

RACO Member's Survey Report

Introduction:

The Representative Association of Commissioned Officers (RACO) is a membership organisation with over 1,100 members in Ireland. RACO's scope includes the pay and conditions of service for members of the Army, Air Corps, and Naval Service. Membership is voluntary and open to all service officers of the Permanent Defence Force.

In the last few years, as a consequence of the economic downturn, several changes were made to retirement and pension systems available to officers serving in the Permanent Defence Force, most notably the Single Pension Scheme. Most members of the Defence Forces face a mandatory retirement age (typically 58); prior to the SPS, a supplementary pension was made available to cover the period between mandatory retirement age and the age a state pension becomes available (soon to be 68). The introduction of the SPS means that this supplementary pension is no longer payable to any entrant into the public sector post January 1st, 2013.

These changes are a cause for concern for RACO, as it may lead to reduced recruitment, and an increase in officers leaving the Defence Forces early in their careers in order to build up an adequate civilian pension. This could lead to a significant loss of skilled and experienced officers in the future.

To investigate this issue, particularly the Single Pension Scheme, Amárach Research and RACO have surveyed RACO members to gain an understanding of their attitudes to these new rules, and gain insight into what actions their members will take in the future.

Key Insights:

Mandatory Retirement and Triggers for Leaving:

- 21% of respondents see themselves retiring at or before the age of 35, and a further 19% see themselves retiring between the ages of 36 and 40.
 - o When this is analysed by age, 43% of those aged 18-25 will retire between the ages of 30-35. Among those aged 26-35, 28% see themselves retiring between 30-35, and 29% see themselves retiring between 36-40.
 - o 90% of respondents would consider retiring from the Defence Forces before their mandatory retirement age.
- For those that are considering retiring from the Defence Forces, 55% said that the SPS had a high or very high impact on their decision.
 - o For those aged 18-25, this rose to 69% of respondents, and 61% of 26-35 year olds.
 - o Among those who were inducted between 2013 and 2019, 79% of respondents said the SPS had a high or very high impact on their decision.
- 57% of respondents said career potential and 53% said domestic and personal commitments were triggers for leaving the Defence Forces, and 40% stating the SPS was a trigger.
 - o Among those aged 18-25, the SPS was a trigger for **66%**, and **48%** of those aged 26-35. This is to be expected, as this age group are the ones that are primarily affected by the SPS.

- 11% of respondents reported “Pay or Remuneration” was a trigger for them to leave, ostensibly showing satisfaction with current wages. However, this figure may be deceptive, as problems with pay can be reflected in the top three overall triggers:
 - Career potential directly correlates with pay (salary cap).
 - Domestic and personal commitments relate to ability to meet financial needs of a family/mortgage (however these also relate to travel requirements of Defence Force members, among others).
 - The SPS is an issue because pay alone cannot meet the needs of members retiring before state pension age.
- When given a chance to voice their concerns, respondents consistently mentioned that the SPS would lead to significant loss of experienced officers, as they would be unable to meet their financial needs following their mandatory retirement age.
 - Many feel as though loyalty is being punished, and their trust is being eroded.
 - Many predict that large numbers of officers will leave the Defence Forces in their thirties, so that they have adequate time to save for a pension.

Re-commissioning Officers:

- There is recognition amongst many of those surveyed that there are positives to re-commissioning officers:
 - In particular, it can be used to resolve manpower issues in the short term, and bring in skills from outside of the military.
- However, there is strong negative sentiment towards the policy:
 - It is seen as short sighted as it may lead to younger officers being unable to move up the ranks, effectively stopping their career, leading to greater numbers of officers leaving prematurely.
 - Many respondents see those leaving as disloyal for leaving the Defence Forces to pursue their own interests. They see officers returning to their previous rank as a “reward” for the returning officer despite their disloyalty, while their own loyalty to the Defence Forces during a time economic hardship is being punished.
- The policy has the possibility of causing severe morale issues, and while there are many that understand the reasoning behind it, the implementation of it would need to be well managed, and limit any negative effects on the career potential of those already serving.

Minimum Service Requirements:

- 73% of respondents were in favour of minimum service requirements for promotions. However, this varied by age, with younger cohorts being less enthusiastic with the requirements:
 - 58% of 18-25 year olds were in favour, and 67% of 26-35 year olds were in favour, while 86% of 36-45 year olds were in favour, and 95% of those aged 46 or more.
 - This trend can also be seen across rank (closely correlated with age), with second Lieutenants/Ensigns (NS) and Lieutenants/Sub-Lieutenants (NS) being 56% and 55% in favour respectively; rising to 74% for Captains/Lieutenants (NS); 90% for Commandants/Lieutenant Commanders (NS); 93% for Lieutenant Colonels/Commanders; and 88% for Colonels/Captains (NS).
 - Those in DFHQ were more likely to be in favour of the policy than other formations, with 84% being in favour. Those in the Air Corps were less likely, with 63% agreeing.

Research Methodology:

It was decided that the best method to gain sufficient reach among members of RACO was to send an online survey to all members. A questionnaire was developed by Amárach Research and RACO, this was then scripted by Amárach Research. RACO then distributed the survey, and a sample size of 622 was attained.

The survey included many demographic questions, such as type of service, rank, and longevity in the Defence Forces. The survey also contained many questions pertaining to the attitudes, perceptions, and behaviours of RACO members towards the Single Pension Scheme in order to gain an understanding of how they are currently reacting to the changes, and how they will behave in the future.

Demographics:

The majority of those who answered the survey were 35 or under, comprising almost three quarters of the sample, however almost all age groups are represented in the sample (**Table 1**). Similarly, all formations are represented in the sample, with those in the Naval Service having the lowest representation at 7% (**Table 2**).

TABLE 1:

Q.1 What age are you?

18-25	23%
26-35	40%
36-45	24%
46+	13%

TABLE 2:

Q.2 In which Formation do you currently serve?

1 BDE	17%
2 BDE	20%
DFHQ	18%
DFTC	28%
Air Corps	10%
Naval Service	7%

89% of the sample were between Second Lieutenant / Ensign (NS) and Commandant / Lieutenant Commander (NS) (**TABLE 3**), and 36% of the sample were the “class of 2013”, those that were initially inducted into the Defence Forces between 2013 and the present (**TABLE 4**).

TABLE 3:

Q.3 What is your Rank?

Second Lieutenant / Ensign (NS)	17%
Lieutenant / Sub Lieutenant (NS)	20%
Captain / Lieutenant (NS)	26%
Commandant / Lieutenant Commander (NS)	26%
Lieutenant Colonel / Commander (NS)	10%
Colonel / Captain (NS)	1%

TABLE 4:

Q.4 What year were you initially inducted into the Defence Forces?

Before 2000	28%
2000 to 2012	36%
2013 to 2019	36%

One quarter of respondents currently have an undertaking with the Defence Force as a result of attending 3rd level college (**TABLE 5**), and one third of these will expire in either 2019 or 2020, and 91% will expire by 2030 (**TABLE 6**).

TABLE 5:

Q.5 Do you have an Undertaking (Service contract) with the Defence Force as a result of attending 3rd Level College (USAC / Flight School / Maritime College)?

Yes	25%
No	75%

TABLE 6:

IF YES @ Q5

Q.6 What year will it expire?

2019 to 2020	33%
2021 to 2025	30%
2026 to 2030	28%
2031+	9%

Understanding the Single Pension Scheme:

Almost three quarters of respondents have previously attended a RACO briefing on the details of the Single Pension Scheme (**Figure 1**). This figure rises to **93%** of those aged 18-25, however there is a sharp decline in attendance as age increases, falling to 70% for 26-35 year olds, 65% of 36-45 year olds, and 61% of those aged 46+. Those inducted into the Defence Forces since 2013 have an attendance rate of 91%, this is important as this group are likely to be worst affected by the Single Pension Scheme.

FIGURE 1:

Q.7 Have you attended a RACO briefing where details of the Single Pension Scheme (SPS) were explained (Cadet School, Career Course)?

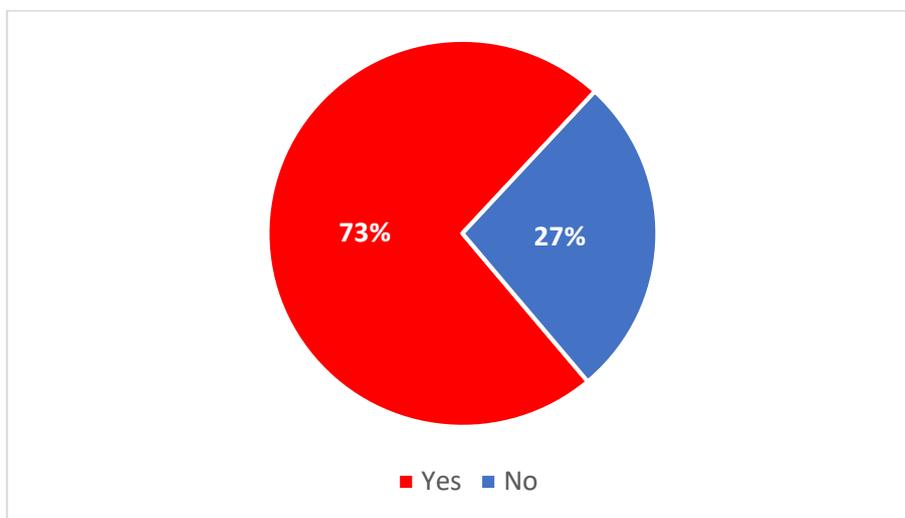
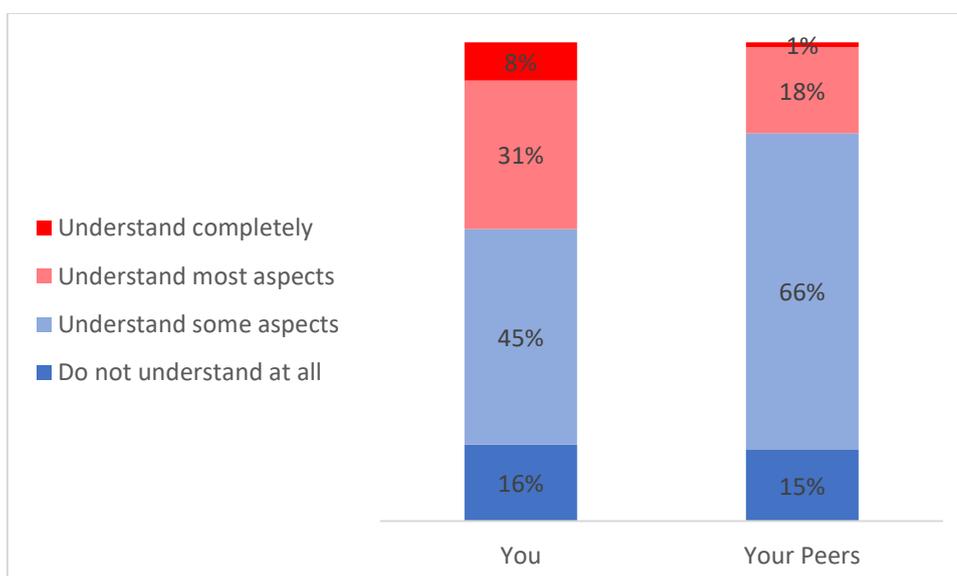


FIGURE 2:

Q.8 How well would you say you understand the SPS? Please use the scale below, where 1 is do not understand at all, and 4 is understand completely.

Q.9 How well would you say your peers understand the SPS? Please use the scale below, where 1 is do not understand at all, and 4 is understand completely.



When asked how well they understood the SPS, just 8% of respondents said they understood it completely, while twice that number (16%) said they do not understand it at all (**Figure 2**). Almost half (45%) of respondents said they only understand some aspects of the SPS. Among those that have **not** previously attended a RACO briefing of the SPS, one third did not understand the SPS at all. Additionally, those in the Naval Service were least likely to understand, with one quarter of them stating they do not understand the SPS at all.

When asked how well they thought their peers understand the SPS, two thirds of respondents believe their peers understand some aspects of the SPS, and just 1% think their peers understand it completely (**Figure 1**). This can be a telling figure, as personal perception of understanding can often be inflated, however asking about the understanding of their peers can often be a better measure of the “true” zeitgeist.

Mandatory Retirement and Triggers for Leaving:

One in five respondents see themselves retiring at or before the age of 35, and a further one fifth see themselves retiring at or before the age of 40 (**Figure 3**). When this is analysed by age, **43%** of those aged 18-25 will retire between the ages of 30-35. Among those aged 26-35, 28% see themselves retiring between 30-35, and 29% see themselves retiring between 36-40. In fact, **90%** of respondents would consider retiring from the Defence Forces before their mandatory retirement age (**Figure 4**). This highlights a potential significant decline in trained and experienced officers over the next 10-15 years.

FIGURE 3:
Q.10 Currently, at what age do you see yourself retiring from the Defence Forces?

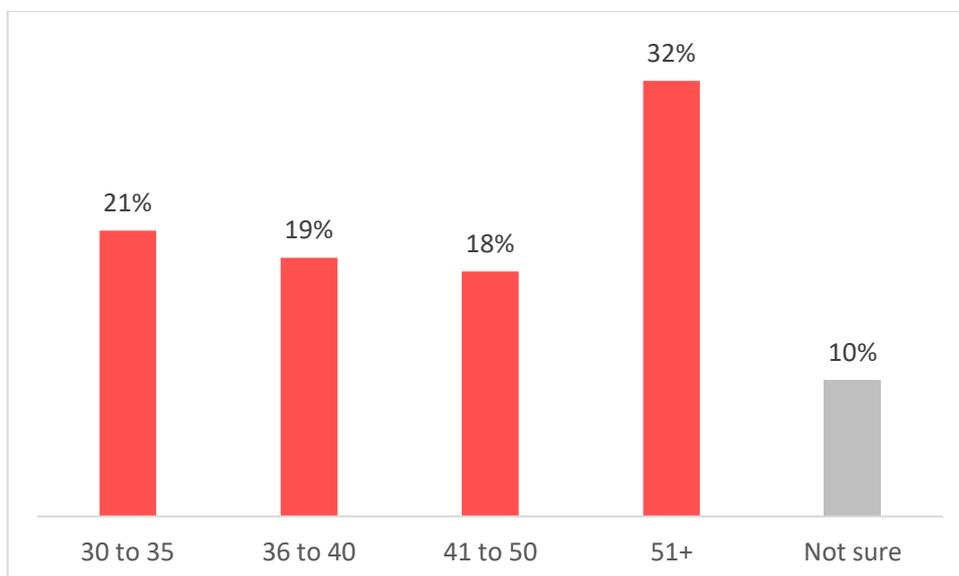


FIGURE 4:

Q.11 Would you consider retiring from the Defence Forces before your mandatory retirement age?

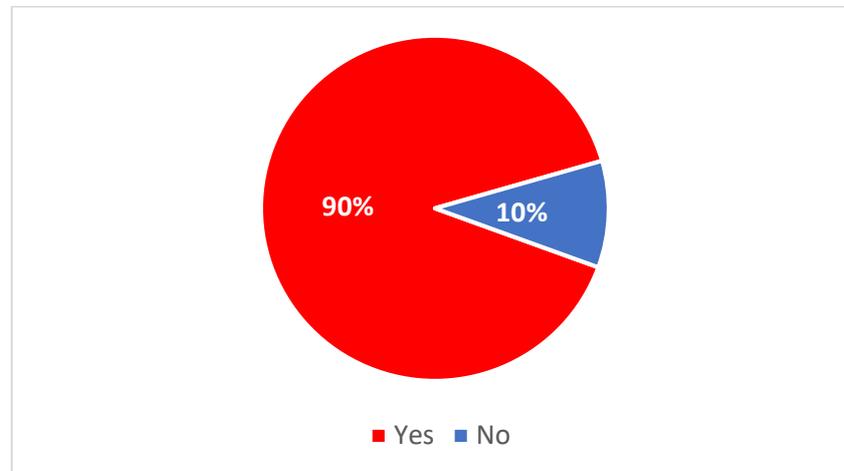
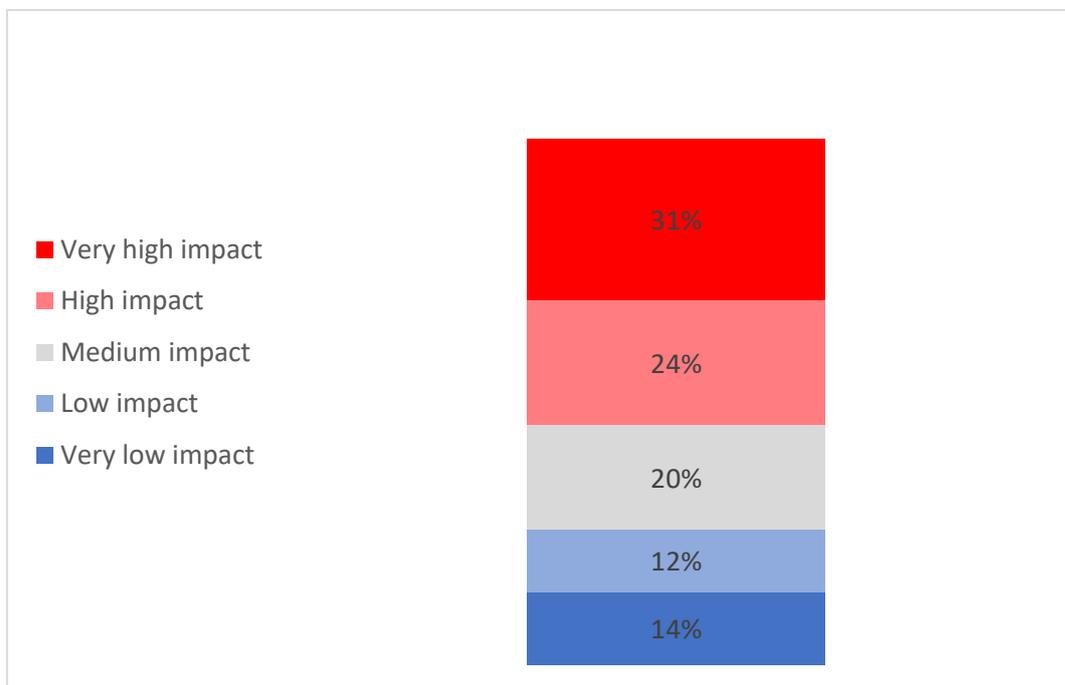


FIGURE 5:

IF YES @ Q11

Q.12 Would your understanding of the Single Pension Scheme and lack of supplementary pension have any impact on your decision to retire early from the Defence Forces?

Please use the scale below, where 1 is very low, and 5 is very high.



For those that are considering retiring from the Defence Forces, 55% said that the SPS had a high or very high impact on their decision (**Figure 5**). For those aged 18-25, this rose to **69%** of respondents, and 61% of 26-35 year olds. Furthermore, among those who were inducted between 2013 and 2019, 79% of respondents said the SPS had a high or very high impact on their decision.

When respondents were asked what the triggers for them leaving the Defence Forces would be; career potential (57%) and domestic and personal commitments (53%) were the reasons most respondents gave, with 40% stating the SPS was a trigger (**Figure 6**). However, among those aged 18-25, the SPS was a trigger for **66%**, and **48%** of those aged 26-35. This is to be expected, as this age group are the ones that are primarily affected by the SPS.

FIGURE 6:

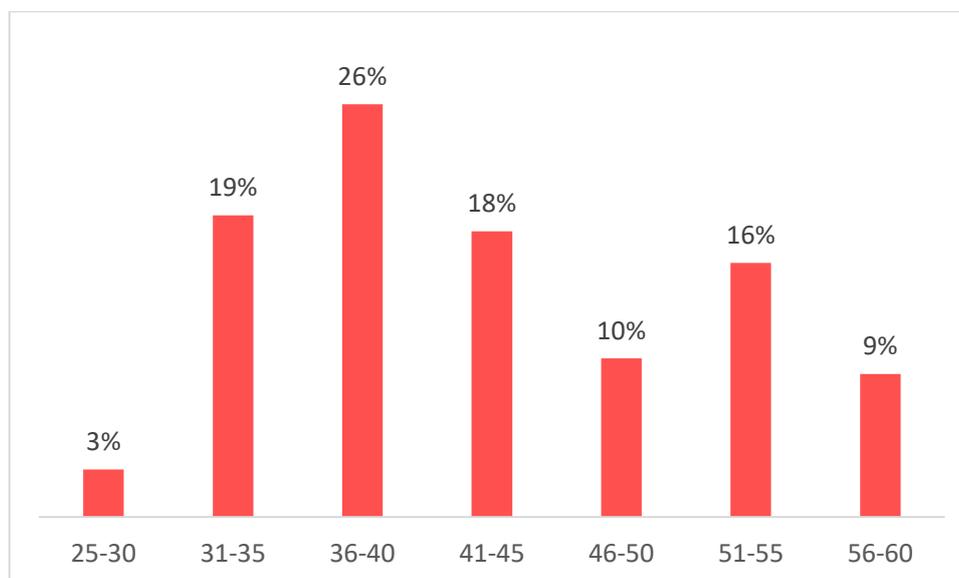
Q.13 What are the potential triggers for you to leave the Defence Forces? Please select all that apply



FIGURE 7:

IF "AT A CERTAIN AGE" CHOSEN @ Q13

Q.15 What age would you consider to be a trigger to leave the Defence Forces?



11% of respondents reported “Pay or Remuneration” was a trigger for them to leave, ostensibly showing satisfaction with current wages. However, this figure may be deceptive, as problems with pay can be reflected in the top three overall triggers; career potential, domestic and personal commitments (to a lesser extent), and SPS. Career potential directly correlates with pay (salary cap). Domestic and personal commitments relate to ability to meet financial needs of a family/mortgage (however these also relate to travel requirements of Defence Force members, among others). The SPS is an issue because pay alone cannot meet the needs of members retiring before state pension age.

Almost a quarter (23%) of respondents said that “a certain age” would be a trigger for them to leave the Defence Forces. Of these, **almost half** (48%) said this age would be 40 or under (**Figure 7**).

Respondents were asked for their thoughts on the Single Pension Scheme, and the impacts that it will have on the Defence Forces. This open-ended question allowed respondents to give a detailed answer on the subject. The following verbatims are taken from these answers, and reflect the general sentiment of the respondents.

Q.16 What are your thoughts on the merits of Single Pension Scheme, the impact it will have on the retention of Defence Forces members, and Defence Forces vacancies?

“If this is not reinstated for Post 2013 personnel, it is a huge threat to the future viability of the organisation. Officers have signalled their intent to leave in their mid 30s, as they will have to provide for their future and families and won’t be able to survive on a pension of 14k at 58 years of age, with a mortgage and kids in college. This means that the huge cadet intakes currently in vogue will have been for nothing.”

“It will certainly result in officers considering and acting on early retirement as there is no longer a pension related incentive to complete the previously traditional time in service.”

“A negative impact due to the significant shortfall it provides in income for officers who have served loyally for their career. It’s a disgrace.”

“Major impact. The social contract has been destroyed.”

“Due to the post 2013 scheme, in the next 5-10 years people will leave the organisation for a new career before it is too late, rather than serve on these terms.”

“As it stands a lot of people will be forced to leave the DF as a result of the SPS, it would be almost impossible to support your family once it is time to retire.”

“It is almost an incentive to leave, in order to grow a better pension in the private.”

“The scheme will force members to make a career choice in their mid-thirties in order to secure an adequate pension”

“Currently there is absolutely zero reason or incentive for me to stay. This is mainly down to my current pension.”

“The single pension scheme makes a career in the DF impossible. By the time I retire if I were to work until mandatory retirement, I will have approximately 10 year gap before receiving the old age pension. I will still have several years of a mortgage to pay. The SPS has essentially stunted my career”

for 15 years. (Until my contract is complete and I can start a career that will provide for my family and future). The SPS forces any post 2013 entrant to leave as soon as possible. It drives down morale and makes for a stressful and difficult working environment.”

“The SPS will have the effect that officers will need to leave at captain and commandant level in order to secure their financial future. This will make worse the current situation in units where 50% of Captains and Commandants are missing.”

“A good pension is the last remaining advantage and reason for staying. My current pension entitlements are not as good as previous generations and the post 2013 entrants have a much worse deal. This is a big hindrance to retention of offices and is crippling the organisation.”

Respondents were consistently concerned that the SPS would lead to significant loss of experienced officers, as they would be unable to meet their financial needs following their mandatory retirement age. Many feel as though loyalty is being punished, and their trust is being eroded. Many predict that large numbers of officers will leave the Defence Forces in their thirties, so that they have adequate time to save for a pension.

Re-commissioning Officers:

Regarding the Minister for Defence’s policy of re-commissioning retired officers, 56% of respondents were against the policy (**Figure 8**). This policy is particularly unpopular with those in the Air Corps, with **80%** of respondents being against the policy. The policy to re-commission officers at their former rank proved even more unpopular, with 68% of respondents being against it (**Figure 9**). Those in the Air Corps were again most opposed to this policy, with 92% of respondents opposed to it. Those aged 36-45 and 46+ were also more likely to oppose the policy, with 74% of each cohort not agreeing with it.

FIGURE 8:

Q.17 Do you agree with the Minister for Defence’s policy of re-commissioning of retired officers back into the Defence Forces?

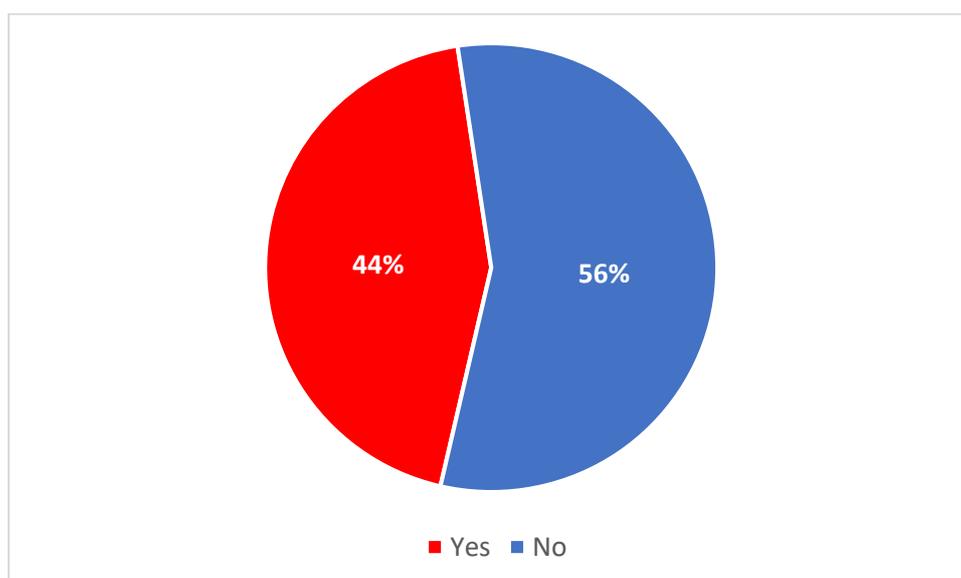
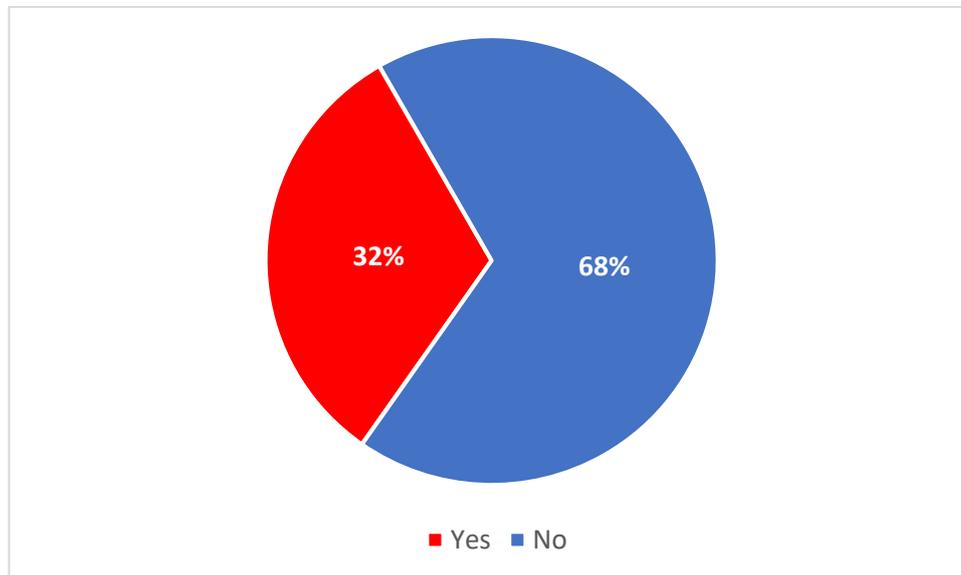


FIGURE 9:

Q.18 Do you agree with the Minister for Defence’s policy of re-commissioning of retired officers back into the Defence Forces at their former rank?



Respondents were given another opportunity to provide their thoughts in an open-ended question regarding the positive and negative implications of re-commissioning former officers back into their former rank. The verbatims highlighted reflect the general sentiment of the officers surveyed.

Q.19 What are the positive and/or negative implications of re-commissioning of former officers back into the DF at their former rank?

“Positives are personnel that can immediately resume their duties at an advanced rank. The negatives are possible disenfranchisement of current serving personnel if the terms and conditions are perceived as ‘too advantageous’.”

“Positives: seamless transition back to work. Can plug gaps and capability deficiencies. Negatives: impact on peers for promotion”

“Negative: may impact serving personnel opportunities. Positive: fill appointments that are currently vacant”

“For people at lower ranks, it stunts our career progression, destroys morale and makes us feel like we can’t do the job.”

“Positive: Populate rosters, reduce workload on others. Negative: Block vacancies, damage morale and loyalty/service commitment to the DF of those that stayed”

“Poor morale, individuals left to further their own interests. Members who continue to serve should not be disadvantaged by this scheme”

“Gain experience that would otherwise be lost.”

“It is a move that will tick the Minister’s box but not that of the Defence Forces. It provides another reason for young, bright Officers to move on as they will never have opportunity to progress in the work place.”

“A positive is that such a policy recognises their previous service and experience - the retained rank attracts a salary that provides the necessary recognition. Otherwise, it would appear to be a punishment for returning to the service by having to accept a lower rank and less pay, even though you bring greater experience to the table. Recall that a reduction in rank is one of the punishments available in the military justice system for wrongdoing. Another positive is it provides experienced personnel back into the system when there are such weaknesses in the level of experience overall. That enhances the safety of the working environment for all. It also helps protect the organisation at such a difficult time.”

“They left for a reason. Nothing has changed. It’s unfair on us who stayed and burdened the underfunding and all other negative aspects of the DF while they went elsewhere.”

“It is a short-term fix. It may even encourage people to leave the organisation at an initial cost of job satisfaction in order to earn more, as it offers a future opportunity to return to the same job satisfaction but with a substantial pension. This would not be sustainable in the long term. Only the provision of a sufficient pension can offer a long-term solution and incentivise personnel not to leave the organisation.”

“Yes, at their former rank but there has to be conditions that don’t disadvantage those already serving. Time retired has to be taken into account. Some of these problems could be overcome by expanding the right to LOA.”

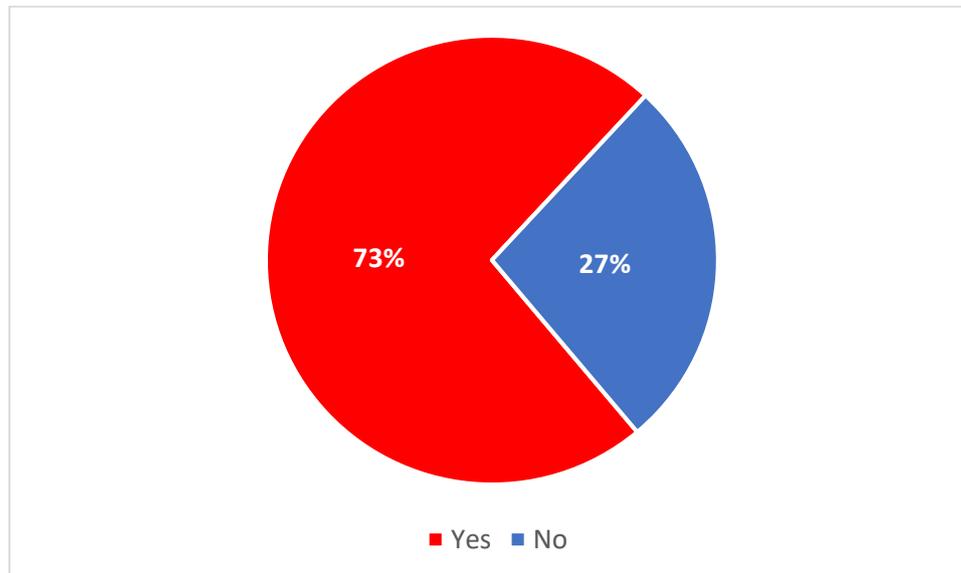
While there is recognition amongst many of those surveyed that there are positives to re-commissioning officers. In particular, it can be used to resolve manpower issues in the short term, and bring in skills from outside of the military. However, there is strong negative sentiment towards the policy. It is seen as short sighted as it may lead to younger officers being unable to move up the ranks, effectively stopping their career. This would lead to greater numbers of officers leaving, and exacerbating manpower issues down the road.

Many respondents see those leaving as disloyal for leaving the Defence Forces to pursue their own interests. They see officers returning to their previous rank as a ‘reward’ for the returning officer despite their ‘disloyalty’, while their own loyalty to the Defence Forces during a time economic hardship is being punished. The policy has the possibility to cause severe morale issues, and while there are many that understand the reasoning behind it, the implementation of it would need to be well managed, and limit any negative effects on the career potential of those already serving.

Minimum Service Requirements:

FIGURE 10:

Q.20 Do you agree that in order to be eligible for promotion to a higher rank that officers should have to serve a minimum period of time in their current rank before being eligible to enter a promotion competition?



Regarding minimum time served requirements for promotions, almost three quarters (73%) of respondents were in favour of these (Figure 10). However, this varied by age, with younger cohorts being less enthusiastic with the requirements. 58% of 18-25 year olds were in favour, and 67% of 26-35 year olds were in favour, while 86% of 36-45 year olds were in favour, and 95% of those aged 46 or more. This trend can also be seen across rank (closely correlated with age), with second Lieutenants/Ensigns (NS) and Lieutenants/Sub-Lieutenants (NS) being 56% and 55% in favour respectively; rising to 74% for Captains/Lieutenants (NS); 90% for Commandants/Lieutenant Commanders (NS); 93% for Lieutenant Colonels/Commanders; and 88% for Colonels/Captains (NS). Additionally, those in DFHQ were more likely to be in favour of the policy than other formations, with 84% being in favour. Those in the Air Corps were less likely, with 63% agreeing.

Conclusion:

The Single Pension Scheme is a very unpopular scheme amongst the officers who responded to the survey. This stems from a very real concern over how they will provide for themselves upon reaching the mandatory retirement age from the Defence Forces. It has required many officers to consider leaving the Defence Forces early, in order to secure an appropriate pension from the private sector. Because of this, many believe that there will be significant staffing issues in the future, as significant numbers of capable, experienced, middle level officers leave the Defence Forces in pursuit of a career. Furthermore, a career in the Defence Forces will become less appealing to new recruits, and thus recruitment may plummet.

The SPS, in combination with the policy of re-commissioning ex-officers, is very disruptive to morale. Those that 'stuck it out' during the hard times feel as though their loyalty is being punished rather than rewarded, while officers returning receive no negative consequences to their careers. This lends further credence to the belief that officers should leave the Defence Forces in their thirties to pursue private (or other civil) sector opportunities, with the knowledge that they can return at a later date in much improved personal circumstances compared to their peers.