

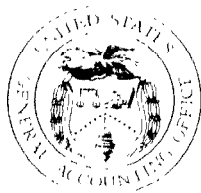
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Report to the Chairman, Subcommittee on
Military Personnel and Compensation,
House Committee on Armed Services

February 1992

DEFENSE FORCE MANAGEMENT

Composition of Groups Affected by Fiscal Year 1991 Force Reductions



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**National Security and
International Affairs Division**

B-246105

February 5, 1992

The Honorable Beverly B. Byron
Chairman, Subcommittee on Military
Personnel and Compensation
Committee on Armed Services
House of Representatives

Dear Madam Chairman:

In response to your request, we have compiled information on (1) selected actions the military services took or were expected to take to achieve reductions in active duty military personnel required for fiscal year 1991 and (2) the gender and racial or Hispanic composition of the military personnel who may be affected by the service actions.

This report summarizes the information provided in a briefing to your staff on August 5, 1991. The service actions discussed in this report are those which specifically address force reduction needs and for which we could generally identify an affected population. When an affected population was discernible, we provide the gender and racial or Hispanic composition of that population using data available from the Defense Manpower Data Center. "Affected population" refers to the group of people from which separation from the service would occur.

However, the impact of every separate action potentially affecting minorities and women could not be determined because a direct link between the individual leaving the service and the policy causing that separation could not be made. Also, actual separations from the services as a result of reduction actions had not necessarily occurred at the time we concluded our field work.

Background

The National Defense Authorization Act for fiscal year 1991 required the military services to reduce their active duty end strength to specified levels for fiscal years 1991 through 1995. However, due to personnel needs generated by Operations Desert Shield and Desert Storm, the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act (title II of P.L. 102-25), enacted on April 6, 1991, authorized each military service to waive the end strengths authorized for the end of fiscal year 1991. On April 8, 1991, the Deputy Secretary of Defense directed the service secretaries to exercise this authority and established new ceilings that

increased authorized service end strengths by about 1 percent over the levels specified by the fiscal year 1991 authorization act.

By the end of fiscal year 1990, the services had allowed total end strength to fall below fiscal year 1990 authorizations by 77,616 active duty personnel. Thus, without the April 1991 waivers, a reduction of 66,174 was needed to comply with end strength levels contained in the fiscal year 1991 authorization act. However, with the waivers approved by the Deputy Secretary of Defense, the total active duty reduction actually needed during fiscal year 1991 was 49,821. Table 1 provides a breakdown of the reductions by service.

Table 1: Reductions in Active Duty End Strength

	Army	Air Force	Navy	Marine Corps	Total
Fiscal year 1990					
Authorized	764,021	567,474	591,541	197,159	2,120,195
Actual ^a	732,731	535,235	578,260	196,353	2,042,579
Difference	31,290	32,239	13,281	806	77,616
Fiscal year 1991					
Authorized without waiver	702,170	510,000	570,500	193,735	1,976,405
Reduction needed	30,561	25,235	7,760	2,618	66,174
Authorized with waiver	710,000	514,000	573,086	195,672	1,992,758
Reduction needed	22,731	21,235	5,174	681	49,821

^aData for actual end strength were obtained from the Defense Manpower Data Center and may differ slightly from data obtained from other sources.

Results in Brief

Service actions to reduce end strength to meet fiscal year 1991 authorizations have focused primarily on reducing accessions, forcing early retirement, and inducing the voluntary departure of personnel eligible for retirement. The only policy change resulting in involuntary separations, other than forced early retirement, affected Air Force enlisted personnel at the E-4 grade. A reduction in the high-year tenure now requires E-4 personnel who reach 10 years of service without being promoted to E-5 to leave the Air Force. In the past, E-4 personnel could remain in the Air Force until they retired at 20 years of service. An affected population was discernible primarily for Air Force high-year tenure changes affecting E-4 and E-6 through E-8 enlisted ranks. Those affected populations generally

contained a higher percentage of men and minorities than the total population of their respective grades.

Analysis of Service Actions to Achieve Force Reductions

Army Actions

The Army planned to achieve the majority of its reductions in enlisted personnel through reduced accessions. Reductions in accessions were to be accompanied by an effort to improve the quality of recruits. This action does not affect personnel already serving; however, it affects the number of minorities likely to enter in the future.

The results of the Armed Services Vocational Aptitude Battery examination, which every applicant for enlisted positions must take, are used to rank applicants in the following five categories: I (percentile score of 93-99); II (percentile score of 65-92); IIIA (percentile score of 50-64); IIIB (percentile score of 31-49); IV (percentile score of 10-30); and V (percentile score of 1-9).¹ The Army's goal for fiscal year 1991 was to draw 72 percent of new recruits from categories I to IIIA, and less than 2 percent from category IV. In fiscal year 1989, 62 percent of Army accessions ranked in categories I to IIIA, and in fiscal year 1990, 67 percent ranked in these categories.

The Army's goal of having less than 2 percent rank in category IV is a significant change from the proportion of new recruits who entered the Army just 2 years before in fiscal year 1989 (6.9 percent) but is not a change from the overall proportion of recruits who entered in fiscal year 1990 (1.9 percent). However, as table 2 shows, for both fiscal years 1989 and 1990, minorities comprised more than half of the new recruits who ranked in category IV.

¹Category V applicants are disqualified from military service by law, as are Category IV applicants who have not graduated from high school.

Table 2: Composition of Category IV Personnel Who Enlisted in the Army
(Fiscal Years 1989 and 1990)

Personnel	Fiscal year 1989		Fiscal year 1990	
	Number	Percentage	Number	Percentage
White men	2,840	39	557	37
White women	25	^a	2	^a
Black men	3,702	51	789	53
Black women	21	^a	2	^a
Other men	660	9	151	10
Other women	13	^a	0	0
Total	7,261	100	1,501	100

^aLess than 1 percent.

To reduce the number of officers, the Army focused on inducing voluntary early releases. Primarily, between April 8 and May 29, 1991, the Army allowed the early release or early retirement of some officers. According to an Army official, separation was approved for 790 officers. A breakdown by race and gender of participating officers was not readily available at the time of our review.

Air Force Actions

Air Force actions to achieve force reductions focused on reducing the number of years that enlisted personnel in some grades could remain in the service if they were not promoted. The number of years of service was reduced from 23 to 20 for E-6 personnel, from 26 to 24 for E-7 personnel, and from 28 to 26 for E-8 personnel. Under this change, technical sergeants (E-6) with 19 to 21 years of service as of the end of fiscal year 1990, master sergeants (E-7) with 23 or 24 years of service, and senior master sergeants (E-8) with 25 or 26 years of service would have to leave the service in fiscal year 1991 unless they were promoted. As table 3 shows, those personnel had a higher proportion of men and minorities than the total population of the respective grades in fiscal year 1990.

Table 3: Composition of Affected Groups (Fiscal Year 1990)

Figures in percentages

Category	Grade E-6		Grade E-7		Grade E-8	
	Total	Affected	Total	Affected	Total	Affected
Men	89.6	94.8	93.7	98.9	95.8	99.3
Women	10.4	5.2	6.3	1.1	4.2	0.7
Total	100.0	100.0	100.0	100.0	100.0	100.0
Black	18.4	23.8	18.7	22.8	15.9	20.9
White	72.7	65.4	73.0	67.9	77.5	72.4
Hispanic	4.5	5.5	4.1	4.8	3.2	3.4
Other	4.5	5.3	4.2	4.4	3.4	3.2
Total	100.0	100.0	100.0	100.0	100.0	100.0
Number of personnel	57,693	8,934	38,654	3,383	9,189	1,205

Note: Column totals may not add to 100 due to rounding.

Air Force officials told us that, historically, more than half the personnel in these grades retire before reaching their high-year tenure point. Thus, these officials said, the reduced tenure levels would not force all members of the affected groups to leave the service earlier than they normally would have.

In addition to changes in the high-year tenure for E-6, E-7, and E-8 personnel, the Air Force significantly reduced the high-year tenure for E-4s. Previously, these personnel were allowed to remain in the Air Force for up to 20 years at that grade before retirement. Starting in August 1991, those who do not get promoted will have to leave the Air Force when they reach 10 years of service. Although E-4s currently near retirement (those with 16 to 20 years of service) will not be affected under the new policy, the change will result in the involuntary separation of E-4 personnel who have over 10 but less than 16 years of service on or before August 1, 1991.

We reviewed data for E-4 personnel who had 11 through 15 years of service as of fiscal year 1990. As in grades E-6, E-7, and E-8, men and minorities comprised a greater proportion of the affected E-4 population compared with the composition of the total population in that grade level, as shown in table 4. In our analysis, we did not include those E-4 personnel with 9 or 10 years of service as of the end of fiscal year 1990 because of the greater possibility that they would be promoted.

Table 4: Composition of Affected E-4 Personnel (Fiscal Year 1990)

Figures in percentages

Category	Grade E-4	
	Total	Affected
Men	83.6	84.7
Women	16.4	15.3
Total	100.0	100.0
Black	19.0	31.9
White	74.5	58.6
Hispanic	3.6	5.9
Other	2.9	3.6
Total	100.0	100.0
Number of personnel	117,712	969

To reduce the number of officers, Air Force officials said, the Air Force held an early retirement board to review the records of O-6 officers with 4,5, or 6 years in grade and O-5 officers who were passed over twice for promotion. According to an Air Force official, the Air Force cut 30 percent of those officers reviewed. However, data was not available showing the composition of the officers who were reviewed or retired.

Navy Actions

The Navy planned to achieve force reductions of enlisted personnel by reducing the number of commissioned ships and reassigning personnel to the extent possible. The Navy also planned a reduction of 995 officer positions through attrition and reduced accessions. Although these planned reductions could allow the Navy to end fiscal year 1991 under the prescribed end strength, achieving these reductions would depend on whether losses through attrition were at the level expected. Because these reduction measures rely on normal attrition and reduced accessions, it was not possible to identify affected populations.

Marine Corps Actions

According to a Marine Corps official, the Marine Corps planned to achieve reductions in enlisted personnel primarily by reducing accessions by about 2,500. Although these reductions could allow the Marine Corps to reduce its fiscal year 1991 end strength below that authorized under the waiver, a Marine Corps official told us that reductions had not occurred as rapidly as expected because of Operations Desert Shield and Desert Storm. As a result, he said, the impact of reduced accessions on end strength would not be evident until the end of calendar year 1991.

The Marine Corps also planned to reduce officer end strength by 201, in part by reducing the number of reserve officers on voluntary active duty. In addition, the number of involuntary separations were to be increased through existing programs. Because the Marine Corps was relying on reduced accessions to reduce end strength, it was not possible to identify affected populations.

Scope and Methodology

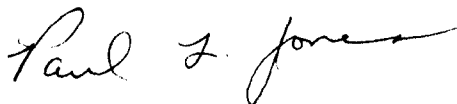
We discussed force reduction policies and programs with, and obtained documentation from, officials in the Office of the Secretary of Defense, the Army, the Air Force, the Navy, and the Marine Corps. We obtained population profile data for the services from the Defense Manpower Data Center. We did not verify or test the accuracy of the data obtained from the center.

We conducted our review from August 1990 to June 1991 in accordance with generally accepted government auditing standards. Officials from the Office of the Secretary of Defense, the Army, the Air Force, the Navy, and the Marine Corps reviewed a draft of the briefing on which this report is based. Their comments have been incorporated where appropriate.

Unless you publicly announce its contents earlier, we plan no further distribution of this report until 7 days from its issue date. At that time, we will send copies to the Chairmen of the Senate and House Committees on Appropriations, House Committee on Government Operations, and Senate Committee on Governmental Affairs; the Director of the Office of Management and Budget; and the Secretaries of Defense, the Army, the Air Force, and the Navy. We will also make copies available to others upon request.

If you or your staff have any questions, please call me on (202) 275-3990. Major contributors to this report were Foy D. Wicker, Assistant Director; Beverly Ann Bendekgey, Evaluator-in-Charge; and Diane Blake Harper, Evaluator.

Sincerely yours,



Paul L. Jones
Director,
Defense Force Management Issues

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