

EMPLOYEE RETENTION IN THE MILITARY¹

A RETENÇÃO DOS MILITARES NAS FORÇAS ARMADAS

Francisco José Fonseca Rijo

Infantry Colonel
Master in Military Science – Military Academy
Auditor of the 2017/2018 Flag Officers Course
Integrated Researcher at the IUM Research and Development Centre
francisco.rijo@gmail.com

João Paulo Ramalho Marreiros

Captain in the Portuguese Navy
PhD in Surveying Engineering – Faculty of Science, University of Porto
Auditor of the 2017/2018 Flag Officers Course
Associated Researcher at the IUM Research and Development Centre
ramalho.marreiros@marinha.pt

João Carlos Santana Mairós

Physician Colonel in the Portuguese Air Force
Specialist in Gynaecology and Obstetrics (consultant degree)
Auditor of the 2017/2018 Flag Officers Course
Integrated Researcher at the IUM Research and Development Centre
joaomairós@sapo.pt

Olinto Amado Paquete

Colonel (Military Administration) of the Democratic Republic of São Tomé and Príncipe
Degree in Military Science at the Military Academy
Auditor of the 2017/2018 Flag Officers Course
Associated Researcher at the IUM Research and Development Centre
patriot0965@gmail.com

Abstract

For any organization, the early turnover of employees leads to the loss of specialized human capital that is difficult to replace and that required an investment in both basic and continuous training, and to the loss of specific knowledge and experience. Moreover, in the military, voluntary turnover leads to the problem of refilling the positions left vacant, a serious concern that mainly affects the non-permanent Voluntary or Contract Service personnel of the Portuguese Armed Forces.

This research identifies the reasons for the early turnover of Voluntary Service or Contract Service personnel before the end of their contract and suggests measures to decrease voluntary turnover and increase employee retention. Additionally, the research provides information that may be useful for decision making and human resource management.

Keywords: Human Resources, Personnel Retention, Military Personnel, *Turnover*.

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Resumo

As saídas extemporâneas de pessoal originam a perda de capital humano especializado, no qual houve investimento, tanto ao nível da formação inicial como da formação contínua, e por outro lado de conhecimento e de experiência em áreas muito específicas e de difícil substituição. Adicionalmente, as saídas voluntárias de militares originam o problema da reposição de efetivos, principalmente preocupante para a reposição do quadro de pessoal não permanente em Regime de Voluntariado ou Regime de Contrato nas Forças Armadas.

Como resultados da investigação identificaram-se as causas mais relevantes que contribuem para a saída precoce dos militares no Regime de Voluntariado ou Regime de Contrato e apresenta-se um conjunto de linhas de ação para melhorar a retenção. Complementarmente, esta investigação pode ainda corresponder à necessidade de requisitos de informação útil ao processo de decisão e à gestão de recursos humanos.

Palavras-chave: *Recursos humanos, retenção de pessoal, pessoal militar, regime de contrato, turnover.*

Introduction

The Military Service Law (MSL) – Law No. 174/99 of 21 September (AR, 1999), as amended by Organic Law No. 1/2008 of 6 May 2008 (AR, 2008) – established a new form of peacetime recruitment after the end of Mandatory Military Service (MMS) in Portugal, introducing Voluntary Service (VS) and Contract Service (CS) schemes. Enlisted personnel signs a VS contract for a period of 12 months (which includes the training period), after which they can join the Armed Forces (AAFF) under contract. The latter scheme entails a term of service of two to six years, according to the requirements of the AAFF, after which service members may be appointed to the Career Staff (CaS).

The end of MMS created problems for the AAFF that are progressively becoming more serious: recruiting difficulties, turnover, and difficulty in retaining military personnel. The early turnover of CS personnel leads to the loss of specialised human capital that required investment both in basic and continuous training, as well as to the loss of highly specialised knowledge and experience. The voluntary turnover of CS personnel leads to the problem of filling the positions left vacant, a serious concern that mainly affects the non-permanent personnel.

This situation is especially costly because recruitment is timeconsuming and expensive, and there are additional indirect costs associated with lack of productivity in the position left vacant. If we add to this the successive decrease in the VS/CS recruitment pool¹, the problem takes on even more worrying proportions (DGPRM, 2012, pp. 57).

In the light of these circumstances, several studies carried out by the General Directorate of Personnel and Military Recruitment (DGPRM), the Navy General Staff (EMA) and the

¹ Age bracket eligible for military recruitment under VS/CS.

Applied Psychology Centre of the Army (CPAE) have attempted to clarify a number of issues by describing the experiences of service members prior to joining the military and by examining their motives for enlisting, the reasons why they decide to remain in the military, or, on the contrary, why they choose to separate before the end of their contract. These studies also question whether the personnel that decide to leave the military are familiar with the Incentive Scheme set up by the state, which includes financial and material support, social support, support for academic qualifications, and reintegration into the job market upon leaving the ranks.

The studies show that the Navy, the Army, and the Air Force have different realities and different problems. Because each Branch has its own specific characteristics, the sociodemographic characteristics and the reasons for enlistment and attrition also differ.

The object of study is the voluntary early turnover of VS/CS personnel before the end of their contract. The paper analyses previous studies from 2011 to the present on the enlisted personnel that serve or have served in VS/CS to identify the reasons for early turnover among VS/CS personnel, voluntarily and before the end of their contract with the military, and to contribute to reduce the turnover rate and increase retention.

The paper is organized into four chapters. The first chapter establishes the theoretical framework for the research by providing a brief review of the literature and the main concepts pertaining to the object of the study. The second chapter describes VS/CS and the current social and economic situation to understand the extent to which it affects the turnover rate. The third chapter analyses in detail several studies on personnel retention carried out by the MDN and the Branches to assess the reasons for early turnover. The fourth chapter examines potential measures that can be taken to increase military retention. The conclusions provide an overview of the work that was carried out and the research findings, as well as some recommendations and proposals for future research.

1. Literature review

1.1. Turnover

The concept of turnover is often confused with the concept of attrition. In the latter, the position left by the employee remains vacant or is eliminated by the organization, whereas turnover implies that the organization attempts to secure a replacement to fill the position (Mayhew, 2017). In both cases, withdrawal from the organization can be voluntary or involuntary, depending on whether the decision is made by the employee or the organization, respectively (Mayhew, 2017).

Turnover can be represented by an index that measures the stability of the labour force (Rocha, 1999, p. 177). The negative consequences of excessive turnover include recruitment and selection costs, training costs, the increase of work-related accidents, decreased productivity, and increased wastefulness. According to Rocha (1999, p. 178), the turnover rate can be calculated using the following formula:

$$TTR = \frac{S}{N} \times 100$$

TTR = Turnover percentage
 S = Amount of personnel quitting
 over a given period
 N = Amount of organization
 employees

The acceptable turnover rate for an organization is considered to be 18%. If that percentage is higher, careful analysis is needed to prevent negative effects for the organization (Rocha, 1999, p. 181).

Retention is a construct “that depends on several factors that relate to the individual, the culture of the organization, and management practices that value human capital” (Almeida, 2008, p. 17).

On the other hand, “talent retention is an integrated process that involves attracting and developing human capital through a certain posture and various [related] measures” (Michelman, 2007, pp. 23-25).

1.2. Psychological Contract and Organizational Implication

There is a Psychological Contract between employees and the organization to which they belong. This contract is simply a set of mutual expectations pertaining to job, roles, trust, and influence, which is established by tacit agreement but about which there is no formal agreement (Pereira, 1999, p. 225).

The success of this contract results in the degree of employee Organizational Implication, a concept which Ferreira et al. (2001, p. 324) argue frames the individual organization relationship in terms of acceptance of organizational values and beliefs. Michel (1993, p. 167) defines Organizational Implication as dedication to one’s job; identification with the employee role; the importance of work in relation to other areas of one’s life; the fact that one is defined by their work; how strongly one identifies with the task at hand, the intention to be active, and regarding professional activities as a central part of one’s life.

Because the Psychological Contract is defined by this two-way exchange of expectations, the organization has an obligation to integrate the employee in a “career plan that offers them personal development and the satisfaction of expectations about the future” because “a career is a sequential series of roles with increasing levels of responsibility, power, and reward” (Rocha, 1999, p. 118).

1.3. Job motivation

Job motivation refers to the above interaction between the employee and the organization (Michel, 1993, p. 7), since “people seek work that motivates and interests them ‘because they progress’ when they are motivated” (Michel, 1993, p. 105). Furthermore, Neves (2001, p. 260) states that job motivation consists in exerting high levels of effort in accomplishing the organization’s objectives in order to satisfy individual needs.

1.4. Expectancy Motivation Theory

Several authors have developed and studied motivational theories. Vroom and Lawler are two prominent authors that studied Expectancy Theory (Neves, 2001, p. 266), which is relevant to the issue at hand. This cognitive theory of motivation argues that the intensity with which one acts to achieve a goal depends on two factors: the degree to which one believes that a particular outcome will occur and the perceived value of that goal (Feldman, 2001, p. 328). According to the latter author (2001, p. 329), the theory includes intrinsic motivation, which drives individuals to participate in an activity for the pleasure it elicits, and extrinsic motivation, which implies a tangible reward. For Neves (2001, p. 267), “expectancy is the relationship between effort and performance. If the expectation that an outcome will be achieved is low, it does not matter how much effort one puts into it [...]”.

1.5. Job satisfaction

For Michel (1993, p. 160), satisfaction is an indicator for motivation, wherein the first results from experience and the second occurs before the first. Citing Ripon, the author describes satisfaction as “[...] resulting from the concrete experience of the psychic relationship between the individual and a work context”. Job satisfaction has been studied in the context of organizational behaviour because, in addition to providing balance to employees, it also influences the operation and productivity of the organization (Alcobia, 2001, p. 282). The latter author (2001, p. 290) argues for a multidimensional approach to satisfaction, as it depends on a set of job-related dimensions, such as: satisfaction with one’s supervisor, organization, colleagues, working conditions, career progression, promotion prospects, wages, subordinates, employment stability, workload, personal performance, and overall intrinsic satisfaction.

Alcobia (2001, p. 305) and Michel (1993) correlate job satisfaction with an employee’s desire to leave the organization, which has a direct impact on productivity. Pereira (1999, p. 227) points out that the expectations expressed in the Psychological Contract change over time and depend on experience, and that they generate either satisfaction or frustration, potentially leading to a “severing of ties”.

1.6. NATO military turnover model

A study carried out by NATO (2007) that included several member countries (but not Portugal) analysed the problem of military retention. The reasons for early turnover were grouped into the following categories:

- External reasons (social and economic):
 - Low unemployment rate;
 - Lack of compatibility between military culture and societal values;
 - Decrease of the population between 18 and 24 years of age;
 - More attractive salaries in the private or public sector than in the military in relation to the requirements of the service and related duties.

- Geographic reasons:
 - The geographic location of military units.
- Internal reasons (which depend on the internal organization of the AAF):
 - Promotion system based on seniority rather than merit;
 - Incompatibility between individual interests and military duties;
 - Shortcomings in the recruitment process:
 - ✓ The selection and classification processes cannot always ensure that individuals will be assigned to their preferred positions;
 - ✓ Scarcity of information, and the fact that the existing information focuses only on the positive aspects and neglects to mention the negative ones.

NATO (2007) outlined a military turnover model that treated voluntary turnover as the product of an individual subjective experience of the job and the organization. This individual-centred approach has advantages over a model with a purely macrolevel, external approach to the work environment and the surrounding environment. It also has the advantage of approaching turnover as a predictable phenomenon, allowing the organization to coordinate HRM activities such as recruitment, selection, classification, among others (NATO, 2007, p. 4B6).

Figure 1 represents the NATO military turnover model used in the development of this research.

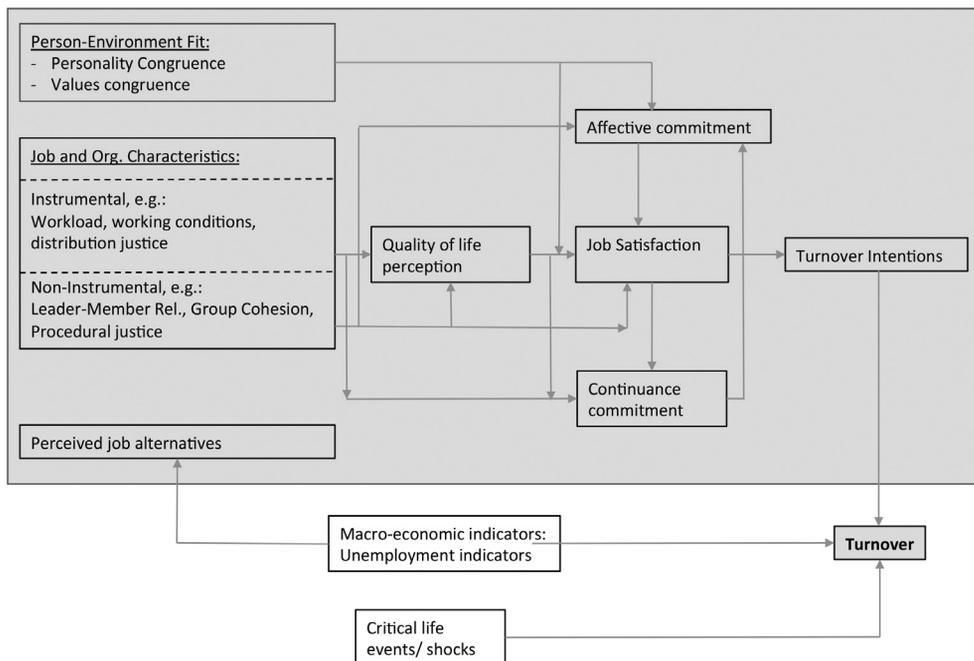


Figure 1 – Model of military retention/turnover

Source: NATO (2007).

The following section describes this model and how its different components interact.

– **Person-environment fit.** More than to the job and organizational characteristics, it refers to the perceptions of the person (NATO, 2007, p. 4B6). Thus, increased fit will result in increased satisfaction, motivation, morale, job performance, commitment, and retention.

– **Job and Organizational characteristics.** The distinction between instrumental and non-instrumental organizational characteristics can be found in the terms of the psychological contract, which distinguish between transactional and relational contracts. The first are usually short-term contracts based on performance, on the exchange of benefits between employee and organization, and on economic factors. On the other hand, relational contracts are based on long-term ties and require stability and mutual loyalty. There is empirical and theoretical evidence on the role of instrumental factors in the development of attitudes that will later become antecedents of turnover. Among them are excessive workload, poor role clarity, stress, unmet expectations, pay, and distributive justice (NATO, 2007, p. 4B6).

The study (NATO, 2007, p. 4B7) suggests that instrumental characteristics influence job satisfaction (and possibly commitment to the organization) due to the effects on quality of life perceptions.

Non-instrumental characteristics are, for example, leader-member relations, group cohesion, and procedural justice, which are deemed to directly influence job satisfaction and the affective component of organizational commitment (NATO, 2007, p. 4B8).

– **Perceived job alternatives.** Employees may develop intentions to quit their job on the basis of their impressions/perceptions that they may find another job, possibly more suited to their expectations (NATO, 2007, p. 4B8).

Therefore, perceived job opportunities are proposed to have an effect on turnover intentions.

– **Quality of life perceptions.** Based on the literature on quality of life and turnover, it is hypothesised that quality of life factors mediate the effects of organizational and job characteristics on job satisfaction and commitment. That is, satisfaction in the different domains of one's life, as expressed through global quality of life perceptions, apparently influences satisfaction with one's work life, suggesting that continuance commitment can result from perceptions of global quality of life (NATO, 2007, p. 4B12).

– **Work attitudes: job satisfaction, continuance commitment, and affective commitment.** According to Allen and Meyer (1990), affective commitment refers to an individual's emotional attachment, identification, and involvement with the organization. Continuance commitment implies the recognition by the individual that there are costs associated with leaving the organization.

Although both satisfaction and commitment are identified as critical variables in the turnover process, there seems to be lack of agreement concerning the nature of the relationship between these two variables and voluntary employee withdrawal (NATO, 2007, p. 4B14).

However, based on the available evidence, it seems plausible to state that:

- Both types of commitment, affective and continuance, and job satisfaction contribute to turnover intentions;
- The relationship between affective commitment and satisfaction appears to be cyclical in nature, and that one influences the other;
- Continuance commitment is likely to be influenced by the degree of satisfaction, and especially with the extrinsic aspects of the job, such as pay and benefits (NATO, 2007, p. 4B14).

– **Turnover intentions.** It seems plausible that, as turnover intent increases, the turnover process seems to be more definite, especially in the military, likely due to the contractual nature of the work. According to the proposed model, turnover intentions, which are directly influenced by satisfaction and affective commitment, are considered a direct determinant of turnover (NATO, 2007, p. 4B15).

– **Macroeconomic indicators: unemployment.** Conventionally, voluntary turnover has been regarded as an act that results from an individual's subjective experience of organizational life and labour market conditions. Therefore, based on the literature, the unemployment rate is expected to influence voluntary turnover directly through perceived job opportunities (NATO, 2007, p. 4B15).

– **Critical life events / shocks.** Shocks play a role in the military turnover process, along with progressing dissatisfaction and decreased commitment. However, because a taxonomy of shock has yet to be defined, this factor is addressed in a generic way in the proposed model. Studies are needed to identify the categories of personal events / shocks that initiate the turnover process so that, depending on the type of events, the most appropriate courses of action and decision making can be planned (NATO, 2007, p. 4B16).

2. Study framework and methodology

The study adopted a mixed research design that combines quantitative and qualitative strategies (IUM, 2016, p. 31). The results of the most recent surveys carried out by the MDN and the Branches were analysed. Interviews were also conducted with the persons responsible for managing the staff of each of the Branches.

The variables and indicators used in the model of analysis were drawn from NATO's military turnover model (2007), which served as theoretical framework for the research, as outlined in Table 1.

Table 1 – Dimensions and variables to be considered in the method of analysis

Dimensions	Variables	Indicators
Resources	Instrumental characteristics	Pay, workload, and working conditions
	Non-instrumental characteristics	Leader-member relationship and group cohesion
	Organization's external environment	Perceived job alternatives
Processes	Type of VS/CS	Length of contract
		Incentives to military service
Goal	Increase attraction and retention in VS/CS	Job satisfaction
		Affective commitment
		Continuance commitment

2.1. Features of Voluntary Service and Contract Service

As laid out in Article 45 of the RLSM, joining the military under CS implies “the provision of voluntary military service for a minimum of two years and a maximum of six years, according to the requirements of the AAFE, after which service members may be appointed to the CaS” (MDN, 2000a).

Two situations can lead to the early turnover of CS personnel:

- The service member requests the termination of the contract, during the period of validity of the initial contract, and is required to pay a compensation;
- The service member does not enter a request for renewal after the minimum contract length has been reached, and separates without being required to pay compensation. In the case of the Navy, the length of the initial minimum period of the single term contract for CS personnel is three years, in accordance to the Order issued by the Admiral Chief of Navy Staff (CEMA) No. 17/13 of 4 April.

Article 49 of the RLSM establishes the obligation that service members who voluntarily request that their contract be terminated during the additional training period or before the minimum period set out must compensate the State for a value obtained by calculating the costs of the training provided, factoring in the expectation that the position would be filled (MDN, 2000a).

After the termination of the contract, CS personnel have access to a number of incentives as established in the Regulation of Incentives to Military VS/CS. The following are some of these incentives:

- Service members who have served a minimum of two years under contract (Article 5) (MDN, 2007) have priority access to 2.5% of the vacancies set annually for the National Contest for Admissions to Higher Education;
- Service members who completed the minimum period of two years receive a cash benefit corresponding to one twelfth of the annual remuneration for each full year

- of service rendered; this benefit is not paid if the service member fills a position in a government service or body (Article 21) (MDN, 2007);
- Service members have the right to apply for a higher education grant for the period corresponding to the total number of years they served under contract (Article 23) (MDN, 2007);
 - Service members who have served a minimum of three years under contract are eligible for a minimum quota of 30% of the total vacancies available for the CaS or the available civilian staff positions, and are given priority in the case of equal scores in those competitions for a maximum of two years after the end of their contract (Article 33) (MDN, 2007);
 - Service members who have completed two years of military service and have passed their admission tests have priority in the access to the enlisted staff courses of the *Guarda Nacional Republicana* (GNR) (Article 34) (MDN, 2007).

This regulation is now outdated, and some of the incentives listed above are no longer applied, namely the one that gave CS personnel priority in the competitions for entry into the enlisted staff of the GNR.

2.2. Social and economic context

Since the end of MMS in 2004, the recruitment of youth has naturally been influenced by the decrease of the recruitment pool, which is a consequence of the aging of the Portuguese population.

Concurrently, due to the financial crisis of 2008, the AAFF have been increasingly limited in terms of recruitment due to financial restrictions and to the policies of the Portuguese government.

Additionally, the increase in the level of schooling of Portuguese youth affects turnover decisions and directly relates to their professional expectations, a trend that is confirmed by the fact that “the more educated service members [...] are less inclined to state that their decision to join the AAFF was based on attraction for the characteristics of the military life and profession” (Cardoso et al., 2009, p. 10).

Unemployment does not seem to be directly related to the decision to join the AAFF (Cardoso et al., 2009), although competition with the external labour market is a decisive factor in the early turnover of CS/VS personnel, and new job opportunities are one of the main causes of attrition (DGPRM, 2012, p. 78). Because unemployment has been steadily declining since 2015, perceptions of new job alternatives have increased, leading to a decrease of military enlistees.

This may be related to the fact that the current social and economic situation is not particularly positive due to the decrease of the recruitment pool, the financial constraints imposed on the AAFF, and the competition from the external labour market, which seems to offer young people better conditions regarding employment continuity. On the other hand, young people may find that their social values are not congruent with military culture.

3. Analysis of the reasons for early turnover among Contract Service personnel

The data used to analyse the reasons for the early turnover of CS personnel before the maximum term of service were drawn from the most recent studies carried out by the MDN and the AAFE, which were in turn based on existing surveys.

3.1. Navy

A study to promote recruitment (EMA, 2017) included meetings with 170 trainees attending the 2016 and 2017 Enlisted Training Courses and a questionnaire to ascertain the reasons why young people choose to pursue a career in the Navy. The results of the study are presented by gender and a distinction is also made between recruits attending the Marines course and those attending the Navy course.

The results did not show a direct reason for early turnover, but it was concluded that most young people who choose to join the Navy do so for vocational reasons, regardless of gender, as well as for financial and employment stability, professional experience, to continue a family tradition, and with a sense of duty. The study also concluded that the majority of young people (77%) expect to join the career staff, especially those attending the Marines course.

3.2. Army

A questionnaire issued by the Army for 2015 and 2016 was prepared and deployed by CPAE (CPAE, 2016). The questionnaire was administered to 268 VS/CS service members who terminated their contract or did not renew it. It ascertained the reasons for enlisting in the army and scored them on a scale of 0 to 3: "employment security" (2.2), "finding a paying job / occupation" (2.2), "personal relationships / camaraderie" (2.15), "fair wages" (2.1), "action and adventure" (2.1), "to serve Portugal" (2.08) (CPAE, 2016, p. 7).

Respondents were subsequently asked to state the reasons that led them to terminate their contract. The most significant reasons, scored on scale of 0 to 3, were: reasons related to future job security and career advancement, such as "it is not a job for life" (1.51), "the maximum term of service is 6 years" (1.42), "finding other employment" (1.32) and "no hopes of joining the career staff" (1.24); the demands of military service, such as "being posted away from home" (1.2), "not being assigned to the preferred specialty" (1.13), and "military rules / discipline" (1.1); and personal aspirations such as "being able to study full time" (1.04).

Another questionnaire with a different methodology was deployed to help determine the reasons for early turnover. Instead of a closed questionnaire, respondents answered open-ended questions about the reasons for termination. These qualitative data were grouped into categories according to similarities. It was ascertained that the main reasons for early turnover were: "Maladjustment to the military" (35%), followed by "Personal Reasons" (21%), "Better Job Opportunities" and "Personal Health Problems" (both 13%), "Family Reasons" (12%), and "Family Health Problems" (7%) (CPAE, 2016, p. 12).

3.3. Air Force

The DGPRM study (2012) carried out in 2011 revealed that the reasons for turnover from the Air Force among enlisted CS personnel were: increased external competition (private sector, GNR, PSP) since the country's economic situation improved; greater workload due to the decrease of available personnel; low salaries; lack of career progression their Branch; the desire to continue their studies – despite the existence of “special provisions [...] the specific requirements (shift work, 24h shifts, frequent deployments) make it impossible to attend classes”; “lack of awareness about the AAFF and the importance and relevance of the missions”; “young people may have negative (or not particularly positive) perceptions about military careers, which originated either from CS personnel or CaS” and “the end of MMS and subsequent estrangement between young people and the military [...]”.

As a related concept, the reasons for remaining in the military should also be ascertained. The DGPRM study (2012) found that the main reason service members remain in the Air Force is that “it makes it easier to secure permanent employment in the Armed Forces” (18%), followed by the prospect of “better pay” (16.17%) and “being able to participate in missions abroad” (13%).

3.4. Directorate General of Personnel and Military Recruitment

In 2012, the DGPRM issued a study report on the reasons for turnover among VS/CS personnel (DGPRM, 2012). The study was based on a questionnaire administered to the 4242 service members of the Branches of the AAFF who terminated their contract or whose contracts ended in 2011. The study recorded 1362 responses, which corresponds to the number of surveys the DGPRM received from the Branches.

Of the universe of service members who exited the AAFF (Table 2), about 41.35% terminated their contract before completing their VS/CS, and 11.19% dropped out during basic training, accounting for 52.54% of early leavers.

Table 2 – AAFF exits distributed by time of exit

Time of exit	Armed Forces	%
During basic training	459	11.19%
During voluntary service	241	5.88%
During contract service	1455	35.47%
At the end of the maximum term of their CS	1947	47.446%
Total	4102	100%

Source: DGPRM (2012, p. 10).

An average term of service was determined based on the results (Table 3). They show that the Air Force has the longest average length of service (79 months), followed by the Army (51 months), and the Navy (41 months). The average length of service determines the turnover rate, influences HRM, and puts pressure on the recruitment structure of the Branches (DGPRM, 2012, p. 19).

Table 3 – Average length of service in the AAFB

Branch	Months		
	N	Average	Standard deviation
Navy	17	41	32
Army	921	51	36
Air Force	102	79	13
Total	1170	52	35

Source: DGPRM (2012, p. 19).

Similarly to what was done in the analysis of the data from the Branches, the reasons service members gave for joining the AAFB should also be highlighted. Table 2 shows the reasons for enlisting, listed according to the global average of the three Branches, on a scale from 0 (not important) to 6 (very important) (DGPRM, 2012, p. 52).

More recently, we were able to access a still little-publicized study carried out by the DGRDN, which is currently being analysed by the Branches. The study investigates the sociodemographic characteristics and organizational satisfaction of VS/CS personnel (DGRDN, 2017). The study included a total of 8533 service members from all Branches of the military, both on active duty and in training, between June and November 2016. Because it has not been released yet, it was only used as a point of comparison between the statistical results of the DGPRM report (2012) to obtain an overview of the trend and the current reality, as summarised in Table 4.

Table 4 – Average degree of importance of the reasons for enlisting in the AAFB

Reasons for enlisting in the AAFB Scale 0 to 6 (DGPRM, 2012) Scale 1 to 7 (DGRDN, 2017)	Navy	Army	Air Force	Total
To serve and represent Portugal	4.20 (5.72)	4.26 (5.51)	4.34 (5.56)	4.26 (5.56)
Appreciation for military life and values (rules, discipline, and sense of mission)	3.86 (5.41)	3.97 (5.02)	4.16 (5.45)	4.00 (5.15)
Participating in missions abroad (peace support missions, military-technical cooperation, etc.)	3.86 -	3.86 -	3.46 -	3.82 -
Employment stability	4.06 (5.58)	3.75 (4.13)	4.10 (4.86)	3.82 (4.43)
Attraction for AAFB activities and missions	3.76 (5.31)	3.70 (5.06)	3.87 (5.82)	3.72 (5.12)
Attraction for the equipment used in the AAFB	3.76 -	3.70 -	3.90 -	3.73 -
To benefit from the incentives to military service	3.51 4.60	3.71 (4.24)	3.67 (4.37)	3.68 (4.30)

(Note: the values in brackets refer to the study carried out by the DGRDN, 2017, p. 58).

Source: Adapted from DGPRM (2012, p. 53) and DGRDN (2017, p. 58).

Table 5 shows that, among young people, the reasons to enlist in the AAFF are: patriotism, appreciation for military life, participating in missions abroad, and employment stability, combined with essentially military characteristics and values. Therefore, it seems that young people enlist in the AAFF essentially due to vocation. This trend is confirmed by the DGPRM (2012, p. 52) and DGRDN (2017, p. 58) surveys. Furthermore, the prospect of employment stability is one of the main reasons for enlistment, rated higher than access to the benefits of the incentive system.

Table 7 shows the reasons for the early turnover of military personnel. The results are again listed according to the global average of the three Branches, scored on a scale from 0 (not important) to 6 (very important) (DGPRM, 2012, p. 72).

Table 5 – Average importance of the reasons for early turnover in the AAFF

Reasons for turnover (2012)	
All 3 Branches	
The reality of military life did not match the expectations	3.38
Loss of motivation	3.14
Finding other employment	3.12
Lack of career prospects	2.96
The information received during the recruitment process did not match the reality	2.81
Navy	
Difficulty in entering the CS	3.34
The reality of military life did not match the expectations	3.17
Loss of motivation and lack of career prospects	2.96
Army	
The reality of military life did not match personal expectations	3.42
Finding other employment	3.23
Loss of motivation	3.21
Air Force	
Finding other employment	4.13
The reality of military life did not match personal expectations	3.56
Lack of career prospects	3.23

Source: Adapted from DGPRM (2012, p. 72).

Of the reasons presented in Table 5, the following are the most relevant, in order of importance:

1. The reality of military life did not match personal expectations;
2. Loss of motivation;
3. Finding other employment;
4. Lack of career prospects;
5. The information received during the recruitment process did not match the reality.

Based on the study carried out by the DGRDN (2017, p. 192), it was possible to complement and update the DGPRM study (2012) with the analysis of potential reasons for turnover presented in Table 6.

Table 6 – Reasons for turnover by Branch

Reason for early turnover (% of respondents)	Navy	Army	Air Force	Overall
Low wages	42.0	43.1	28.6	41.1
Being posted away from home	16.4	36.7	21.3	32.5
It does not provide permanent employment	33.2	32.0	30.4	31.9
Lack of professional advancement	32.5	29.7	38.0	31.1
Lack of professional recognition	23.4	26.8	28.9	26.7
Unattractive assignment	20.6	23.3	22.2	22.8
Too many 24-hour shifts	22.4	21.7	16.7	21.1
Lack of prospects of entering the CaS	31.8	12.6	28.0	16.7

Source: Adapted from DGRDN (2017, p. 192).

The study concluded that the main potential reasons for contract termination are low wages; professional issues such as lack of appreciation, recognition, and prospects of entering the CaS; and being assigned too many “24-hour shifts”. In the Army, being posted away from home is also given as a reason for turnover.

3.5. Overview of the reasons for early turnover

The results of the studies analysed suggest that the reasons for enlisting in the AAFP are mainly symbolic and operational, that they relate to military characteristics and values, and that the personal values of service members are congruent with those of the organization at the time of admission. Employment stability is also given as a reason. On the other hand, the reasons for early turnover are common to all branches, are societal in nature, and relate to the instrumental characteristics of the organization. In order of relevance, those reasons are: low wages, lack of professional recognition, and lack of career prospects.

These factors increase lack of motivation and personal commitment to the organization, leading individuals to seek other employment that offers better social conditions and quality

of life, particularly higher wages and more stability. The above analysis was integrated into the model of analysis according to the indicators, as shown in Table 7.

Table 7 – Overview of the reasons for early turnover

Dimensions	Indicators	Importance for early turnover
Resources	Wages, workload and working conditions	Highly relevant factor aggravated by excessive turnover and unfilled vacancies.
	Leader-member relationship and group cohesion	Not a relevant factor for early turnover.
	Perceived job alternatives	Because there is no employment continuity or stability, the increase of external job alternatives makes this indicator a relevant factor in the decision to leave.
Processes	Length of contract	It was not possible to assess whether increasing the contract length would improve retention. It seems that, even if contract length were increased, it would always be a fixed-term contract, which leads to perceptions of lack of employment continuity and stability.
	Incentives to military service	The incentive scheme is not given as one of the main reasons for enlisting in the AAF. However, it requires a revision and it could potentially contribute to improve retention.

Another conclusion is that there is a disparity between the expectations held by service members at the time of enlistment and the reality of VS/CS, which leads to a breach of the psychological contract and warns of the need for consistency between the information that is transmitted during the initial recruitment process and the conditions that service members encounter during their term of service.

4. Measures to promote retention

The increasing number of contract personnel who opt for early turnover shows that there has been a decline in the attractiveness of the military profession. It is also increasingly difficult to increase military retention due to the set of restrictions that have been imposed. The misalignment between the current incentives available to CS personnel and the fact that the military is unable to provide career opportunities which are considered competitive and more attractive than those offered in the external job market makes it impossible to retain qualified professionals in the organization.

It would be expected that factors such as the loss of unemployment benefits for service members who separate voluntarily before the term of their contract, the fact that the request for termination of the contract before the end of the minimum term of two years of service (three years in the Navy) involves the payment of a compensation, and the incentives available to CS personnel would contribute significantly to deter early exits. However, this is not the case.

After joining the AAFB under CS, the military profession may lose some of its attractiveness because initial expectations have not been met, both in terms of the roles performed and the possibility of entering the CaS, and because there are nonmilitary employment opportunities that offer more stability and more attractive career paths.

4.1. Navy

The interviews conducted with the persons responsible for the Navy's personnel management indicate that there is a need to increase wages and improve the working and living conditions.

It was also mentioned that initiatives are being developed to facilitate integration into the labour market upon termination of the contract, such as the creation of a database with the CVs of service members who expressly consented to sharing that information, which will be available to a group of public and private companies seeking employees. Service members can enhance their CV over the six years of CS by attending training actions that make their resume more compelling when looking for employment after completing their contract and will be considered priority hires for companies with access to this database.

Several sectoral initiatives are being developed to improve the recruitment and retention of human resources, particularly in the Personnel functional area, such as the certification of the training administered to enlisted personnel (in compliance with the National Qualification Catalog (CNQ), the convention on Standards of Training, Certification and Watchkeeping (STCW), and other applicable standards) and the increase of dissemination activities.

However, given the wide-ranging nature of the issues that influence recruitment and retention, additional initiatives have been developed by other sectors of the Navy. For example: the creation of the "Healthy Eating" project, which aims to ensure that meals are balanced, varied, and complete; the elaboration of proposals to increase the motivation of the Naval Command personnel; and the modernisation and expansion of the wireless networks of the Navy and the National Maritime Authority carried out by the Superintendence of Information Technology.

In addition, there have been other initiatives that contribute to better and more rigorous information on the Navy's CS terms, for example:

- New promotional videos for the Navy, specifically an institutional video, a recruitment video, and a television advertisement;
- A new Recruitment Portal with new features and visually more appealing;
- The internal recruitment regulations were revised;
- A cycle of 16 lectures on the Regulation of Incentives to Military Service and the Legal Framework for Protection in Unemployment, attended by all Navy CS personnel.

Naturally, the best way to gauge the success or failure of these initiatives is by looking at the results. The recruitment data for 2017 have already shown significant improvement over the previous year. In fact, it was possible to fill all vacancies in the external competitions that have already been completed, with the exception of the course for Marines enlisted

personnel, where only 61% of vacancies were filled (this is nevertheless an improvement over 2016, when only 37.5% of the vacancies for admission into the Marines course were filled).

4.2. Army

The following measures were based on the interviews conducted with the persons responsible for managing the Army personnel:

- Remuneration: restoring horizontal wage progression, reviewing the rules for allocation of the housing allowance, and setting up allowances for service members stationed in units located in regions with a small recruitment pool;
- Improving the professional certification of the training administered;
- Reviewing the Regulation of Incentives to Military Service, focusing especially on improving the conditions for reintegration into the labour market after completing the minimum length of service;
- Improving social support for CS personnel, specifically regarding transportation to and from the place of residence and housing conditions, especially in Units with large numbers of displaced military personnel.

4.3. Air Force

The following measures were based on the interviews conducted with the persons responsible for the Air Force's personnel management:

- Improving remuneration conditions;
- Providing career prospects in the AAFB and increasing the opportunities for entering the CaS;
- Improving the incentive scheme, possibly restoring the previous one;
- Increasing the length of service under contract;
- Improving the perceptions of the AAFB that are being conveyed to young people;
- Making it easier for service members to continue their studies.

The situation of CS personnel is reported to have worsened, and no new measures have been taken to increase retention.

4.4. Overview of the measures to increase retention

Table 8 shows the measures that have been planned based on the above results to potentially improve retention, according to the indicators.

Table 8 – Measures to improve early turnover

Variables	Indicators	Measures to improve retention
Instrumental Characteristics	Wages, workload, and working conditions	<ul style="list-style-type: none"> – Improving remuneration and allowances; – Improving the working conditions: meals, lodging, internet access; – Improving the information available about the working conditions during the recruitment process; – Improving social support.
Non-instrumental Characteristics	Leader-member relationship and group cohesion	– No improvement requirements were identified.
External environment	Perceived job alternatives	– Improving the prospects of entering the CaS.
Type of VS/CS	Length of contract	– Increasing the length of service under contract.
	Incentives to military service	<ul style="list-style-type: none"> – Integration into the job market; – Professional certification of training.
	Person environment fit	– Improving the information available to potential enlistees about VS/CS.

Conclusions

The results of the study allowed to identify the reasons for the voluntary turnover of VS/CS personnel before completion of their service contracts and the measures that can be taken to increase retention. According to the military turnover model used in the study, VS/CS personnel opt for early turnover essentially due to two reasons:

- Organization instrumental characteristics, such as low wages, heavy workload and working conditions, and the perception of more attractive job alternatives;
- Macroeconomic employment indicators such as the decrease of the unemployment rate, which increased nonmilitary job opportunities with better conditions.

Together, these factors contribute to relatively negative perceptions of the quality of life in the AAFB, which in turn has a negative impact on job satisfaction and continuance commitment, resulting in the decision to separate. On the other hand, the factors related to personenvironment fit and to the noninstrumental characteristics of the AAFB have a positive impact on retention, contributing to the creation of affective commitment.

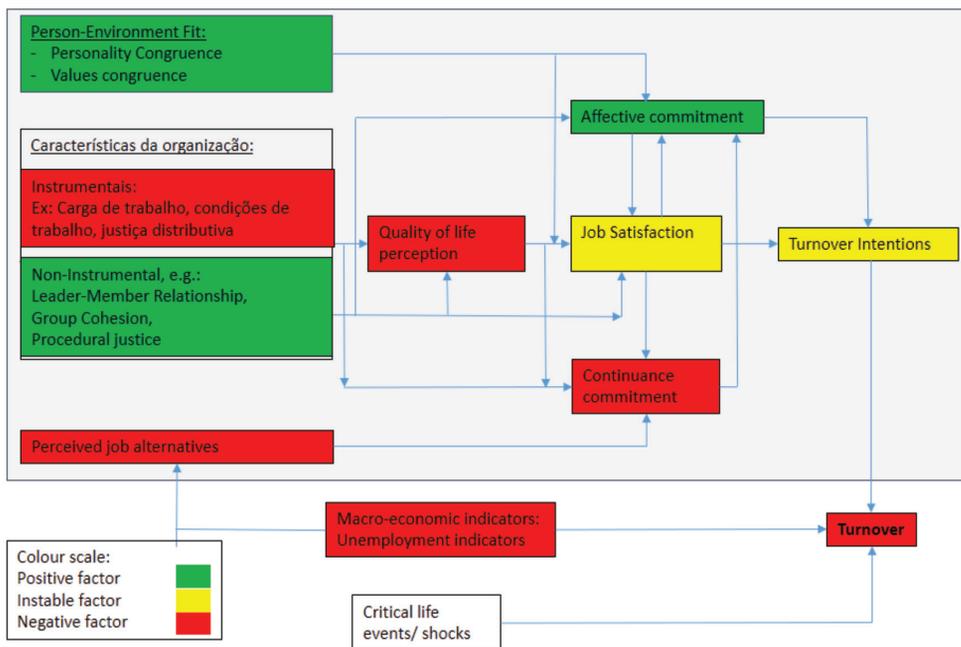


Figure 2 – Impact of the factors included in the turnover model for VS/CS personnel

Source: Adapted from NATO (2007).

The measures to improve retention should intervene in the instrumental characteristics of the AAF that contribute to job satisfaction (remuneration, working conditions, and employment stability), as well as improve the competitiveness of the AAF in the global labour market.

These interventions must also take into account the need to maintain the psychological contract, which is initiated in the preliminary stages of recruitment, before admission into the AAF, through the information disseminated in the various communication channels. Likewise, clarity and objectivity when presenting the incentive scheme are also an essential aspect that seems to have an impact on early turnover. Employment stability and career prospects are also a contributing factor in turnover intentions. Therefore, finding solutions that enable career planning will help decrease the number of AAF personnel who separate due to job alternatives that offer those prospects.

The measures that are being implemented by the Branches to improve job satisfaction may not be sufficient unless they are accompanied by measures to compete with the upward trend in macroeconomic unemployment indicators by increasing the attractiveness of the AAF within the global youth labour market.

If appropriate measures are not taken to improve the AAF's instrumental characteristics so that they match the initial expectations of VS/CS personnel, early turnover will continue to increase and will result in the progressive deterioration of the image of the AAF at the

national level, especially among the younger population. Measures should also be developed to provide career prospects, thereby reducing uncertainty about the future.

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