

**RECORD VERSION**

**STATEMENT BY**

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ON BEHALF OF THE DEPUTY CHIEF OF STAFF, G1  
UNITED STATES ARMY**

**BEFORE THE**

**COMMITTEE ON ARMED SERVICES  
MILITARY PERSONNEL SUBCOMMITTEE  
UNITED STATES HOUSE OF REPRESENTATIVES**

**SECOND SESSION, 113<sup>TH</sup> CONGRESS**

**IMPACTS ON ACTIVE, GUARD, AND RESERVE ABILITY TO RECRUIT AND  
SUSTAIN THE FORCE**

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**NOT FOR PUBLICATION UNTIL RELEASED BY THE  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

Chairman Wilson, Ranking Member Davis, Distinguished Members of this subcommittee, thank you for the opportunity to appear before you on behalf of America's Army. Our Army remains a values-based organization that exists to serve the American people, to defend our Nation, to protect vital national interests, and to fulfill national military responsibilities.

Thank you again for your steadfast commitment to ensure the needs of our All-Volunteer Force (AVF) are met. Through your support, we are able to balance the needs of our Soldiers, Civilian workforce, and their Families. We recently celebrated the 40<sup>th</sup> anniversary of the creation of the AVF, and the Nation is better for it. As Secretary of Defense Hagel said recently about the members of the AVF, "Skeptics and detractors claimed an all-volunteer force could not be sustained, but these remarkable Americans proved otherwise. They helped win the Cold War, stood against aggression in the Persian Gulf, kept peace in the Balkans, and put their lives on the line in Iraq and Afghanistan in the years since 9/11. They choose to serve our country because they believe in a cause that is bigger than themselves. They've always put the interests of the nation first, as have their families. It's because of their sense of duty that the American military remains the most trusted institution in our society today."

### **Strategic Overview**

The Army has been in a state of continuous war for nearly twelve years – the longest in our Nation's history. More than 4,900 Soldiers have given their lives on behalf of this Nation. Today we have more than 137,000 Soldiers deployed overseas or committed to operations around the world with approximately 43,000 in Afghanistan. Nearly 1.5 million Soldiers have deployed and more than half a million have deployed multiple times. Our Soldiers, Civilians and Families remain the strength of our Nation.

### **Recruiting and Retention (Officer and Enlisted)**

Our ability to meet the challenges of the current and future operational environment depends on our ability to recruit and retain the AVF. As we drawdown the Army, although our recruiting missions – and the number of Soldiers we need -- are lower, we

must continue to bring high quality men and women into the force to grow our future leaders; while retaining the most talented Soldiers with the experience and skills necessary to meet our future needs.

Despite the challenges of an ongoing conflict, future drawdown plans, and budgetary constraints, the Active Army and the Army Reserve once again exceeded their enlisted retention missions in FY13. The Army National Guard achieved 86% of their assigned mission in FY13. The active component (AC) achieved its FY13 recruiting mission and assessed more than 99% high school diploma graduates, with the lowest number of Armed Forces Qualification Test Category IV enlistments ever at .17%. The Total Army's percentage of new enlisted Soldiers with a high school diploma at 98% was well above historic rates. Additionally, the Army achieved over 99% of requirements for each Military Occupational Specialty. In addition, 62.4% of recruits scored 50-99% on the Armed Forces Qualification Test, exceeding the DoD standard of 60%, while recruits who scored in the lower range (30% and below) were at a record low in FY13 of 1.2%.

Although we are currently on track to achieve the FY14 recruiting mission, with the exception of the US Army Reserve (USAR) mission, recruiting is expected to become increasingly difficult. This is due to a difficult recruiting environment and impacts of budget reductions which will likely cause a decline in the FY15 entry pool. In today's environment, fewer than one in four 17-24 year-olds are eligible to serve in the Army. The Army and the Nation still face challenges such as high obesity rates. One in five youths age 12-19 are currently overweight, compared to 1 in 20 in the 1960s, and this trend is projected to grow to one in four by 2015. More than 20% of high school students fail to graduate, a critical milestone in becoming eligible to join the Army and to serve in highly skilled positions.

Army Recruiting Command is projecting a shortfall on the order of 2,000 on the Army Reserve mission of 18,000. The primary concern is the difficulty of finding Prior Service Soldiers willing to serve in USAR units that are in remote geographic areas where vacancies exist. Our strategy to attract Prior Service Soldiers is to engage those Active

Component Soldiers in the transitioning process by appealing to their sense of service and valued contribution through continued service and remaining a Soldier for life. This strategy allows for the “Total Force Concept” of continuity. We have changed and continue to refine the paradigm in how we share opportunities available for Active Component Soldiers who want to transition to the Reserve Component (RC). Employing skilled and experienced Soldiers in the Army Reserve and Army National Guard is beneficial to not only the Army but also for the Soldier and their Family. Our focus is stressing opportunities for continued benefits, and that the Soldier remains a valued and compensated member of the Army team.

### **Recruiting and Retention Budget**

Entering FY14, the combined Active and Reserve Components will spend slightly over \$531M in enlistment and retention incentives: AC recruiting is projected at \$21M for new contracts and \$47M in anniversary payments from previous years (\$68M), AC retention bonuses are budgeted at \$148M; Army National Guard recruiting and retention incentives are \$190M for new contracts and \$5M for anniversary payments (\$195M total); USAR recruiting and retention incentives are projected at \$79M for new contracts and \$49M for anniversary payments (\$128M). A large part of the FY14 incentives budget is a result of obligations for bonuses occurring from fiscal years 2008-2012. In FY12, combined AC and RC enlistment and reenlistment incentives totaled slightly over \$828M compared to \$707M in FY13. The amount budgeted for contractual payments is anticipated to decrease until at least FY15.

As a result of lower recruiting missions and prior year success, the percentage of Active Army recruits receiving a bonus dropped from over 62% of all recruits in FY09 to 3% in FY13. Enlistment and reenlistment bonuses are only used to incentivize longer term enlistments in a small percentage of critical skills. These incentives ensure the success of the total Army recruiting and retention missions and shape the force to meet specific grade and skill requirements. At the start of FY14, only Military Occupational Specialties 35P (Signal Intelligence Linguist) and 25S (Satellite Communications) and selected Ranger and Airborne skills receive an enlistment bonus for the Active Army. For

retention, Special Operations, Rangers, and Linguists were the primary Military Occupational Skills that were targeted to receive selective retention bonuses.

### **Advertising / Marketing**

The Army has the largest recruiting mission in the Department of Defense (DoD). The Army must compete for prospects, against not just the other services, but with colleges, businesses and the rest of government. As the eligible recruiting population shrinks, marketing and advertising is the key method to build and sustain interest in the Army above all other choices through consistent, meaningful messaging. The Army uses marketing to help fill the most critical manning needs. Marketing and market research identifies the targeted prospects, parents and influencers; advertising provides the continuous and steady flow of information required to keep the Army at the forefront of prospects' minds as a viable opportunity. Additionally, using events such as the All American Bowl and the Science, Technology, Engineering and Mathematics and Diversity campaigns, we are able to showcase the Army experience and provide sustained face-to-face interaction with the American people.

The goal of the Army's marketing effort is to increase transparency of Army life, which is aimed at providing high school students, their parents and other influencers a realistic view of what the Army is and how the Army makes them stronger. Getting the Army's message to high school students is a growing challenge given the ever changing media landscape. Additionally, the Army's marketing program continuously works to ensure that the Army that we access reflects America. Researchers estimate that a 10 percent decrease in advertising budget would decrease the number of high-quality recruits by about one percent for the Army.

For the Active Army, three of the levers (outside of policy) that the Army controls are the number of recruiters in the United States Army Recruiting Command; the level of incentives; and the level of funding for the overall national advertising effort. All three of these levers aid in expanding the market to different degrees; with marketing serving to drive prospects to the recruiter force. Varying spending on military advertising to take

advantage of the ups and downs of the recruiting climate does not account for: the delayed impact of advertising on behavior; the vital long-term role that advertising plays in generating understanding of the military; and the challenges of convincing influencers to recommend military service. With economic market indicators beginning to impact the recruiting environment now, increased national and local marketing efforts are needed to mitigate looming challenges for the Army's Recruiting Command and Cadet Command.

The impact of budget reductions to advertising, branding, sports sponsorships and marketing in key locales reduces the Army's ability to drive prospects to the Army. The objective of marketing is to attract and preserve the high-quality All-Volunteer Army by reinforcing the Army's reputation as a valued institution. It is critical that all stakeholders understand why the Army matters; why it should be valued; and why they should support it. Fading understanding and less familiarity means fewer youth will consider the Army.

A constrained budget environment has affected the ability of the Active and Reserve Components to get our message to students and influencers in high schools, colleges and the professional ranks to consider the Army as an option. Reduced funding and budget uncertainties have created challenges with regards to resourcing marketing programs that support recruiting.

### **Congressional Assistance**

The continued support of Congress for competitive military benefits and compensation, along with incentives and bonuses for Soldiers will remain critical to the All-Volunteer Army's efforts to recruit, retain, and support the highest caliber of individuals. The Army must retain the flexibility to offer incentives to attract and retain talent. Thank you in advance for your continued funding of these programs. These incentives assist in shaping the force for both quality and the specific talents required.

## **Conclusion**

People are the Army. We, the Army, Department of Defense, Congress and our Nation have invested a tremendous amount of resources and will need to continue to develop and preserve the AVF, the essential element of our strength.

While we transform to a smaller Army, we remain dedicated to improving readiness, and building resilience in our Soldiers, Civilians and their Families. The Army has gained the trust of the American public more now than at any other time in recent history, while fulfilling our responsibilities toward those who serve.

The well-being of our force, regardless of its size, is absolutely dependent upon your tremendous support. The Army is proud of the high caliber men and women whose willingness to serve is a credit to this great nation.

The strength of our Nation is our Army; the strength of our Army is our Soldiers. The strength of our Soldiers is our Families. This is what makes us Army Strong!

To conclude, we wish to thank all of you for your continued support, which has been vital in sustaining our All-Volunteer Army through an unprecedented period of continuous combat operations and will continue to be vital to ensure the future of our Army.

Chairman Wilson, Ranking Member Davis and members of the subcommittee, we thank you again for your generous and unwavering support of our outstanding Soldiers, Civilian Professionals, and their Families.

Army Strong!