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THE ARMY NEEDS TO BETTER PLAN TO MEET ITS CIVILIAN
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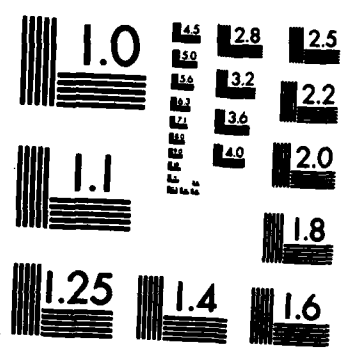
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BY THE U.S. GENERAL ACCOUNTING OFFICE

Report To The Secretary Of The Army

AD-A143 021

The Army Needs To Better Plan To Meet Its Civilian Personnel Needs In Wartime

In the event of a full mobilization, the Army's civilian workforce would play an important role in carrying out the mission of mobilizing, training, deploying, and sustaining Army tactical forces. The Army estimates that it will need an additional 175,000 civilian employees for this mission. GAO found that the Army needs to improve its pre-mobilization planning if it is to successfully meet the personnel expansion requirement. Also, the Army needs to provide additional guidance to its installations on

- identifying key civilian employees who are also reservists,
- replacing military retirees and draft eligibles, and
- planning for contractors' mobilization personnel requirements.

The Army has agreed with GAO's recommendations to correct these problems and is taking steps to implement them.

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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

NATIONAL SECURITY AND
INTERNATIONAL AFFAIRS DIVISION

B-215166

The Honorable John O. Marsh, Jr.
The Secretary of the Army

Dear Mr. Secretary:

In the event of a full mobilization to support a large-scale conventional war, the Army would rely heavily on its civilian workforce.¹ Most of the Army's civilian employees--about 250,000 in 1981--are part of the Continental United States (CONUS) support base that includes major command headquarters, ports, arsenals, garrisons, service schools, hospitals, training centers, and other elements, such as procurement, communications, transportation, and intelligence activities.

Upon full mobilization, the CONUS support base mission would be to mobilize, train, deploy, and sustain the Army's tactical forces. Among the activities requiring early accomplishment are expanding the training base to handle the influx of volunteers and inductees to be trained, and preparing Army National Guard and Army Reserve forces for deployment. To accomplish this mission, the CONUS support base will need an additional 175,000 civilian employees.

Many contractors will also need additional civilian employees to effectively support Army installations in accomplishing their wartime missions. Under the Army's Commercial Activities Program, contractors perform commercial and industrial functions, such as vehicle and aircraft maintenance, automatic data processing, base supply, and guard services, which Army civilians or uniformed personnel once performed.

In conducting this review, we wanted to find out whether the Army is adequately planning to meet its mobilization civilian personnel requirements. To accomplish this objective,

¹For the purpose of this review, full mobilization is defined as expansion of the current 780,000 active duty Army to a force level of approximately 1.6 million personnel.

we reviewed personnel mobilization planning at four Army installations and discussed planning guidance with Army officials throughout the chain of command. Our findings are summarized below and are discussed in detail, along with our objectives, scope, and methodology, in appendix I.

--Improved planning is needed for civilian personnel expansion requirements. Our review and the Army's own review showed that a number of Army installations have not adequately planned to meet their civilian personnel expansion requirements and, as a result, do not have sufficient assurance that they will be able to obtain the additional personnel required to accomplish wartime missions. None of the installations we visited had made all of the required plans, and the range of completed plans varied among installations. Higher commands did not follow up to ensure that required planning was done. The reasons the installations cited for inadequate civilian personnel expansion plans were (1) outdated and incomplete planning guidance and (2) a lack of emphasis by higher commands. (See app. I, pp. 3-6.)

--Guidance on identifying key civilian employees lacks specificity. Army installations are to annually identify Ready Reservists who are key civilian employees and to request that they be removed from the Ready Reserve.² The Army defines a "key employee" generally as one whose job is critical to the organization's mission and for whom a shortage of qualified replacements exists. This definition, however, is not specific enough for installations to effectively and consistently identify employees who have critical civilian skills.

The installations we visited did not always submit requests to remove key employees from the Ready Reserve because (1) employees did not want to leave the Reserves and (2) installation officials were reluctant to initiate action to force an employee out of the Reserves. Army-wide, only 17 civilian employees were removed from the Ready Reserve during fiscal year 1982 because they were considered "key employees." (See app. I, pp. 6-9.)

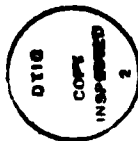
²The Ready Reserve includes members of the Selected Reserve or the Individual Ready Reserve. Selected Reserve members are assigned to units and undergo training throughout the year. Individual Ready Reservists are not assigned to units and generally do not train.

--Additional guidance on replacing military retirees and draft eligibles is needed. Army installations also employ military retirees, some of whom are subject to recall, and draft eligible males. Accordingly, plans must be made for their replacement in case they are called to active duty following mobilization. Army planning guidance, however, is not specific and results in some installations planning to replace some retirees who, because of age or medical disability, are unlikely to be recalled. Further, the Army has provided installations no guidance on plans for replacing draft eligibles. (See app. I, pp. 10-11.)

--Guidance on planning for contractors' mobilization personnel requirements is needed. Many commercial and industrial functions that directly affect the Army's mobilization readiness have been contracted to the private sector. However, Army Headquarters has provided no guidance to its installations on (1) who should plan for the contractors' mobilization missions and (2) what should be planned. Consequently, in many instances, neither the supported installations nor the contractors have planned for the postmobilization expansion of the contractors' work force or for the replacement of contractor personnel who may be called to active military duty. (See app. I, pp. 11-13.)

CONCLUSIONS

To better ensure that the Army will be able to acquire the civilian personnel it will need to help train, deploy, and sustain the force following a full mobilization, we believe that more effective planning is essential. The Army must see that installations fully comply with existing regulations on planning for the expansion of its civilian work force. It must also clarify (1) what "key employee" means and who are the key employees at each installation so that they can be removed from the Ready Reserve or transferred to a non-key position, and (2) what needs to be done to ensure the prompt replacement of civilian employees who are military retirees or subject to conscription. Furthermore, the Army needs to provide clear instructions about what installations should do to ensure that they can acquire adequate contractor personnel to support the installations' wartime missions.



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RECOMMENDATIONS

We recommend that the Secretary of the Army take the following actions:

- Monitor the actions required of CONUS support base organizations in planning for the expansion of the civilian work force, and require the preparation and implementation of action plans, as appropriate.
- Develop a clear definition of the term "key employee" for use by installations in identifying civilians having key defense positions who are Ready Reservists.
- Follow up to ensure that key employees are removed from the Ready Reserve or transferred to a non-key position.
- Develop specific mobilization guidance on (1) replacing peacetime civilian employees who are military retirees or draft eligibles and (2) planning for the acquisition of additional and replacement contractor personnel to support expanding Army installations.

AGENCY COMMENTS
AND OUR EVALUATION

DOD generally concurred with the report's findings and recommendations. (See app. III.) It said that the Army has completely revised its regulation on civilian personnel mobilization planning. This revised regulation (AR 690-11), targeted for publication in June 1984, requires that specific pre-emergency preparations be made to ensure that vacant civilian mobilization positions will be filled in a timely manner and discusses in detail all currently available manpower resources.

DOD also said that the Army is currently exploring additional manpower resources, such as retired federal civilian employees and military retirees who have not already been issued preassignment orders. The latter can be preassigned to specific installations to perform the duties of vacant civilian positions for up to 90 days or longer if approved by the Army.

Regarding our first recommendation, DOD said that the Office of the Secretary of the Army will monitor the implementation of AR 690-11 to ensure that all required planning actions are carried out. According to DOD, AR 690-11 requires each Army major command headquarters and installation to designate at least one civilian personnel specialist as the civilian mobilization planner responsible for ensuring that all required planning

actions are completed. DOD said that this requirement, coupled with more frequent evaluations by Army headquarters and major commands, should improve overall mobilization planning.

DOD also agreed with our second and third recommendations. DOD said that the Office of the Secretary of the Army will revise the definition of the term "key employee" to correspond to the clarified definition and guidelines provided in the revised DOD Directive 1200.7, dated April 6, 1984. We have reviewed the DOD guidance. It outlines broad criteria for the services to consider in determining whether they have key employees. For example, one criterion asks the services to consider whether an employee's position can be filled in a reasonable time after mobilization, thus leaving it to the services to define "reasonable time." Accordingly, we believe that the Army needs to supplement the DOD guidance with more specific criteria relative to its own mission responsibilities.

In addition, DOD said that, starting with its 1984 instructions on the annual screening of civilian employees who are Ready Reservists, the Army will follow up to verify compliance with its policy of either removing key employees from the Ready Reserve or transferring them to non-key positions.

In response to our recommendation that DOD provide specific guidance on replacing peacetime civilian employees who are military retirees or draft eligibles, DOD said that the Army will ensure that guidance, to be published in June 1984, for planning the replacement of military retirees is carried out. In addition, the Army will initiate a change in the current regulation governing the retiree recall program to restrict screening action to those who are subject to recall or who have volunteered for recall and have been given preassignment orders. However, DOD did not agree that the Army should provide specific guidance for the replacement of draft eligibles. DOD based its position primarily on the view that only a small percentage of the Army's civilian workforce would be affected, negating the need for an extensive planning effort. We agree that the planning effort need not be extensive but, as a minimum, should cover employees who are of prime draft eligible age (19 and 20 year olds). Since these draft eligible age groups are generally a small portion of the civilian employees, the planning effort need not be extensive, but it should be done.

Concerning that aspect of our last recommendation applicable to contractor personnel, DOD said that the Army is currently revising its commercial activities regulation. In the future, when the Army seeks bids and proposals, it will require contrac-

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tors to provide a plan responsive to the installations' mobilization plan.

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As you know, 31 U.S.C. 720 requires the head of a federal agency to submit a written statement on actions taken on our recommendations. This statement must be submitted to the House Committee on Government Operations and the Senate Committee on Governmental Affairs not later than 60 days after the date of the report. A written statement must also be submitted to the House and Senate Committees on Appropriations with an agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Chairmen, Subcommittees on Defense, House and Senate Committees on Appropriations; the Chairman, Subcommittee on Manpower and Personnel, Senate Committee on Armed Services; the Chairman, Subcommittee on Personnel and Compensation, House Committee on Armed Services; the Secretary of Defense; the Director, Office of Management and Budget; and other interested parties.

Sincerely yours,



Frank C. Conahan
Director

THE ARMY NEEDS TO BETTER PLAN TO MEET
ITS CIVILIAN PERSONNEL NEEDS IN WARTIME

BACKGROUND

The Army plans for its civilian personnel mobilization in a decentralized manner. Army Headquarters provides the basic guidance in its Civilian Personnel Regulation 900, and the major commands supplement this guidance with mobilization work-load data expressed in such terms as the number of soldiers to be trained or the amount of equipment to be repaired. Ultimately, however, each individual Army installation and activity must develop mobilization plans to implement the guidance and to carry out the workloads.

Under full mobilization, Army National Guard and Reserve units will be called to active duty and will report to various CONUS mobilization stations to prepare for deployment. Some Guard and Reserve units will round out active units and deploy almost immediately, while most are scheduled for deployment in the first 30 to 90 days. To accomplish the mobilization and to sustain a war effort, the Army estimates that it will need about 175,000 additional civilian employees within 180 days. The Army has yet to determine the rate at which these individuals are needed but has developed a model to project time-phased manpower requirements for each CONUS installation. The Army is currently testing the model and expects it to be fully operational by October 1984.

In addition to expanding its civilian workforce, the Army may have to replace as many as 46,000 peacetime civilian employees who may be called to active military duty because they are (1) Ready Reservists who may be mobilized, (2) military retirees subject to recall to active duty, or (3) males between the ages of 18 and 26 and, therefore, subject to conscription. The Army reviews annually those civilian positions occupied by Ready Reservists and may remove them from the Ready Reserve if they are also key civilian employees. Accordingly, installations would not have to replace these key individuals. Furthermore, Army contractors will need to obtain additional personnel to replace those lost to the military if they are to support expanding Army installations or activities adequately.

OBJECTIVES, SCOPE, AND METHODOLOGY

Our objectives were to determine if (1) Army installations have adequately planned for meeting their wartime civilian personnel requirements, (2) the Army's plans consider the impact of losing peacetime civilian employees who may be called to military duty, and (3) the Army has adequately planned for

obtaining personnel needed for the expansion of contracted commercial and industrial activities.

To accomplish our objectives, we reviewed the Army's policies and procedures for civilian personnel mobilization and discussed them with mobilization planners and personnel specialists at Department of the Army Headquarters, Washington, D.C.; the Army's Civilian Personnel Center (CIVPERCEN), Alexandria, Virginia; the Training and Doctrine Command, Fort Monroe, Virginia; the U.S. Army Materiel Development and Readiness Command, Alexandria, Virginia; the U.S. Army Health Services Command, Fort Sam Houston, Texas; and the U.S. Army Forces Command, Fort McPherson, Georgia. The four major commands reviewed account for over 70 percent of the estimated civilian personnel expansion requirement.

CIVPERCEN completed a study of several installations' civilian mobilization planning in May 1982. We wanted to determine what impact the results of this study have had on improving civilian mobilization planning at the installation level. To determine this, we visited the following Army installations:

- Fort Gordon, Georgia;
- Fort Ord, California;
- Sacramento Army Depot, California; and
- Letterman Army Medical Center, Presidio of San Francisco, California.

At the four installations, we analyzed data on civilian personnel expansion and replacement needs and discussed the planning being done with the installations' mobilization planners, civilian personnel specialists, and--in one instance--a contractor providing installation support. We also discussed with these officials the types of contractor support provided at the installations and the plans for meeting contractors' expansion and replacement needs. The information obtained from these installations is not projectable to the universe of Army installations.

We obtained occupational data on all Army civilian employees who were (1) Ready Reservists, (2) military retirees, and (3) draft eligibles. We then analyzed the data to determine the potential number of civilians who could be lost to the civilian work force as a whole and to the four installations visited. We also reviewed the policies and procedures for removing key civilian employees from the Ready Reserve.

We conducted our work between June 1982 and July 1983 in accordance with generally accepted government auditing standards.

INADEQUATE PLANNING TO
ENSURE THAT CIVILIAN PERSONNEL
EXPANSION REQUIREMENTS ARE MET

Army Civilian Personnel Regulation 900, Chapter 910, dated February 1974, identifies 19 actions that installations are required to take in planning to meet their civilian work force mobilization needs. These actions include

- identifying critical occupations that require civilian incumbents and determining the potential availability of workers with these occupations in the local labor market;
- developing training programs to meet postmobilization orientation and skills training needs; and
- coordinating with other federal organizations to promote the voluntary exchange of information on plans, methods, and techniques for administering emergency personnel programs.

None of the four installations we visited had completed all required planning actions. Overall, the installations had completed 21 percent of the required actions, had partially completed 44 percent, and had done nothing on the remaining 35 percent. The following table shows the status of the planning actions at the four installations visited.

Planning Actions

<u>Installation</u>	<u>Completed</u>	<u>Partially completed</u>	<u>Not performed</u>	<u>Total^a</u>
A	6	8	3	17
B	2	6	9	17
C	1	8	9	18
D	6	8	5	19
Total	15	30	26	71

^aTotal number of planning actions the installation is required to perform. Actions such as planning for the activation of a new installation are not applicable to some installations.

The Army's CIVPERCEN identified a similar situation during a comprehensive study of 17 installations between January and March 1982. CIVPERCEN found that the installations had not undertaken 25 percent of the required planning actions and had

only partially completed another 26 percent. CIVPERCEN also found that some planning actions, although completed, were of questionable quality. (See app. II for more details on CIVPERCEN's and our findings.)

As a result of the CIVPERCEN study, the Director of Civilian Personnel, Deputy Chief of Staff for Personnel, Department of the Army, developed a plan outlining the specific actions that responsible organizations should take to correct the weaknesses identified. In transmitting this plan to the action organizations, the Director stated that civilian mobilization planning was perhaps the most critical civilian personnel project underway within the Directorate of Civilian Personnel. The Director urged that the action organizations treat civilian personnel mobilization planning responsibilities in the same manner.

Planning for meeting civilian personnel needs may involve higher commands, especially when problems cannot be resolved at the installation level. For example, one installation identified requirements for over 300 civilian positions it would need to fill during the first 6 months after mobilization. These positions are as follows:

Mobilization (M) Requirements by Month

	<u>M+1</u>	<u>M+2</u>	<u>M+3</u>	<u>M+4</u>	<u>M+5</u>	<u>M+6</u>	<u>Total</u>
Electrical engineer		1	2	3	1	2	9
General engineer	1	3	1	1	2	2	10
Electronic instrument mechanic	10	5	10	20	20	10	75
Machinist	15	15	10	10	15	4	69
Maintenance mechanic (automotive)	2	3	2	2	2	2	13
Production controller		1	3	3	2		9
Sheetmetal mechanic	14	10	10	15	15	4	68
Sheetmetal mechanic helper	5	5	2				12
Procurement agent	<u>10</u>	<u>5</u>	<u>10</u>	<u>5</u>	<u>10</u>	<u>1</u>	<u>41</u>
Total	<u>57</u>	<u>48</u>	<u>50</u>	<u>59</u>	<u>67</u>	<u>25</u>	<u>306</u>

The local employment office informed the installation that the needed skills would probably not be available in the local labor market. The installation advised its higher command headquarters of this problem, but no further action was taken. Command officials told us that they did not know what action to take because they lacked guidance from Army headquarters. They said, however, that in the future they would forward the information to appropriate officials at Army Headquarters. According to an

Army headquarters official, this information is not now required but it would be useful for developing plans on how to minimize skill shortages.

Personnel specialists are responsible for performing civilian personnel mobilization planning at the installations we visited. One of the reasons they cited for the inadequate planning identified by both CIVPERCEN and us was that the guidance contained in regulation 900 was outdated and incomplete. They said that the regulation has had only minor revisions since its issuance in 1974 and refers to organizations that no longer exist, uses terms that are not fully explained or defined, and does not always specify who is responsible for accomplishing various planning actions.

Partially as a result of the CIVPERCEN study's findings (see pp. 3-4 above) the Army, in September 1982, completed a draft revision to the current regulation that corrects many of the existing deficiencies. The draft has been circulated within the Department of the Army and the Office of the Secretary of Defense for comment, and publication of the new regulation is expected in June 1984.

Installation personnel specialists also said that they give civilian personnel mobilization planning a low priority because higher commands do not emphasize its importance and make evaluations too infrequently to ensure that planning receives continuing attention. For example, CIVPERCEN is responsible for evaluating civilian personnel mobilization planning during periodic management reviews of both installations and major commands. A CIVPERCEN official said, however, that CIVPERCEN visits the major commands only about once every 5 years and individual installations about once every 8 to 10 years. The recent CIVPERCEN study was the first comprehensive evaluation of civilian personnel mobilization readiness since 1962.

Although the major commands are required to conduct annual evaluations of their subordinate installations' civilian personnel mobilization plans, they had not done so in fiscal year 1982 at two of the four installations we visited.

**MORE SPECIFIC GUIDANCE NEEDED
TO IDENTIFY KEY CIVILIAN EMPLOYEES**

The Army's annual effort to identify and remove key employees from the Ready Reserve accomplishes very little because of confusion over what constitutes a key employee. Until a clearer definition is developed, installations may be impacted by the loss of key civilians who will be recalled to active duty.

The Army has about 39,000 civilian employees who are Ready Reservists. Most of these reservists--23,000--are civilian technicians employed by their respective units who, upon mobilization, would assume their military jobs with their units. The remaining 16,000, however, would have to leave their peacetime jobs and report to reserve units.

The Army is required to determine annually whether its civilian employees who are Ready Reservists have key civilian positions and should, therefore, be removed from the Reserve or transferred to non-key positions. This requirement was established throughout the federal government because of congressional concern about the impact of mobilization on the federal civilian work force. Existing Army policy is that key civilian employees may be removed from the Ready Reserve during peacetime but not after mobilization. During 1982, 17 employees were removed from the Ready Reserve because they occupied key positions.

Army Regulation 690-8 defines a "key employee" as one who

- occupies a key defense position and for whom no qualified replacement can be recruited and trained in 90 days and whose duties cannot be reassigned to another employee, or
- has a civilian mobilization assignment and whose recall to active duty would seriously impair the Army's effective functioning and continuity with regard to (1) production and research vital to the national defense effort or (2) activities necessary to the national health, safety, or interest.

The regulation defines a "key defense position" as a direct-hire or statutory civilian position which requires a minimum of 90 days of specialized Army training or experience when there is a shortage of qualified personnel for the position and which is necessary

- to support the Army's mobilization or emergency functions or
- to maintain the Army's continuity of operations or leadership.

The regulation further states that only positions which are absolutely essential, as opposed to merely desirable, should be designated as key positions. For instance, positions of heads of major mission organizations or positions requiring technical skills critical to mobilization or emergency missions are appropriately designated if there is a shortage of qualified

personnel for such positions. Conversely, positions involving routine administrative support or duties peripheral to an organization's mobilization or emergency missions are inappropriately designated.

The effectiveness of removing civilian employees from the Ready Reserve depends largely on how the term "key employee" is interpreted. Although the installations we visited were planning to replace civilian employees who are Ready Reservists, they experienced difficulty in determining how many were key employees. The Army's definition was interpreted differently from one installation to the next and even among individuals at the same installation.

Installation personnel specialists, who have overall responsibility for the removal program, disagree with supervisors about what constitutes a key employee. In general, supervisors were more likely to consider an individual a key employee than were the personnel specialists. For example, at one installation, supervisors identified 25 Ready Reservists as key employees, but a personnel specialist, applying the same criteria, reduced the number to 5. The personnel specialist told us that he would evaluate these positions further because no one was indispensable, as evidenced by the fact that the organization continues to function when people go on annual leave, become sick, or attend training.

Both supervisors and personnel specialists have a particularly difficult time determining when individuals with technical skills should be considered key employees. At one installation we visited, all nonclerical personnel in the maintenance division were designated key employees because (1) they were needed to support mobilization and (2) a shortage of qualified replacements existed.

At another installation, however, none of the maintenance personnel were considered key even though the personnel specialist acknowledged that there was a shortage of qualified replacements and that many of the maintenance skills would be needed to support a mobilization. In fact, 11 Ready Reservists might have been key employees because they had maintenance skills critical to the installation's mission and, according to the local employment office, no replacements were available in the local labor market. This information was provided by the installation to higher headquarters. However, the personnel specialist indicated that these individuals were not considered key employees because there was no one on the installation, including the commander, whose loss would prevent the organization from accomplishing its mission.

Installation officials also told us that they have difficulty determining whether supervisors and individuals in management positions should be designated key employees since most management and supervisory personnel could probably be replaced within 90 days. For example, one installation mobilization planner was uncertain whether a GM-15 manager should be considered key. Although he believed that the loss of the manager's 25 years of experience and institutional knowledge would impair the installation's ability to accomplish its mission, he concluded that the manager could not be considered key because a replacement could be recruited and trained within 90 days.

At the four installations we visited, there were about 600 civilian employees who were Ready Reservists. Regardless of how the term "key employee" was interpreted, not a single employee at these installations was removed from the Ready Reserve during 1982. At one installation, the civilian personnel office simply made a determination, without input from supervisors, that there were no key employees. The three remaining installations had identified Ready Reservists who were key employees but had not submitted any removal requests.

Installation officials informed us that they had not submitted removal requests because (1) the employees did not want to leave the Reserve and (2) they were reluctant to initiate action that would force the employees out of the Reserve, primarily because of the financial impact on the individuals if they lost their Reserve pay.

At one of the installations visited, we noted that three GS-12's were Ready Reservists identified as occupying key civilian positions. Because we did not determine the military ranks of these individuals, we developed two hypothetical examples, assuming different military ranks, to illustrate the relationship of reserve pay to total pay: Assuming an officer O-3 with over 10 years of military service¹ receiving civilian pay at the GS-12 step 5 level, total pay would approximate \$38,000 annually, with reserve pay amounting to about \$4,600, or 12 percent. Assuming an enlisted person E-4 with over 4 years of service² receiving civilian pay at the GS-12 step 5 level, total pay would approximate \$36,000 annually, with reserve pay amounting to about \$1,800, or 5 percent.

¹Represents the most occupied officer rank in the Army Reserve at the end of fiscal year 1983.

²Represents the most occupied enlisted rank in the Army Reserve at the end of fiscal year 1983.

ADDITIONAL GUIDANCE NEEDED ON REPLACING
MILITARY RETIREES AND DRAFT ELIGIBLES

Army installations also employ military retirees who are subject to recall and draft-eligible males. Accordingly, installations must plan for their replacement in the event they are called to active duty in wartime. Army guidance, however, is not specific, and results in some installations planning to replace some retirees who, because of age or medical disability, are not likely to be recalled. The Army has not provided installations with guidance on plans for replacing draft eligibles.

Inadequate guidance on replacing retirees

As of September 30, 1982, the Army employed about 29,000 military retirees in civilian positions. Army criteria for recalling retirees to active duty states that retirees who are either beyond age 60 or who have a medical disability are exempt from recall. We found, however, that the installations visited were planning for the replacement of retired military personnel not subject to recall. Installation officials said that they were following guidance that states that plans should be prepared for replacing all retirees. As of September 1982, Army-wide data showed that there were about 7,000 military retirees over age 60 or medically disabled.

In some instances, installations were also requesting "key employee" exemptions for disabled or over-aged retirees. As of December 1983, requests for exemption from recall had been submitted for 514 Army military retirees who were serving in key positions--approximately 142 (28 percent) of whom were not subject to recall. According to the Army official responsible for coordinating civilian manpower mobilization planning, Army installations have not been provided guidance on whether requests for "key employee" exemption from recall to active duty should be submitted for military retirees of other services or, if they are, what procedures to use.

Lack of guidance on draft eligibles

As of March 31, 1983, the Army had about 8,000 draft-eligible civilian employees between the ages of 18 and 26. However, the Army has not provided its installations with guidance on planning for their replacement in the event of mobilization. To plan adequately for replacements, installation officials said that they need guidance on (1) which employees are subject to conscription and (2) how soon they could expect to lose the employees.

The individual responsible for coordinating the Army's civilian personnel mobilization planning said that, because potential conscripts are generally lower graded and less experienced, they do not pose as significant a replacement problem as civilian employees who are Ready Reservists or military retirees. He did say, however, that the loss of employees subject to conscription should be addressed in installation mobilization planning.

NEED TO PROVIDE GUIDANCE ON PLANNING FOR
CONTRACTORS' MOBILIZATION PERSONNEL NEEDS

Many commercial and industrial functions that directly affect the Army's mobilization readiness have been contracted out to the private sector as part of the Commercial Activities Program. This program is geared toward shifting such functions from the government to private contractors when it is more economical to do so and when national defense considerations will not be compromised. Examples of contracts affecting mobilization readiness that have been awarded or that are under study include laundry, food service, medical-instrument maintenance, and security services. The amount of such contracting was about \$1.9 billion during fiscal year 1983.

However, the Army has not provided guidance on who should plan for the contractors' mobilization missions or what planning should be done. Consequently, in many instances, neither the supported installations nor the contractors have planned for the postmobilization expansion of the contractor work force or for the replacement of contractor personnel who may be called to active military duty.

Notwithstanding the lack of Army Headquarters guidance, one of the commands we visited--the Forces Command--had undertaken an initiative in this area. The command requires its installations to include in its contracts a standard clause which provides that, in the event of mobilization, the contractor should be prepared to increase contractor-furnished equipment, extend work hours, and to expand the contract work force. The clause also states that the contractor should "anticipate the possibility of a mobilization or similar emergency and identify the steps it will need to take to rapidly expand its contract capabilities to meet the exigency."

At Fort Ord, a Forces Command installation, a contractor-operated motor pool would have to expand rapidly after mobilization to support an Army training center that would be established. The contractor, however, had not planned for the expansion. According to an Army headquarters commercial activities program official, motor pool operations are typically contracted

out, and contractors would be expected to expand their operations following mobilization.

Mobilization planners at Fort Ord told us that the Forces Command had instructed the installation that it (1) could assume that the contractor could accomplish its expanded postmobilization mission and (2) was not responsible for reviewing the contractor's mobilization planning or assessing the contractor's capability to meet an expanded postmobilization work load. A Forces Command official said that these instructions were provided to Fort Ord because it was believed that meaningful mobilization planning would require the contractor to have access to classified data. According to the Forces Command official, the command does not want to write classified contracts or give classified information to contractors.

At Fort Gordon, the Training and Doctrine Command had not provided planning guidance, but the installation had developed mobilization planning procedures for contractor operations. Fort Gordon has an arrangement whereby a prime contractor provides logistical support such as transportation, materiel management, and vehicle maintenance at the installation. Upon mobilization, the contractor would be responsible for providing an expanded workforce.

While Fort Gordon retained overall planning responsibility, it asked the contractor to plan for replacing Ready Reservists and expanding the work force. For example, the contractor was required to estimate the personnel and equipment it would need to accomplish its mobilization mission. Similarly, the contractor was required to identify its employees and the employees of its two largest subcontractors who are either Ready Reservists or military retirees and who may be lost upon mobilization. During this effort, the contractor and the two subcontractors identified 189 such employees.

The contractor's mobilization plans are submitted to the Fort Gordon installation for review and approval and, if unsatisfactory, are to be returned to the contractor for revision. In addition, the adequacy of the contractor's plans is one of the factors that affect how much profit the contractor will be allowed. Fort Gordon's mobilization planners said that they were completely satisfied with the contractor's planning effort and believed that the contractor could accomplish its mobilization mission.

At the Sacramento Army Depot, a prime contractor was responsible for providing functions such as facilities engineering, family housing management and equipment maintenance. A commercial activities program official at the depot said that,

APPENDIX I

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while the installation would need expanded contractor operations upon mobilization, it had not asked the contractor to plan for meeting this requirement. This was not done because the depot was uncertain about how to provide for a contingency plan in the contract.

The Letterman Army Medical Center had not contracted for any functions at the time of our field work.

STATUS OF PLANNING ACTIONS

	Installations visited by CIVPERCEN		Installations visited by GAO	
	Action completed	Action partially completed Percent of total ¹	Action completed	Action partially completed Percent of total
94	6	-	25	75
100	-	-	75	25
38	31	31	-	100
29	47	24	-	75
18	59	24	25	50

Required planning actions

1. A mobilization directive has been developed that (1) outlines mobilization planning requirements and responsibilities and (2) provides mobilization planning guidance.
2. A mobilization table of distribution and allowances has been prepared that shows the number of civilians and occupational skills needed to support the mobilization mission.
3. Critical occupations requiring civilian incumbents have been identified to determine the potential availability in the local labor market.
4. Positions requiring specialized skills in essential activities have been annotated in the mobilization table of distribution and allowances to reflect a need for deferment from military duty.
5. Training programs have been developed to meet postmobilization orientation and skills-training needs.

¹Percentages may not add due to rounding.

Required planning actions	Installations visited by CIVPERCEN			Installations visited by GAO		
	Action			Action		
	Action completed	partially completed	No action	Action completed	partially completed	No action
	Percent of total			Percent of total		
6. A staffing plan has been developed for meeting personnel requirements.	59	24	18	50	25	25
7. Plans for employee services, such as food services, transportation, medical, and housing, have been developed; responsibilities for those services have been assigned; and organizations are prepared to carry them out.	41	18	41	50	25	25
8. Job descriptions for postmobilization personnel requirements have been prepared and are ready for use.	60	20	20	25	50	25
9. Key operating officials are kept informed of their responsibilities in executing the mobilization mission.	47	41	12	25	75	-
10. Cadres have been designated for those activities to be realigned or newly activated in an emergency. Cadre members are prepared to assume responsibilities immediately.	38	25	38	-	50	50
11. Civilian personnel office cadres have been designated and trained to activate stand-by Army installations.	38	25	38	-	100	-
12. A current roster is maintained of civilian employees. The roster will contain data specified in Army Regulation 37-105.	50	14	36	-	-	100

Required planning actions

- 18. An emergency recruitment agreement has been signed by Army and Bureau of Employment Services officials. The installation has identified critical skill needs, and the local employment office has reported on the potential availability of these skills in the local area.
- 19. The command and installations have a system for annually evaluating the civilian mobilization program.

	<u>Installations visited by CIVPERCEN</u>		<u>Installations visited by GAO</u>	
	<u>Action completed</u>	<u>Action partially completed</u>	<u>Action completed</u>	<u>Action partially completed</u>
	41	24	25	75
	47	18	-	25
				75
				-
				75



THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

MANPOWER,
INSTALLATIONS
AND LOGISTICS

11 MAY 1984

Mr. Frank C. Conahan
Director, National Security and
International Affairs
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Conahan:

Attached is the Department of Defense response to the draft GAO report, "The Army Needs to Plan Better to Meet Its Civilian Personnel Needs in Wartime," March 28, 1984 (GAO Code No. 967067, OSD Case No. 6476). The GAO study team has produced a responsible evaluation of the Army's readiness for civilian mobilization. Except for one minor point noted in the attachment, the Department of Defense concurs fully with the report's findings and recommendations. In fact, the Army already has underway corrective actions to address each of the problems identified in the draft report.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jerry L. Calhoun".

Jerry L. Calhoun
Principal Deputy Assistant Secretary of Defense
(Manpower, Installations & Logistics)

Attachment

DOD Response to GAO Findings and Recommendations in "The Army Needs to Plan Better to Meet Its Civilian Personnel Needs in Wartime" (GAO Code No. 967067, OSD Case No. 6476).

- o FINDING A: Army Will Need Additional Civilian and Contractor Personnel to Perform Wartime Missions. GAO found that, in the event of a full mobilization to support a large-scale conventional war, the Army would rely heavily on its civilian work force and would require an additional 175,000 civilian employees to meet its CONUS support mission. GAO further found that in such a contingency the Army may have to replace as many as 46,000 peacetime civilian employees who are Ready Reservists subject to callup, military retirees subject to recall, or males age 18-26 subject to conscription. In addition, many contractors performing commercial and industrial functions under the Army's Commercial Activities Program will, according to GAO, need additional civilian employees to support Army installations in carrying out their wartime missions effectively.

[p. 1, and app. I, p. 1.]

- COMMENTS: Concur. The Army has completely revised its regulation on civilian personnel mobilization planning, AR 690-11 (formerly CPR 900, chapter 910). This new regulation, targeted for publication in June 1984, requires that specific preemergency preparations be made to ensure that vacant civilian mobilization positions will be timely filled. Currently available manpower resources are listed and discussed in detail. These include excess Department of the Army (DA) employees; returnees from overseas; standby candidates (e.g., National Defense Executive Reserve, retired Federal civilian employees); Headquarters, Department of the Army (HQDA) centrally funded interns; local public employment offices; and the U. S. Office of Personnel Management (OPM). The Army is currently exploring additional manpower resources. One example is retired Federal civilian employees. On 22 March 1984, Headquarters, Military Traffic Management Command (MTMC) established the Mobilization of Retired Employees (MORE) program (MTMC Regulation 690-14). This program, which utilizes automated data from OPM's retiree records, will improve civilian mobilization preparedness by providing the means for recruitment and preassignment of Federal retirees to fill specific positions during periods of mobilization. Headquarters, U. S. Army Forces Command (FORSCOM) is developing a similar program for Army-wide application, which will be tested in October 1984. Another example of the manpower resources being considered is military retirees. There are approximately 100,000 military (Army) retirees eligible for the retiree recall program who have not been issued preassignment orders. Current policy (AR 570-4 and AR 601-10) allows installation/activity commanders to assign recalled military retirees to perform the duties of vacant civilian positions for up to 90 days. (This time period may be extended if approved by HQDA.) Crosswalks for matching military occupational specialty (MOS) codes with Dictionary of Occupational Titles (DOT) codes and DOT codes with OPM's occupational codes are being developed under sponsorship of the Office of the Assistant Secretary of Defense for Manpower, Installations, and Logistics. When completed, the crosswalks will provide the basis for preassigning military retirees to specific installations to perform the duties of vacant civilian positions until these positions can be permanently filled by civilians.

GAO note: Page references have been changed to correspond with those of the report.

- o FINDING B: Improved Planning Needed to Enable the Army to Meet Mobilization Needs for Civilian Personnel. GAO reported that the Army does civilian personnel mobilization planning in a decentralized manner with Army Headquarters providing basic guidance and each individual installation and activity developing mobilization plans to implement the guidance and carry out the workloads. GAO examined civilian mobilization planning at four installations and found that they had completed 21 percent of required planning actions, partially completed 44 percent, and failed to act on 35 percent. (GAO noted that the Army obtained the same findings in a 1982 study of 17 installations.) GAO also found that higher commands do not follow up to insure that adequate planning is done. Reasons cited by installations for inadequate planning were outdated and incomplete planning guidance and lack of emphasis by higher commands. GAO does note that Army has completed a draft regulation which corrects many of the guidance deficiencies. GAO concluded, however, that more effective planning is essential if the Army is to be able to acquire the civilian personnel needed to fulfill mobilization missions. GAO also concluded that the Army must ensure that its installations fully comply with existing regulations for civilian mobilization planning. [pp. 2, 3, and app. I, pp. 3-6.]

- COMMENTS: Concur. Nine of the 19 required planning actions examined by GAO are obsolete. The entire checklist of required planning actions has been updated in AR 690-11 to reflect current policy and procedures. AR 690-11 requires each Army major command (MACOM) headquarters and installation civilian personnel officer to designate at least one civilian personnel specialist as the civilian mobilization planner. These individuals will be responsible for assuring that all required planning actions are completed. This requirement, coupled with more frequent evaluations by HQDA and the MACOMs, should serve to improve overall mobilization planning.

- o FINDING C: Army Needs More Specific Guidance to Identify its Key Civilian Personnel Who are Ready Reservists. GAO found that the definition of "key position" in Army regulations (i.e., a job critical to the organization's mission for which a shortage of qualified replacements exists) is not specific enough that installations can consistently identify civilian employees with critical skills. As a result, installations are not fulfilling the requirement that they annually identify key civilians who are Ready Reservists and request their removal from the Ready Reserve or transfer to non-key positions. GAO further found that even where key personnel were identified, installations did not always submit requests to remove them from the Ready Reserve because employees did not want to leave the reserve and commanders did not want to force them to do so. GAO concluded that the Army must clear up the confusion about what "key employee" means and should make sure installations identify key employees and either request their removal from the Ready Reserve or transfer them to non-key positions. [pp. 2, 3, and app. I, pp. 6-9.]

- COMMENTS: Concur. The definition of "key position" in Army regulations is based on the definition promulgated in Department of Defense Directive (DODD) 1200.7, subject: "Screening the Ready Reserve," November 28, 1978. The Office of the Assistant Secretary of Defense for Reserve Affairs has revised DODD 1200.7 as of April 6, 1984. The definition of "key position" in the revised Directive includes new guidelines for determining whether or not a position should be designated as a key position. Army will change its definition of "key position" to correspond to the definition provided in the revised DODD 1200.7. This will be accomplished prior to the 1984 annual screening. Starting with its 1984 screening instructions, Army will include specific directions to request prompt removal of all key employees from the Ready Reserve and will take followup action to verify compliance.

- o FINDING D: Additional Guidance is Needed on Wartime Replacement of Civilians Who are Military Retirees or Draft Eligibles. GAO found that Army guidance for replacing recalled military retirees in wartime is not specific and results in plans for replacing some who, because of age or medical disability, will not be recalled to active duty. GAO further found that the Army has provided its installations no guidance at all on planning for replacement of draft eligibles. GAO concluded that the Army must also clear up the confusion about what needs to be done to ensure the prompt wartime replacement of civilian employees who are military retirees or subject to conscription. [p. 3, and app. I, pp. 10-11.]

- COMMENTS: Concur in part. The new regulation on civilian personnel mobilization planning, AR 690-11, specifies that only Category I and II retirees should be identified for screening. (Each of the three categories of retirees is defined in the glossary.) In addition to this guidance, Army will initiate a change in the current regulation governing the retiree recall program (AR 601-10) to restrict screening actions to Category I and II retirees and to Category III retirees in key positions who have volunteered for recall and have been given preassignment orders. However, it is DOD's opinion that extensive pre-mobilization planning for replacement of civilian employees who are subject to conscription is not warranted. Although males 18-26 years of age are required to register and are eligible for induction once Congress authorizes resumption of inductions, the Selective Service plans to draft 19-20 year olds first, followed by 20-21 year olds. Using the maximum planned draft rate, during the first 90 days after mobilization 425,000 males 19-21 years of age would be inducted. This number is 2.8% of the draft eligible males. Given the young age of these potential inductees, it is unlikely that many of them would possess critical skills that would be difficult to replace. Considering the small percentage of the Army civilian work force that would be affected, there is no need for a great planning effort to replace them upon mobilization. Replacement of such young, low skilled individuals on a case-by-case basis from the large remaining population would be relatively easy.

- o FINDING E: The Army Needs to Provide Guidance on Planning to Meet its Contractors' Mobilization Personnel Requirements. GAO found that Army Headquarters has not provided guidance on who should do the mobilization planning for Army contractors performing commercial and industrial functions. GAO concluded that, as a result, in many instances neither the contractors nor the installations they support have planned for the mobilization expansion of the contractor work force or the replacement of contractor personnel called to active duty. [p. 3, and app. I, pp. 11-13.]

- COMMENTS: Concur. AR 690-11 requires that the appropriate occupational series and grades be determined for manpower requirements that have been contracted out. These manpower requirements are precomputed for use in the event of contractor inability to perform. They would include mobilization expansion requirements only if these requirements have been determined. The Army's regulation on commercial activities (DA Circular 235-1) is currently being revised (as AR 5-xx) by the Office of the Comptroller of the Army. The revised regulation will require that, when bids and proposals are being sought, contractors must provide a plan responsive to the installation's mobilization plan.

RECOMMENDATIONS

- o RECOMMENDATION 1: GAO recommended that the Secretary of the Army monitor the actions required of CONUS support base organizations in planning for the wartime expansion of their civilian work forces and require the preparation and implementation of appropriate action plans. [p. 4.]

- COMMENTS: Concur. The Office of the Secretary of the Army will monitor implementation of AR 690-11 through periodic on-site evaluations and annual reporting requirements to ensure that all required planning actions are carried out, including preparation of a civilian personnel mobilization plan. A model plan is provided as an appendix to AR 690-11 which will ensure uniformity in identifying and addressing all required actions.

- o RECOMMENDATION 2. GAO recommended that the Secretary of the Army develop a clear definition of the term "key employee" for use by installations in identifying civilians who are Ready Reservists. [p. 4.]

- COMMENTS: Concur. The Office of the Secretary of the Army will revise the definition of the term "key employee" to correspond to the clarified definition and guidelines provided in the revised Department of Defense Directive 1200.7, dated April 6, 1984. This will be done prior to the 1984 screening of Ready Reservists.

- o RECOMMENDATION 3. GAO recommended that the Secretary of the Army take followup action to ensure that key employees are either removed from the Ready Reserve or transferred to non-key positions. [p. 4.]

- COMMENTS: Concur. The Office of the Secretary of the Army will ensure that, starting with the 1984 annual screening of civilian employees who are Ready Reservists (July-August 1984), the instructions provide specific direction that key employees must either be removed from the Ready Reserve or transferred to non-key positions. Followup action will be taken to verify compliance: HQDA (DAPE-CPR) will match each annual report of Ready Reservists occupying key positions against requests for screening submitted to military centers.

- o RECOMMENDATION 4. GAO recommended that the Secretary of the Army develop specific mobilization guidance on (1) replacing peacetime civilian employees who are military retirees or draft eligibles and (2) planning for the acquisition of additional and replacement contractor personnel to support expanding Army installations. [p. 4.]

- COMMENTS: Concur in part. DOD concurs with the recommendation as it applies to military retirees. The Office of the Secretary of the Army, through on-site evaluations and annual reporting requirements, will ensure that mobilization guidance for planning the replacement of military retirees is carried out. That guidance is provided in AR 690-11, which is scheduled to be published in June 1984. The Office of the Secretary of the Army will ensure that the Army regulation on commercial activities (AR 5-xx) is implemented, when published, to require contractors to provide a plan responsive to the installation's mobilization plan. Implementation will be ensured through on-site evaluations. DOD nonconcur that premobilization planning for replacement of draft eligibles is needed since the number that would be drafted in the early months following mobilization would be insignificant. (Also see response to Finding A.)

(967067)

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