

New Markets for Recruiting Quality Personnel

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6th Annual Defense Economics Conference

September 28th - 29th, 2000

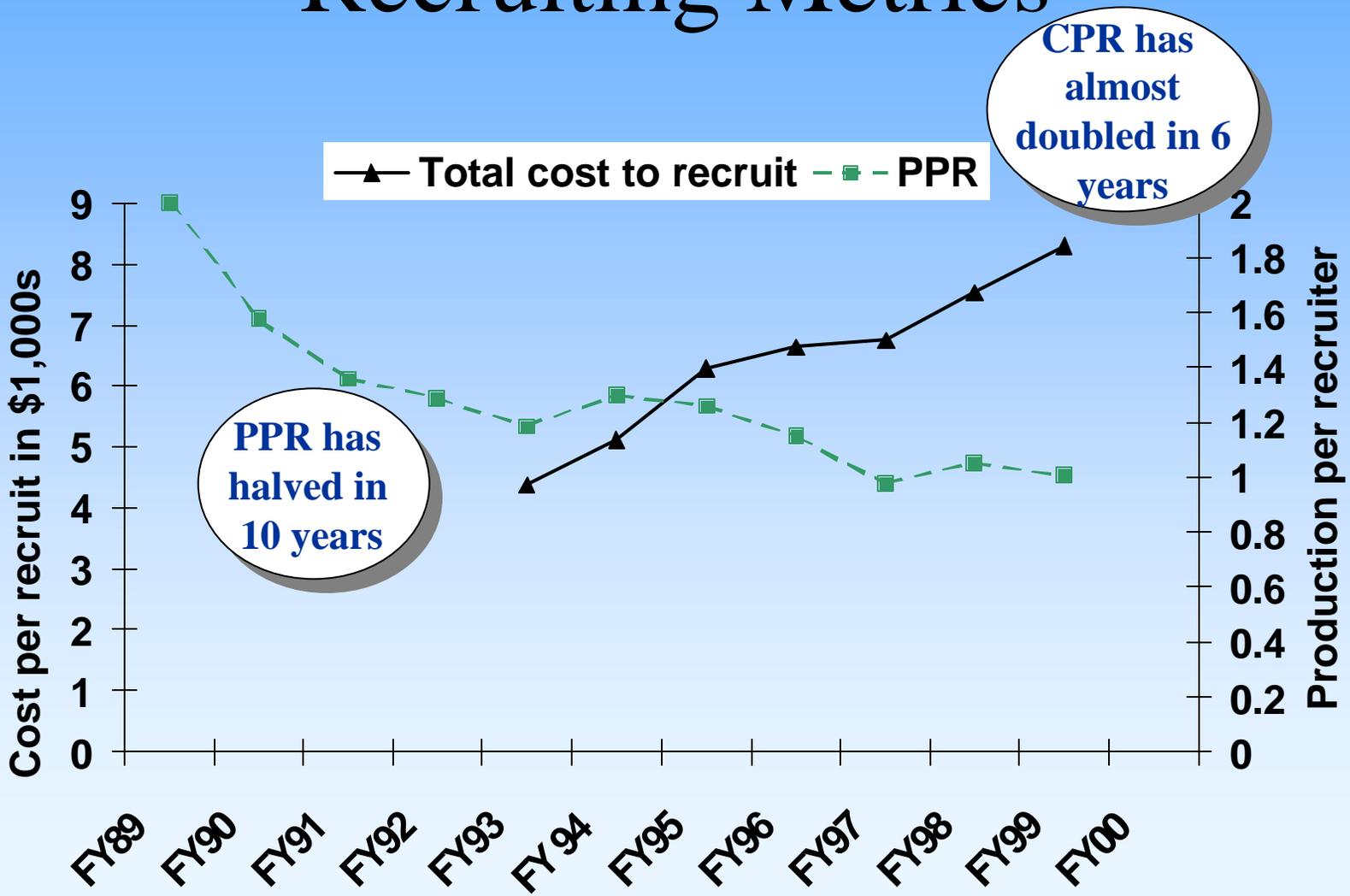
Outline

- The recruiting environment
- Expanding the market

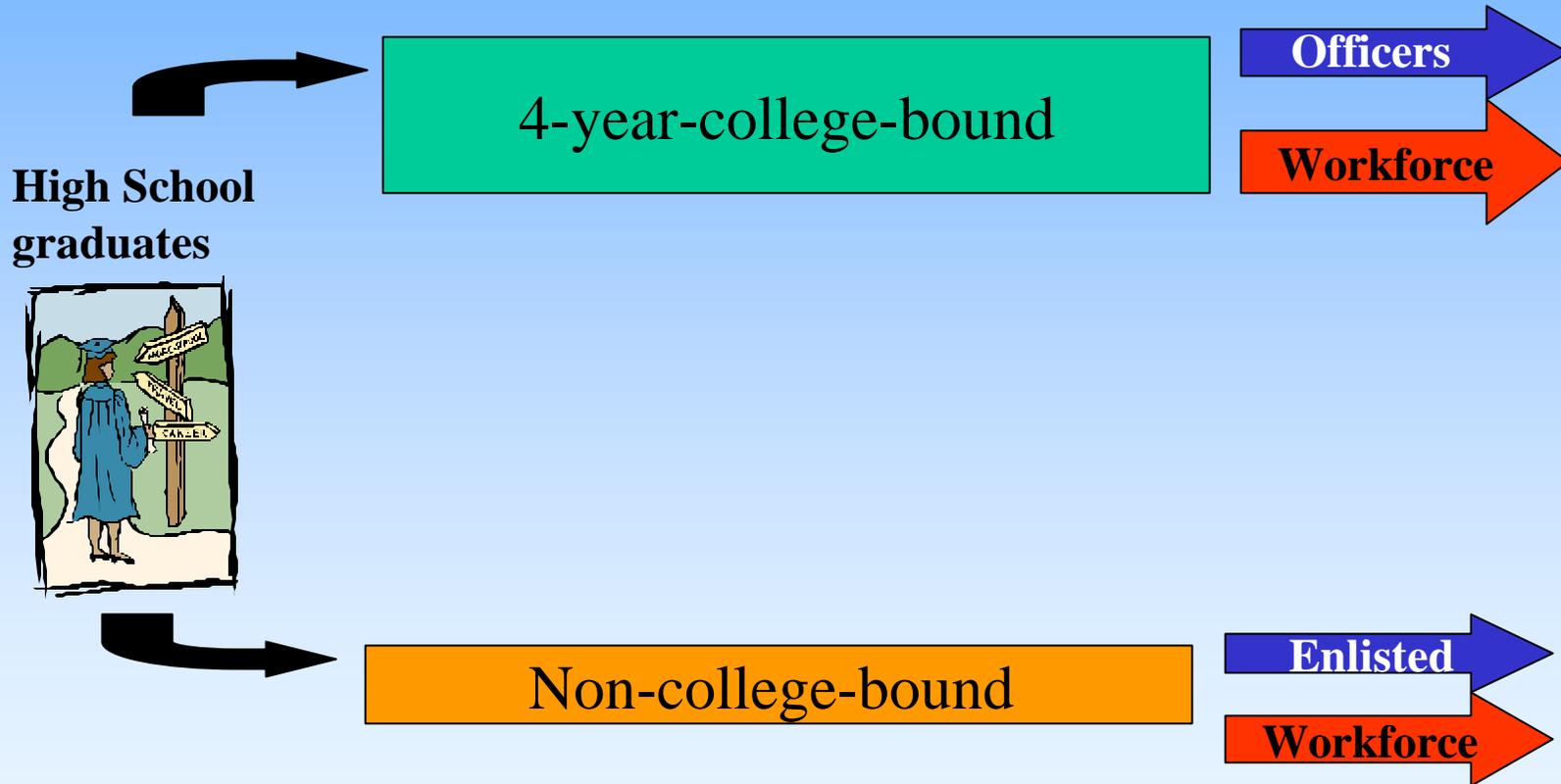
Factors Affecting Supply

- Lowest unemployment in AVF
- Reduced Veteran's population
- Reduced Active Duty population
- Overall decrease in propensity
- Increasing college enrollments

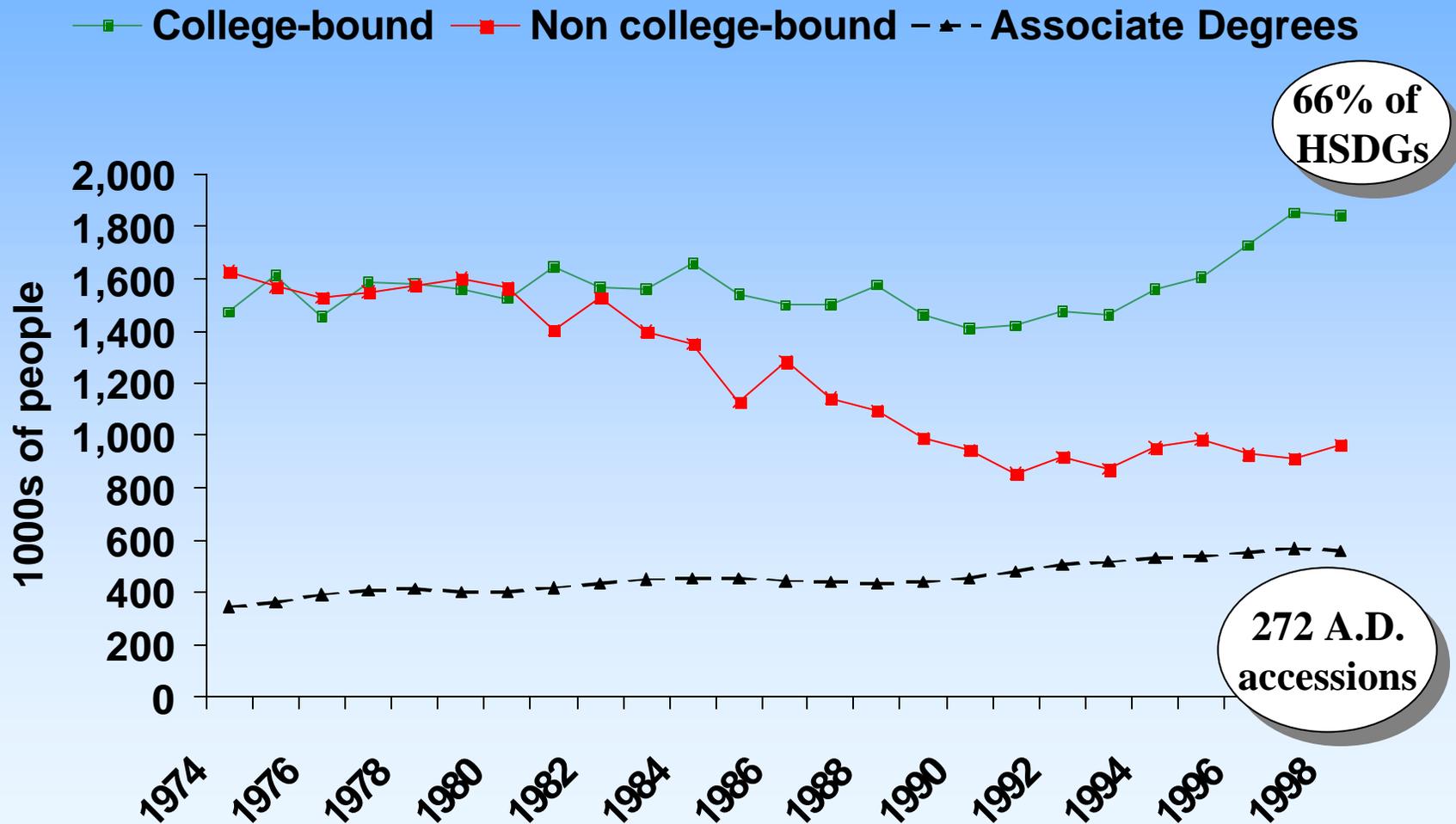
Recruiting Metrics



Traditional Recruiting Market



Changes in College Enrollments





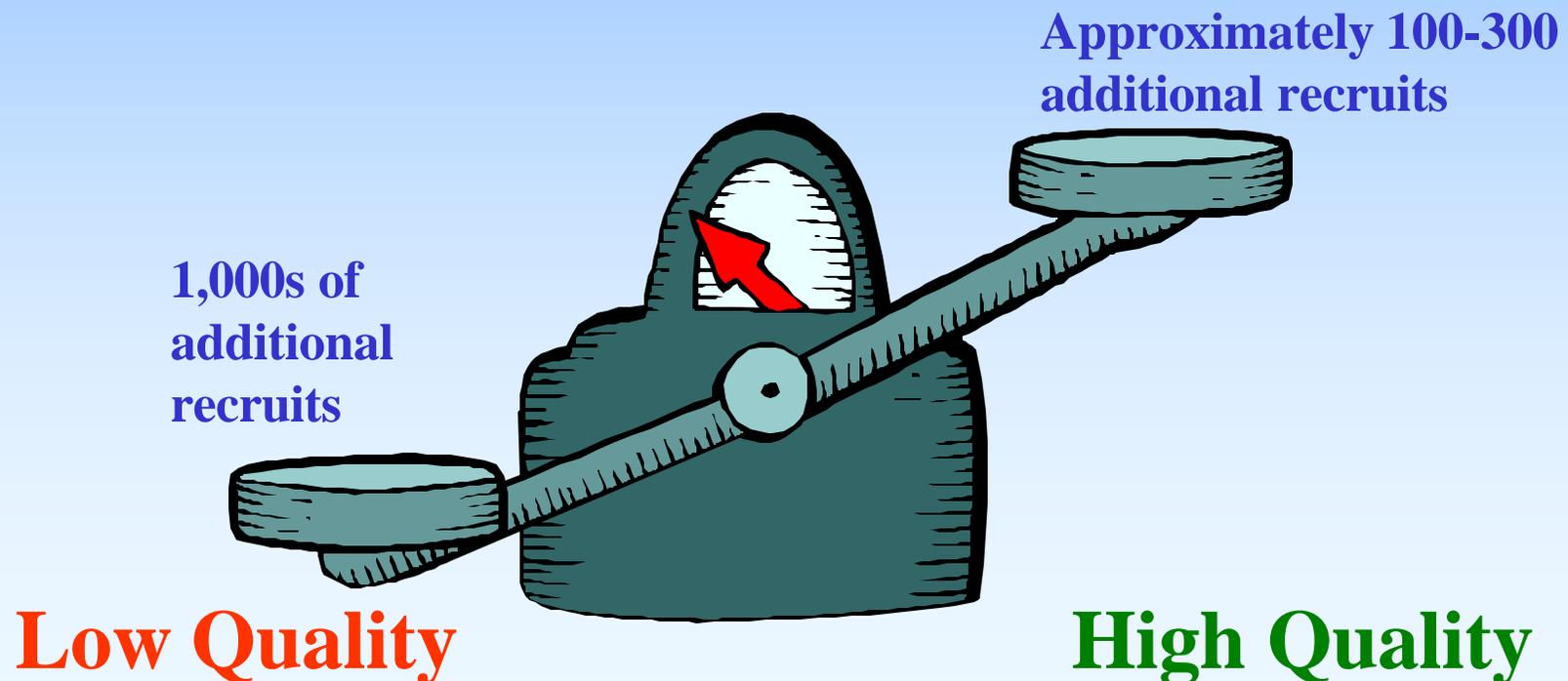
What Does the Future Look Like?

- Automation and smart ship technology
- Reduction in general/low skill requirements
- Overall reduction in endstrength
- Increase in requirements for high-quality, technically-prepared recruits
- Current recruiting methods/programs will not answer this need

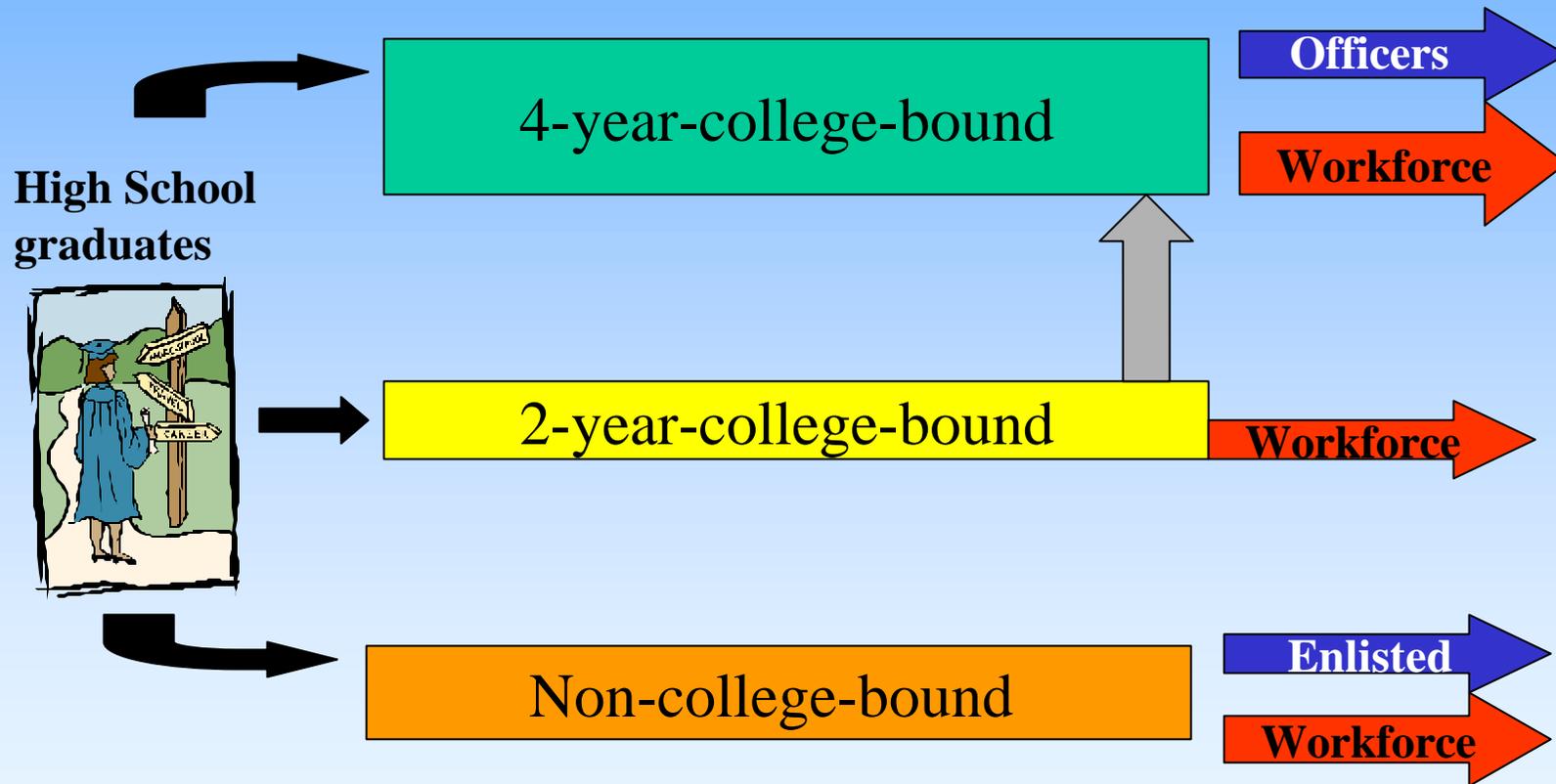
Recent Navy Initiatives

- Increased cap on NHSDGs
- DEP Enrichment
- GED Advantage

- Navy College Assistance/Student Headstart (CASH)
- Tech Prep
- DEP scholarship



Expanded Recruiting Market



Options for Attracting the College-bound Market



Recruit pre-trained 2-year college graduates

Recruit college-bound high school seniors with active duty incentives



Create incentives for recruits to earn some college before going on active duty





Why Doesn't Recruiting Pre-trained Work?

- Compensation is not competitive with civilian sector
- Recruiter reluctance
- Institutional resistance to change
 - Stovepipe funding
 - Today's direct-ship market versus DEP
 - Inflexible training and rank structure

High Quality Recruits

- Which incentives matter?
- Tapping the college-bound market



Expanding the Market CNA Conjoint Results



High Propensity



**Small market,
Large % enlist**

Medium Propensity



**Large market,
Moderate % enlist**

Low Propensity

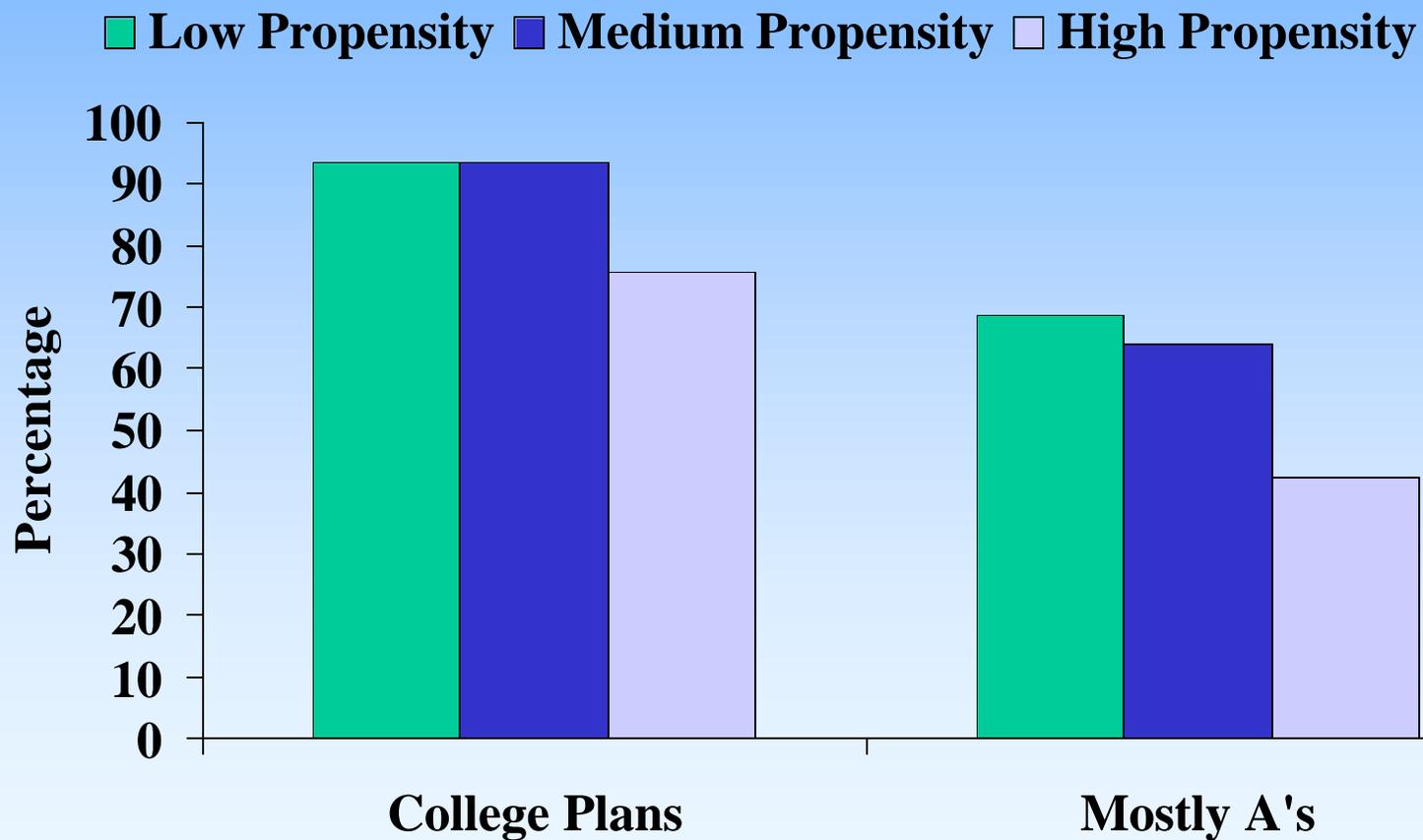


**Large market,
Small % enlist**

-  Military service
-  College-bound
-  Workforce



College Plans/Quality Mix





Conjoint Results



Incentive	Medium Propensity	High Propensity
Length of obligated service	X	
Occupation		X
Navy College Fund	 X	
Enlistment Bonus		X
College credit for Navy training	 X 	

College Issues

- **Many young people believe that college and military service are mutually exclusive**
- **Sailors join for education/training**
- **In spite of existing VoEd opportunities, earning a degree while on active duty is difficult**
 - **Number on active duty earning an A.S. in FY 98:**
 - **10,234 Army**
 - **12,054 Air Force**
 - **1,328 Navy**
- **More opportunities to earn a college degree while on active duty may attract some of the 66% of college-bound graduates**



A New College Incentive

- IT University pilot
 - Sailors attend community college (on base) for training/education
 - Current curriculum
 - Lower cost
 - Saves TA/PACE costs – maximum credits awarded
 - College recruiting/retention incentive
- Current execution
 - A-school → ITU = A.A.S. → fleet
- Could work for electronics, linguists, medical, etc.

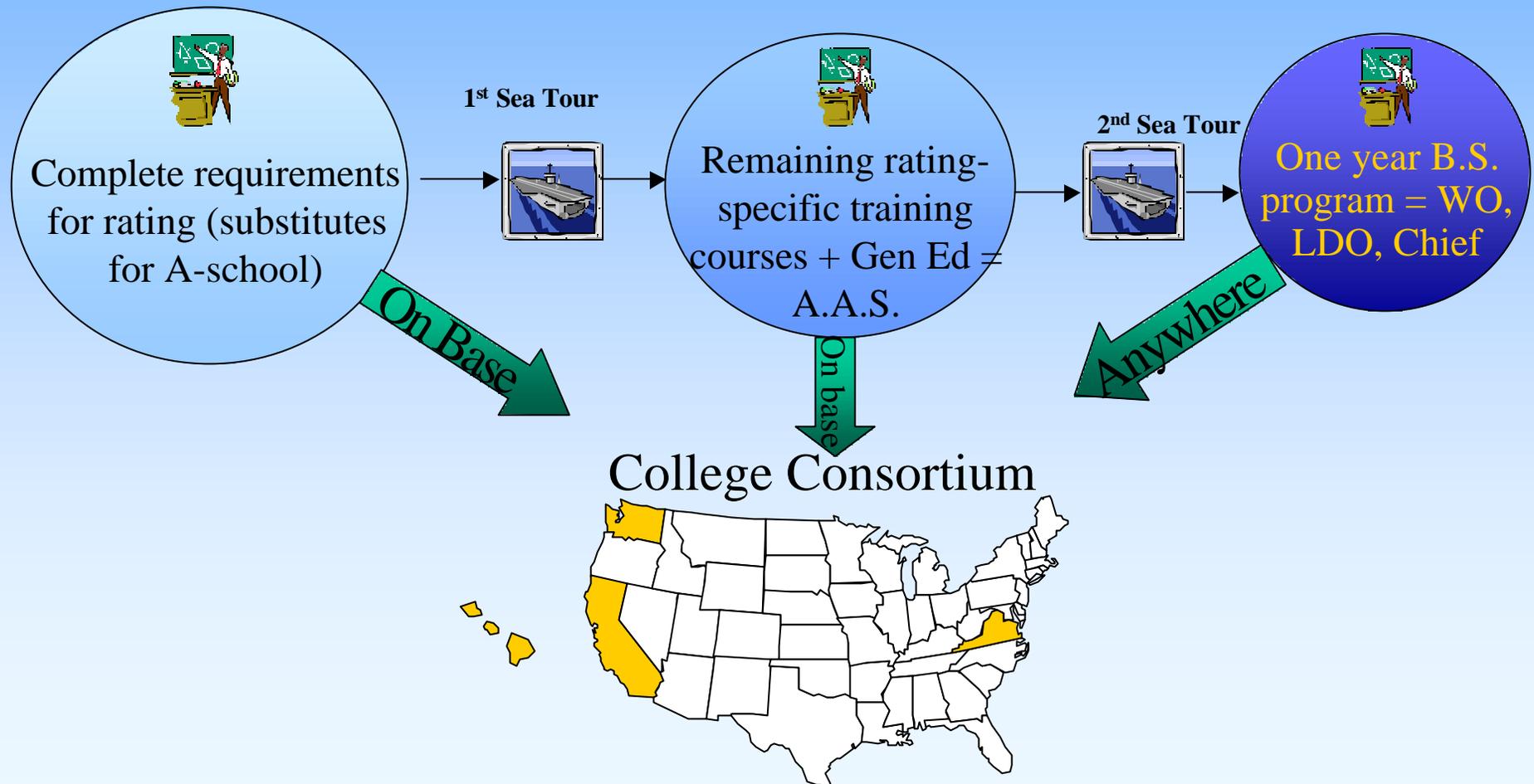


Proposal

New Recruit
*Recruiting
Incentive*

Fleet Returnee
*Reenlistment
Incentive*

Fleet Returnee
*Career
Incentive*





Unique Incentive - Tech Prep

- **Federally funded 2+2 (or 2+2+2) program to improve technical and academic skills of the “neglected majority”**
- **Currently funded at \$106M per year**
- **Secondary schools form partnerships with community colleges - business forms partnerships with consortium**
- **8% of all high school students were participating in 1994-1995, up more than 300% from 1992-1993**

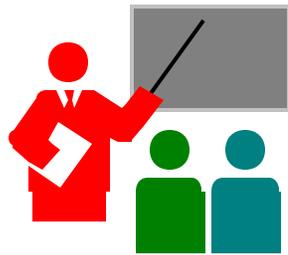


Blueprint



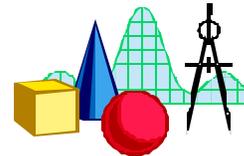
**High School
Tech Prep
Courses**

+



**1-3 semesters
full time at local
community
college**

+

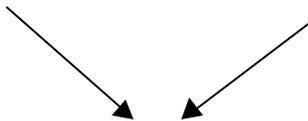


**Navy technical
training**

=



**Highly technically
trained United States
sailor with an A.A.S.**



General Studies

Benefits

- **High school/college**
 - **Higher college enrollment/completion rates – good when unemployment is low**
 - **Increased high-tech placement – good when unemployment is high**
 - **Increased employer involvement in Tech Prep**
- **Navy**
 - **Increased appeal to the college-bound high school market**
 - **Recruitment efforts are tripled - high school, college, Navy**
 - **More technically prepared/qualified recruits**



An Incentive in Support of the College-bound Market

- **DEP loan/scholarship**
- **~ \$4K per semester**
 - Cost of college has increased at the same time that scholarships have been decreasing
- **Loan if requirements are not fulfilled - time in service, successful training**
- **Outsource loan repayment (Sallie Mae)**
- **Benefits:**
 - Better academic preparation = lower attrition
 - Enticement to join in off-peak months