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JOINT STATEMENT OF

STATEMENT OF

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ACTING ASSISTANT DEPUTY COMMANDANT FOR MANPOWER

AND RESERVE AFFAIRS

UNITED STATES MARINE CORPS

AND

MAJOR GENERAL GARY L. PARKS

COMMANDING GENERAL, MARINE CORPS RECRUITING COMMAND

UNITED STATES MARINE CORPS

BEFORE THE

SENATE ARMED SERVICES COMMITTEE

PERSONNEL SUBCOMMITTEE

ON

24 APRIL 2001

CONCERNING

RECRUITING AND RETENTION

NOT FOR PUBLICATION UNTIL RELEASED BY THE SENATE COMMITTEE ON ARMED SERVICES Mr. Chairman and members of the Subcommittee:

We are pleased to appear before you today to discuss recruiting and retention in the United States Marine Corps. The Marine Corps achieved its recruiting goals for FY00 in both quantity and quality. We recruited 38,574 non-prior service regular and reserve Marines, with 95.8% being high school graduates, as well as 1,678 new warrant and commissioned officers. Additionally, the Marine Corps will meet both enlisted and officer recruiting objectives for FY01. Currently, we anticipate exceeding our end strength by approximately 400 Marines at the end of this fiscal year, a figure that places us within the Congressionally mandated ceiling.

RECRUITING OVERVIEW

The Marine Corps has successfully completed more than five consecutive years of mission attainment. This success has not come easily. With unprecedented low unemployment, rapidly fading numbers of veteran influencers, higher college attendance, and lower enlistment propensity, today's recruiting environment remains extremely challenging for all military recruiters. There is great competition for the same highly qualified individuals who we seek to make Marines. The Marine Corps' achievements are the direct result of our proven doctrine of systematic recruiting, an advertising message that clearly supports our recruiting strategy, and the tireless efforts of our recruiters. In light of the challenging nature of recruiting, the Marine Corps Recruiting Command (MCRC) is pursuing a number of strategic support initiatives that will help us to remain competitive.

Technology Enhancements

Project "Tun Tavern" was developed by the Marine Corps Warfighting Laboratory in support of MCRC to explore ways that advances in communications and computer technology can be used

to increase recruiter productivity. Based on a favorable examination, the Marine Corps Recruiting Command has formed a "Technology Integration Working Group (TWIG)" to implement the use of cell phones and an automated enlistment and waiver documents package. These initiatives are time-savings measures for processing prospective applicants which, in the end, will result in an improvement to the quality of life for the recruiter.

MCRISS-RS

MCRC is addressing the need to better manage and analyze information by introducing a significantly upgraded automated information system, the Marine Corps Recruiting Information Support System-Recruiting Station (MCRISS-RS). MCRISS-RS replaces a twenty-year-old mainframe system that merely captured information on applicants after enlistment. The new system allows users to capture data electronically, just as soon as an applicant declares intent to become a Marine.

MCRISS-RS will streamline the entire enlistment process and provide immediate benefits in man-hour savings by eliminating redundant data entry and by improving the quality of information available. Moreover, the new system will directly interface with and support key information technology initiatives of the U.S. Military Entrance Processing Command to electronically schedule applicants for processing and receive electronic processing results.

MCRISS-RS harnesses state-of-the-art technology and provides MCRC with a solid foundation from which to grow future manpower information systems.

Web-Based Initiatives

Last year Marine Corps Recruiting Command totally revamped its web-based recruiting tools and launched the first phase of brand new web sites. Targeted for the population interested in opportunities as an enlisted Marine is *marines.com* and for commissioning opportunities,

marineofficer.com. These upgrades have greatly enhanced our effectiveness at Internet-based lead generation.

With the *marines.com* site, our aim is to attract, engage, and compel the qualified prospects to register their contact information. We believe that individuals who actively seek out the *marines.com* web site are generally more interested in opportunities than direct mail prospects. The target audiences for this site are predominately male high school students, recent high school graduates, and the labor workforce.

The *marineofficer.com* site provides information to interested college students, among whom the recruiting dynamics are very different from that of enlisted applicants. Our objective here is to educate visitors about the officer programs and to facilitate contact with local Officer Selection Officers. Knowing that this audience is more educationally aware with goals that are more definitive, the look and feel of the site is more academically and historically developed.

Both these sites are single-minded in scope: to drive prospects to recruiters. Our focus with electronic contact is to maximize a "face-to-face" exchange between a recruiter and a prospect. That is, we do not seek to replace Marine recruiters with virtual recruiters. In the end, it is, and will continue to be, the Marine recruiter who will convince a young man or woman to join the Corps, not a computer program.

In addition to these revised web sites, last year the recruiting command launched its first-ever permissive email campaigns to the officer and workforce markets. We use this program to follow through with our web site hits. Expanded permissive email campaigns are ongoing throughout FY01.

Advertising and Marketing Initiatives

The Marine Corps continually evaluates the most cost effective advertising resources to support the recruiting force. We compile and analyze information on media costs, the media habits of our targeted population, and their perceptions of the Marine Corps. By understanding the needs of our prospect audience and communicating to them in a way that conveys a consistent and accurate message, we strengthen the Marine position against competing agencies. Our communications strategy focuses on the benefits derived purely from being a Marine. We avoid presenting service in the Marine Corps as the price to be paid in order to receive extrinsic benefits like technical training and college assistance that are readily attainable from sources other than the military.

The ability to differentiate our image and message has served the Marine Corps well during the past five-plus years. We are examining new advertising and marketing initiatives that target ways to build on this foundation. MCRC believes in emulating "best practice" examples from private industry where it makes sense to do so. The Marine Corps is most interested in those examples that achieve substantial differentiation through innovative sales practices, help reinforce the positive reputation of our recruiters, and foster trust.

The next, "Millennial," generation of prospects, born after 1983, is emerging. MCRC recognizes the need to adjust our advertising strategy to communicate our message in a way that resonates with this new generation. Our message will target a specific segment of Millennials, a segment that wants to be challenged and that recognizes there are valuable, intangible benefits derived from service to the nation. Consequently, research is currently underway to develop additional insights with regards to the attitudes, values and behaviors of this generation.

Conclusions gleaned from a five-city focus group effort will be incorporated in the development of the FY02 advertising campaign.

Parents appear to play a larger role in the decision-making processes of the Millennial generation. Consequently, MCRC created a film to reach out to the parents of prospects who are considering the Corps. This film will soon be fielded this spring to aid recruiters in speaking with parents of graduating students considering military service.

The Marine Corps Recruiting Command has been working on Marine Corps participation in a new IMAX film on vertical flight to be a future presentation at the National Air and Space Museum. We are preparing to commit services of aviation assets for the Marine Corps segment of the film. The presentation is designed to increase the Marine Corps overall awareness through a dramatic documentary.

Additionally, the Marine Corps Recruiting Command is preparing for the 2001 National Scout Jamboree, an event that takes place every four years. Within the Boy Scouts of America, the national jamboree is the equivalent of the Olympics, with a sellout crowd of over 35,000 Boy Scouts in attendance. The jamboree is scheduled between July 23rd and August 1st, 2001, at Fort A. P. Hill, Virginia. Even though the Marine Corps Recruiting Command supports this event, recruiting is not the primary objective. Rather, value development and brand awareness are the primary focal points, aimed at a highly desirable target audience who are may someday be enlistable, if qualified mentally, morally, and physically. The audience represents a unique opportunity to position the Corps within this market for future consideration, while espousing ethics similar to Marine Corps core values.

Assignment and Classification Programs Restructuring

In addition to technological initiatives, MCRC is restructuring the way we allocate Military Occupational Specialty (MOS) enlistment programs. This restructure, while not directly impacting the accession mission, will allow MCRC greater flexibility in providing the Operating Forces with the right Marines with the right MOSs at the right time. This continual process is aligning program allocation with trimester phasing, that is the apportionment of the annual accession mission over the course of the year. It also will help to overcome shortfalls in critical MOSs in the operating forces, increase overall personnel readiness, and ultimately reinforce retention.

Nationwide Restructuring

Due to dynamic changes that shape our recruiting environment, MCRC is undergoing a national restructuring effort to ensure that our recruiting resources are properly positioned. Our internal restructuring program will result in a better balance of territories and an equal opportunity for each recruiter to be successful, based on a distribution of assets among the two regions, six recruiting districts, and forty-eight recruiting stations. Factors considered during this restructuring effort include shifting demographics, educational and employment opportunity trends, and logistics implications.

Professionalization of Career Planning

At the direction of the Commandant of the Marine Corps, the Marine Corps' Career Planner school is being realigned under the cognizance of the Marine Corps Recruiting Command. This initiative will allow the career planning students to receive the same level of training in communication and coaching as that received by the recruiting students. The end

results will be the ability to increase high-quality retention in the operational forces, thus stabilizing end strength projections.

Recruiting Summary

Marine Corps recruiting initiatives are intended to reinforce past successes and to position MCRC for future success by better empowering Marine recruiters to do their jobs more effectively. MCRC embraces the challenges associated with attracting our targeted population through the Internet, broadcast, and print media. While we may change the face of our advertising products and the forum used to present them, our underlying theme will not change. MCRC will continue to market our core values, ethos, history, and traditions because that legacy defines who and what we are.

RETENTION OVERVIEW

A successful recruiting effort is merely the first step in the process of placing a properly trained Marine in the right place at the right time. The dynamics of our manpower system then must match occupational specialties and grades to our Commanders' needs throughout the operating forces. The Marine Corps endeavors to manage stable, predictable retention patterns. However, as is the case with recruiting, civilian opportunities abound for our Marines as private employers actively solicit our young Marines for lucrative private sector employment.

Enlisted

We are very mindful of enlisted retention issues. Our enlisted force is the backbone of the Corps and we make every effort to retain our best people. Even though we are experiencing minor turbulence in some specialties, the aggregate enlisted retention situation is encouraging. Some shortages exist in a number of high tech MOSs that represent an important part of our war fighting capability, and these young Marines remain in high demand in the civilian sector.

We are a young force, making accessions a chief concern for manpower readiness. Of the 154,000 active duty enlisted force, over 23,000 are still teenagers - 108,000 are still on their first enlistment. In FY01, we will have reenlisted approximately 27% of our first term eligible population. These 6,069 Marines represent 100% of the Marines we needed to transition into the career force. This will be the eighth consecutive year we will have achieved this same objective. We have seen a slight increase in the number of Marines we need to have reenlist. The first term reenlistment requirement increases to compensate for some of our intermediate force losses...Marines in their eighth through twelfth years of service.

This year we continue to see first term non-EAS attrition rates similar to the lower attrition we experienced in fiscal years 1999 and 2000 compared to previous historical rates. Marines are assuming the cultural values of the Corps earlier in their career. The implementation of the Crucible and the Unit Cohesion programs are contributing to improved retention among our young Marines. The impact of lower non-EAS attrition allowed us to reduce our accession mission in FY00 for our recruiters and may allow us to do the same this year if the attrition rate declines further.

In the larger picture, we are extremely pleased with our recruiting and retention situation. We anticipate meeting our aggregate personnel objectives and we continue to successfully maintain the appropriate balance of first term and career Marines. The management of youth and experience in our enlisted ranks is critical to our success and we are extremely proud of our accomplishments.

We attack our specialty shortages with the highly successful Selective Reenlistment (SRB) program. These shortages persist in some highly technical specialties such as intelligence, data communications experts, and air command and control technicians. Currently, the Marine Corps has allotted \$40M in SRB new payments to assist our reenlistment efforts in FY01. This amount includes the greatly appreciated \$13M Congressional plus up which significantly aided our reenlistment retention rates and help improve retention for some of our critical skill shortages. We used this funding to implement lump sum payments for the program. Lump sum payments are increasing the net present value of the incentive and will positively influence highly qualified personnel who are currently undecided. This is an incredibly powerful incentive for these "fence sitters" to witness another Marine's reenlistment and award of SRB in the total amount.

In the long-term we would like to reduce the emphasis on bonuses and special pays and continue to focus on increases in basic pays. We believe this to be a potentially powerful incentive for the youth of America to join our Corps and to influence Marines already in our Corps to stay.

Officers

By and large, officer retention continues to experience success with substantive improvements in retention, beginning in FY00. Our FY01 results continue to reflect an overall officer attrition rate that is closer to our historical rates of retention. We believe that the reduction of voluntary separations may be attributed to the Administratively proposed and Congressionally approved compensation triad and the strategic, albeit limited, use of specialty pays. As with the enlisted force, we have still have some skill imbalances within our officer corps, especially in the aviation specialties.

Although we are cautiously optimistic, pilot retention remains a concern. The FY01 ACP Plan has had mixed results as of the end of the 1st quarter for FY01. Rotary wing pilot (RWP) and Naval flight officer (NFO) "take rates" for ACP have met aggregate retention targets for these communities. Fixed wing pilot (FWP) "take rates," while improved over previous years, have not met retention targets that increased to compensate for the number of previous losses due to civilian airline hiring.

One specific area of officer retention we are aggressively targeting is the FWP major in year of commissioning group 1988-1991. Retaining Marine Corps aviators involves a concerted Marine Corps effort in multiple areas that have been identified as impacting an officer's decision to remain in the Marine Corps. Many recent FY00 and FY01 retention initiatives have made substantial corrective strides strengthening the Marine Corps' position towards retaining aviation officers (i.e., Marine Aviation Campaign Plan, and Pay & REDUX reform). Supplementary pay programs such as ACP can provide an additional incentive by lessening the significant difference between civilian airline and military compensation. We anticipate a significant return on our investment from ACP and will continue to reevaluate our aviation retention situation to optimize all our resources.

The Marine Corps officer and enlisted retention situation is very encouraging. Through the sensational efforts of our unit commanders, we will achieve every strength objective for FY01. Even though managing our retention success has offered new challenges such as maintaining the appropriate grade mix, sustaining quality accessions, and balancing occupational specialties, we will continue to press forward and meet all challenges head on. We are optimistic about our current situation in this difficult retention environment and we expect these trends to continue.

The Marine Corps remains strong in our recruiting and retention efforts. We have achieved these successes through the same tenets that have won us valor on the battlefield.

Marines are proud of what they are doing. They are proud of the Eagle, Globe and Anchor and what it represents for our country. It is our job to provide for them the leadership, resources, and moral guidance to carry our proud Corps forward throughout this new millennium.