



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D C 20548

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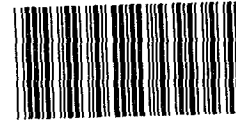
FEDERAL PERSONNEL AND
COMPENSATION DIVISION

B-183124

SEPTEMBER 17, 1979

The Secretary of the Navy

Attention: MCB4



110381

Dear Mr. Secretary:

We have completed a study of the Marine Corps manpower requirement procedures for base support activities. We are concerned because the Marine Corps did not quantify its support manpower needs in relation to its workload. This quantification is critical for validating the current budget, providing meaningful manpower management and assessing its effectiveness, and determining mobilization needs in an emergency. The capability to conduct full mobilization is dependent on prompt expansion of base training and support to meet increased requirements.

We directed our attention to the development and use of staffing standards for the Marine Corps Logistics Base, Albany, Georgia, and the Marine Corps Base at Camp Lejeune, North Carolina.

The Department of Defense has agreed to support and implement the basic thrust of our recommendations in a recent similar study of the Army. (See the enclosure.) We trust that, with our identification of this issue and with the Department of Defense's recognition of the need for improvements in the manpower management process, you will further consider our recommendations in this letter report.

*allocation
planning
management*

We are recommending that the Marine Corps establish certain manpower management tools which should be of help throughout the cycle of budgeting and using manpower. We noted that Lieutenant General Edward J. Bronars, Marine manpower chief, recently announced a 10,000-person reduction in the Corps. Allocation of this reduction would be a typical application of the recommended tools.

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SURVEYS ARE INSUFFICIENT FOR
MONITORING MANPOWER USE

Marine Corps headquarters' survey teams review support manpower needs at each installation every 3 years. Installations can and do submit requests for interim changes to the requirements determined by survey teams. Headquarters approves or denies each request on the basis of the installation's description of current workload compared with that described in the manpower survey report. The impediment to this process, in our view, is that the survey teams do not directly relate manpower needs to specific amounts of work.

The teams rely heavily on historical staffing patterns and a subjective review of installation work centers. Teams use the headquarters Marine Corps Personnel Requirements Criteria Manual, making adjustments for factors such as local operating conditions and variances in missions. However, this manual covers only part of the installation support activities. Consequently, staffing for many activities is based on judgment and does not provide a direct and traceable relationship between manpower and output.

Different installations perform the same type of support activities differently, because their missions vary and they are permitted flexibility in organizing. Marine Corps headquarters prepares and updates the manual but does not develop organization and staffing guidance which accounts for all variations in mission and organizations. The staffing manual is based on survey reports and on limited quantitative information from installations. It brings together the following types of guidance into a single document.

- Quantitative standards or yardsticks (number of people).
- Qualitative guidance (kind of people required).

Although headquarters guidelines indicate the staffing normally required to perform a function, the installations we visited made little use of them for identifying staffing requirements.

Officials at the Albany Logistics Base have developed their own work center measurements and standards. They have not developed standards for all work centers but have made a good start and recognize the need for measurements and

standards in making manpower decisions. The industrial supply and maintenance missions at Albany are fairly adaptable to development of measurements and standards because of their reiterative functions.

At Camp Lejeune the headquarters guidelines were not used for determining support staffing needs. Yet, local measurements and standards had not been developed for any functional areas or work centers.

NEED TO COORDINATE MANPOWER
MANAGEMENT ACTIVITIES

Marine Corps headquarters' data for justifying base support manpower requirements to the Congress, assessing the effect of staff shortages, and making the best allocation of resources can be improved. Staff budgets are developed by making incremental changes to prior year authorizations. These adjustments cannot be directly related to survey team recommendations. Headquarters considers personnel ceilings and changes in missions and programs and adjusts prior congressional authorizations to provide major command guidance for budget requests. Major commands must provide their input based on headquarters budget guidance rather than work center requirements so that requests and authorizations are consistent. The relationship between support staffing needs and workload is forfeited.

The Congress has historically authorized fewer personnel for installation support activities than the requirements determined necessary by onsite surveys. Officials said that these shortages tend to increase the use of borrowed military manpower--Fleet Assistance Program--or contract services. Data is not sufficient to quantify (1) maintenance backlogs, (except at the Albany and Barstow Marine Bases), (2) the workload not done because of labor shortages, nor (3) the workload performed by the various sources of labor, such as deployable troops, civilian employees, assigned military, and contractors.

Military personnel borrowed from deployable units now provide much of the mission-related base support. Upon mobilization, these units would deploy at the same time the support workload at all installations would drastically increase. Increases in the use of borrowed military manpower amplify the need for the Marine Corps to be able to quantify installation manpower needs in relation to workload so that mobilization needs can be anticipated.

CONCLUSIONS

Many manpower problems relate to the Marine Corps' decentralized management approach. Headquarters officials provide policy guidance but permit a commander to exercise broad latitude in local organization. They believe this has the advantage of placing a great deal of authority at levels responsible for accomplishing missions.

Such decentralized management contributes to a number of problems:

- Top level direction, control, and emphasis are not always provided.
- Organization placement of work measurement programs is not controlled.
- Standards for organization alignment and minimum staffing cannot be developed on a common basis.

The Marine Corps manpower surveys identify some inefficiencies, solve some problems, and save some manpower which can be applied elsewhere. However, there are identifiable weaknesses in the need for

- validating missions and functions,
- command emphasis,
- quantifiable measurements of work performed,
- more frequent surveys, and
- more timely and supportable information for management planning and budgeting.

The manpower survey teams' recommendations have not provided the timely and supportable information local and top management needs.

RECOMMENDATIONS

We recommend that you have the Marine Corps use personnel experienced in budgeting, manpower, workload planning, central data processing, and work measurement to design a support manpower management system with the following characteristics:

1. An organization structure that combines the manpower-related responsibilities and staffing into one organization at all levels. The organization should centralize manpower control, eliminate duplication, and establish a manpower review function independent of those being reviewed. The staffing standards' organization could be located at the commands for developing and updating standards but should be responsive to criteria and procedures directed by Marine Corps headquarters.
2. A methodology for determining manpower needs based on work measurement where it is feasible and cost effective and which uses onsite reviews only to review methods, procedures, and organizational efficiency in connection with the development and validation of staffing standards. Marine Corps headquarters should provide procedural guidance on
 - when to use work measurement to establish standards,
 - how to develop garrisonwide standards using similar work units and allowing differences only for such things as physical layout or mission,
 - when to conduct methods studies considering the need to define and standardize methods and procedures before setting standards,
 - how to summarize work center standards so that manpower requirements can be related to budget elements described in Marine Corps management structure codes and be estimated on the basis of changes in programs, and
 - how to collect and validate information for (1) total labor hours used in the garrison and their cost, (2) available work time, and (3) workload.
3. A management information system which uses a common data base for work center needs, garrison costs, budget requests, allocations, and evaluation of manpower use. The information system should integrate accounting, manpower reporting, and staffing standards information.
4. A determination of the spaces needed to implement the system and an allocation of these manpower resources to the program.

B-183124

As noted previously, in view of the Department of Defense's support of similar action needed in the Army, we encourage you to have the Marine Corps coordinate actions with Defense. We are also available to discuss our study in further detail.

Sincerely yours,

H. L. Krieger

H. L. Krieger
Director

Enclosure



MANPOWER
RESERVE AFFAIRS
AND LOGISTICS

ASSISTANT SECRETARY OF DEFENSE
WASHINGTON D C 20301

2 AUG 1979

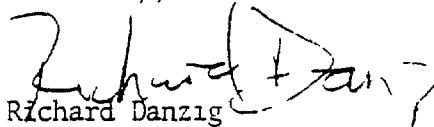
Mr H L Krieger
Director of Federal Personnel and
Compensation Division
United States General Accounting Office
Washington, D C 20548

Dear Mr Krieger

This is in response to your letter of 21 May 1979 to the Secretary of Defense forwarding copies of your final report titled "Improvements Needed in Army's Determination of Manpower Requirements for Support and Administrative Functions," OSD Case #5187, FPCD-79-32

Your report includes several recommendations for fundamental improvement in Army manpower management. The Department of Defense supports and will implement the basic thrust of these recommendations. A brief description of actions to address the specific points is enclosed.

Sincerely,


Richard Danzig
Principal Deputy Assistant Secretary
of Defense (RA&L)

Enclosure

Army Plans and Actions to Address Recommendations in GAO Final Report, 21 May 1979, "Improvements Needed in Army's Determination of Manpower Requirements for Support and Administrative Functions" OSD Case #5187

A GAO Recommendation

Army headquarters should design a manpower management system with an organization structure that combines the manpower related responsibilities and staffing into one organization at all levels. The organization should centralize manpower control, eliminate duplication, and establish a manpower review function independent of those being reviewed. The staffing standards organization could be located at the commands for developing and updating standards but should be responsive to criteria and procedures directed by Army headquarters.

Army Plans and Actions

The Army consolidated manpower functions within the Deputy Chief of Staff for Personnel on 1 October 1978. The thrust of this reorganization was to establish a structure that will permit a comprehensive manpower management overview and will provide a centralized control mechanism in formulating manpower policy and evaluating its implementation. It is not the intent of the Army to establish or maintain complete centralized control of Army manpower functions. The complexity and diversity of Army missions and functions will not permit this level of centralization. In fact, major commands are encouraged to organize in the most efficient way for accomplishment of their missions.

B GAO Recommendation

Army headquarters should develop a methodology for determining manpower needs based on work measurement where it is feasible and cost effective; and use on-site reviews only to review methods, procedures, and organizational efficiency in connection with the development and validation of staffing standards. The Army headquarters should provide procedural guidance on (1) when to use work measurement or other techniques to establish standards, (2) how to develop garrison-wide standards using similar work units and allowing only legitimate differences for such things as physical layout or mission, (3) when to conduct methods studies considering the need to define and standardize methods and procedures before setting standards, (4) how to summarize work center standards so that manpower requirements can be related to

budget elements described in Army management structure codes and be estimated based on changes in programs, and (5) how to collect and validate information for (a) total labor working in the garrison, including costs, (b) available worktime, and (c) workload

Army Plans and Actions

An improved manpower requirements determination system is being developed. This system will prescribe manpower staffing standards along functional lines for Army-wide application. Individual standards will be developed using a uniform methodology with the application of that methodology centrally controlled. Actual data collection functions will be decentralized with an on-site analysis capability to allow for consideration of organizationally unique deviations from the norm.

Army methods and standards studies will be used as input for developing the functional manpower standards. In conjunction with development of functional manpower standards, areas susceptible for detailed methods and standards studies will be identified and considered by the Army Productivity Technical Committee. Based on the committee's recommendations, industrial engineering type summary level standards are expected to be developed and incorporated into the Army-wide functional staffing standard.

The development of functional manpower staffing standards will be the first step toward establishment of a system in which the Army, at all levels, will be able to take projected workload factors, and by application of the appropriate standard, project future manpower requirements for planning, programming and budgeting purposes. The extension of this application will significantly enhance Army capability to evaluate mobilization manpower requirements and to adjust staffing needs as a result of workload changes.

C GAO Recommendation:

Army headquarters should develop a management information system which uses a common data base for work center needs, garrison costs, budget requests, allocations, and evaluations of manpower use. The information system should integrate accounting, manpower reporting, and staffing standards information.

Army Plans and Actions

The collection of manpower management data is currently managed through a number of independent automated and manual reporting systems. To provide the necessary centralized control of manpower

assets, HQDA is engaged in the development of an automated capability to compile existing data into a meaningful manpower management information system. While Army plans to continue a decentralized management philosophy, the direction, control and review of these programs will be exercised by HQDA. This automation design will permit the reporting of actual utilization data, together with space authorization data. This design will provide for the inclusion of financial costing data, manpower staffing standards and workload factors. In support of this effort, the Army is also developing computerized near and long-term improvements to its manpower accountability system. The Force Development Information Management System (FORDIMS) is a near-term HQDA management information system that will provide a single data base for tracking manpower guidance through all manpower allocating systems. This system will cover active military manpower and total civilian end strength authorized to the Army. The Vertical Force Development Management Information System (VFDMIS) is an expansion of FORDIMS and will include Reserve Component manpower and actual utilization data.

D GAO Recommendation

Army headquarters should determine the spaces needed to implement the system and allocation of these manpower resources to the program

Army Plans and Actions

Recently, the Army Deputy Chief of Staff for Personnel created a special manpower task force to study Army methodology in evaluating manpower allocation and utilization and to layout specific objectives, tasks, systems and organization needed to improve the Army system for managing manpower. This task force has brought together diverse skills required to provide needed improvements. Resources for implementation will be reallocated from existing programs as specific task force recommendations are approved.