have had challenges in recruiting adequate numbers of specialized medical professionals (e.g., surgeons, anesthesiologists) for the reserve component due to high active duty retention, stiff competition with the civilian healthcare community, and perceived risk to civilian medical practices resulting from frequent or prolonged mobilizations. Additionally, meeting recruiting mission among the reserve component general officer unrestricted line communities (e.g., surface, submarine, and aviation warfare) remains a top priority primarily due to the challenge presented by the relatively high active duty retention we are enjoying.

Recruiting Environment

A favorable recruiting environment – caused in part by slowed economic growth and high unemployment rates from fiscal year 2009 until the beginning of fiscal year 2013 – coupled with retention successes that permitted a reduction in recruiting goals, allowed for a proportional reduction in resources required to meet the recruiting mission. However, with national unemployment rates declining from nearly 9% in October 2011, to 7% in December 2013, according to the Bureau of Labor Statistics, the recruiting environment will become increasingly challenging. In November, the unemployment rate in 28 states was at or below, 7%, increasing competition for the same high quality talent we are seeking. According to Blue Chip Economic Indicators projections, the national unemployment rate is expected to decrease further, to a band of 6.0-6.5% in fiscal year 2015, and below 6% through 2021, which will challenge our recruiting efforts, especially among highly technical ratings.

Recruiting Resources

Additional recruiting resources will be necessary to meet accession goals in an increasingly challenging recruiting environment.

Navy recruiting's first priority remains support for our recruiters, including:

- (a) travel funding for training and leadership oversight;
- (b) enlistment bonuses;
- (c) information technology systems support, and
- (d) marketing and advertising resources.

Recruiting is a travel-centric mission due to the geographic dispersion of recruiting stations and recruiters across the country. In many cases, a single Navy Recruiting District is dispersed across numerous states and isolated from normal fleet support functions. Due to travel reductions, leadership is traveling less frequently, especially to more remote areas, constraining oversight and leadership functions which are vital given the autonomous nature of recruiters in isolated stations. The reduced travel by senior recruiting district leadership and trainers also reduces training opportunities for Sailors. Without adequate recruiting mission training, mission accomplishment and Sailor professional development are degraded. Recruiting production meetings for leadership are occurring less frequently, limiting oversight and communication from headquarters to the recruiting field. The impacts will be exacerbated by an improving economy as more training and oversight will be required to counter increased mission challenges. Enabling face-to-face prospect contact with well trained and mission ready recruiters in the field remains the cornerstone of our success in attracting high-quality, diverse recruits.

Despite the favorable conditions conferred by high unemployment on the overall recruiting effort, recruiting duty has remained challenging given the vastly different nature of the work recruiters perform when compared with a Sailor's primary job and fleet experience. Learning to become a skilled recruiter is not the only challenge. Even the best recruiters find it challenging to meet accession mission goals while balancing other important and unavoidable duties. Recruiters spend approximately 35% of their time on the "management" (i.e., training, mentoring, administration and retention) of future Sailors in the Delayed Entry Program (DEP) and the recruiter's work hours are extensive because of the various related tasks. *A Recruiter*

Quality of Life Survey on Health and Well-Being fielded in Spring 2012 by OSD Joint Advertising, Market Research & Studies (JAMRS) revealed strains on Active Duty Navy recruiters and their families:

- (a) work significant hours (31% work more than 60 hours per week);
- (b) decreased mental health (47% felt “mentally unhealthy”);
- (c) inadequate time to complete professional development activities; and,
- (d) significant effects of job demands on family (71% felt job demands interfere with home/family life; 15% divorced/separated during first recruiting tour).

An increasingly challenging recruiting environment since the survey was completed, coupled with decreasing recruiter resources, will increase stress on recruiters.

Navy recruiting utilizes several accession incentive programs, such as the Enlistment Bonus, to attract recruits who possess desired characteristics to serve in the all-volunteer Navy and guide their enlistment options to meet the needs of the Navy, as well as the diverse needs of potential recruits. Incentive programs were developed in a comprehensive manner to meet total Navy mission requirements, channel recruits into critical and hard-to-fill ratings, and meet accession fit requirements, meaning, getting the right Sailor with the right skills and training to the right place at the right time. Enlistment bonuses are integral to winning the battle for people, as reflected in a Center for Naval Analyses study, *Choice-Based Conjoint Survey of Recruitment Incentives*, which suggests that potential recruits view the enlistment incentive as the most important attribute on the enlistment contract. The positive recruiting environment over the last several years has permitted significant reductions in the enlistment bonus budget, and reduction in the number of enlisted ratings for which a bonus is offered. Currently, incentives are

primarily offered to the Nuclear Field, Special Warfare, Special Operations, and Air Rescue ratings.

Navy recruiting information technology systems underpin both current daily production and the development of long term improvements that will enhance productivity. Navy recruiting continues to emphasize the importance of maintaining funding for both sustainment and development of its information technology systems and streamlining its processes as part of its innovative, long-term Recruiting Force 2020 strategy. This strategy will provide an agile, mobile and highly responsive recruiting force. In a tight budget environment, funding to maintain and sustain recruiters' computer hardware presents a challenge and will require closer attention.

Marketing and advertising is a necessary “force multiplier” critical to recruiting mission success. It works most efficiently and effectively as an integrated program with awareness advertising, leads-generation programs, recruiting events, and outreach maintained at consistent levels over time. Advertising historically takes nine months from funding-to-impact in the form of increased leads, which result in contracts. Media advertising creates awareness of Navy as a career opportunity among eligible prospects, and generates interest in our Navy.com website, which increases traffic to recruiting stations. Media and web properties work together with various events to generate interest and ultimately recruiting leads and contracts. At the Navy Recruiting District level, local advertising works in concert with national efforts to provide a sufficient amount of eligible leads to meet mission requirements.

In the beginning of fiscal year 2013, Navy was able to execute the national media portion of its advertising plan. However, the budget uncertainty adversely impacted the effectiveness of marketing and advertising tools, such as:

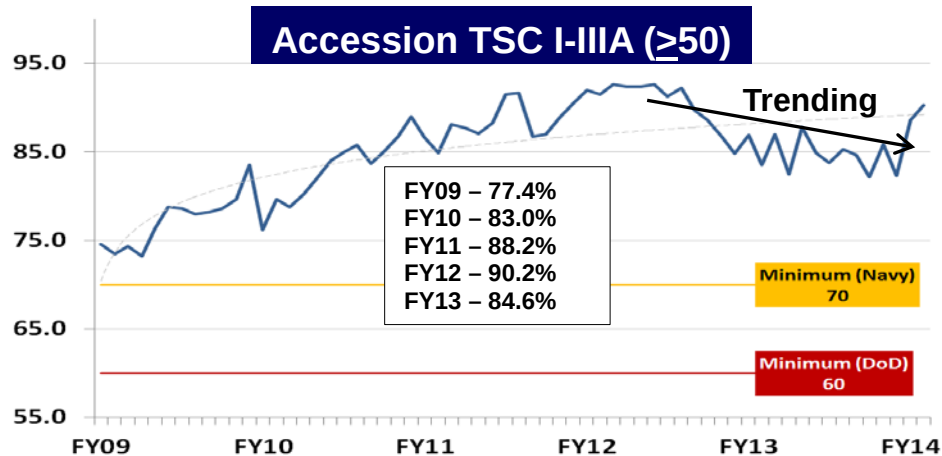
- (a) local advertising;
- (b) leasing of event properties used to generate foot traffic and attention at career fairs and high schools; and,
- (c) support to conventions for recruiting within niche officer specialties (e.g., nuclear power, physicians, and dentists).

Consequently, recruiting contracts from local leads declined in fiscal year 2013 and required greater effort from recruiters to meet recruiting mission. Local advertising included all direct mail, e-mail, college recruiting career fairs, local advertising placement in job boards, and classified ad postings. Recruiting events at the national level were also curtailed and Navy outreach efforts, including Navy Weeks, Blue Angels Flight Demonstration Team and Navy Parachute Team were canceled. Additionally, events focused on recruiting diversity applicants were reduced. For example, funding of diversity engagement events was reduced by 28.7% from FY12 to FY13 and 34.5% from FY12 to FY14. This reduction affected our level of presence across seven student-based engineering diversity organizations. The unavailability of such initiatives, which were key components of an integrated marketing plan, resulted in a 12% decrease in leads during FY13, relative to FY12. Overall, the lack of the noted marketing and advertising elements translated into increased demand on recruiters in order to meet accession goal and new contract objectives.

Funding levels also impacted Military Entrance Processing Station (MEPS) capacity, limiting the number of new enlisted applicants being processed at each location. Additionally, the vocation exploration programs provided by Armed Services Vocational Aptitude Battery (ASVAB) testing programs at high schools were temporarily reduced as a result of budget impacts and the civilian furlough. High school testing programs provide 12% of Navy recruiting contracts and invaluable access that would otherwise not be available.

Recruiting Forecast

Although Navy attained the highest quality future Sailors in history in fiscal year 2012, with 99 percent of accessions entering as high school diploma graduates and 90.2 percent scoring in the upper 50th percentile on the ASVAB, quality declined in fiscal year 2013, as just 84.6 percent of accessions scored in the upper 50th percentile on the ASVAB. While the trend illustrated in the figure below is still well above Department of Defense and Navy minimum standards, this trend is a source of concern. The downward trend may, in part, be due to an increased accession goal in late FY13, and it therefore may partially be explained as an aberration unrelated to the economy. However, the trend may also be explained as an early indication that our highest quality candidates are choosing other opportunities that exist in an improving economy. Navy Recruiting Command is closely monitoring quality as a leading indicator, which may confirm the requirement for additional recruiting resources.



Each month, Navy is meeting enlistment contracting goals later in the month. The impact of budget constraints on recruiting resources, particularly in marketing and advertising, will increase the risk of missing monthly goals. Recruiting in specialized enlisted ratings is becoming more difficult. For example, over the last 18 months, we have been achieving Nuclear Field enlisted mission later in the month. In October 2012, mission was achieved more than 10 days before the end of the month, while mission was not achieved until the last day of November 2013, and second-to-last day of December this past year. Similar challenges are being observed for Information Dominance Corps ratings. Navy Recruiting Command continually monitors goal attainment in certain critical ratings and programs to meet fleet manning requirements. As the economy improves, these high-quality candidates will have other opportunities thus making recruiting increasingly difficult.

Navy achieved most active component officer recruiting goals in fiscal year 2013, but experienced a shortfall in attaining direct accession physician goal. However, this was offset by success in recruiting within student medical officer programs.

Again, recruit quality, monthly pace of goal attainment, and increased concern in meeting goal in ratings requiring the highest quality recruit—are leading indicators that forecast a changing recruiting environment. While they do not indicate an immediate risk of mission failure, our modeling suggests higher risk going forward, with resourcing constraints and changing external environment being contributing factors.

Undocumented Dependents

The committee specifically asked that my written testimony address current Navy policy on recruitment of otherwise eligible applicants who have immediate family members who are illegal immigrants and the reasoning behind the policy. Since May 2009, Navy policy precludes processing applicants unable to produce required dependent documentation. Navy Recruiting Command's *Enlisted Recruiting Manual*¹ states:

"Applicants with foreign alien dependents residing in the United States illegally are not enlistment eligible until their dependents become properly admitted into the United States and obtain a social security card, or no longer reside unlawfully in the United States."

The Office of the Under Secretary of Defense for Personnel and Readiness has initiated a policy review in this area, in coordination with all Military Services. We are participating

¹ COMNAVCRUITCOMINST 1130.8J

actively in this working group and will keep the committee apprised of any policy changes it results in.

Conclusion

Navy remains committed to recruiting the best and most highly qualified youth in America to meet current and emerging requirements, while confronting the challenges imposed by an increasingly competitive market amidst an improving economy. On behalf of Navy leadership and the men and women of the United States Navy, and their families, I thank you for the leadership, commitment and unwavering support of this committee and the entire Congress.