EVALUATION REPORT

EVALUATION OF THE AUSTRALIAN DEFENCE FORCE GAP YEAR PROGRAM

Prepared for the People Strategies and Policy Group
Department of Defence, Canberra ACT

By Noetic Solutions Pty Limited
ABN 87 098 132 024
21 April 2010
EVALUATION OF THE ADF GAP YEAR PROGRAM

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ACKNOWLEDGEMENTS

Noetic acknowledges the following contributors to the Evaluation and this Report:

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  o Directorate of Recruitment Coordination and Retention Governance;
  o Workforce Planning Branch;
+ Defence Support Group;
+ Chief Finance Officer Group;
+ Royal Australian Navy;
+ Australian Army;
+ Royal Australian Air Force; and
+ Hay Group.
EXECUTIVE SUMMARY

Background

The Australian Defence Force (ADF) Gap Year Program was announced in late 2007 and the first intake into Army occurred shortly after in the same year. ADF Gap Year targets were originally planned to ramp up from 700 participants in the first year, to 1,000 participants per calendar year, comprising 500 in Army and 250 each in Navy and Air Force. Due to cost and resource implications, these numbers were reduced, with Prime Ministerial approval, to an ongoing target of 700 participants per calendar year, comprising 257 in Navy, 317 in Army and 116 in Air Force.

The ADF Gap Year Program was one component of the ADF Recruitment and Retention (R2) program which had been funded by the Government at $3.1 billion over a ten year period from 2007-08. The ADF Gap Year Program is now in its third year of operation.

The primary purpose of the ADF Gap Year Program is to provide young Australians aged between 17 and 24 who have recently completed school the opportunity to experience military training and lifestyle in the ADF for up to one year. They are under no obligation to serve beyond this initial period. However, a monetary incentive is provided for participants who rejoin the ADF within five years of completing the ADF Gap Year Program after having obtained relevant tertiary or vocational education.

Cabinet directed that a Departmental Review of the R2 program be conducted in 2009-10 and an Inter-Departmental Review in 2011-12. Because of the impact of the ADF Gap Year Program on Defence, the Defence Committee decided to evaluate the program separately but in parallel with the evaluation of the remainder of the R2 initiatives.

The Departmental Review was to examine the ADF Gap Year Program’s potential to benefit the ADF through:

a. participants transferring into the Permanent or Reserve forces either during or immediately on completion of their ADF Gap Year service;

b. creating a cadre of ‘ambassadors’ for ADF careers, additional to those already existing in the Permanent and Reserve Forces;

c. accessing demographic groups that would not normally consider military career options; and

d. providing ‘test bed’ opportunities for new approaches to recruitment and training.

The Departmental Review was also to examine if the ADF Gap Year program had brought with it some potential challenges, which may include:

a. a drain on the Services’ training system capability;

b. additional administrative imposts for the Services and Defence in managing the program; and

c. potential lost opportunities arising from any supplementation of the budget allocated by Cabinet with substantial additional funds sourced internally.
EVALUATION OF THE ADF GAP YEAR PROGRAM

Purpose

This report describes the Evaluation of the ADF Gap Year Program by Noetic and details their findings, along with the identification of options regarding the future conduct of the program for consideration by senior Defence personnel committees and to inform the subsequent Inter-Departmental Review.

Scope

The evaluation addressed the following three broad areas: program design; scale and sustainability; and marketing and recruitment.

Methodology

The evaluation drew heavily on all the relevant quantitative data available within Defence pertaining to both the ADF Gap Year Program and the wider ADF recruitment and retention environment. Major sources of this data were Workforce Planning Branch and Defence Force Recruiting.

Because of the infancy of the ADF Gap Year Program, the evaluation also relied on qualitative input obtained through interviews with a range of senior key stakeholders from the Services and Defence. The stakeholders’ perceptions of the current state of the program were particularly useful along with their identification of a number of issues arising for the Services and the Department and for which definitive data is either not yet available or is in an evolving state.

An environmental scan workshop was conducted early in the process to identify the wider national and international environments existing at the time of the introduction of the ADF Gap Year Program and which are continuing today. Included in the scan were factors such as the propensity for young people to seek a form of ADF Gap Year experience after leaving school, the national and international labour markets prevailing at the time, the impact of the Global Financial Crisis, and the forecast labour market in which the ADF will need to compete for recruits.

The performance of the ADF Gap Year Program was then evaluated against:

a. objectives synthesised from the R2 Implementation Plan, the relevant Defence Instruction and the Request for Quotation and Tasking Statement (RFQTS);

b. the stated benefits of the ADF Gap Year Program; and

c. the potential impacts of the ADF Gap Year Program.

Qualitative and quantitative information was examined where available and where no quantitative data existed, additional performance indicators are suggested to assist in the future measurement of the ADF Gap Year Program's performance.

Other aspects included in the evaluation were the costs of the program to both the Services and the Department; any impact on the purpose of the program caused by the variations in the Service programs; the impact of the program on the operational and training capabilities of the Services; and the impact of any possible perceptions of preferential treatment of ADF Gap Year participants.
Strategic Reform Program

The Evaluation Team was advised that, concurrent with the evaluation process, a savings proposal was being prepared by Defence for Cabinet consideration that might impact on the ADF Gap Year. At the time of completing this Report the Evaluation Team was further advised that Cabinet had agreed to exempting Air Force from the ADF Gap Year Program and reducing the Navy's annual participation to 100.

Findings

Given the primary purpose of the Gap Year program is to provide young Australians with experiential service in the ADF, the program is successful in achieving this. The number of qualified applicants is increasingly outstripping the availability of places.

The program is also successful when measured against the other objectives stated in the implementation plan and the additional objectives identified during the evaluation. Overall, the participants largely enjoy their experience, feel challenged, find alignment between their values and the values of the ADF, gain a better understanding of the opportunities available within the ADF, and return to their community with positive attitudes of their experience and a willingness to recommend the ADF to their family or friends. The program attracts more women than normal methods of recruitment.

Key findings from this Report are provided in the table below.

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<td>1.</td>
<td>The ADF Gap Year is likely to have improved the understanding of ADF career options among ADF Gap Year participants.</td>
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<td>2.</td>
<td>The ADF Gap Year has provided a satisfying experience of military life and training to participants.</td>
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<td>3.</td>
<td>The quality of the military and training lifestyle experience offered by the ADF Gap Year Program is likely to be determined (in part) by:</td>
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<td></td>
<td>a. the design of each Services program; and</td>
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<td>b. competition for training capacity and other resources between the ADF Gap Year Program.</td>
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<td>4.</td>
<td>The ADF Gap Year Program has provided satisfying development to ADF Gap Year participants, improving their skills and knowledge.</td>
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<td>5.</td>
<td>The ADF Gap Year appears to have provided additional recruitment potential to the ADF via transfers from the ADF Gap Year Program to the Permanent Forces and Reserves.</td>
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<td>6.</td>
<td>The ADF Gap Year Program has successfully attracted females to the ADF.</td>
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<td>7.</td>
<td>The success of the ADF Gap Year in increasing community engagement with Defence cannot yet be determined.</td>
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8. The ADF Gap Year Program has provided lessons for recruitment and retention that have been applied by Army.

9. The ADF Gap Year Program is adding pressure to the training capacity of both Navy and Air Force.

10. The ADF Gap Year Program has resulted in additional administrative burdens for the Services and Defence that have not been funded.

11. There remains a very high level of governance of the ADF Gap Year Program in that the Prime Minister's approval is required if Defence wishes to vary the number of participants.

12. There was no identifiable impact caused by disparities between the Services' design and delivery of the ADF Gap Year Program.

13. Stakeholder attitudes toward the concept of the ADF Gap Year Program were generally positive and supportive.

14. The ADF Gap Year appears to have caused additional imposts on the ADF and Defence that have not been funded by Government.

15. The exact costs to Defence of the ADF Gap Year Program are likely to increase as understanding of the actual costs improves.

16. The ADF Gap Year Program has been very generous in scale, offering between 11 percent and 13 percent of the ADF's total annual fulltime recruiting targets between 2007-08 and 2009-10.

Options

The evaluation resulted in the identification of the following three options:

a. status quo;

b. closure of the ADF Gap Year Program; or

c. reduce the number of participants.
Recommendations

A detailed comparison of the above options resulted in the following major recommendations for the consideration of the Personnel Steering Group (PSG). That:

a. the ADF Gap Year Program be retained;

b. Defence consider reducing the participation rate in the ADF Gap Year Program by basing total annual numbers on about five percent of the ADF’s fulltime enlistment targets, noting this change will require the approval of the Prime Minister; and

c. Defence consider adopting the KPIs recommended in this Report (summarised in Annex H).
1. INTRODUCTION

1.1. Background

In December 2006 the then Australian Prime Minister announced funding of $1 billion over 10 years for a series of initiatives aimed at boosting Australian Defence Force (ADF) retention and recruitment. The Australian Government subsequently allocated a further $2.1 billion over ten years in the 2007-08 Budget with a target of expanding the ADF from around 51,000 full time members to 57,800 by 2016-17. This was to be achieved by increasing enlistments from 4,700 per year to 6,500 per year, and reducing the annual separation rate from 11 percent to below 10 percent. The funded initiatives were collectively named the Retention and Recruitment Program (R2).

Around the same time, the Minister for Defence had asked Defence to consider developing a gap year program aimed at providing young Australians who have recently completed school with the opportunity to experience military training and lifestyle in the ADF for up to one year. Defence developed the ADF Gap Year Program (at that time known as the Military Gap Year Scheme), and it became one of the first tranche of the initiatives.

1.1.1 Need to Grow the ADF

The Defence White Paper 2000 set out the requirements for the size of an enhanced force structure for the ADF workforce. It required the ADF to increase from 51,500 to around 54,000 full-time personnel by 2010.1 At that time, the proposed strength targets were considered within reach. Concurrently, separation rates across the three Services were decreasing from their historic 2000-01 peak of 14 percent.2 In 2006, the Government announced plans to increase the number of personnel in its front line deployable units as well as a smaller increase in support to training (the Hardened and Networked Army), which increased the strength of the Australian Regular Army (Army) by 1,485.3 Additional ADF personnel required as part of the Enhanced Land Force (ELF) plan, which detailed the raising of an additional two battle groups for the Army (as well as an increase in personnel in the Royal Australian Air Force (Air Force) and Royal Australian Navy (Navy) to provide the required support) and saw the planned ADF strength grow to 57,000 by 2016-17. This was later increased to 57,800 to support and sustain the current and projected force and the new capabilities described in the Defence White Paper 2009 (Force 2030).4

1.1.2 Competition for Talent

Defence has a large and complex workforce and recruits, trains and sustains this workforce in an increasingly constrained resource environment. Workforce planning within Defence is a strategically aligned and integrated process, underpinned by contemporary research and information systems. Defence monitors the broader national and international impacts on its workforce, is actively engaged in the labour market and is purposefully managing its current workforce and planning for future requirements.

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3 The Hardened and Networked Army, p.3
EVALUATION OF THE ADF GAP YEAR PROGRAM

Competition for human resources was increasing around the same time the R2 initiatives were being initiated. Australia's economy was growing, there was record low unemployment (national rate was around 4.8 percent)\(^6\) and a competitive labour market. This created an environment where there was increased competition for skilled workers among employers. The R2 initiatives formed part of Defence's integrated and pre-emptive response to this environment that were, in-part, aimed at ensuring Defence continued to be an attractive employer.

"Other Australian employers seek people with similar professional, technical and trade skills from the same demographic groups targeted by Defence for recruitment into both military and civilian arms of the organisation."

"We must make sure that the military is an attractive career proposition, and that the attraction endures beyond initial periods of enlistment."

Major General Mark Evans
Head, Defence Personnel Executive, 2005-06\(^8\)

1.2. Policy Objectives

1.2.1 Retention and Recruitment (R2) Initiatives

To meet the strength target for the ADF meant that Defence must both increase enlistment and reduce the separation rate. At the time the R2 initiatives were implemented, the enlistment target was increased from around 4,700 a year to around 6,500 and the target separation rate was set to reduce from 11 percent a year to below 10 percent.\(^7\) These targets are dynamic in reaction to Defences workforce capability requirements and direction from Government.

1.2.2 ADF Gap Year Program

The ADF Gap Year Program was one of the initiatives included in the broader R2 initiatives. The policy objective of the ADF Gap Year Program is “to provide young men and females with a meaningful experience that allows them to gain a better understanding of the opportunities available to them in the ADF.\(^8\) The program was designed to allow young Australians to better understand the opportunities available to them in the ADF, with a potential benefit of increased recruitment. It also provides development opportunities for young Australians.\(^9\)

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\(^7\) Defence Annual Report 2006-07, Volume 1, Chapter 4: People.


\(^9\) Defence Instruction (General) PER5 5-10: Australian Defence Force Gap Year. Paragraph 3.

\(^8\) Extracted from Table 2, Retention and Recruitment Strategy Implementation Plan, 2007.
1.3. Purpose of Evaluation

The ADF Retention and Recruitment Strategy Implementation Plan November 2008, approved by the Cabinet implementation Unit (CIU)\(^\text{10}\), directs Defence to undertake a Departmental Review of the R2 initiatives in 2009-10 and an Inter-Departmental Review in 2011-12. Defence has elected to evaluate the ADF Gap Year Program in parallel with a broader evaluation of the R2 initiatives but as a distinct element of the R2 initiatives to determine how effectively Defence is realising the potential benefits of the program.

The purpose of the evaluation is to determine whether the benefits of the ADF Gap Year Program can be achieved more efficiently through changes to program design and implementation. This evaluation is also in response to a Defence Committee direction that the ADF Gap Year be re-examined 'with a view to a lower cost scheme that provides a better return on investment.'\(^\text{11}\) This intent was subsequently confirmed by the Minister for Defence on 16 Dec 2009.

1.4. Scope

The evaluation examined the effectiveness and efficiency of the ADF Gap Year against the objectives outlined in section 4.1 of this Report. It focuses on five elements of the ADF Gap Year Program:

- a. Program design:
  - i. fitness for purpose; and
  - ii. budgeting and governance;
- b. Scale and sustainability:
  - i. impact on each Service’s core operations; and
  - ii. appropriateness of scale;
- c. Marketing and recruitment:
  - i. cost effectiveness;
  - ii. efficiency;
  - iii. quality of candidates attracted;
  - iv. candidate satisfaction; and
- d. Differences between the Services:
  - i. value to the participants; and
  - ii. savings opportunities; and
- e. Lessons learnt for wider ADF.

The full Terms of Reference (TOR) for the evaluation is provided at Annex A.

\(^\text{10}\) The Cabinet Implementation Unit is part of the Department of the Prime Minister and Cabinet.

\(^\text{11}\) (Executive Branch, People Strategies and Policy Group, 2010).
1.5. Purpose of This Report

This Report describes the evaluation of the ADF Gap Year Program by Noetic and details their findings, along with the identification of options regarding the future conduct of the program for consideration by senior Defence personnel committees and to inform the subsequent Inter-Departmental Review.

1.6. Parallel Activities

1.6.1 Evaluation of R2 Initiatives
An evaluation of the R2 initiatives as a whole and by each of its initiatives was undertaken separately and concurrently with this evaluation of the ADF Gap Year Program. Both Evaluations were undertaken by Noetic with support provided by the Hay Group.

1.6.2 Strategic Reform Program
The Evaluation Team was advised that, concurrent with the evaluation process, a savings proposal was being prepared by Defence for Cabinet consideration that might impact on the ADF Gap Year.\textsuperscript{12} At the time of completing this draft Report the Evaluation Team was further advised that Cabinet had agreed to exempting Air Force from the ADF Gap Year Program and reducing the Navy’s annual participation to 100.\textsuperscript{13}

\textsuperscript{12} Deputy Director of Recruitment and Retention, March 2010.
\textsuperscript{13} Deputy Director of Recruitment and Retention, April 2010.
2. EVALUATION PROCESS

2.1. Evaluation Methodology

2.1.1 Project Management

The Evaluation of the ADF Gap Year Program was conducted concurrently with the Evaluation of the R2 initiatives as part of a single project with two distinct streams:

a. Evaluation of ADF Gap Year Program; and

b. Evaluation of R2 Initiatives (including Defence Work Experience Program).

An illustration of this two stream approach is provided below in Figure 1.

Figure 1. Dual stream approach to the R2 and ADF Gap Year Evaluations

As illustrated, the dual-stream approach allowed for the Evaluation of both the R2 initiatives and the ADF Gap Year to occur concurrently, with three common phases:

a. start up and scoping; and

b. information gathering.

Key events in the ADF Gap Year Program evaluation process were as follows:

a. 23 February 2010: evaluation process commenced;

b. 24 February 2010: Investment Logic Map developed and Stakeholder Analysis conducted;

c. 2 – 10 March 2010: initial interviews with stakeholders;

d. 5 March 2010: Environmental Scan; and

e. 2-12 March 2010: quantitative data collection and analysis.

Following the information gathering phase, the two evaluations split in accordance with the timelines required by Defence. This approach allowed for the Evaluation Team to ensure information was shared between the two Evaluations and for the findings of the ADF Gap Year report to be incorporated into the broader R2 Evaluation Report.
2.1.2 Information Gathering

The evaluation process was underpinned by an extensive information gathering phase, which began with project start up and continued through to the submission of this Report.

2.1.2.1. STAKEHOLDER CONSULTATION

Interviews were conducted with key stakeholders and additional personnel. These interviews were valuable in providing qualitative information. Consultation also allowed the identification and provision of additional quantitative data sources. A full list of personnel consulted for the purposes of this evaluation is provided at Annex B.

2.1.2.2. DOCUMENT REVIEW

Key documents and data sets were reviewed to gather quantitative and qualitative information. Information sources reviewed included:

a. Defence Annual Reports;

b. data provided by PSP Group, including DFR and Workforce Planning Branch; and

c. publicly available information (such as that produced by the Australian Bureau of Statistics).

Documents and other sources reviewed for the purposes of this Evaluation are cited throughout this Report.

In addition to that listed above, key information cited throughout this Report was sourced from Project LASER (Longitudinal ADF Study Evaluating Retention). Project LASER was developed to build a better understanding of the retention drivers that influence members to stay or leave the ADF during their initial period of service. Annex C provides an extract from the Project LASER 2008 ADF Gap Year Report that explains the background to Project LASER.

Due to the heavy use of Project LASER data throughout this report, it is important to note the Project's limitations, which include:

a. reliance on the voluntary responses to LASER surveys; and

b. data collected at time of enlistment, end of initial training and at time of leaving the ADF Gap Year are drawn from different samples (with different sizes and composition).

2.1.3 Analytical Framework

A three-tiered analytical framework was employed for the evaluation (see Figure 2 over page) and guided the team’s information gathering efforts. The analysis is based on qualitative information and quantitative data provided.

The first stage was an Environmental Scan (discussed further below), which focused on factors external to Defence that may have affected the effectiveness of recruitment and retention initiatives over the period under evaluation (i.e. from commencement of the ADF Gap Year Program in 2007 until now).

The second tier of the analysis was performed as part of the broader R2 Evaluation and focused on the recruitment and retention initiatives from a collective perspective. It is acknowledged that the R2 initiatives were
aimed at influencing a person's decision to join or remain in the ADF. It is also acknowledged that such decisions could be influenced by a number of complementary initiatives, rather than one initiative in isolation. In this context, the ADF Gap Year was identified as a recruitment-focussed initiative.

As illustrated below in Figure 2, the final tier of the analysis focused on the ADF Gap Year Program alone.

*Figure 2: Analytical Framework for the Evaluation*

### 2.1.4 Environmental Scan

As outlined earlier, the Environmental Scan focused on factors external to Defence that may have affected the effectiveness of recruitment and retention initiatives, including ADF Gap Year over the period under evaluation.

These factors included:

- **a.** economic changes (e.g. changes in interest rates\(^{14}\), inflation, employment, unemployment\(^{15}\), etc);
- **b.** social changes (e.g. changing public perceptions toward Defence and the ADF\(^{16}\);
- **c.** demographics changes (e.g. increasing age of the workforce\(^ {17}\), changes to Net Overseas Migration\(^ {18}\)); and
- **d.** competition (e.g. increase in real and nominal annual average labour costs\(^{19}\)).

The Environmental Scan was the product of a workshop activity, which involved:

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EVALUATION OF THE ADF GAP YEAR PROGRAM

a. representatives from Defence who provided knowledge of the context in which the ADF Gap Year Program was established and developed; and

b. input from Hay Group personnel with expertise on the environmental and market pressures affecting workforce planning (including retention and recruitment).

The factors examined during the Environmental Scan workshop and the workshop outcomes are provided in full at Annex D. Some of the key environmental factors affecting the performance of the ADF Gap Year are discussed below.

2.1.4.1. GROWTH IN DEMAND FOR A GAP YEAR EXPERIENCE

While there exists little in the way of external research on formal gap year programs in Australia, commentary in some media\(^2\) and on the internet\(^3\) indicates a potential growth in the number of students seeking a gap year experience. Other Australian Government initiatives also reflect a possible growth in demand for gap year experiences, including the announcement by the Minister for Education of changes to Youth Allowance to assist gap year students.\(^4\)

There is little research into where Australian students may seek a gap year but some gap-year focussed websites (including the Australian Government website www.year12whatnext.gov.au) identify multiple overseas opportunities.\(^5\) This indicates a high proportion of demand for overseas gap year experiences. There does appear to have been a growth of Australian-based opportunities over recent years.

This evidence suggests that some of the performance of the ADF Gap Year can be attributed to external factors. An editorial article published by Interim Programs\(^6\) suggests a rise in gap year participation that can be linked to:

a. the current generation of parents being more open to the option of their children undertaking a gap year than their predecessors,

b. students attending university after a gap year are likely to be more mature and focussed and less likely to change courses mid-stream, and

c. an increased understanding of the utility and benefits of a gap year, particularly those with a vocational basis.

No evidence was found to suggest that these or any other factors contributing to demand for gap year experiences will not continue. Therefore, Defence could reasonably expect that the ADF Gap Year Program would continue to capitalise on the current environment and perform at current levels if no changes are made to its design and delivery.

2.1.4.2. DECLINE IN OPPORTUNITY OVERSEAS GAP YEAR EXPERIENCES

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The ADF Gap Year was launched at a time of economic growth in Australia and, as mentioned previously, into a highly competitive employment market. However, that situation changed shortly after program initiation with the onset of the Global Financial Crisis (GFC). The employment market contracted, unemployment rose and many companies and individuals were subject to varying degrees of financial hardship and uncertainty.

The recession in the United Kingdom (UK) following the GFC has seen a dramatic increase in unemployment from about August 2008 onwards. Some anecdotal evidence suggests the UK has fuelled the market for gap year-type travel experiences in the past. If this is the case, the current decline in the job market in the UK may have caused Australian-based demand to be re-directed towards other gap year experiences, including those based in Australia. This hypothesis is supported by possible evidence of an increase in foreign-based demand for Australian gap year experiences as indicated by a 23.16 percent increase in successful applications for Australian Working Holiday Visas (WHV) from 157, 574 in 2007-08 to 194 103 in 2008-09. This may indicate less gap year opportunities are available abroad, thus driving an increase in demand from Australians for Australian-based gap year experiences.

Further research by Defence into these issues would provide a clearer understanding of the drivers behind demand for the ADF Gap Year Program. Current activities that may contribute to an improved understanding of the factors influencing recruitment success include:

a. Project LASER, which will provide increased understanding as more longitudinal data is collected; and

b. Recruiting Success Project, which will examine the internal and external factors impacting on target achievement.

Other factors identified in the Environmental Scan that the ADF Gap Year could have acted to counter were:

a. an increased participation in tertiary education following school;

b. the potential lack of public awareness or negative public perceptions of the ADF;

c. a potential aversion to the requirement for multi-year commitment the ADF; and

d. a more diverse labour pool.

The ADF Gap Year may also have acted to capitalise on a decline in the overseas job markets (particularly in the United Kingdom). These factors are not discussed in detail in this Report but their potential impacts are outlined in Annex D.

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27 The Global Financial Crisis, for the purpose of this report, is assessed to have commenced in mid-September 2007 with the collapse of Northern Rock (a medium-sized British Bank). The crisis peaked in September and October 2008. Several major institutions failed, were acquired under duress, or were subject to government takeover. These included Lehman Brothers, Merrill Lynch, Fannie Mae, Freddie Mac, Washington Mutual, Wachovia, and AIG.
29 www.gappyear.com
3. EVALUATION OF THE ADF GAP YEAR PROGRAM

3.1. Program Objectives

3.1.1 Official Objectives

The ADF Gap Year Program was announced on 9 August 2007 by the then Minister for Defence as a "$306 million investment in the youth of Australia" as part of the Government's $3.1 billion commitment to boosting ADF recruitment and retention. The original and official objectives of the ADF Gap Year Program are articulated in two sources as follows:

a. the ADF Retention and Recruitment Strategy Implementation Plan, 2007:
   i. "allow young Australians to better understand the opportunities available to them in the ADF, with a potential benefit of increased recruitment"; and
   ii. "provide development opportunities for young Australians".

b. Defence Instruction (General) Personnel 5-10 (D(G) PERS 5-10):
   i. provide "an opportunity for young adults to experience military training and lifestyle within a 12-month program" (paragraph 1);
   ii. "provide young men and women with a meaningful experience that allows them to gain a better understanding of the opportunities available to them in the ADF" (paragraph 2); and
   iii. "provide for up to 1000 paid training, skills development and work experience positions in the Navy, Army and Air Force for up to 12 months effective service, with no further obligation on the participant to serve" (paragraph 3).

3.1.2 Supplementary Objectives

This Evaluation examined the performance of the ADF Gap Year in the context of these objectives plus the 'potential benefits' to the ADF outlined in the RFQTS issued by Defence on 1 February 2010. The benefits were to be achieved through:

a. the transfer of ADF Gap Year participants into the Permanent Forces and Reserves (either immediately or after completing further education);

b. creating a cadre of 'ambassadors' for ADF careers;

c. accessing demographic groups that would not normally consider military career options (notably females); and

d. providing 'test bed' opportunities for new approaches to recruitment and training.

3.2. Program Governance

Defence established the Recruitment and Retention Implementation Staff (RRIS) to support implementation, governance and reporting of the R2 initiatives, including the ADF Gap Year Program. The team was headed by

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33 Media Release from The Hon Dr Brendan Nelson, 9 August 2007.
a Brigadier (Head of RRIS) and utilised a program management approach. The RRIS had close liaison with both internal and external stakeholders (including the Department of the Prime Minister and Cabinet (PM&C) and the Department of Finance and Administration (DOFA)). The RIIS developed the Retention and Recruitment Strategy Implementation Plan (2007) which was approved by PM&C.

Following the implementation of the R2 initiatives, some of the functions of the RIIS team have been consolidated into the position of the Deputy Director of Recruitment and Retention within the People Strategies and Policy Group (PSP Group).

3.3. Program Development and Design

DI (G) PERS 5-10 details the conduct of the ADF Gap Year Program within each Service. It also sets out the eligibility and participation requirements. A key feature of the instruction is that it requires ADF Gap Year participants to "meet the same standards as all Defence members in either training or operational units." It also specifies that:

a. "ADF Gap Year participants will be able to apply for transfer to an ongoing form of service in any of the three Services at any time during the ADF Gap Year"; and

b. "Participants are offered a bonus of $10,000 if they attain a recognised tertiary or vocational qualification at a civilian institution and rejoin the ADF within five years of completing the ADF Gap Year".

3.4. Program Scale

It was initially determined that the ADF Gap Year Program would provide a total of 1,000 positions per annum in the ADF, comprising Navy 250, Army 500 and Air Force 250. Whilst the number of ADF Gap Year participants recruited annually is additional to the ADF's overall recruiting targets, for comparative purposes the figure of 1,000 ADF Gap Year positions in 2007-2008 represented 13.7 percent of the ADF's total fulltime recruiting target of 7292.

The original ADF Gap Year annual target of 1,000 was subsequently scaled back, with Government approval, to 700 per annum due to capacity and cost considerations, spread across the Services in the following numbers: Navy 267, Army 317 and Air Force 116. For comparative purposes, the current availability of 700 ADF Gap Year positions represents 11.4 percent of the ADF's 2009-2010 fulltime recruiting target of 6,132 and 13.5 percent of the current projected fulltime recruiting target of 5,173.

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34 Renamed Department of Finance and Deregulation in 2008.
35 Defence Instruction (General) PERS 5-10: Australian Defence Force Gap Year, 2008.
36 Deputy Director, DFR, March 2010. The fulltime recruiting target excludes in-Service transfers and enlistments from foreign services.
37 Deputy Director Governance, DFR, March 2010. The fulltime recruiting target was correct as of 15 February 2010 and excludes in-Service transfers and enlistments from foreign services.
38 Deputy Director Governance, DFR, March 2010. Current projected fulltime recruiting target for 2010-11, correct as of 15 February 2010. Excludes in-Service transfers and enlistments from foreign services.
3.5. Program Delivery

The ADF Gap Year Program was delivered in accordance with the ADF Retention and Recruitment Strategy Implementation Plan 2007, which outlined the schedule for delivery of key milestones. Responsibilities for the implementation of the ADF Gap Year Program within the Services were assigned to the following positions, which were identified as "Initiative Sponsors":

a. Director-General Navy Personnel and Training;

b. Director-General Personnel – Army; and

c. Director-General Personnel – Air Force.

Implementation responsibilities were also assigned to other groups within Defence and the ADF, including the Director-General of Defence Force Recruiting.

Implementation responsibilities were exercised in accordance with the program objectives and requirements (as stated in the R2 Implementation Plan and DI (G) PERS 5-10). These requirements provided sufficient flexibility for the Services to incorporate the ADF Gap Year Programs within their own organisational structures and requirements. A full comparison between the ADF Gap Year Programs of each Service is provided at Annex E.

The Services also incorporated processes within the ADF Gap Year Program aimed at encouraging participants who wish to transfer to the Permanent or Reserve Forces either during or immediately after completing their ADF Gap Year service. The sections below provide a brief summary of the differing approaches used by the Services.

3.5.1 Navy

Navy’s program allows Gap Year participants to receive training alongside Permanent Navy recruits and gain experience at sea. It uses rolling intakes of about 24 Gap Year participants per month to take advantage of existing periods of capacity in Navy’s recruit training system. This allows Navy to adjust its Gap Year intake in accordance with the overall intake numbers for its Recruit School.

Navy stakeholders commented that this rolling approach allows Navy to dampen fluctuations in training activity throughout the year. Navy stakeholders also felt that this approach is easier on administrative personnel, who had a constant flow of work throughout the year. Stakeholders indicated a single round of recruitment could place unnecessary strain on administrative resources at a single point in the year, while causing under-utilisation of resources during quiet periods.

3.5.2 Army

Army’s Gap Year Program also integrates Gap Year participants into Australian Regular Army (ARA) Recruit Training. Gap Year participants join between November and January and undertake the 12 week recruit training program. This can mean there are a large number of recruits beginning training at a single time.

However, Army stakeholders indicated they believed Army’s full integration approach had contributed to Army’s rate of transfers from the Gap Year to the Permanent Army and Reserves.

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40 Table 4 of Implementation Plan, November 2007 (p.11).
EVALUATION OF THE ADF GAP YEAR PROGRAM

Army stakeholders did not comment on whether Army's approach to concentrate recruitment of Gap Year participants in one period of the year was adversely affecting program administration.

3.5.3 Air Force

The Air Force Gap Year Program is different to that of Navy and Army in that participants are enlisted as Gap Year Cadets and are provided with a mix of Officer and Other Ranks training, which separates them from general enlistment recruits. Air Force stakeholders commented this approach provides Gap Year participants with a broad experience of the Air Force. They believed the Air Force program has been true to the primary objective of the program to provide young Australians with an experience of military training and lifestyle.

3.6. Program Funding

A total of $306.379 million was allocated to fund the ADF Gap Year between 2007-08\(^2\) and 2016-17 as indicated below in Table 1. This was included as part of the $3.1 billion allocated to the R2 initiatives. ADF Gap Year funding was allocated for support staffing, participants’ salaries and overheads, contribution to education costs and operating costs. Below provides detail of the funds allocated to the ADF Gap Year.

Table 1. Funding plan for ADF Gap Year\(^2\)

<table>
<thead>
<tr>
<th>ADF Gap Year</th>
<th>Budget Year and Forward Estimates</th>
<th>Out years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>07-08 08-09 09-10 10-11 Sub Total</td>
<td>11-12 12-13 13-14 14-15 15-16 16-17</td>
<td></td>
</tr>
<tr>
<td>$m</td>
<td>$m</td>
<td>$m</td>
<td>$m</td>
</tr>
<tr>
<td>Support Staffing</td>
<td>1.7 3.6 3.7 3.8 12.8</td>
<td>3.8 3.9 4.0 4.1 4.1 4.2</td>
<td>37.0</td>
</tr>
<tr>
<td>Participants Salary and Overheads</td>
<td>2.8 9.5 19.3 19.6 51.2</td>
<td>40.1 40.9 41.7 42.5 43.4 44.2</td>
<td>304.0</td>
</tr>
<tr>
<td>Contribution to Education Costs</td>
<td>0.0 0.0 0.0 1.0 1.0</td>
<td>1.6 1.6 1.7 1.7 1.7 1.8</td>
<td>11.1</td>
</tr>
<tr>
<td>Operating Costs</td>
<td>0.8 2.0 2.3 2.3 7.4</td>
<td>2.4 2.4 2.4 2.5 2.7 2.7</td>
<td>22.5</td>
</tr>
<tr>
<td>Less Funding Provided from Defence Allocations</td>
<td>-5.3 -7.0 -7.0 -7.0 -26.3</td>
<td>-7.0 -7.0 -7.0 -7.0 -7.0 -7.0</td>
<td>-68.3</td>
</tr>
<tr>
<td>Total</td>
<td>0.0 8.2 18.2 19.7 46.2</td>
<td>40.9 41.8 42.8 43.8 44.9 46.0</td>
<td>306.4</td>
</tr>
</tbody>
</table>

\(^2\) Extracted from R2 Implementation Plan, 2007.
4. **BASIS OF ANALYSIS**

4.1. **Analysis of Objectives**

For the purposes of the Evaluation, the 'Official Objectives' and 'Supplementary Objectives' were summarised into the following for the ADF Gap Year Program:

a. **Improve Understanding of ADF Careers**: Improve the understanding among young Australians of the employment opportunities available in the ADF.

b. **Provide an ADF Experience to young Australians**: Provide an opportunity for young Australians to experience military training and lifestyle for 12 months.

c. **Develop Young Australians**: Provide opportunities for young Australians to develop (e.g. skills, knowledge, confidence, etc).

4.2. **Analysis of Benefits**

In addition to these objectives, the potential benefits of the ADF Gap Year Program were evaluated including:

a. **Additional recruitment potential**: The potential to recruit ADF Gap Year participants into the ADF either:
   
   i. after they have completed the ADF Gap Year Program and attained an approved qualification (Post-qualification returns); or
   
   ii. through transfers to the Permanent Forces or Reserves either during or immediately after their ADF Gap Year Program (Transfers).

b. **Increased diversity** of the ADF: the potential to diversify and broaden the ADF’s recruitment pool by accessing demographics who would not normally consider an ADF career.

c. **Increased community engagement**: the potential to create a cadre of 'ambassadors' for the ADF, thus improving the public image of Defence and the ADF (as well as accessing a more diverse recruitment pool).

d. **Organisational learning**: the potential for the ADF to learn lessons for broader application to other recruitment and retention initiatives (including those not examined in the R2 Evaluation).

4.3. **Analysis of Potential Impacts**

The Evaluation Team was also directed to examine:

a. impacts on the Services' training capability;

b. additional administrative impost for the Services and Defence in managing the program;

c. disparities between the Services;
d. the potential for perceptions of preferential treatment of ADF Gap Year participants over mainstream recruits; and

e. lost opportunities due to the need for Defence to supplement the budget allocated by Cabinet with substantial additional funds sourced internally.

4.4. Analysis of Key Performance Indicators

Defence has identified four KPIs used by Defence to determine the success of the ADF Gap Year Program, including:

a. achievement of ADF Gap Year recruitment targets;

b. percentage of personnel retained in part time service following the ADF Gap Year;

c. percentage of personnel retained in full time service following the ADF Gap Year; and

d. percentage of ADF Gap Year participants enlisting in full-time service after studies.43

In a number of cases, results against these performance indicators provide the information necessary to determine the success of the ADF Gap Year Program against the objectives, benefits and potential impacts analysed (as identified in section 4.2 of this Report).

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43 Annex D to Implementation Plan Updated Feb 2009.
5. ANALYSIS OF OBJECTIVES

5.1. Improve understanding of ADF careers

5.1.1 Understanding Among ADF Gap Year Participants

5.1.1.1. CERTAINTY OF CAREER INTENTION

Results from Project LASER, illustrated below in Figure 2 indicate a decrease in uncertainty among respondents in their career intentions from initial enlistment to transition from their Gap Year. This is indicative of participants accumulating a greater understanding of their options and, thus being more confident of their career intentions.

Figure 2. Percentage of ADF Gap Year respondents indicating they were unsure of their career intentions*44

<table>
<thead>
<tr>
<th></th>
<th>Naval Forces</th>
<th>Army</th>
<th>RAAF</th>
<th>Naval Forces</th>
<th>Army</th>
<th>RAAF</th>
<th>Naval Forces</th>
<th>Army</th>
<th>RAAF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leave ADF @ completion of GY</td>
<td>65.5</td>
<td>53.4</td>
<td>0</td>
<td>36.3</td>
<td>32.4</td>
<td>14.9</td>
<td>10.3</td>
<td>10.2</td>
<td>15</td>
</tr>
<tr>
<td>Leave, gain escort, return</td>
<td>69</td>
<td>52.5</td>
<td>0</td>
<td>41</td>
<td>35</td>
<td>19.8</td>
<td>23.8</td>
<td>14.5</td>
<td>5</td>
</tr>
<tr>
<td>Transfer to Reserves</td>
<td>48.3</td>
<td>44.5</td>
<td>0</td>
<td>26.9</td>
<td>29.9</td>
<td>15.1</td>
<td>33.3</td>
<td>4.3</td>
<td>15.8</td>
</tr>
<tr>
<td>Transfer to permanent ADF</td>
<td>69</td>
<td>56</td>
<td>0</td>
<td>33.3</td>
<td>36.6</td>
<td>14</td>
<td>7.3</td>
<td>10</td>
<td>15</td>
</tr>
</tbody>
</table>

Notes
① No data recorded against Air Force at New Enlistee/Appointee survey point due to only 1 response received from this group.
② Project LASER compares the respondents who chose to complete the survey at enlistment, completion of training and transition.

However, approximately 40 percent of Navy and Army Gap Year participants and 45 percent of Air Force participants who responded to the surveys indicated they would have joined the ADF regardless of the ADF Gap Year Program. This indicates those candidates may have had at least a basic understanding of the ADF as an employer to begin with.

*44 Based on data from Project LASER 2008 Gap Year Report. Figure 2 (p. 12); Figure 3 (p.13); Figure 4 (p.14); Figure 5 (p. 15).
EVALUATION OF THE ADF GAP YEAR PROGRAM

Therefore, the decrease in uncertainty of the ADF Gap Year respondents cannot be attributed directly to an increase in understanding of ADF careers. ADF Gap Year participants may simply have been unsure of their intention because they were taking a 'wait and see' approach before making a firm decision on their future career.

5.1.1.2. RECOMMENDATION OF A SERVICE TO FRIENDS

Data on the direct influence of the ADF Gap Year (and its participants) on the understanding of ADF careers within the community is not currently collected. However, it is possible to infer a potential for influence based on the proportion of ADF Gap Year participants who indicated they would recommend the Services to their friends. This data is illustrated below in Figure 3, which indicates the vast majority of respondents (surveyed at the end of their ADF Gap Year Program) would recommend their Service to their friends.\(^{45}\)

*Figure 3. Proportion of respondents to the ADF Transition survey indicating they would recommend the Navy/Army/Air Force to their friends. Extracted from Project LASER 2008 ADF Gap Year Report.*

While this is a strong result, there is no evidence to draw a positive correlation between an intention to recommend and actual recommendations. Therefore, the Evaluation Team is unable to draw a robust conclusion against the stated objective.

\(^{45}\) Project LASER 2008 Gap Year Report, Figure 54 (p. 64).
5.2. Provide an ADF experience to young Australians

5.2.1 Participant Satisfaction
The satisfaction of ADF Gap Year participants with their ADF Gap Year experience was examined through several questions posed through Project LASER surveys. Overall results include:

a. the majority of survey respondents were satisfied with their ADF Gap Year experience, with the military way of life and their employment in the ADF;\textsuperscript{46}

b. the majority did not find military life difficult;\textsuperscript{47}

c. almost all respondents felt challenged and had opportunities to participate in the various aspects of Military life;\textsuperscript{48} and

d. respondents from all three Services generally agreed that military life was exciting and challenging and that their values and the values of their Service were similar.\textsuperscript{49}

Key Differences between the Services are detailed at Annex G.

The high proportion of ADF Gap Year survey respondents indicating they would recommend the ADF Gap Year Program to others also indicates a high degree of satisfaction with their ADF Gap Year experience.

5.2.2 Stakeholder Satisfaction
Navy stakeholders indicated some concern about the quality of the experience provided to ADF Gap Year participants if the number of participants were to increase. An increase in participants could result in less opportunity to spend time at sea and more time spent on less satisfying and menial tasks. Navy also indicated it would prefer to provide ADF Gap Year participants with more sea-going experience but this is not viable with current constraints on sea training capacity.

However, results from the Project LASER Transition Survey indicate that Navy respondents might not prefer more time at sea. 14.3 percent of Navy respondents identified ‘homesickness’ as a reason for leaving the ADF Gap Year.\textsuperscript{50}

Furthermore, 71.3 percent indicated the reason to stay or leave as spouse/ partner related and 50.6 percent indicated fiancé or girl/boyfriend related.\textsuperscript{51} These results might indicate that Navy participants desire more time with their partners and families and less time at sea.

\textsuperscript{46} Project LASER 2008 Gap Year Report (p. 4).
\textsuperscript{47} Project LASER 2008 Gap Year Report (p. 4).
\textsuperscript{48} Project LASER 2008 Gap Year Report (p. 4).
\textsuperscript{49} Project LASER 2008 Gap Year Report (p. 4).
\textsuperscript{50} Project LASER 2008 Gap Year Report, Table 15 (p. 18).
\textsuperscript{51} Project LASER 2008 Gap Year Report, Figure 6 (p. 16).
5.3. Develop young Australians

5.3.1 Participant Satisfaction

As discussed in section 5.2.1 of this Report, there was generally a high degree of satisfaction among respondents to ADF Gap Year surveys. In addition, the following results relate to the level of satisfaction ADF Gap Year respondents felt toward development related factors.

As indicated below in Figure 4 the majority of respondents from Air Force agreed (60 percent) that they had a high level of responsibility during their ADF Gap Year Program. However, less than half of the Navy (36.6 percent) and Army (38 percent) respondents agreed or strongly agreed with this statement. Figure 4 also illustrates that Navy respondents are relatively evenly split between ‘disagree’, ‘neither agree nor disagree’ and ‘agree’ on this question. This may indicate some difference between the levels of responsibility provided to Navy Gap Year participants in comparison to the other Services.

Figure 4. Responses to ‘I had a high level of responsibility’ (ADF Gap Year Transition Survey)\textsuperscript{52}

As indicated below in Figure 5 the majority of respondents from all Services agreed or strongly agreed that they were provided with challenging work during their Gap Year Program, with Air Force respondents most likely to indicate agreement.

\textsuperscript{52} Project LASER 2008 Gap Year Report, Figure 18 (p. 28).
Figure 5. Responses to "I was provided with challenging work" (ADF Gap Year Transition Survey)\textsuperscript{53}

![Graph showing I was provided with challenging work](image)

As indicated below in Figure 6 the majority of respondents from all Services agreed or strongly agreed that they had the opportunity to use leadership skills during their ADF Gap Year Program, with Air Force respondents most likely to indicate strong agreement.

Figure 6. Responses to "I had the opportunity to use leadership skills" (ADF Gap Year Transition Survey)\textsuperscript{54}

![Graph showing I had the opportunity to use leadership skills](image)

\textsuperscript{53} Project LASER 2008 Gap Year Report, Figure 19 (p. 29).
\textsuperscript{54} Project LASER 2008 Gap Year Report, Figure 21 (p. 31).
EVALUATION OF THE ADF GAP YEAR PROGRAM

As indicated below in Figure 7 the majority of respondents from all Services agreed or strongly agreed that they had access to training and development opportunities, with Army respondents most likely to indicate agreement and Air Force respondents most likely to indicate strong agreement.

Figure 7. Responses to 'I had access to training and development opportunities' (ADF Gap Year Transition Survey).  
I had access to training and development opportunities

As indicated in Figure 8 (next page) the majority of respondents from all Services agreed or strongly agreed that their ADF Gap Year experience had provide them with positive life skills, with Army participants most likely to strongly agree.

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56 Project LASER 2008 Gap Year Report, Figure 25 (p. 35).
Figure 8. Responses to "My ADF Gap Year experience has provided me with positive life skills" (ADF Gap Year Transition Survey)\textsuperscript{56}

Overall, each of these results indicate ADF Gap Year participants were satisfied they were provided with adequate opportunity to develop.

\textsuperscript{56} Project LASER 2008 Gap Year Report, Figure 58 (p. 68).
6. ANALYSIS OF BENEFITS

6.1. Additional recruitment potential

6.1.1 Post-qualification returns
Due to the infancy of the ADF Gap Year Program, no data is available at this stage to indicate the proportion of ADF Gap Year participants who have returned to the ADF after they have attained an approved trade or qualification. The first data on this indicator are expected to be collected in 2012 when the first cohort of ADF Gap Year participants (from 2008) would have attained qualifications requiring 3 years of study.

Some data is available from Project LASER on the proportion of survey respondents who indicated they intended to return to the ADF after they attained approved qualifications. This data is presented in Figure 9, which highlights that Air Force respondents were most likely to indicate they intended to return (45 percent).

![Figure 9. Percentage of respondents who 'agree' or 'strongly agree' that they intend to gain a Defence approved Trade or Qualification and return to the ADF (at Time of Enlistment, End of Initial Training and at Time of Leaving ADF Gap Year).]

- Again due to the immaturity of the ADF Gap Year Program, it is not yet possible to determine any correlation between intentions to return to the ADF and actual returns.

6.1.2 Transfers
The ADF Gap Year has been a valuable source of candidates for transfer to the Permanent Forces and Reserves. This is evident in the significant transfer rates recorded across all three services as indicated below in Figure 10.

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52 Project LASER 2008 Gap Year Report, Figure 3 (p.13).
Despite the high transfer rate, stakeholders from some services indicated it was becoming increasingly difficult to transfer ADF Gap Year participants into the Permanent Forces immediately following the ADF Gap Year. A major reason is that there is limited capacity within the Services training systems due to more success in achieving recruiting targets.

Air Force stakeholders indicated their recruiting success had meant there was currently no spare capacity in their training system. Navy stakeholders indicated that their problems in accommodating transfers were due to the continued limited availability of sufficient sea-training billets.

58 Based on data provided in Table A7.2, Appendix 7, Defence Annual Report 2008-09.
6.2. Increased diversity of the ADF

6.2.1 Capture of Minority Demographics
Data provided from Project LASER indicates the ADF Gap Year has been largely successful in accessing a demographic who would not normally consider a career in the ADF. The Project LASER Gap Year Report illustrates that while 40-45 percent of ADF Gap Year respondents would have joined the ADF regardless of ADF Gap Year, 60 percent of Navy and Army respondents and 50 percent of Air Force respondents indicated they would not have joined the ADF if the ADF Gap Year had not been introduced.

Figure 11. Responses to 'If the Gap Year was not available, would you still have joined the ADF?' (ADF Gap Year Transition Survey) 59

6.2.2 Cultural and Ethnic Diversity
As illustrated below in Figure 12, the demographic of ADF Gap Year recruits remains relatively homogeneous (in terms of country of birth) with 91 percent of all ADF Gap Year applicants born in Australia.

59 Extracted from Figure 61, Project LASER 2008 Gap Year Report (p. 71).
Figure 12. Percentage of ADF Gap Year Applicants born in Australia and overseas (based on 2008-09 data).

By comparison, Figure 13 illustrates that Australia's population at 2006 appears to be more diverse, with 22 percent of Australians born overseas. However, this is unsurprising as all applicants (including Gap Year applicants) must be Australian citizens to be eligible to join the ADF.

Figure 13. Percentage of Australian population born in Australia or overseas.\(^6^0\)

It would also be necessary to compare how the ADF Gap Year data presented above compares with general enlistments to draw any reasonable conclusion about the ability of the ADF Gap Year to attract a more diverse demographic.

6.2.3 Gender

To date, the ADF Gap Year has attracted a higher proportion of female enlistees compared with other avenues of entry into the ADF. As illustrated below in Figure 14, females accounted for 28.1 percent of and 28.2 percent of ADF Gap Year Enlistments in 2007-08 and 2008-09 respectively.\(^6^1\). This is higher in comparison with general entry enlistments of females (general entry female enlistees 15.0 percent in 2007-08 and 14.8 percent in 2008-09).

\(^6^1\) Extracted from Table 4.7, Defence Annual Report 2007-08, Volume 1, Chapter 4 (p. 104).
Anecdotal evidence was provide by stakeholders that suggested female ADF Gap Year enlistees may see less risk in the short period of service. Moreover, stakeholder comments indicate the option for Navy and Air Force participants to separate at short notice at any time during the year appears to be a comfort factor for many.

Figure 14. Percent (by gender) of ADF Gap Year and General Entry enlistments (2007-08 and 2008-09)\textsuperscript{62}

<table>
<thead>
<tr>
<th>Gender</th>
<th>Permanent ADF</th>
<th>Gap Year</th>
<th>Permanent ADF</th>
<th>Gap Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>1661</td>
<td>197</td>
<td>1044</td>
<td>158</td>
</tr>
<tr>
<td>Male</td>
<td>6013</td>
<td>505</td>
<td>6032</td>
<td>504</td>
</tr>
</tbody>
</table>

6.2.4 Previous Military Experience

Examining the previous military experience of ADF Gap Year participants provides little value because applicants were excluded from participating if they had previous military experience, unless they were undertaking Year 12 and were a Reservist at the time of application.

However, applicants with Cadet experience are not excluded from applying for the Gap Year. This may undermine the ability of the ADF Gap Year Program to access people who would not have otherwise considered the ADF as a career option by providing an alternative mode of entry to the ADF for Cadets. Therefore, it may be valuable for Defence to collect data and examine the proportion of Gap Year participants with Cadet experience. While Project LASER does collect some of this data, it may not be useful due to the voluntary nature of the survey.

6.2.5 Other Diversity Indicators

Other indicators on cultural and ethnic diversity collected by DFR include:

a. family history in the military;

b. language spoken at home; and

\textsuperscript{62} Extracted from Table A7.7, Defence Annual Report 2008-09 (p. 203).
c. Aboriginal or Torres Strait Islander heritage.

Data on these indicators is not considered reliable due to the voluntary nature of the questions asked of applicants and enlistees. Data collected on the location of recruitment of both ADF Gap Year and general enlistees is also not considered an accurate indicator of diversity as applicants may apply in a recruitment centre away from their home.

The Evaluation Team understands there are a number of programs underway to increase recruitment opportunities for women, indigenous and multicultural Australians, including an indigenous development program.63 We also understand the Fairness and Resolution Branch (within PSP Group) is examining ways of better measuring the changing cultural diversity profile of the ADF over time.64

These initiatives may assist the ADF to better collect information on the diversity of its workforce and allow for a more effective measure of this benefit for the ADF Gap Year Program.

63 Defending Australia in the Asia Pacific Century: Force 2030, paragraph 14.21 (p. 116).
64 Deputy Director Workforce Intelligence Systems, 24 March 2010.
6.3. Increased community engagement

6.3.1 Would recommend the ADF Gap Year Program to friends
There was a high proportion of Army and Air Force ADF Gap Year participants, surveyed at the end of their Gap Year, who either agreed or strongly agreed they would recommend their Service to friends (Army: 85.7 percent, Air Force 84.2 percent). Navy participants appear to be less likely to agree or strongly agree with this statement (69 percent), indicating a lower level of overall satisfaction.

6.3.2 ADF Gap Year participants’ attitude toward the ADF
In addition to a high proportion of Project LASER survey respondents indicating they would recommend the ADF Gap Year Program to friends, other results also indicate Gap Year participants left with a positive attitude toward Defence. Those results include:

a. the majority of respondents in all Services were either satisfied or very satisfied with their ADF Gap Year experience and experience the military way of life\textsuperscript{65} and with employment in their ADF.\textsuperscript{66}

b. the majority\textsuperscript{67} of respondents in all Services agreed that, in comparison to their expectations, Service life was either:
   i. about the same as they expected;
   ii. somewhat better than they expected; or
   iii. much better than they expected.

\textbf{c}. The majority of respondents in all Services either agreed or strongly agreed that their values were similar to the values of their Service, with Air Force participants most likely to strongly agree.\textsuperscript{68}

d. The highest proportion of respondents in all Services either agreed or strongly agreed that they were fairly recognised for their efforts and achievements.\textsuperscript{69}

e. The majority of respondents in all Services agreed or strongly agreed that they earned a fair salary, with Air Force respondents most likely to strongly agree and Navy respondents most likely to agree.\textsuperscript{70}

f. The majority of respondents in all three Services agreed or strongly agreed their supervisor treated them fairly, with Army respondents most likely to agree and Navy respondents most likely to strongly agree.\textsuperscript{71}

g. The majority of respondents from Army and Air Force either 'disagreed' or 'strongly disagreed' that life in their Service was not as attractive as they thought it would be when they joined.\textsuperscript{72} This indicates expectations about Service life and the Gap Year experience were met in Army and Air Force.

\textsuperscript{65} Project LASER 2008 Gap Year Report, Figure 12 (p.22).
\textsuperscript{66} Project LASER 2008 Gap Year Report, Figure 13 (p.23).
\textsuperscript{67} Project LASER 2008 Gap Year Report, Figure 14 (p.24).
\textsuperscript{68} Project LASER 2008 Gap Year Report, Figure 45 (p.55).
\textsuperscript{69} Project LASER 2008 Gap Year Report, Figure 16 (p.26).
\textsuperscript{70} Project LASER 2008 Gap Year Report, Figure 26 (p.36).
\textsuperscript{71} Project LASER 2008 Gap Year Report, Figure 31 (p.41).
\textsuperscript{72} Project LASER 2008 Gap Year Report, Figure 51 (p.61).
EVALUATION OF THE ADF GAF YEAR PROGRAM

h. The majority of respondents agreed or strongly agreed that they were proud of what they had achieved during their time in Service, with Navy respondents most likely to agree and Air Force respondents most likely to strongly agree.\(^{73}\)

All of these suggest a high degree of satisfaction among Gap Year participants and, therefore, a high likelihood that most would speak about the ADF in a positive light (i.e., acting as ‘ambassadors’) within their communities.

However, there are some exceptions outlined below.

6.3.2.1. NAVY

The majority of Navy respondents indicated they ‘neither agree or disagree’ or ‘agree’ that life in the Navy was not as attractive as they thought when they joined.\(^{74}\) This indicates there may be a difference between what Gap Year participants expect from Navy and the reality of Navy life.

Navy respondents also indicated lower satisfaction on:

a. the number of participants who would recommend the Service to friends,

b. attractiveness of military life,

c. attractiveness of a long-term Service career, and

d. the number who thought their original decision to join had been a mistake.

These results indicate the lower satisfaction indicators in Navy may be due to boredom, homesickness, poor fit and a higher dissatisfaction with the amount of time available to spend with family.\(^{75}\) This may be caused by long periods of time at sea, which is an ongoing characteristic of Navy service.

6.3.2.2. ARMY

18.4 percent of Army participants indicated they were dissatisfied with their assigned trade, while 2.6 percent of Navy respondents and 5 percent of Air Force respondents indicated dissatisfaction. However, more than half of Army respondents were at least ‘mostly satisfied’.

6.3.2.3. SUMMARY

There is potential for ADF Gap Year participants with negative experience to be more influential on public sentiment toward Defence than those with positive experiences. This is because people with poor experiences or perceptions are more likely to talk to their peers and friends about their perceptions.\(^{76}\)

More evidence is needed to determine if satisfied Gap Year participants are actually acting as ‘ambassadors’ for the ADF. Further, it is uncertain if Gap Year ‘ambassadorship’ is outweighing any negative messages promulgated by dissatisfied Gap Year participants. It is also unknown if Gap Year ‘ambassadorship’ is producing positive results for the ADF’s public image.

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\(^{73}\) Project LASER 2008 Gap Year Report, Figure 55 (p.65).

\(^{74}\) Project LASER 2008 Gap Year Report, Figure 51 (p.61).

\(^{75}\) Project LASER 2008 Gap Year Report, Table 15 (p. 18).

6.3.3 Evidence of ‘ambassador’ activity

There is virtually no official evidence available to determine whether current and former Gap Year participants are actually speaking about their Gap Year experience in their communities. However, online social networking activity may provide some indication of an ‘ambassador’ activity.

6.3.3.1 ONLINE SOCIAL NETWORKING

Internet-based research conducted by Noetic has revealed some indicative evidence that current and former ADF Gap Year participants may be discussing or promoting the ADF Gap Year with their peers and family. Indicative evidence includes:

a. the existence of a ADF Gap Year 2010 page on Facebook, with 51 members 77;

b. the existence of a page dedicated to ADF Gap Year soldiers, with 21 members 78;

c. 79 results for a search for “ADF Gap Year” on MySpace.com 79; and

d. 367 results for a search for “ADF Gap Year” on Google’s Blogsearch 80.

While the nature of the discussion on the social networking sites is unknown, it can be assumed that at least some of the discussion reflects positively on the ADF due to the generally positive satisfaction results indicated in the Project LASER report. Further research would be required to examine the quantum of feedback which could improve Defence’s standing in the online communities who use these social networking sites.

6.3.4 Additional performance indicators

To determine more accurately if Gap Year participants are actually acting as ‘ambassadors’ in their communities, Defence could collect evidence against the following performance indicators:

a. the proportion of new enquirers who indicate they heard about the ADF Gap Year Program via a former participant; and

b. the proportion of applicants that indicate they would not have considered an ADF career except for favourable comment by an ADF Gap Year participant.

However, collection of this evidence may have implications (including cost to DFR) that Defence and the ADF will need to consider. Furthermore, the Evaluation Team understands related information may be collected as the ADF Gap Year Program matures via existing or planned initiatives. Those initiatives include:

a. longitudinal data collected via Project LASER 81; and

b. outcomes from the ADF Recruitment Success Project, which will examine the internal and external factors that impact on meeting ab initio recruitment targets. 82

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79 http://searchservice.myspace.com/index.cfm?useaction=sitereact results&type=AllMySpace&qry=ADF%20Gap%20Year.
80 http://blogsearch.google.com/blogsearch?hl=en&hl=en&q=ADF+Gap+Year.
81 Deputy Director Workforce Intelligence Systems, March 2010.
82 Deputy Director Workforce Intelligence Data, March 2010.
Data collected via these initiatives may allow meaningful evaluation to determine the impact of external/ internal factors on recruiting.

6.4. Organisational learning

The development and implementation of the ADF Gap Year has offered Defence and the Services with an opportunity to learn lessons to be applied to other current and future retention and recruitment programs.

Army stakeholders in particular indicated that the high proportion of females participating in the ADF Gap Year had provided them with significant insight into what motivates young females to join or not join the ADF. Army stakeholders speculated that a one year opportunity to try the ADF could be seen as a lower risk option for young females interested in an ADF career. Army stakeholders believed many females may be interested in an ADF career but are apprehensive serving four years in what could be perceived as a male dominated culture.

Army has recently implemented a trial enlistment program with a minimum service obligation of two years in an effort to encourage more females to join the Army. Army intends to offer the program to both males and females who cannot be accommodated in the ADF Gap Year Program.

There is potential for Army's lessons to be applied to Navy and Air Force. However, both Navy and Air Force will need to consider whether such an approach is cost effective given the relatively longer training required to achieve the skills necessary for employment within their Service and the time available after training for effective employment.

This lesson is reinforced/complemented by other programs within Defence focussing on the recruitment and retention of females in ADF. These initiatives include the following:

a. Chief of Defence Force (CDF)'s Action Plan, which includes 29 initiatives and seeks to create an ADF, which is more representative of the community in which it lives and serves. It includes a Reference Group for Women, which examines strategies and options for breaking down the barriers for women joining and continuing in the ADF. ⁶³

b. Defence Roundtables, which provide an opportunity for Defence women (ADF and Australian Public Service - APS) to meet the Minister for Defence Science and Personnel and explore ways to improve the participation of women in Defence. ⁶⁴

EVALUATION OF THE ADF GAP YEAR PROGRAM

7. ANALYSIS OF POTENTIAL IMPACTS

7.1. Training Capability

Section 3.4 of this Report identified the comparative scale of the ADF Gap Year Program compared to current and forecast fulltime ADF recruiting targets in 2009-10 and 2010-11. Table 2 below (which draws on ADF permanent additions in 2008-09 as opposed to fulltime recruiting targets) provides an indication of the potential impact on each Service’s training capability by representing Gap Year intake as a percentage of total intakes for each Service and for the ADF. This shows that Navy Gap Year participants added 11.5 percent more people to Navy’s total new additions in 2008-09. Army’s Gap Year participants added 6.6 percent and Air Force’s added 7.7 percent, while the overall ADF addition was 10 percent.

Table 2. Comparison of ADF new additions (2008-09) and ADF Gap Year recruitment (2008-09).

<table>
<thead>
<tr>
<th>Service</th>
<th>ADF permanent additions 2008-09</th>
<th>ADF Gap Year recruits 2008-09</th>
<th>ADF Gap Year recruits as a proportion permanent additions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Navy</td>
<td>1484</td>
<td>170</td>
<td>11.5%</td>
</tr>
<tr>
<td>Army</td>
<td>4170</td>
<td>274</td>
<td>6.6%</td>
</tr>
<tr>
<td>Air Force</td>
<td>1314</td>
<td>101</td>
<td>7.7%</td>
</tr>
<tr>
<td>ADF Total</td>
<td>6968</td>
<td>700</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

The paragraphs below examine the differential impacts of the ADF Gap Year Program on each Service.

7.1.1 Navy

While the availability of sea training billets has become a challenge for Navy in recent decades, the increased demands on sea training billets generated by the ADF Gap Year is exacerbating this situation and placing serious pressure on an already constrained training system. Navy reported that the additional demand on their sea training capability generated from the ADF Gap Year was adversely affecting their ability to provide timely training for up to 600 (from a total of 3,000) other recruits, particularly trade based recruits, requiring sea time. Follow-on impacts cited by Navy included a potential reduction in the morale of Permanent Force recruits awaiting sea training and a possibility that some trainees may seek to separate early from the Navy.

7.1.2 Army

Army reported no significant impact on their training capability, citing their policy to train and employ participants like any other recruit. However, Army’s Gap Year program was designed around providing opportunities in employment categories which could accommodate the additional training liability. Even so, Army did cite occasional instances where Permanent Force soldiers might be disadvantaged due to the need to post some Gap Year participant to an employable unit on completion of training.

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85 Appendix 7, Table A.1, Defence Annual Report 2006-09.

WWW.NOETICGROUP.COM
7.1.3 Air Force
While Air Force ADF Gap Year participants are entered as Cadets and given both officer and recruit basic competency training separate to other entrants, Air Force did not indicate any detriment to its training obligations for Permanent Force recruits. However, Air Force stakeholders did report that they currently do not have a recruitment and retention problem. Consequently, they are unable to transfer ADF Gap Year participants requesting transfer to the Permanent Force either during or immediately on completion of their Gap Year as their training system is operating at peak capacity. Air Force also cited difficulties in accepting transfer requests from some Gap Year participants because they either did not meet the entry standard of a particular mustering (e.g. Pilot) or were generally of a lower entry standard than Permanent Force applicants.

7.2. Administrative Imposts

7.2.1 Funding
A few stakeholders expressed concerns that the funding impacts may not have been fully considered throughout Defence and the ADF. Evidence supporting this concern includes:

a. Chiefs of Service Committee (COSC) papers indicating there was an initial under-estimation of the funding required to administer the ADF Gap Year Program;  

b. evidence provided by Defence Support Group indicating some military bases required additional capital investment to be able to accommodate additional personnel brought in by the ADF Gap Year Program; and

c. the provision of supplementary funding by Defence for the ADF Gap Year Program (as outlined in Annex F).

Given this evidence, it is possible that an initial underestimation of the ADF Gap Year Program’s full funding impacts will have caused funds to be reallocated from competing priorities, adding strain to Defence’s financial resources.

7.2.2 Administration
Most stakeholders did not identify any concerns with the overall administration of the ADF Gap Year Program. However, Navy indicated it would have preferred if funding were provided to allow 2 to 3 uniformed personnel to be assigned to its administrative team. They suggested that uniformed personnel would provide a deeper understanding of the military training experience offered by the ADF Gap Year Program in comparison with their APS colleagues. They felt this understanding would improve the overall administration of the program.

A few stakeholders expressed concerns that insufficient funds were provided to cover the costs of administering the program. As no further information was offered, it is uncertain if this concern has been addressed by the adjustment to funding indicated in papers submitted to the COSC.

7.2.3 Governance
A degree of program control from outside Defence remains for the ADF Gap Year Program. For example, the current intake of 700 participants per year had to be agreed by the Prime Minister, and any further adjustment would therefore require Prime Ministerial approval. This external approval requirement prevents Defence from having the flexibility of adjusting its intake numbers in response to changes in the environment and operational requirements, such as:

a. the Services’ capacity to accommodate ADF Gap Year participants on base; and

b. additional training requirements caused by an increase in operational tempo of the ADF.

7.2.4 Management of minors
As some of ADF Gap Year participants are under 18 years old, there are some additional responsibilities on the ADF when minors are employed. These obligations are articulated in DI (G) PERS 33-4 and include the exclusion of minors from direct employment in active service. However, stakeholders did not indicate these restrictions had any additional impact on the conduct of the ADF Gap Year Program or any other ADF business except for routine loco parentis issues surrounding the management of adolescents and young adults (i.e. social activity, alcohol use and sexual activity among participants).

7.3. Disparities in Service Training Programs
The variation between the Services in their design and delivery of their Gap Year Programs was not identified as an issue either by stakeholders or the Evaluation Team. General stakeholder sentiment indicates that they prefer a level of flexibility allowing each Service to design and deliver a Gap Year Program in a way that meets the stated aims of the program and also meets its own Service-specific training and operating environments.

7.4. Lost opportunities

7.4.1 Funding and Costs

7.4.1.1 FUNDING
While the initial funding allocated to the project was $306.379 million, the ADF Gap Year Program was fully recasted in 2006 in anticipation of the annual intake rising to 1,000 participants per year as originally planned, and it was determined that the cost of the increased intake could not be supported. Along with the anticipated impact of the larger numbers on Service recruitment and training systems, this was the key driver for a request to the Prime Minister to maintain an annual intake of 700 per year. This request was ultimately approved by the Prime Minister. 86

Even with the lower intake, the ADF Gap Year costs have continued to exceed the funds originally allocated from the R2 budget. This has meant that Defence has had to supplement the funds with about $375 million from internal sources. Annex F provides a summary comparison of the total funds initially provided by the R2 budget and the supplementary funds allocated by Defence.

86 Deputy Director of Recruitment and Retention, 24 March 2010.
EVALUATION OF THE ADF GAP YEAR PROGRAM

It could reasonably be expected that the need for Defence to supplement the running costs of the ADF will continue as the true program expenses become better understood. If this is the case, it could have broader impacts on Defences ability to fund other competing priorities.

7.4.1.2. TRAINING COSTS
The Evaluation Team understands the costs associated with training ADF Gap Year participants over and above the costs of training normal recruiting targets was not funded and has had to be absorbed by each Service. Similarly, the costs associated with the provision of additional infrastructure and associated services provided by Defence Support Group (DSG) were absorbed within existing budgets. Attempts to reduce costs through such measures as reducing the overall period of service, excluding some parts of the training curriculum, or even minimising kit issue were considered by Services. However, these cost saving options were found to be either detrimental to the program's primary objectives, impracticable or achieved only marginal savings.

7.4.1.3. FACILITIES COSTS
In addition to the financial supplementation provided by Defence, the DSG has indicated a need to fund additional capital (facilities and equipment) and garrison support necessary to accommodate the ADF Gap Year personnel. DSG representatives indicated that they had received requests from individual bases for additional capital (construction or items) in part to accommodate the additional trainees brought in by the ADF Gap Year Program. Some bases had also indicated they would be unable to accommodate the additional personnel at the required standard. DSG also indicated it was difficult to provide the capital requested in the required timeframe due to project lead times (planning and approvals requirements) of up to two years or more. DSG further indicated that because individual bases were unable to immediately accommodate some additional personnel generated by the ADF Gap Year Program, the bases and DSG have had to find and fund temporary accommodation solutions.

While it could be argued that individual bases and DSG have managed the situation without additional funding, there may be broader impacts on competing priorities where funds have been re-allocated towards support of ADF Gap Year participants.

7.4.1.4. OPERATIONAL CAPABILITY
There was no indication from the Services that the ADF Gap Year Program has had any detrimental impact on their core operational capabilities.

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***Director of Financial Management, Defence Support.
8. ANALYSIS OF KEY PERFORMANCE INDICATORS

Table 3 below provides a summary of where the official KPIs may provide useful information and where they may not or do not. Symbols are attributed to indicate:

a. (√) KPI appears to provide a direct measure against objective or impact;

b. (?) KPI could provide some measure against objective but does not appear to provide a direct measure against the objective or impact; and

c. (*) KPI does not appear to provide any valuable measure against objective or impact.
## Table 3. Analysis of KPIs against ADF Gap Year objectives and impacts analysed.

<table>
<thead>
<tr>
<th>KPI</th>
<th>Achievement of ADF Gap Year recruitment targets</th>
<th>Percent of personnel retained in part time service following the ADF Gap Year</th>
<th>Percent of personnel retained in full time service following the ADF Gap Year</th>
<th>Percent of ADF Gap Year participants enlisting in full-time service after studies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OBJECTIVES</strong> (As per R2 Implementation Plan)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improve Understanding of ADF Careers</td>
<td>?</td>
<td>×</td>
<td></td>
<td>?</td>
</tr>
<tr>
<td>Develop Young Australians</td>
<td>?</td>
<td>×</td>
<td>×</td>
<td>?</td>
</tr>
<tr>
<td><strong>OBJECTIVES</strong> (As synthesised from other sources as per paragraph 60 of this Report)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide an ADF Experience</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>?</td>
</tr>
<tr>
<td><strong>BENEFITS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recruitment potential (1): Post Qualification Returns</td>
<td>?</td>
<td>×</td>
<td>×</td>
<td>✓</td>
</tr>
<tr>
<td>Recruitment potential (2): Transfers</td>
<td>?</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Diversify the ADF</td>
<td>?</td>
<td>×</td>
<td>×</td>
<td>×</td>
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<tr>
<td>Community engagement</td>
<td>?</td>
<td>×</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Organisational learning</td>
<td>?</td>
<td>×</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td><strong>POTENTIAL IMPACTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training capability</td>
<td>?</td>
<td>×</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Administrative imposts</td>
<td>?</td>
<td>×</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Disparities</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Perceptions</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td>×</td>
</tr>
<tr>
<td>Lost opportunities</td>
<td>×</td>
<td>×</td>
<td>×</td>
<td>×</td>
</tr>
</tbody>
</table>
This analysis highlights that the stated KPIs provide only a limited view of the performance against objectives, realisation of potential benefits and potential impacts of the ADF Gap Year Program. However, the KPIs listed in the above table were focussed on single objectives and not designed to provide a complete view of achievement of all the objectives, potential benefits and potential impacts listed.

8.1.1 Measuring improved understanding of ADF careers
Currently DFR collects data on the number of enquires over time, including those that specifically relate to the ADF Gap Year. However, this data does not provide sufficient detail to determine if any change to the number of enquires is a result of the existence of the ADF Gap Year, the influence of past and current ADF Gap Year participants on those making the enquiry or other factors (such as changes in advertising intensity).

It would be possible for DFR to collect data to determine what sources of information enquirers may have been exposed to. DFR could ask what caused them to enquire and if they had seen or heard information via advertising, promotional materials, former or current ADF or Defence members and, specifically former or current ADF Gap Year participants.

The Evaluation Team acknowledges the collection of this data may be difficult and/or costly. Therefore, we would recommend collection of this data only if there is a clear business case to do so.

Recommended KPI

Proportion of new enquires and applicants indicating ADF Gap Year participants as a source of information or influence.

8.1.2 Measuring ability to provide an ADF experience
The Evaluation Team is aware Defence currently collects information to indicate whether Gap Year participants are satisfied with their Gap Year experience. However, we are not aware of any data that indicates whether Gap Year participants believe that their Gap Year experience of the military lifestyle and training has been representative of their expectations of a true military lifestyle and training experience.

We are also not aware of any survey data collected to indicate whether key ADF stakeholders are satisfied that they are providing a genuine experience of military lifestyle and training to Gap Year participants.

The scope and time constraints around this project did not allow for these satisfaction levels to be combined with a detailed comparison of the ADF Gap Year training programs of each Service. This comparison would be useful to determine if the ADF Gap Year Program provides an experience that is genuine and reflective of the wider ADF experience.
Recommended KPIs

Survey results that indicate whether Gap Year participants are satisfied they are receiving a genuine experience of military training and lifestyle.

Survey results that indicate whether key ADF stakeholders are satisfied the ADF Gap Year Program provides a genuine experience of military training and lifestyle.

Results from a comparison between the experience of Gap Year participants and the experience of first year other recruits.

8.1.3 Measuring ability to develop young Australians

The Evaluation Team is satisfied that sufficient data is collected to determine the level of satisfaction among Gap Year participants that they are being provided with valuable development through the ADF Gap Year Program.

It could be possible to collect data to provide an objective indication of the value of the development provided. Such data could be collected via longitudinal surveys of Gap Year participants, which follow their progress up to 10 years after the completion of the Gap Year, regardless of whether they return to the ADF. The survey could compare the 'success' of Gap Year with their non-Gap Year peers, via indicators such as:

a. likelihood of achieving life goals;

b. physical and psychological health indicators;

c. employment success; and

d. average salary earnings; etc.

However, collecting such data is expected to be difficult and expensive. Defence would need to consider what value collecting such data would provide to Defence's strategic workforce planning capabilities.

Recommended KPI

None. (While collecting longitudinal 'success' indicators is possible, it may not be valuable to do so).

8.1.4 Measuring recruitment potential

8.1.4.1. POST QUALIFICATION RETURNS

Longer-term recruitment value will be measured by the proportion of former ADF Gap Year participants who return to the ADF (whether they achieve an approved qualification or not). Defence could also link this indicator with the number of respondents who said they would not have initially considered joining the ADF had it not been for the Gap Year. This would provide a true indication whether the ADF Gap Year had expanded the ADF's recruiting pool.
Recommended KPI

Proportion of Gap Year participants who return to Defence after their Gap Year (whether or not they have obtained an approved trade or qualification).

Proportion of Gap Year participants who return to Defence that initially indicated they would not have considered an ADF career had it not been for the ADF Gap Year Program.

8.1.4.2. TRANSFERS

Defence is already reporting on the number and proportion of transfers from the ADF Gap Year to the Permanent Forces and Reserves. This is the most appropriate performance indicator against the objective of allowing transfers.

Recommended KPI

None. The most appropriate KPI is already collected.

8.1.5 Measuring ability to diversify the ADF

Results from the Project LASER 2008 ADF Gap Year Report indicate the proportion of ADF Gap Year respondents who would not have considered an ADF career if it had not been for the ADF Gap Year Program. Further details relating to the diversity of ADF Gap Year applicants and enlistees is also captured by DFR including:

a. location of enlistment;

b. gender;

c. country of birth;

d. country of citizenship (allowing for multiple selections);

e. language spoken at home; and

f. Aboriginal or Torres Strait Islander heritage.

It would be possible to compare data about ADF Gap Year applicants or participants with general entry applications and enlistments. However, it is understood that collecting this data is problematic as it relies on voluntary self-reporting. Therefore, it is not meaningful to compare the proportions of respondents selecting diversity categories.

Recommended KPI

None. Collecting data for this benefit is problematic.
8.1.6 Measuring ability to engage the community

While the satisfaction levels of ADF Gap Year participants are captured when they complete the program, there is no measure of whether their attitudes towards the ADF may change after they leave the ADF Gap Year. It may be possible for Defence to undertake a longitudinal study of ADF Gap Year participants to gauge how their attitudes towards Defence may change in the years following their ADF Gap Year experience. This would provide and indication of participants likelihood of being an ambassador for ADF Careers.

It may also be possible for Defence to gather information on whether former ADF Gap Year participants are actually influencing the decisions and perceptions of their community. Possible performance indicators might include:

a. the number or proportion of people enquiring who identify a former ADF Gap Year participant as a source of information about the ADF;

b. the number or proportion of job enquiries/applicants referred to the ADF by former ADF Gap Year recruits;

c. the number of people responding to public attitude surveys that indicate exposure to a former or current ADF Gap Year participant.

Recommended KPI

Proportion of people enquiring who identify a former ADF Gap Year participant as a source of information about the ADF.

Proportion of job enquiries/applicants referred to the ADF by former ADF Gap Year recruits.

Number of people responding to public attitude surveys that indicate exposure to a former or current ADF Gap Year participant.

The Evaluation Team acknowledge collection of data around these indicators may be difficult, especially where former ADF Gap Year participants are influential but they do not identify themselves in the community as such.

8.1.7 Measuring organisational learning

True organisational learning is something that can only be measured by the changes an organisation makes to its policies, processes or procedures as a result of the lesson it has learned. Army's trial of two-year enlistment program has been one example of where this may have occurred.

It would be possible for Defence to track similar introduction of or changes to policy, process or procedure that occurred as a result of the ADF Gap Year Program. This would allow Defence to gage, at least in a qualitative sense, what value Gap Year Program has brought to the organisation.

Recommended KPI

Policies, processes or procedures that have been introduced or changed as a direct result of lessons learned from the ADF Gap Year.
8.1.8 Measuring impacts on training capability

Overall, little quantitative data was available to indicate the direct impact of the Gap Year on the training capability of the three Services. As presented in Table 2 on page 44 of this Report, the proportion of total intake for each Service and for the total ADF provides some indication of the additional load placed on each Service’s training capability. However, this is not a complete measure because it does not take into account the unique circumstances of each Service’s training capability (such as the limited number of sea-training billets available to Navy recruits). It also does not take into account that impacts on training capability may differ between bases that have varying degrees of spare capacity.

This measure also assumes there is a one to one relationship between the additional number of recruits and their proportional impact on training capability. For example, it may be easier for the Services or individual training units to accommodate one additional recruit, while the effort to accommodate ten additional recruits may be more or less than ten times greater.

Stakeholders from Services and DSG also indicated providing data on the ADF Gap Year’s impact on training capability. They indicated it was almost impossible to isolate the impacts of Gap Year participants from other factors (such as the current high levels of recruiting achievement, which leaves little or no spare capacity in the training system). DSG also pointed out that it uses highly complex models to provide estimates of training costs. These models are based on a number of assumptions and scenarios, which cannot be readily isolated for particular cohorts of ADF members.

Given these difficulties, it may take several years before quantified estimates of the impact of the Gap Year on the ADF training capability can be provided for a thorough cost/benefit analysis.

8.1.9 Measuring administrative imposts

8.1.9.1. FUNDING

To determine the full impact of the reallocation of funds, it would be necessary to examine which competing programs/initiatives may not have been fully funded due to the need to reallocate funds. Such an investigation falls outside the scope of this report and may not yield information of any real value to Defence.

8.1.9.2. ADMINISTRATIVE COSTS

It may be possible to quantify part of the administrative costs of the ADF Gap Year Program by examining number of full-time equivalent (FTE) positions dedicated to Gap Year administration. However, this provides an incomplete estimate of the actual administrative costs because of the flow-on effects to other functions not dedicated to the Gap Year. It would be very difficult to quantify these flow-on costs due to the difficulties in isolating Gap Year administrative activities from other administrative activities.

8.1.9.3. GOVERNANCE

While there was some agreement among stakeholders that the governance arrangement for the ADF Gap Year Program imposes some adverse impacts on Defence, the impact is difficult to quantify. The impacts could be quantified by examining the number of hours personnel spend on seeking approval from outside Defence for program changes. However, collecting such data may prove to be cumbersome and cost prohibitive. This sort of information would also need to be balanced by quantifying the benefit of external scrutiny to the overall quality of the program as well as the benefits to the Australian Government more broadly (i.e. the value of
transparency and scrutiny). Quantifying these benefits would be even more difficult and therefore likely to be more cost prohibitive.

8.1.10 Measuring the impact of disparities in Services’ Gap Year Programs
Existing data collection initiatives did not directly ask Gap Year participants to compare their experience with their perceptions of other Services to determine if there was an impact because of the differences between the Services’ Gap Year Programs. To address this question, Defence may consider the value of collecting data via Project LASER that examines the KPIs recommended below:

**Recommended KPI**

Proportion of survey respondents that indicate a Service’s program design as a reason for choosing that particular Service’s Gap Year Program.

Proportion of Gap Year survey respondents that indicate they were happy or unhappy with their choice of Service because of the program design.

Proportion of Gap Year participants that either transfer into the Permanent Forces or Reserves or return after obtaining a qualification or trade that transfer or return to a different Service.

Proportion that indicate satisfaction with program design as a reason for transfer to a different service.

8.1.11 Measuring perceptions
The Evaluation Team was not aware of any quantitative data collected to indicate the perceptions among Defence Stakeholders of the ADF Gap Year Program or its participants. Defence could consider collecting such data via a perceptions or attitude survey which asks members specific questions about their perceptions of the ADF Gap Year. This would help Defence to determine the nature and extent of perceptions, their accuracy and whether any action was necessary to address inaccurate perceptions.

**Recommended KPI**

Proportion of Defence members (ADF and APS) indicating positive or negative perceptions of the ADF Gap Year Program

Proportion of Defence members (ADF and APS) indicating positive or negative perceptions of the ADF Gap Year participants

8.1.12 Measuring the impact of lost opportunities
8.1.12.1. **COSTS**
The Evaluation Team was satisfied that data on the value of supplementary funds provided by Defence to the ADF Gap Year Program is sufficient for its purpose.

As discussed in section 8.1.8 of this Report, it is difficult to quantify the impact of the ADF Gap Year Program on training, facilities and accommodation costs. It is expected that the full additional training cost of the ADF Gap Year Program will be better understood as the program matures.
9. FINDINGS

9.1. Achievement of Primary Objective

Given the primary objective of the ADF Gap Year is to provide an opportunity for young adults to experience military training and lifestyle, the Evaluation Team has determined the ADF Gap Year Program has been successful in achieving this Government stipulated requirement.

Key findings against the other objectives of the program are discussed below.

9.2. Achievement of Other Objectives

9.2.1 Improved understanding of ADF careers

The ADF Gap Year is likely to have improved the understanding of ADF career options among ADF Gap Year participants.

Participation in the ADF Gap Year is likely to have improved the understanding of ADF career options among Gap Year participants due to a decrease in uncertainty over career intentions. However, the Evaluation Team could not conclude a direct relationship between the understanding of Gap Year participants and their participation in the ADF Gap Year Program because of the 40 percent of participants who indicated they would have considered the ADF if the ADF Gap Year Program had not existed.

The Evaluation Team was also unable to conclude whether the ADF Gap Year Program had contributed any change in the level of understanding of ADF careers among other young Australians who had not participated in the ADF Gap Year Program.

9.2.2 Providing an Experience

The ADF Gap Year has provided a satisfying experience of military life and training to participants.

The ADF Gap Year Program has been successful in providing a rewarding and satisfying military experience to ADF Gap Year participants. However, the Evaluation Team was unable to determine if the experience was a true reflection of military training and lifestyle.

The quality of the military and training lifestyle experience offered by the ADF Gap Year Program is likely to be determined (in part) by:

a. the design of each Services program; and

b. competition for training capacity and other resources between the ADF Gap Year Program.
EVALUATION OF THE ADF GAP YEAR PROGRAM

Each Service has designed their Gap Year Program differently in accordance with their own requirements, while still meeting the overall objective of the program set by Government.

Each Service has seen slightly different levels of satisfaction with the military training and lifestyle experience among Gap Year participants. Some of these differences may be attributed to the differences in the Services’ program designs. However, the inherent differences between the Services are also likely to have had an influence on satisfaction levels. For example, Navy Gap Year participants may spend more time deployed away from their home port whereas Army and Air Force Gap Year participants may spend less time deployed from their home base. Therefore, it is difficult to isolate the causes of different satisfaction levels between Gap Year participants in different Services.

9.2.3 Develop Young Australians

The ADF Gap Year Program has provided satisfying development to ADF Gap Year participants, improving their skills and knowledge.

The ADF Gap Year participants seem to be satisfied that their ADF Gap Year experience has provided high levels of responsibility, challenging work, opportunity to use leadership skills, access to training and development opportunities, and positive life skills.

It is difficult to measure the development provided to ADF Gap Year participants without comparing their development to other young Australians who did not participate in the ADF Gap Year. However, it is possible to measure the opportunity for development provided by examining number of places available in the ADF Gap Year Program.

9.3. Realisation of Benefits

9.3.1 Additional recruitment potential

The ADF Gap Year appears to have provided additional recruitment potential to the ADF via transfers from the ADF Gap Year Program to the Permanent Forces and Reserves.

The Evaluation Team believes it is appropriate that the Services continue to use the program as a means of recruitment, if needed. However, the competition between achieving immediate transfers and achieving post-qualification returns will need to be carefully balanced so that the Services’ immediate business objectives are balanced with the program’s longer-term and broader objectives.

9.3.1.1 POST-QUALIFICATION RETURNS

The success of the ADF Gap Year Program in achieving the recruitment of participants who have returned after attaining an approved qualification is unknown at this stage. Results against this performance indicator are not expected until 2012 when some of the 2008 ADF Gap Year participants will have attained relevant three year degrees or other vocational qualifications.
9.3.1.2. TRANSFERS
As already indicated, the ADF Gap Year has been a successful means of encouraging transfers into the Permanent Forces or the Reserves either during or immediately on completion of their year’s service.

The Air Force, however, has indicated that their fully subscribed training system means that ADF Gap Year participants who wish to transfer to the Permanent Air Force have little option but to reapply through the general entry process rather than transferring. This may adversely impact on the satisfaction of Air Force Gap Year participants and may result in lost recruitment opportunities. This loss of opportunity would not be relevant in cases where Gap Year participants are of a lower entry standard than their general entry counterparts.

9.3.2 Increasing diversity of the ADF

The ADF Gap Year Program has successfully attracted females to the ADF.

There have been a high proportion of ADF Gap Year participants who would not have considered a career in Defence if the ADF Gap Year was not available. A higher proportion of females enter the program than via the normal recruitment methods. Stakeholders from all Services provided anecdotal evidence to suggest females may see less risk in the short period of service. Moreover, the option for Navy and Air Force participants to separate at short notice at any time during the year appears to be a comfort factor for many.

9.3.3 Increased community engagement

The success of the ADF Gap Year in increasing community engagement with Defence cannot yet be determined.

All information provided indicates that ADF Gap Year participants are generally leaving the program satisfied with their experience. This may suggest that participants might disseminate positive messages about the ADF and Defence into their communities. However, the results differ by Service, with Navy participants less likely to speak positively about the ADF Gap Year Program due to a lower level of satisfaction.

Even with the majority of ADF Gap Year participants leaving with a positive attitude toward the ADF, there is insufficient evidence to determine if participants are actually acting as ‘ambassadors’. There is also insufficient evidence to determine if their potential ‘ambassadorship’ is having any positive effect on the ADF’s public image.

9.3.4 Organisational learning

The ADF Gap Year Program has provided lessons for recruitment and retention that have been applied by Army.

Army’s trialling of a shorter two year enlistment period for other recruits into targeted categories as a consequence of the ADF Gap Year Program attracting higher numbers of female applicants is an excellent initiative. A similar initiative by Navy or Air Force is not considered feasible due to the longer training and consolidation requirements in these Services.
9.4. Impacts

9.4.1 Training Capability

The ADF Gap Year Program is adding pressure to the training capacity of both Navy and Air Force.

The ADF Gap Year Program is exacerbating Navy’s lack of sea training billets by displacing further Permanent Force recruits from timely and critical sea training. Army however has been able to absorb its Gap Year participants within its training system and Air Force has been able to provide separate training for its Gap Year participants without detriment to the training of Permanent Force recruits. However, Air Force currently is not experiencing a recruitment problem and therefore is generally unable to transfer Gap Year applicants to the Permanent Air Force either during or immediately on completion of their Gap Year. There could be lost recruitment opportunities here for Air Force due to the requirement for participants to leave the Gap Year Program and reapply for entry via the normal recruitment method.

9.4.2 Administrative Imposts

The ADF Gap Year Program has resulted in additional administrative burdens to the Services and Defence that have not been funded.

Stakeholders from all Services indicated the ADF Gap Year Program had added additional administrative burden. The supplementary funding provided by Defence to fund the ADF Gap Year Program is indicative of this. However the Evaluation Team was unable to quantify the administrative impost of the Gap Year on the Services and Defence due to the difficulties in generating quantitative information.

9.4.3 Governance

There remains a very high level of governance of the ADF Gap Year Program in that the Prime Minister’s approval is required if Defence wishes to vary the numbers of participants.

The Evaluation Team believes that Defence should have the flexibility of making adjustments to the number of Gap Year participants in order to meet changes in a Service’s environment (e.g., infrastructure limitations, training capacity limitations) or changes to the ADF’s operational tempo (e.g., one or more Services required to undertake additional training to meet specific operations).

9.4.4 Disparities

There was no identifiable impact caused by disparities between the Services’ design and delivery of the ADF Gap Year Program.

The Evaluation Team did not find and evidence that there was an adverse or positive impact caused by differences between the Service’s Gap Year Programs.
9.4.5 Perceptions

Stakeholder attitudes toward the concept of the ADF Gap Year Program were generally positive and supportive.

There appeared to be some negativity toward the ADF Gap Year Program among stakeholders due to the additional impost and cost. Despite this, attitudes towards the concept of the ADF Gap Year Program among stakeholders tended to be positive and supportive.

9.4.6 Lost opportunities

The ADF Gap Year appears to cause additional imposts on the ADF and Defence that have not been funded by Government.

The exact costs to Defence of the ADF Gap Year Program are likely to increase as understanding of the actual costs improves.

Stakeholder feedback and supplementary funding provided by Defence indicates some opportunities have been lost to Defence due to the ADF Gap Year Program. Opportunities most likely lost would include other competing priorities that were not funded because funds were directed towards the ADF Gap Year Program. A full investigation of funding decisions, including investigating which potential programs were not funded because of the Gap Year, would provide a better understanding of these lost opportunities.

9.5. Other Findings

9.5.1 Program scale

The ADF Gap Year Program has been very generous in scale, offering between 11 percent and 13 percent of the ADF’s total annual fulltime recruiting targets between 2007-08 and 2009-10.

The scale of the ADF Gap Year Program can be illustrated by comparing the annual number of ADF Gap Year positions offered with the ADF’s total annual fulltime recruiting targets. From 2007-08 to the present, the number of ADF Gap Year positions offered has ranged from in excess of 13 percent to in excess of 11 percent of the ADF’s total annual fulltime recruiting targets. It is the view of the Evaluation Team that the current annual provision of 700 ADF Gap Year positions compared to the extent and immediately foreseeable recruiting targets is very generous.

Little information could be found on comparable programs with other public or private organisations within Australia or overseas. Private sector programs that could be comparable include:

a. 20 research internships of 3-4 months offered by IBM annually\(^\text{12}\); and

b. 200 two-month unpaid internships offered by the United Nations in New York.\(^3\)

No information was available to determine the proportion of the total workforce is represented by participants in this program and it is therefore difficult to draw direct comparisons.

The setting of specific numbers of Gap Year participants does not provide any flexibility for Defence to adjust the number of participants in order to meet changing circumstances, such as training capacity limitations or increases in operational tempo. An annual ADF Gap Year target expressed as a percentage of current and predicted fulltime ADF enlistment targets would provide a flexible approach to the total numbers. Additional flexibility could be provided in allowing the Services to adjust their proportion of this overall number in order to meet any Service-specific requirements.

The Evaluation Team believes that a target of about five percent of fulltime enlistment targets should be viewed by the community as providing a generous opportunity for young Australians to experience military training and lifestyle. This percentage equates to an annual intake of around 306 for 2009-10 and 258 for 2010-11.

EVALUATION OF THE ADF GAP YEAR PROGRAM

10. OPTIONS
Based on the foregoing analysis, the Evaluation Team has identified three options for the future of the ADF Gap Year Program. These options are discussed below along with their advantages and disadvantages in terms of the objectives, benefits and potential impacts analysed throughout this Report. Additional comments are also provided relating to:

a. the scale of the Gap Year Program compared to current and predicted fulltime entrants (where relevant);

b. the Defence Committee’s direction in December 2009 that the Gap Year Program be re-examined with a view to a lower cost scheme that provides a better return on investment; and

c. the possibility of the option attracting favourable or unfavourable comment from the public, media or at the political level.

10.1. Option 1: Status Quo
This option retains the ADF Gap Year Program in its current form and allows the ADF Gap Year Program to run its full course. This will allow for the measurement of performance against its long-term recruitment objective (ADF Gap Year returns within five years after studies). The total of 700 ADF Gap Year participants represents 11.4 percent of the ADF’s current fulltime enlistment target and 13.5 percent of the projected fulltime enlistment target. Advantages and disadvantages of this option are outlined below in Table 4 on the next page.
Table 4. Advantages and disadvantages of Option 1.

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ Continues to meet the Government’s objective of providing experiential</td>
<td>+ The annual availability of 700 places is a very generous in scale when</td>
</tr>
<tr>
<td>service in the ADF by young Australians.</td>
<td>compared with the ADF’s current and future fulltime enlistment targets.</td>
</tr>
<tr>
<td>+ Provides development opportunities for young Australians</td>
<td>+ Does not alleviate additional cost incurred by the Services (e.g.</td>
</tr>
<tr>
<td>+ Allows young people to better understand the opportunities available</td>
<td>administration and training) and Defence (infrastructure and other capital).</td>
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<td>to them in the ADF</td>
<td>+ Does not address capacity constraints that might exist within Services</td>
</tr>
<tr>
<td>+ Provides access to a proportion of the population who would not have</td>
<td>that prevent immediate transfer from ADF Gap Year to Permanent Forces (assuming</td>
</tr>
<tr>
<td>otherwise considered a military career (including higher proportions of</td>
<td>the current high level of achievement against recruiting targets continues).</td>
</tr>
<tr>
<td>females).</td>
<td>+ Continues the additional burden placed on Navy’s sea-training system.</td>
</tr>
<tr>
<td>+ Allows for development of an additional cadre of ambassadors for ADF</td>
<td>+ Provides no flexibility for the Services to adjust the numbers of</td>
</tr>
<tr>
<td>careers.</td>
<td>participants in order to meet changing circumstances.</td>
</tr>
<tr>
<td>+ Allows the program to mature and to be measured effectively against all</td>
<td>+ Does not provide any cost savings to Government.</td>
</tr>
<tr>
<td>of its stated objectives.</td>
<td>+ Does not meet the Defence Committee’s requirement of finding a lower cost</td>
</tr>
<tr>
<td>+ Likely to attract positive community and media comment.</td>
<td>scheme that provides a better return on investment.</td>
</tr>
<tr>
<td>+ Provides an opportunity for transfers into Permanent Forces and</td>
<td>+</td>
</tr>
<tr>
<td>Reserves (if desired) that may not have existed otherwise (except for</td>
<td></td>
</tr>
<tr>
<td>Permanent Air Force which is currently at training capacity).</td>
<td></td>
</tr>
<tr>
<td>+ Continues to provide an opportunity for the ADF to learn lessons for</td>
<td></td>
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<tr>
<td>application to other recruitment and retention programs.</td>
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</table>
10.2. Option 2: Closure of ADF Gap Year Program

This option provides for the ADF Gap Year Program to be closed completely on the basis of the additional cost imposed on Defence, the implications on the training systems within Navy and Air Force, and the requirement for Defence to achieve savings. Advantages and disadvantages of this option are outlined below in Table 5.

Table 5. Advantages and disadvantages of Option 2.

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ Allows Services to concentrate training and administrative effort towards core activates (e.g. training of general enlistees).</td>
<td>+ Does not meet the Government’s requirements for the ADF to provide an opportunity for young Australians to experience military training and lifestyle.</td>
</tr>
<tr>
<td>+ Eliminates additional cost incurred by the Services (e.g. administration and training) and Defence (infrastructure and other capital).</td>
<td>+ Does not provide development opportunities for young Australians.</td>
</tr>
<tr>
<td>+ Should maximise potential cost savings to Government.</td>
<td>+ Reduces the opportunity for young people to gain a better understanding of the opportunities available to them in the ADF.</td>
</tr>
<tr>
<td>+ Improves the availability of sea-training billets for Navy.</td>
<td>+ Reduces access to a demographic who would not normally consider military careers.</td>
</tr>
<tr>
<td>+ Alleviates Air Force’s current problem where it has very little training capacity to accept transfers from Gap Year participants.</td>
<td>+ Reduces the opportunity to develop an additional cadre of ambassadors for ADF careers.</td>
</tr>
<tr>
<td></td>
<td>+ Does not allow the ADF Gap Year Program to realise the benefits of possible returns of ADF Gap Year participants after they have completed their ADF Gap Year service (regardless of whether they have achieved additional qualifications or not).</td>
</tr>
<tr>
<td></td>
<td>+ Removes a program that attracts a higher proportion of females, which may impact on Defence’s objectives on workplace diversity and affirmative action toward females.</td>
</tr>
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<td></td>
<td>+ Does not necessarily meet the Defence Committee’s requirement to find a lower cost scheme that provides a better return on investment.</td>
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<td></td>
<td>+ May attract unfavourable comment from the media and community due to removal of the ADF Gap Year Program.</td>
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</table>
10.3. Option 3: Reduce Numbers

This option retains the ADF Gap Year Program but reduces the number of participants to around five percent of the ADF's current and immediately foreseeable fulltime enlistment targets. Defence can adjust the number of participants within each Service in order to meet any fluctuations in training capacity or operational tempo by any Service. This percentage equates to an annual intake of around 306 for 2009-10 and 258 for 2010-11. Advantages and disadvantages of this option are outlined below in Table 6.

Table 6. Advantages and disadvantages of Option 3.

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ Continues to meet the Government's objective of providing an opportunity for young Australians to experience military training and lifestyle, albeit with reduced numbers.</td>
<td>+ Does not meet the Government's stated requirement for the ADF to provide opportunities for 700 young Australians to experience military Service and lifestyle.</td>
</tr>
<tr>
<td>+ Provides Defence with the ability to vary the numbers of Gap Year participants in order to meet changing circumstances.</td>
<td>+ Some additional costs will continue to be incurred by the Services (e.g. administration and training) and Defence (infrastructure and other capital).</td>
</tr>
<tr>
<td>+ Provides some development opportunities for young Australians, albeit with reduced opportunities.</td>
<td>+ Does not fully address capacity constraints that might exist within Services that prevent immediate transfer from ADF Gap Year to Permanent Forces (assuming the current high level of achievement against recruiting targets continues).</td>
</tr>
<tr>
<td>+ Allows young people to better understand of the opportunities available to them in the ADF, albeit with reduced opportunities.</td>
<td>+ Partially continues the additional burden placed on Navy's sea-training systems.</td>
</tr>
<tr>
<td>+ Provides some access to a demographic who would not normally consider military careers</td>
<td>+ May attract some unfavourable comment from the media and community due to reduced opportunities for participation in the ADF Gap Year Program.</td>
</tr>
<tr>
<td>+ Allows for some development of an additional cadre of ambassadors for ADF careers</td>
<td></td>
</tr>
<tr>
<td>+ Allows the program to mature and to be measured effectively against all of its stated objectives.</td>
<td></td>
</tr>
<tr>
<td>+ Continues to provide an opportunity for transfers into Permanent Forces (subject to any capacity constraints) and Reserves that may not have otherwise existed.</td>
<td></td>
</tr>
<tr>
<td>+ Continues to provide an opportunity for the ADF to learn lessons for application to other recruitment and retention programs.</td>
<td></td>
</tr>
<tr>
<td>+ Eliminates some of the additional cost incurred by the Services (e.g. administration and training) and Defence (infrastructure and other capital).</td>
<td></td>
</tr>
<tr>
<td>+ Could provide some cost savings to Government.</td>
<td></td>
</tr>
<tr>
<td>+ Reduces the pressure of the program on Navy's sea training program.</td>
<td></td>
</tr>
<tr>
<td>+ Should meet the Defence Committee's requirement for a lower cost scheme that provides a better return on investment.</td>
<td></td>
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</table>
10.4. Comparison of Options

While Option 2 (Closure of the ADF Gap Year Program) offers cost saving benefits and eliminates the additional impact of the ADF Gap Year on some Services’ training systems, it does not meet Government’s stated requirement for the ADF to provide an opportunity for young Australians to experience ADF training and lifestyle. Moreover, the potential for the program to attract a wider pool of recruits into the Permanent or Reserve Forces has not yet been fully assessed due to the infancy of the program. For these reasons alone this option is considered the least desirable.

Option 1 (Status Quo) allows Defence to continue to meet the Government’s stated requirement of the ADF Gap Year Program. It would enable a fuller, longer term assessment of the potential for the program to attract a wider pool of recruits into the Permanent Forces and the Reserves. However, this option does not address the impact of the program on Navy’s sea training capacity and it does not provide any flexibility for the Services to adjust the numbers of participants to meet changing requirements. This option also does not provide cost savings to Defence or Government and does not meet the Defence Committee’s requirement for a lower cost scheme that provides a better return on investment. Therefore, this option is not preferable.

While Option 3 (Reduce Numbers) has the potential to attract some unfavourable comment, it still provides an opportunity for young Australian to experience ADF training and lifestyle. Hence it is meeting the Government’s stated requirement for such a program. The reduction in numbers to around five percent of fulltime enlistment targets provides an opportunity for between about 258 and 306 young Australians to participate in the program, based on current and immediately foreseeable targets. These numbers should be viewed as generous by the community when compared to the overall scale of the ADF’s recruitment effort.

Option 3 provides flexibility for the Services to adjust their number of participants to meet prevailing circumstances, such as the limitation in Navy’s sea training capacity and Air Force’s currently full training pipeline. It would also reduce the cost of the program to the Services, Defence and Government. It would meet the Defence Committee’s requirement to find a lower cost scheme that provides the potential of a better return on the investment. Option 3 continues to provide the opportunity for transfers to Permanent Forces or Reserves, albeit in reduced numbers, and only where training capacity allows. It also allows for the continued development of an additional cadre of ambassadors for ADF careers and provides development opportunities for young people, albeit again in reduced numbers. Importantly, Option 3 allows the ADF Gap Year Program to mature so that its performance can be measured more completely. Significantly, this option continues to meet the Government’s requirement for the ADF to provide the opportunity for young Australians to experience ADF training and lifestyle. This option is considered the most desirable.
11. CONCLUSION AND RECOMMENDATIONS

11.1. Conclusion

The Evaluation Team has concluded that the ADF Gap Year Program has been successful in meeting the Government’s stated requirement that the ADF provide an opportunity for young Australians to experience military training and lifestyle. The program brings with it a number of potential benefits for the ADF, such as attracting a wider pool of recruits into the Services and encouraging the re-entry of participants after obtaining additional civilian education or training. However, a proper assessment of these benefits is not yet possible due to the infancy of the program.

The ADF Gap Year Program has come with additional costs to the Services and to Defence. The current stipulation by Government of the number of annual participants allows no flexibility for Defence to adjust the participation rate without seeking the approval of the Prime Minister. Moreover, the current specified number of annual participants would seem very generous when compared with the ADF’s fulltime enlistment targets. Overall, the Evaluation Team has conclude that Option 3 (Reduce Numbers) is the option that best allows Defence to meet the Government’s stated objective of the program with a lower cost scheme that would allow Defence to optimise the benefits of the program yet reduce its impacts.

11.2. Recommendations

Based on the analysis undertaken as part of this Evaluation and the conclusion above, the Evaluation Team recommends that:

a. the ADF Gap Year Program be retained;

b. Defence consider reducing the participation rate in the ADF Gap Year Program by basing total annual numbers on about five percent of the ADF’s fulltime enlistment targets, noting this change will require the approval of the Prime Minister; and

c. Defence consider adopting the KPIs recommended in this Report (summarised in Annex H).
ANNEX A: TERMS OF REFERENCE FOR THE EVALUATION OF ADF GAP YEAR PROGRAM

a. Program design.
   (i) Is the fundamental design of the ADF Gap Year (as described in DI (G) PERS 5-10) optimal? If not, how could it be improved?
       • Are adjustments needed to the purpose, goals and provisions of the Program, the tenure of participants etc?
       • How could budgeting and governance processes be improved?
   (ii) Noting that each Service has designed its program differently, are these designs optimal? If not, how could they be improved?
       • Do they effectively realise the benefits listed at paragraph 4 above?
       • Do they provide a quality military experience for participants?
       • What savings could be made through revisiting their basic design?
       • Have problems arisen due to the different approaches between Services?
   (iv) What lessons can be drawn from the ADF Gap Year to the wider ADF?
       • For example, what underlies the higher female participation rates?

b. Scale and sustainability. Is each Service’s program sustainable with the current number of participants? If not, at what lower level would it be sustainable?
   i) What has been the impact on each Service’s core operations?
   ii) How could costs be reduced most effectively through scale changes? For example:
       • By reducing each Service’s annual intake? By how much?
       • By dropping the Program completely from one or two Services?
       • By changing the tenure of participants?
       • By reducing training overheads? How?

c. Marketing and recruitment. Are marketing and recruitment efforts effective, efficient and equitable?
   i) Attraction: are the ‘right’ candidates (and demographics) being attracted?
   ii) Selection: are the processes for selecting recruits from candidates effective, efficient and equitable?
   iv) Administration: are candidates and the Services satisfied with the processes and outcomes?
# ANNEX B: LIST OF STAKEHOLDERS CONSULTED

This list includes stakeholders consulted for the purposes of the Evaluation of the ADF Gap Year. Additional stakeholders consulted for the purposes of the R2 Evaluation are not included.

<table>
<thead>
<tr>
<th>Title/ Rank and Name</th>
<th>Position</th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Phil Minns</td>
<td>Deputy Secretary, People Strategies and Policy</td>
<td>People Strategies and Policy Group</td>
</tr>
<tr>
<td>Major General Craig Orme</td>
<td>Head, People Capability</td>
<td>People Strategies and Policy Group</td>
</tr>
<tr>
<td>Air Vice Marshal Geoff Brown</td>
<td>Deputy Chief of Air Force</td>
<td>Air Force</td>
</tr>
<tr>
<td>Mr Steve Grzeskowskiak</td>
<td>Head, People Policy</td>
<td>People Strategies and Policy Group</td>
</tr>
<tr>
<td>Commodore Daryl Bates RAN</td>
<td>Commodore Training, Fleet Headquarters</td>
<td>Navy</td>
</tr>
<tr>
<td>Brigadier Gerard Fogarty</td>
<td>Director General Personnel – Army</td>
<td>Army</td>
</tr>
<tr>
<td>Air Commodore Henrik Ehlers</td>
<td>Director General, Defence Force Recruiting</td>
<td>People Strategies and Policy Group</td>
</tr>
<tr>
<td>Air Commodore John Hewitson</td>
<td>Director General, Personnel – Air Force</td>
<td>Air Force</td>
</tr>
<tr>
<td>Air Commodore Tony Needham</td>
<td>Director General, Workforce Planning</td>
<td>Workforce Planning Branch</td>
</tr>
<tr>
<td>Air Commodore Ken Watson</td>
<td>Commander, Air Force Training Group</td>
<td>Air Force</td>
</tr>
<tr>
<td>Ms Grace Carlisle</td>
<td>Assistant Secretary Financial Management</td>
<td>Defence Support Group</td>
</tr>
<tr>
<td>Ms Sue Parr</td>
<td>Assistant Secretary Garrison Estate and Business (former Director General Executive Branch, People Strategies and Policy Group)</td>
<td>Defence Support Group</td>
</tr>
<tr>
<td>Mr Brian Paule</td>
<td>Director General, Personnel Policy and Employment Conditions</td>
<td>People Strategies and Policy Group</td>
</tr>
<tr>
<td>Captain Jonathan Mead RAN</td>
<td>Acting Director General Navy People</td>
<td>Navy</td>
</tr>
<tr>
<td>Ms Claire Starkey</td>
<td>Director, New Generation Navy Program (former Director of Retention &amp; Recruitment Implementation Staff)</td>
<td>Navy</td>
</tr>
<tr>
<td>Group Captain Rob Scrivener</td>
<td>Director Personnel Capability Management</td>
<td>Air Force</td>
</tr>
<tr>
<td>Name</td>
<td>Position/Role</td>
<td>Organization</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------------------------------------------------------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td>Mr Terry Watson</td>
<td>Director of Work Experience and Youth Initiatives</td>
<td>Defence Support Group</td>
</tr>
<tr>
<td>Commander Drew Hardy RAN</td>
<td>Deputy Director of Governance</td>
<td>Defence Force Recruiting</td>
</tr>
<tr>
<td>Commander Mark Muir RAN</td>
<td>Fleet Headquarters Training Force</td>
<td>Navy HMAS Cerberus</td>
</tr>
<tr>
<td>Mr Michael Murray</td>
<td>Manager ADF Gap Year</td>
<td>Navy HMAS Cerberus</td>
</tr>
<tr>
<td>Mrs Sue Pannell</td>
<td>Deputy Director, R2 Evaluation Team (former member of Retention &amp; Recruitment Implementation Staff)</td>
<td>People Strategies and Policy Group</td>
</tr>
<tr>
<td>Mr Pip Taylor</td>
<td>Deputy Director, Retention and Recruitment</td>
<td>People Strategies and Policy Group</td>
</tr>
</tbody>
</table>
ANNEX C: BACKGROUND ON PROJECT LASER

Extracted from Project LASER 2008 Gap Year Report (p.1).

Background

Project LASER

The retention of ADF personnel, particularly those undergoing training and during their initial period of service has been identified as one of the key workforce risks facing the ADF. In response to this workforce risk, Project LASER (Longitudinal ADF Study Evaluating Retention) has been developed and aims to build a better understanding of the retention drivers that influence members to stay or leave the ADF during their initial period of service. The focus of Project LASER is on providing empirical data to the Services to support the development of retention initiatives.

Under Project LASER, individual ADF members are tracked to assess how their attitudes, beliefs and expectations towards their ADF career change over time from entry into the organisation, through initial training and at regular intervals thereafter. Members who leave the ADF during their initial mandatory period of service are also being surveyed.

Project LASER differs from other DSPPR research such as the Defence Attitude Survey (DAS) and the ADF Exit Survey in that it follows individual members over time. By using a longitudinal research design, Project LASER seeks to address a gap in the current personnel research knowledge. Current research fails to link reports of turnover intentions from the DAS with turnover behaviour reported in the ADF Exit Survey. Project LASER will remedy this by capturing members at entry into the organisation, at regular intervals and then upon exit from the organisation. This will provide the vital link between reported turnover intentions and actual turnover behaviour for members during their initial period of Service.

By using actual turnover behaviour as the dependent variable of interest, it will be possible to identify the difference between 'stayers' (members who stay in the ADF) and 'leavers' (members who leave the ADF). This will lead to a better understanding of why members choose to stay or leave and in turn will allow the Services to determine how best to convert 'leavers' into 'stayers' with targeted evidence-based retention strategies and initiatives.

Project LASER incorporates the surveying of ADF Gap Year members in order to provide information on what attracted Gap Year participants to the ADF, their career intentions, their job attitudes and expectations, their experiences and opinions of Service life and their reasons for leaving.
# ANNEX D: RESULTS FROM ENVIRONMENTAL SCAN

**Table D1. Factors Considered during the Environmental Scan activity.**

The table below is the product of a brainstorming activity of the factors considered that may have possibly had an effect on recruitment and retention in the ADF. The brainstorming activity was intended to provide the catalyst for enquiry for the Evaluation outlined in this Report. In many cases, the existence or influence of the factors listed below could not be verified or were proven not to be a valid factor. In these cases, the factors were not considered further in the Evaluation.

<table>
<thead>
<tr>
<th>Reasons to Join</th>
<th>Reasons to Not Join</th>
<th>Reasons to Stay</th>
<th>Reasons to Go</th>
<th>Wider Context</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ ADF on operations - excitement, fulfilment</td>
<td>+ Employment opportunities being offered by mining companies (WA Boom)</td>
<td>+ ADF on operations - excitement</td>
<td>+ Employment opportunities being offered by mining companies (WA Boom)</td>
<td>+ Stay in school and university longer - impact on entry age</td>
</tr>
<tr>
<td>+ Cash salary</td>
<td>+ From operational deployment</td>
<td>+ From operational deployment</td>
<td>+ ADF on operations - deployment fatigue, achievement of career goals, faster career</td>
<td>+ Part-time employment better attractor while schooling</td>
</tr>
<tr>
<td>+ Rest of employment offer (non-salary)</td>
<td>+ Rest of employment offer (non-salary)</td>
<td>+ Job security (influenced by parents)</td>
<td>+ $ from operational deployment - helps to achieve financial goals</td>
<td>+ Increased prevalence of single parent families - less flexibility to move</td>
</tr>
<tr>
<td>+ Job security (influenced by parents)</td>
<td>+ Job security (influenced by parents)</td>
<td>+ Options for training/development</td>
<td>+ Lack of opportunity to deploy (medal envy) - not feeling as part of the team</td>
<td>+ Enactment of ANZUS treaty - alliance with USA - requirement to provide an enduring capability for operations</td>
</tr>
<tr>
<td>+ Training, education and development opportunities</td>
<td>+ Lower proportion of females in higher ranks</td>
<td>+ Shedding of jobs in private sector - reduced hours - $</td>
<td>+ $ Cash salary</td>
<td>+ Aged workforce - workforce characteristics</td>
</tr>
<tr>
<td>+ Pay for education (e.g. ADFA)</td>
<td>+ Ethnic background/cultural background</td>
<td>+ Uncertainty of employment offer outside Defence</td>
<td>+ Rest of employment offer (non-salary)</td>
<td>+ Changing patterns of working overseas</td>
</tr>
<tr>
<td>+ Do something different (females)</td>
<td>+ Length of minimum time commitment</td>
<td>+ Job satisfaction/enjoyment</td>
<td>+ Believe civilians are more employable</td>
<td>+ Upward trend in long-term departures of professionals from Australia (20-35 years old)</td>
</tr>
<tr>
<td>+ Recruitment freezes, retrenchment of graduate programs</td>
<td>+ Iraq War</td>
<td>+ Housing factors</td>
<td>+ Lack of posting stability - impacts on family stability</td>
<td>+ Generational work practices - job hopping/security of tenure</td>
</tr>
<tr>
<td>+ Increase in part-time work</td>
<td>+ DFRTB</td>
<td>+ DFRTB</td>
<td>+ Lack of flexible work practices</td>
<td>+ Growth in construction, property and business services, health and community services and retail</td>
</tr>
<tr>
<td>+ Previous exposure to military</td>
<td>+ Male/gender camaraderie / team work</td>
<td>+ Defence Community Organisation</td>
<td>+ Lack of transferability of training/skills outside of ADF</td>
<td>+ Failure to meet underlying demand on housing driving increase in housing costs</td>
</tr>
<tr>
<td>+ War on Terror (Bali bombing)</td>
<td>+ Ability to manage own career</td>
<td>+ Queensland mining boom</td>
<td>+ Not using skills</td>
<td>+ Decrease in rent affordability</td>
</tr>
<tr>
<td>+ TV programs (Sea Patrol)</td>
<td>+ Cost of private health insurance</td>
<td>+ Increase salaries - from increased demand of skills and skills shortages</td>
<td>+ Lack of job satisfaction/enjoyment</td>
<td>+ Reduction/low interest rates</td>
</tr>
<tr>
<td>+ Computer Gaming</td>
<td>+ Career development career satisfaction</td>
<td>+ Poor leadership and management</td>
<td>+ Queensland mining boom</td>
<td>+ Availability of FHOQ to general population</td>
</tr>
<tr>
<td>+ Access to leading edge technology</td>
<td>+ Opportunity to travel</td>
<td>+ Poor relationship with immediate supervisor/manager</td>
<td>+ DFRTB</td>
<td>+ Skills shortages</td>
</tr>
<tr>
<td>+ Response to environmental/ humanitarian disaster - disaster relief</td>
<td>+ Physical activity</td>
<td>+ Fairness and equity (culture, gender, sexuality)</td>
<td>+ Fairness and equity (culture, gender, sexuality)</td>
<td>+ Public perception of ADF - negative media coverage of Collins Class Submarines</td>
</tr>
<tr>
<td>+ Career development career satisfaction</td>
<td>+ Cost of private health insurance</td>
<td>+ Lack of duty of care (perceived?) - ADF Response to injury, death</td>
<td>+ Group Pay</td>
<td>+ Move to National Schools Curriculum</td>
</tr>
<tr>
<td>+ Opportunity to travel</td>
<td>+ Incentive pay in private sector</td>
<td>+ Group Pay</td>
<td>+ Incentive pay in private sector</td>
<td>+ Government policy on retirement age &amp; superannuation</td>
</tr>
<tr>
<td>+ Physical activity</td>
<td>+ Higher education/ training</td>
<td>+ Higher education/ training</td>
<td>+ Higher education/ training</td>
<td>+ Health standards of recruiting pool</td>
</tr>
<tr>
<td>+ Cost of private health insurance</td>
<td></td>
<td></td>
<td></td>
<td>+ National Pride</td>
</tr>
</tbody>
</table>

---

WWW.KOETICGROUP.COM
Table D2. Analysis of Environmental Factors relating to the ADF Gap Year

<table>
<thead>
<tr>
<th>Topic/Issue</th>
<th>Defence Context</th>
<th>Decision Impacted</th>
<th>Appropriate ADF Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changing work patterns</td>
<td>Decline in traditional overseas job markets for young people (e.g. UK) - less demand for people o/s - people stay in Australia</td>
<td>Join</td>
<td>Capitalise</td>
</tr>
<tr>
<td>Increased participation in tertiary education</td>
<td>Greater percentage of young people going on to university studies - delayed availability to recruitment pool</td>
<td>Not Join</td>
<td>Counter</td>
</tr>
<tr>
<td>Public perception of the ADF</td>
<td>Lack of public awareness and negative perception of ADF</td>
<td>Not Join</td>
<td>Counter</td>
</tr>
<tr>
<td>Length of commitment to Defence</td>
<td>Key recruiting target demographic preference for career mobility and shorter period with one employer</td>
<td>Not Join</td>
<td>Counter</td>
</tr>
<tr>
<td>A more diverse labour pool</td>
<td>Shrinking pool of traditional recruits in proportion to target population</td>
<td>Not Join</td>
<td>Counter</td>
</tr>
</tbody>
</table>

CHANGING WORK PATTERS

Marketing research conducted by DFR indicates that prospective ADF Gap Year participants also considered overseas work experience, exchanges, travel and going straight to tertiary studies or other career choices.

A decline in traditional overseas job markets for young people (e.g. in the UK) due to the Global Financial Crisis may have resulted in an increase in the likelihood of young people to seek gap year experiences within Australia (peaking in 2008)\(^{94}\).

The ADF Gap Year would have capitalised on the down turn in the UK jobs market by offering an option for young Australians to join the ADF via the ADF Gap Year Program.

INCREASES IN PARTICIPATION TERTIARY EDUCATION

The Defence Personnel Environment Scan 2025\(^{95}\) indicated there was a strong movement away from having no post-school training, towards having a minimum of a bachelor degree or other tertiary training, particularly among young females.\(^{96}\) This phenomenon meant that young people became (at least temporarily) unavailable for recruitment into the ADF until after they had completed their tertiary studies. The ADF Gap Year would have acted to counter this by allowing young Australian to experience the ADF, while providing them the freedom to undertake their tertiary studies at a later date and provides an incentive for participants to return in the future if they choose.

PUBLIC PERCEPTION

Defence traditionally recruits personnel who have an immediate family connection to the ADF; either through their parents or other member of their extended family (grand parents, siblings). At the time the ADF Gap Year

\(^{94}\) Wilson, 2008; AAP, 2008
\(^{95}\) Department of Defence, 2001
\(^{96}\) Department of Defence, 2001
EVALUATION OF THE ADF GAP YEAR PROGRAM

Program was implemented, Defence was facing fierce competition for recruits from private and public sector other employers. Defence needed to diversify its recruitment pool beyond its traditional demographic and access other parts of the population. Part of the ADF Gap Year is focussed on improving awareness of its status as an employer among parts of the community who had not had previous experience with defence. This demographic may have only been exposed to defence via exposure to television, internet, radio and print media.

The ADF Gap Year was designed to broaden the ADF recruitment pool and increase public awareness of the ADF as a desirable employer. Candidates who would not normally consider an ADF career were to be targeted. Participants were to be provided with an experience of military life and allowed to return to their communities, where they were to act as ambassadors for the ADF.

The ADF Gap Year ‘ambassadors’ were expected to share their views with their peers, who may not have considered the ADF as an employer. The ‘ambassadors’ were also expected to counteract any negative views of Defence among the community, who had previously been exposed to unfavourable media coverage.

LENGTH OF COMMITMENT TO DEFENCE

The ADF’s key recruiting target demographic prefers career mobility and a shorter period of tenure with one employer rather than a longer-term commitment. This preference may equate to an aversion to ADF Careers that include a minimum service obligation of up to 4 years. The aversion seems especially acute for young females who perceive the ADF as a male-dominated organisation that is not friendly toward females.

The ADF Gap Year was designed to counter this aversion by offering a shorter commitment period. The ADF could have offered prospective participants as a lower risk way to experience the ADF. It would also allow females to experience the ADF’s work culture and support organisations first hand.

DIVERSITY OF LABOUR POOL

The 2006 Australian Census reported over 24 percent of people in Australian were born overseas and 45 percent were either born overseas or have at least one parent born overseas. The Census also identified some 250 ancestries in Australia and the practice a range of religions. Australia’s current Migration Program allows people from any country to apply to migrate to Australia, regardless of their ethnicity, culture, religion or language, provided that they meet the criteria set out in law.

The ageing of the Australian work force was also to see the proportion of young people in the population was expected to reduce between 2001 and 2020. Defence was facing a significant decrease in recruitment applications at a time off increased workforce exits. This required the ADF to invest proportionally more effort in either reaching its traditional recruiting sources or generating interest in ADF careers among the diversity of the population.

97 Australian Bureau of Statistics, 2007
98 Department of Immigration and Citizenship, 2009
EVALUATION OF THE ADF GAP YEAR PROGRAM

The ADF Gap Year would have acted to counter the effects of a reduced proportion of the target demographic by:

a. appealing to those with an aversion to longer periods of service; and
b. appealing to those who would not normally consider a career in the ADF.
<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Navy</th>
<th>Army</th>
<th>Air Force</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rank</td>
<td>Recruit</td>
<td>Recruit</td>
<td>Generalist officer cadets</td>
</tr>
<tr>
<td>Training</td>
<td>11 weeks general entry recruit training.</td>
<td>12 week recruit training course undertaken at Kapooka.</td>
<td>11 weeks recruit training</td>
</tr>
<tr>
<td></td>
<td>Four weeks mariner course.</td>
<td>Three month initial employment training.</td>
<td>Modularised induction training course.</td>
</tr>
<tr>
<td></td>
<td>Undertaken at HMAS CERBERUS.</td>
<td></td>
<td>Undertaken at ADF Gap Year School at Point Cook</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>as well as Williamtown and Amberley.</td>
</tr>
<tr>
<td>Rank</td>
<td>Participants will join the Gap Year at the rank of Recruit-General</td>
<td>Participants will join the Gap Year at the rank of Recruit.</td>
<td>Officer Cadet.</td>
</tr>
<tr>
<td></td>
<td>Experience (GX).</td>
<td>On completion of initial recruit training, they will be given the</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>rank of Seaman Star GX. And then promoted to Seaman GX on</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>successful completion of the four week mariner course.</td>
<td></td>
</tr>
<tr>
<td>Posting/ Work</td>
<td>Posted to seagoing or shore-based unit to gain vocational experience</td>
<td></td>
<td>19 to 13 weeks</td>
</tr>
<tr>
<td>Placements</td>
<td>and mentoring</td>
<td></td>
<td>Occurs during officer-level training or advanced leadership and officer assessment</td>
</tr>
<tr>
<td>Enlistment Period</td>
<td>Minimum of 22 weeks to 52 weeks duration.</td>
<td>12 months. Participants will not be able to discharge voluntarily</td>
<td>12 months. Participants will be able to</td>
</tr>
<tr>
<td></td>
<td>Participants are able to discharge voluntarily from the ADF Gap</td>
<td>during the enlistment period except for tertiary study.</td>
<td>discharge voluntarily from the Gap Year at</td>
</tr>
<tr>
<td></td>
<td>Year Program at any time during their enlistment period.</td>
<td></td>
<td>any time during their enlistment period.</td>
</tr>
<tr>
<td>Annual Salary</td>
<td>Participants can expect to earn from $18,000 (six months) to around</td>
<td>Annual salary of more than $36,500 after completion of a full year.</td>
<td>Participants will attract a salary at the level</td>
</tr>
<tr>
<td></td>
<td>$40,000 (12 months).</td>
<td>Does not include Field Allowance or other allowances.</td>
<td>of member undergoing officer training without</td>
</tr>
<tr>
<td>Bonuses</td>
<td>$10,000 bonus on joining ADF on completion of approved tertiary</td>
<td></td>
<td>degree ($30,015 pa as at May 07).</td>
</tr>
<tr>
<td></td>
<td>qualification</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

102 ADF Gap Year Program Characteristic Matrix (Department of Defence, 2010).
## ANNEX F: SUMMARY OF ADF GAP YEAR FUNDING SOURCES

Data current at 8 September 2009. Provided by Deputy Director of Recruitment and Retention, 24 March 2010.

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>2007-08</th>
<th>2008-09</th>
<th>09-10</th>
<th>10-11</th>
<th>11-12</th>
<th>12-13</th>
<th>13-14</th>
<th>14-15</th>
<th>15-16</th>
<th>16-17</th>
<th>17-18</th>
<th>18-19</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds Allocated from R2 budget (less costs absorbed in AFS)*</td>
<td>0.000</td>
<td>8.172</td>
<td>17.865</td>
<td>18.766</td>
<td>38.145</td>
<td>37.959</td>
<td>37.821</td>
<td>37.683</td>
<td>37.676</td>
<td>37.535</td>
<td>0.000</td>
<td>0.000</td>
<td>271.622</td>
</tr>
<tr>
<td>Supplementary Funds Allocated by Defence</td>
<td>21.336</td>
<td>66.581</td>
<td>49.935</td>
<td>49.952</td>
<td>42.519</td>
<td>49.051</td>
<td>22.940</td>
<td>24.738</td>
<td>23.963</td>
<td>23.470</td>
<td>0.000</td>
<td>0.000</td>
<td>374.485</td>
</tr>
<tr>
<td>Total ADF Gap Year Funding</td>
<td>21.336</td>
<td>74.753</td>
<td>67.800</td>
<td>68.718</td>
<td>80.664</td>
<td>87.010</td>
<td>60.761</td>
<td>62.421</td>
<td>61.639</td>
<td>61.005</td>
<td>0.000</td>
<td>0.000</td>
<td>646.107</td>
</tr>
</tbody>
</table>

* R2 Funds allocated as indicated in this table differ from Table 1 in the main document due to adjustments for inflation.
ANNEX G: KEY DIFFERENCES IN PARTICIPANT SATISFACTION BY SERVICE

Navy

The majority of Navy respondents were at least satisfied with their Navy way of life (48.8 percent satisfied and 7.3 percent very satisfied).103

Navy respondents were less positive about their experience than Army or Air Force with 55.1 percent agreeing and 4.1 percent strongly agreeing there was a good fit between what Navy was offering and what they were looking for.104

Navy respondents were more likely than Army or Air Force respondents to agree that life in the Navy was not as attractive as they thought it was when they joined, with 31 percent agreeing and 7.1 strongly agreeing with this statement.105

Navy respondents were mostly likely to agree (11.9 percent) or strongly agree (2.4 percent) that they would not have joined the Navy had they known in advance what Navy life would be like.106

Army

60 percent of Army respondents agreed there was a good fit between what Army was offering and what they were looking for.

12 percent of Air Force respondents agreed that life in the Air Force was not as attractive as they thought it was when they joined.

Army respondents were most likely to be dissatisfied (18.4 percent107) with the trade or branch they had been classified into.

103 Project LASER 2006 Gap Year Report, Figure 22 (p. 60)
104 Project LASER 2006 Gap Year Report, Figure 56 (p. 60)
105 Project LASER 2006 Gap Year Report, Figure 51 (p. 61)
106 Project LASER 2006 Gap Year Report, Figure 57 (p. 67)
107 Project LASER 2006 Gap Year Report, Figure 43 (p. 53)
Air Force

Air Force respondents were generally more positive about their experience, with:

a. 50 percent\textsuperscript{108} stating they intended to join the regular ADF, and
b. 45 percent\textsuperscript{109} stating they intended to return to ADF after attaining a trade or qualification;
c. following the ADF Gap Year.

Air Force respondents were the least likely to agree they were fairly recognised or rewarded for their efforts and achievements, with 15 percent of respondents disagreeing and to this statement 15 percent strongly disagreeing\textsuperscript{110}.

Air Force respondents were most likely to disagree (15 percent\textsuperscript{111}) that rules had been enforced fairly.

10.5 percent of Air Force respondents agreed and 5.3 percent strongly agreed that life in the Air Force was not as attractive as they thought it was when they joined.\textsuperscript{112}

42.1 percent of Air Force respondents agreed and 36.8 percent strongly agreed there was a good fit between what Air Force was offering and what they were looking for\textsuperscript{113}.

\textsuperscript{108} Project LASER 2008 Gap Year Report, Figure 5 (p. 15).
\textsuperscript{109} Project LASER 2008 Gap Year Report, Figure 3 (p. 13).
\textsuperscript{110} Project LASER 2008 Gap Year Report, Figure 16 (p. 26).
\textsuperscript{111} Project LASER 2008 Gap Year Report, Figure 32 (p. 42).
\textsuperscript{112} Project LASER 2008 Gap Year Report, Figure 31 (p. 61).
\textsuperscript{113} Project LASER 2008 Gap Year Report, Figure 50 (p. 60).
**ANNEX H: SUMMARY OF RECOMMENDED KPIs**

- Proportion of new enquires and applicants indicating ADF Gap Year participants as a source of information or influence.

- Survey results that indicate whether Gap Year participants are satisfied they are receiving a genuine experience of military training and lifestyle.

- Survey results that indicate whether key ADF stakeholders are satisfied the ADF Gap Year Program provides a genuine experience of military training and lifestyle.

- Results from a comparison between the experience of Gap Year participants and the experience of first year other recruits.

- Proportion of Gap Year participants who return to Defence after their Gap Year (whether or not they have obtained an approved trade or qualification).

- Proportion of Gap Year participants who return to Defence that initially indicated they would not have considered an ADF career had it not been for the ADF Gap Year Program.

- Proportion of people enquiring who identify a former ADF Gap Year participant as a source of information about the ADF.

- Proportion of job enquiries/applicants referred to the ADF by former ADF Gap Year recruits.

- Number of people responding to public attitude surveys that indicate exposure to a former or current ADF Gap Year participant.

- Policies, processes or procedures that have been introduced or changed as a direct result of lessons learned from the ADF Gap Year.

- Proportion of survey respondents that indicate a Service’s program design as a reason for choosing that particular Service’s Gap Year Program.

- Proportion of Gap Year survey respondents that indicate they were happy or unhappy with their choice of Service because of the program design.

- Proportion of Gap Year participants that either transfer into the Permanent Forces or Reserves or return after obtaining a qualification or trade that transfer or return to a different Service, and:

- Proportion that indicate satisfaction with program design as a reason for transfer to a different service.

- Proportion of Defence members (ADF and APS) indicating positive or negative perceptions of the ADF Gap Year Program

- Proportion of Defence members (ADF and APS) indicating positive or negative perceptions of the ADF Gap Year participants