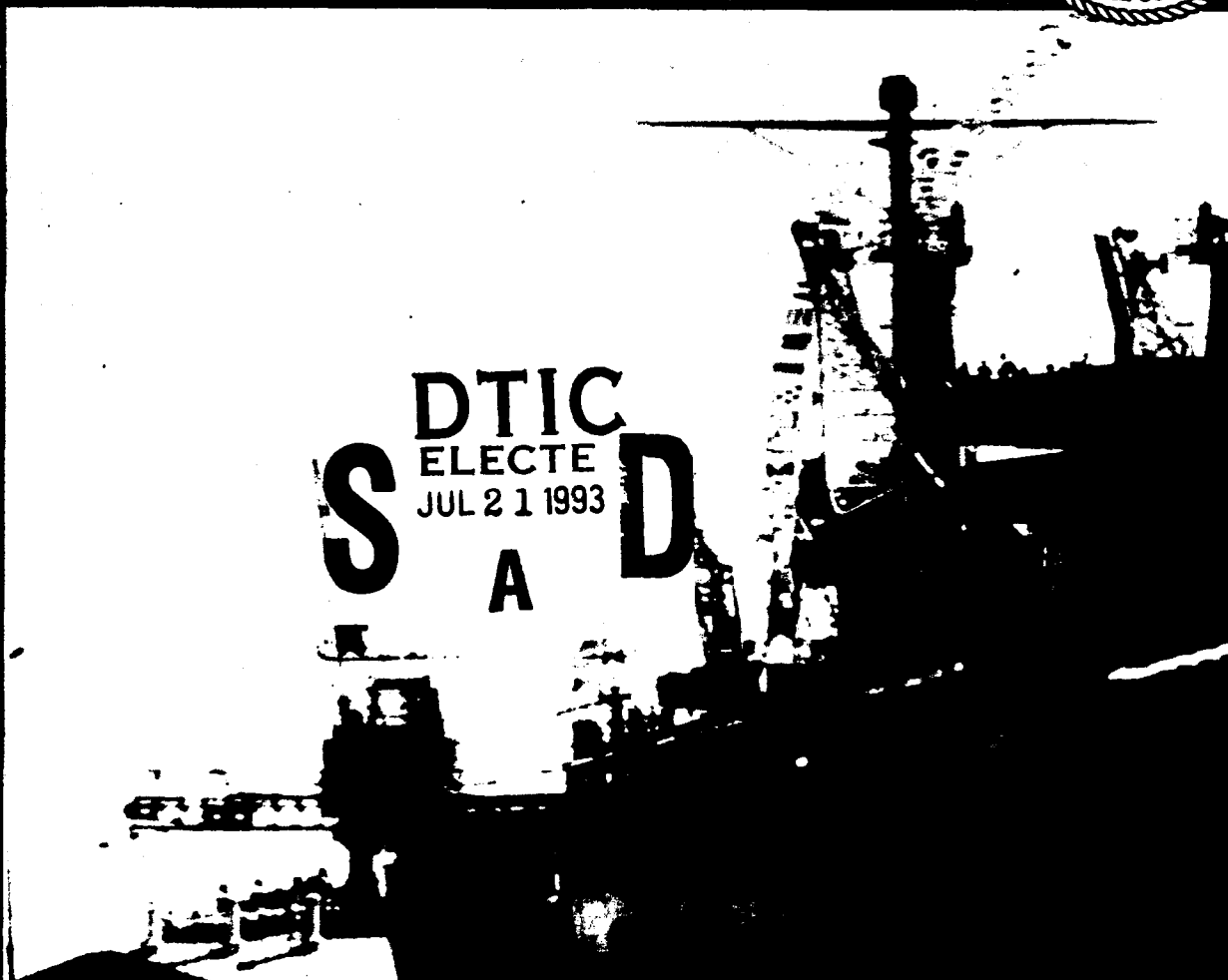


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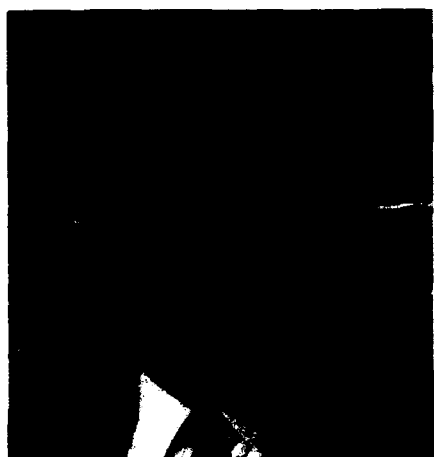
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Guest Editorial

People . . .

building on a solid foundation for the future . . .



As financial managers, our ability to support the needs of our naval operating forces depends upon our highly skilled, motivated, professional, and mission-oriented people. We have regularly devoted resources for recruitment and progressive career development programs, encouragement of professionalism, and practical financial management training programs. In addition, we strive to provide challenging work and recognize the achievements of our people because they are essential for job satisfaction, high morale, and quality performance.

"...From the Sea" provides us with the Department of the Navy's vision and doctrine for our operating forces including joint and combined operations in response to world-wide national defense and international security scenarios. Despite this time of uncertainty, resizing of our naval forces continues, considering the necessity for swift response on short notice and sustaining support for extended time periods in complex operating environments. This doctrine is totally reliant on joint service teamwork, training, and integrated information support, among other essentials, for anticipating and meeting mission needs.

As financial managers, it is necessary for us to both anticipate and meet the needs of our operating forces consistent with "...From the Sea" as well as the needs of our people who support the operating forces. Broader financial management knowledge, skills and capabilities are now required to respond to and support joint and combined operations and support missions. Some examples of these broader financial management capabilities are: the necessity to rapidly integrate DoD-wide program, budget and financial management requirements; providing timely, accurate and useful financial related information external to traditional users; and building teamwork and partnerships with financial managers in OSD, JCS, DoD agencies and the Army and Air Force. At the same time, we are trying to retain, develop, and attract career people in an increasingly competitive and diverse environment with significantly reduced resources.

The challenge and opportunity to be successful and contribute financial management support to our naval forces has never been greater!

'Over to You' for consideration.

John E. Roark, Jr.
Deputy Comptroller
Naval Facilities Engineering
Command

Navy Comptroller

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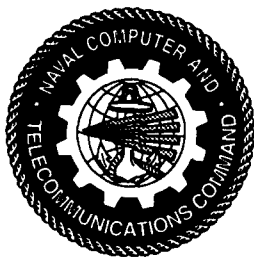


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**Principal Deputy Assistant
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Editor: Bonnie F. Lewis

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Financial Management Training

A plan for improvement at NCTC

by Shelby Chambers

The number one issue with most Americans is the economy. Many politicians and economists suggest government spending is not under control and our government is in deep financial trouble. Since the "Cold War Era" has ended, National Defense resources are expected to be reprogrammed to domestic needs.

The Naval Computer & Telecommunication Command (NAVCOMTELCOM) mission is to provide informational management capabilities to the Department of the Navy (DoN) and other Department of Defense (DoD) communication programs with funding granted under the Informational Technology (IT) Budgets. An article in *Government Computing News*, September 23, 1992, entitled "Senate Goes Easy On Military Information Technology Budget Cuts," states that the United States House of Representatives has proposed a \$300 million cut in the IT Budget for Fiscal Year 1993. The Navy's share is \$75 million. The Senate Appropriations Committee's proposal is \$36.3 million for overall Defense. Regardless of the Congressional compromises, the outcomes of future IT budgets will provide diminishing Defense resources in both dollars and manpower. Developing and maintaining an effective and efficient, well-trained financial management work force is of critical importance to NAVCOMTELCOM. The continuing quality of the financial management process within DoN is the responsibility of all managers at every level of command. All Commanding Officers are legally bound to use funds authorized by Congress for the purpose intended by law or the grantor of funds in accordance with the provisions of 31 U.S. Code 130 (1a). U.S. Code Section 1517 prohibits authorizing an obligation in excess of the amount available in an appropriation.

The Naval Computer and Telecommunication Command (NAVCOMTELCOM) operates under two different types of funding. There are thirty activities within NAVCOMTELCOM, nine of which operate under the regulations of the Defense Business Operations Fund (DBOF). The remaining twenty-one worldwide activities, along with the headquarters management command, receive Congressional appropriations under the functional area of National Defense and operate with funding provided under the Operation and Maintenance Account, Navy. As of 1 October 1992, Defense Management Report Decision 918 places this command's DBOF operations command in the infrastructure of the Defense Information Security Agency (DISA).

This article is a precis of the author's Master's thesis presented to The American University and Naval Computer and Telecommunication Command (NCTC) Comptroller Department in April 1993. The thesis (and the precis) may not reflect the official position of NCTC and is intended to serve as an example for academic demonstration of skills and knowledge obtained in the working environment in partial satisfaction of the requirements for award of the Master's Degree in Public Financial Management by The American University.

The changing environment within DoD directs centralization with the goal of achieving seamless end-to-end information transfers. Various components of information have created within DoD the Corporate Information Management (CIM) concept. Products must be provided that are cheaper, better, more responsive with more interoperable service in security, information standards, communication, computing, software design, acquisition, maintenance and educational training. To meet our customer's needs and accomplish the above goals, an improved financial management training program must be provided to all key employees, both financial and non-financial personnel within NAVCOMTELCOM.

The Problem

The strategic goals for DoN address the need for education and training to improve the quality of the workforce through innovative changes affecting recruitment, training and quality of life.¹ These concepts are a part of the Navy's Total Quality Leadership Program. The effectiveness of this management style depends on the skills, knowledge and most importantly, attitudes of Navy's military and civilian personnel.

The "Career Structures Work Group Report" published in August 1991 by the Comptroller of the Department of Defense concluded that the *status quo* for education and training of Financial Resource Management personnel in DoD was unsatisfactory. This report found a lack of standardization, gaps and deficiencies. There was duplication of effort in many areas of financial management and processing. The commitment to financial training varied among Defense agencies, management commands, and activities within each command. One of the outcomes of this report was a consolidated *Financial Management Training and Education Catalog*.

A review of the catalog found no Navy courses on unit costing listed; knowledge of unit costing is required under the new Defense Business Operations Fund (DBOF) concept. The "Professional Industrial Fund Managers Course" (which has been revised and renamed "DBOF for Professional Managers from Navy Industrial Activities" or "Pro DBOF"- editor) for five academic days is the only course listed for target group GS-9 and above or equivalent military for financial personnel within the DBOF organization. Currently, there are no requirements for additional training to keep pace with the changing financial environment as is the case in private

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"Products must be provided that are cheaper, better, more responsive with more interoperable service in security, information standards, communication, computing, software design, acquisition, maintenance and educational training."

“The research will include a brief overview of DBOF, but will not include the long chain of sequential, complex and integrated events of financial processing information. The focus will be on the importance of impacts to decision-making...”

business concerns. The Professional Military Comptroller School (PMCS) and the Practical Comptrollership Course (PCC) give a two-hour limited overview of DBOF concepts; however, fifteen percent of the current Navy workforce is operating under this type of financial policy and the percentage is projected to grow to fifty-eight percent within five years.² There are no courses listed for non-financial personnel managers and no videotapes available for financial management training.

Starting with the Budget execution for Fiscal Year (FY) 1995, message units and telephone service will be transferred from Congressional funding to a Fee-for-Services basis. This will involve policy changes within NAVCOMTELCOM. The current personnel within these areas will be faced with new financial regulations and guidelines. New programs such as Gain Sharing, Total Quality Leadership, and other workforce motivation programs require providing a quality product to a customer at the least cost. DoD is facing a prolonged period of fiscal austerity and downsizing along with a changing work force. NAVCOMTELCOM must plan for Financial Management training needs to meet the new challenges of operating the future DoD environment.

Purpose, Objectives, Scope and Limitations

The purpose of this research is to define the training requirements needed for sound financial management at NAVCOMTELCOM and make recommendations for improvements. This paper will focus on training needed to provide the best alternatives for cost effectiveness and efficiencies, to change old work habits and attitudes, and to implement the Total Quality Leadership (TQL) initiative for financial management.

The objectives of this project are as follows:

- To obtain historical information on NAVCOMTELCOM and DBOF;
- To explore the policies and status of the DMRDs that impose changes within financial management;
- To define technical financial terminology necessary for non-financial personnel to understand;
- To review the regulatory guidance and policies relating to training;
- To evaluate alternative training methods; and
- To recommend an improved Financial Management Program at NAVCOMTELCOM.

The scope of this research will be limited to NAVCOMTELCOM's current training policies and guidelines as published in NAVCOMTELCOM INSTRUCTION 12410.1, *Federal Personnel Manual*, Chapter 410, and Civilian Personnel Instruction 410. It will include both long and short term training for career General Schedule (GS) employees and General Management (GM) grade 15 and below. It will not include the Senior Executive Service (SES) Development Programs or special limited programs such as Cooperative Education, Handicapped Employees Training, Reduction in Force and Rehabilitation Programs. The scope of this project will explore other DoD agencies' training programs and related industry training programs, including the Supervisory Development Program. Limitations are imposed by time constraints.

This scope will be limited to DBOF Accounting and Budget concepts. The research will include a brief overview of DBOF, but will not include the long chain of sequential, complex and integrated events of financial processing information. The focus will be on the importance of impacts to decision-making for good financial management and training.

Assumptions

The first assumption is that current political conditions will continue. The very restrictive budget climate brought on by deficit reduction legislation (Gramm-Rudman-Hollings Act) will lead to less resources. Legislative action will be required to prevent sequestration in future years under the assumptions of current economic conditions with no increase in the tax rates or additional taxing base. Most economists agree that it is highly unlikely that growth will be enough to stabilize the growing deficit and make the interest payments on the debt.

In particular, Operation and Maintenance Account, Navy (O&MN) funding is subject to increasing scrutiny by Congress due to its size and attractiveness as a fast spending account. This is a one year appropriation with a large percentage of annual cash outlays. As part of the Deficit Reduction Act of 1984 (Public Law 98-369), each government agency must maintain effective cash management functions. This requires the maximum amount of cash available to the Department of the Treasury in order to avoid unnecessary borrowing. Switching functional areas such as Base Operating Support (BOS), Activities Providing Telephone Service (APTS), and Navy message processing to a Fee-for-Service concept should result in interest cost savings. This is true because these areas are within DOD activities and are cross-disbursed without actual cash outlays; thus, there is no need to borrow and incur interest costs. The third assumption is that these functions within NAVCOMTELCOM will be funded under the DBOF concept.

The final assumption deals with the foreseeable future. There are several DMRDs that will have substantial impacts on the way NAVCOMTELCOM performs its mission. This research assumes that DMRD 918 will be implemented and leave the management command intact as of the current time period. This assumption is less likely in the long term. Due to the uncertainty and unavailability of information this is the best alternative choice for the short term.

The foreseeable future includes the current peace status around the world. Global war is less likely and the National Military Strategy reflects this assumption in future reduced budgets and U.S. military planning. Under the above assumptions, the mission of NAVCOMTELCOM will be unchanged but will require a more effective and efficiently-trained workforce.

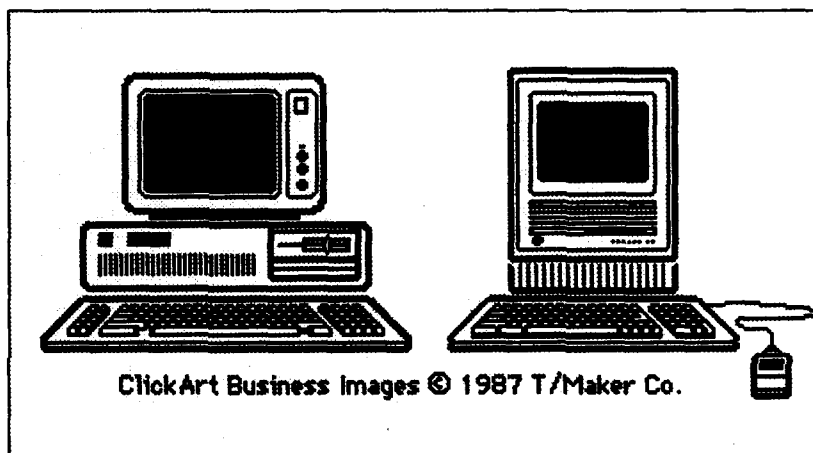
Background

The consolidation of the Naval Data Automation Command and Naval Telecommunications Command established the Naval Computer & Telecommunication Command effective 6 April 1990. This organizational change integrated the communication and data disciplines within

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Navy. The advent of message delivery to desktop computers and the introduction of digital switches capable of handling voice, data and video communications were the purposes of the consolidation.³

NAVCOMTELCOM and the Naval Computer & Telecommunication Stations (NCTS) are tasked with the responsibility to provide, operate, and maintain all Navy ashore communication and all non-tactical information resources for command, control and administration of the Defense Communication System assigned to the Navy.⁴ NAVCOMTELCOM is an echelon two activity under the direct command of the Chief of Naval Operations (CNO). This command is made up of thirty shore activities with 15,000 people.⁵ Nine activities and four



detachments were from the original Naval Regional Data Automation Command. These thirteen military stations operate under different budget and accounting regulations than the other activities within NAVCOMTELCOM. There are no Congressional appropriations. They sell their products and services and generate the funds to replenish working capital for operations.

The Naval Computer & Telecommunication Stations are regional multiprocessing and multiprogramming time-sharing Information Service (IS) centers which provide IS support to Navy and non-Navy customers on a reimbursable basis of fee-for-services. The major product lines include computer processing, programming and technical labor services, and other support services (e.g., communications lines, contractual support and computer training). This activity grouping operates across the continental United States and Hawaii.

The remaining twenty-one activities, along with the headquarters command, receive Congressional appropriations under the functional area of National Defense and operate with funding provided under Operation and Maintenance Account, Navy (O&MN). These activities are located in strategic areas in Europe, the Mediterranean, the Middle East, Africa, Southwestern Asia and the United States. Their services involve information resources (IR) for readiness, response to crises, telephone lines, satellites communication, and routine message traffic within the Navy and among other Department of Defense agencies.

The associated costs of providing National Defense have been a subject of debate in recent years. The very restrictive budget climate brought on by deficit reduction legislation (Gramm-Rudman-Hollings Act) is the one reason for the debates as to the fair amount of funding for DoD. Yearly funding must be received for O&MN. This funding best serves short-term decision-making and is subject to changes in the political environment. The amount of resources received depends on Congressional actions.

It is very difficult for the Navy to develop reliable quantitative performance measures to justify the account's components. O&MN funding is more qualitative. A Government Accounting Office report of August 1989 entitled "Navy Steaming Days: Budget and Execution," offered severe criticism of the Navy's current rationale for justifying large segments of the O&MN appropriation.⁶ The report's major arguments centered on the lack of quantitative and reliable performance measures. Statistical testing does show relationships exist between the O&MN account and a particular force structure (airplanes) in some areas but does not exist in other areas (ships).⁷

Starting with the FY 95 budget, some O&MN funding for NAVCOMTELCOM will be eliminated and functional areas transferred to DBOF. Headquarters DBOF personnel and telecommunication functions such as telephone and Navy message units will be involved in this restructuring. There will be no Congressional direct funding for these functions. NAVCOMTELCOM must obtain funding from its customers based on a cost reimbursable or fixed price contractual agreement.

Under the current environment of consolidation of functions, no information is available as to the total impact on personnel or other resources. The known impact is the need to identify all costs associated with the functions and develop a way to price these services under the DBOF accounting and budgeting concepts.

This requires a change to the normal way of doing business and new training for impacted employees.

The organizational structure of the Comptroller Directorate may be changed to meet new workloads and different types of budgeting and accounting concepts. The current structure divides the industrial and appropriated funding in both budget and accounting functions as shown below.

The Defense Business Operations Fund

On 1 October 1991, all Army, Navy and Air Force Industrial Funded activities authorized by the Department of Defense (DoD) under DoD regulations 7410.4 and DoD 7420.13 for stock funds were incorporated into one fund under DBOF management. The goals are:

- consolidation of like functions
- increased cost visibility
- realizing monetary savings through better business practices.⁸

This new Fund operates using principles similar to the Navy Industrial Fund (NIF). The NIF was a revolving working capital fund as is DBOF. There was no profit incentive at an industrially-funded activity. The customer's price equalled the direct labor and materials, other cost,

"Starting with the FY 95 budget, some O&MN funding for NAVCOMTELCOM will be eliminated and functional areas transferred to DBOF."

“Under the current environment of consolidation of functions, no information is available as to the total impact on personnel or other resources.”

contractual services, plus overhead applied. Overhead includes production, general and administrative expenses including depreciation of fixed assets for capital outlays, recovery of prior year operating losses or return of prior year gains, and other adjustments to cash approved by the DoD Comptroller. The former NIF policy is DBOF policy and ensures that all costs will be passed to the customers of that activity group.

Industrial Fund financing was one of the principal recommendations of the Hoover Commission in their Report on Federal Business Enterprises and Revolving Funds of 1945.⁹ This report's focus was on the desirability of financing operations by means of working capital funds from the viewpoint of management improvement. It provided that certain businesses or commercial-type activities be established within the military services and financed by means of revolving or working capital funds. The Hoover Commission's recommendations were enacted into law as a part of the National Security Act Amendments of 1949, 63 Statute 587, which has since been codified as Title 10. This gave the Secretary of Defense the power to establish working capital funds and provide financing within DoD. An outcome of this process, DoD Directive 7410.4 entitled "Regulations Governing Industrial Fund Operations," was issued. The objectives envisioned by Congress were a simplification of budgeting and accounting procedures along with a means for creating incentives that would influence the management of industrially-funded activities in the same manner as management in private business competition.

The specific objectives when using industrial funds include the following:¹⁰

- Furnish managers of industrial and commercial-type activities with modern management tools comparable to those utilized by efficient private enterprises engaged in similar types of activities;
- Provide an incentive for managers of industrial fund activities to improve cost estimating and cost control through the use of cost standards by requiring a contractual relationship between producer and ordering agencies;
- Require alert, forward-looking financial planning at industrial and commercial-type activities by making them dependent financially on reimbursements received for goods and services furnished in fulfilling orders from customers;
- Impel producers of goods and services to coordinate labor force and inventories with workload generated. It is recognized that statutory and executive restrictions on the levels of employment and the additions or reductions of personnel frequently limit flexibility and make effective control over employment difficult in relation to workload;
- Coordinate the financial aspects of detailed estimating and planning for job performance in terms of material requirements and labor operations, production scheduling and control, with budgeting and cost control;
- Establish and use realistic cost standards as targets rather than detailed cost limitations;
- Require ordering agencies to budget, control and account for the cost of all goods and services ordered, rather than allow them to obtain goods and services free or at non-compensatory rates. This requirement is designed to instill in the officials of these agencies a greater sense of responsibility and

self-restraint in limiting their orders, and balancing the cost against the benefits and advantages of their procurement, especially in the light of alternative or competing demands;

- Place ordering agencies in the position of critic of purchase prices (i.e., costs of performing activities) as well as quality and delivery speed of the goods and services ordered in consideration of relative costs of similar performing activities and outside agencies;
- Provide meaningful bills to ordering agencies, clearly relating the goods and services furnished by a performing activity to the charges rendered, causing the ordering agencies to assess their procurement practices and specifications in full awareness of the costs involved;
- Enable ordering agencies to budget and account on an "End Product" basis;
- Establish predetermined prices (Standard Stabilized Rates) for goods and services furnished by setting standard prices on performance and enabling ordering agencies to plan and budget more confidently; and
- Encourage management of ordering agencies to improve program planning and scheduling, in response to producers' efforts to negotiate for orders as far in advance as possible.

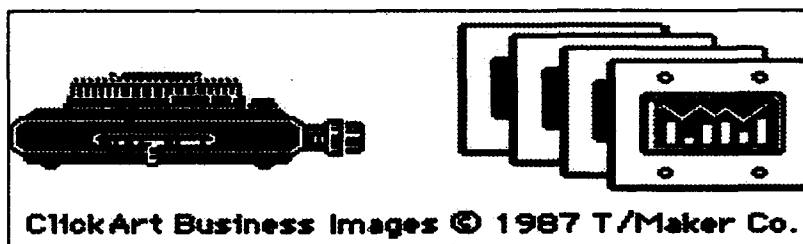
These objectives were published in 1982, but are the basis of unit costing that is used by DBOF for today's environment under the Corporate Information Management concept. The name may have changed but the management tools for providing a product to a customer at the least cost in a timely manner is still the same.

With these tools, evaluations are quantitative. Percentages for planned workload can be compared with the percentages of: past historical trends, elapsed time in budget cycle, actual workload and revenue, as well as the approved Operating Budget to actual cost. Both military and civilian cost are captured in the DBOF in terms of hours and dollar cost. Five years of budget cost data and actual/planned cost are available: three years of past history, the current FY, and budget year plus one.

The immediate impact of DBOF to NAVCOMTELCOM is unit pricing. The formulation budgets do not use unit pricing; however, execution must be measured by functional units of outputs. The operating budget consists of a unit cost goal, an output or workload measure, and an anticipated net operating result (NOR).¹¹ The Cost Authority for each business area equals the unit cost goals multiplied by the actual output measures. There are no predetermined dollars amounts.

Individual activity goals may vary within the management command; however, the total cost goal must meet the above formula. Also, separate capital budgets have been issued. If modernization to plant or equipment is desired, the depreciation must be captured in the price of the product driving up the cost. These changes required new implementation policies within the command and a different attitude for doing business.

Many additional reporting requirements are being published to be used as management tools for productivity analysis and controls of cost. All



“Effective 7 March 1993, the Authorized Accounting Activity (AAA) for all NCTS financial processing and statement preparation located on the Naval Air Station, Pensacola, Florida, will be capitalized in place to the Defense Finance and Accounting Service (DFAS).”

primary products must achieve specific goals set by the Navy Comptroller (NAVCOMPT) in their assigned business areas. These targets were established after all budget cuts were made and most activities feel they are unrealistic and unattainable. Activities are encouraged to shop around among the different IS defense suppliers for the least cost. This business relationship between competitive providers (NAVCOMTELCOM) and customers fully supports the Department's move toward Total Quality Management (TQM).¹²

Currently, there are five Navy business segments within DBOF: Supply Operations, Depot Maintenance, Transportation, Research and Development, and Other Business Areas. The “Other Business” categories consist of Information Services, Printing and Publications, and Base Support. NAVCOMTELCOM is the primary Navy supplier of Information Services that have two business areas: Data Processing Installations (DPI) and Central Design Agencies (CDA). Each branch of DoD has at least one supplier in each of these business areas.

Defense Management Report Decisions (DMRDs)

Effective 1 October 1992, DMRD 918 was signed by the Secretary of Defense to place NAVCOMTELCOM under the management command of the Defense Information Service Agency (DISA). A high level task group made up of the commanding officers, Pentagon officials and representatives of each service branch are setting a plan of action for implementation by October 1993, if Congressional consent can be obtained. There has been Congressional language introduced to prohibit this from taking place. Implementation in some areas will most likely be delayed to be treated as a political issue in the FY 94/95 budget cycle.

This DMRD is only one of several that may have a direct impact on financial management's policies and additional training needs of current employees of NAVCOMTELCOM. Effective 7 March 1993, the Authorized Accounting Activity (AAA) for all NCTS financial processing and statement preparation located on the Naval Air Station, Pensacola, Florida, will be capitalized in place to the Defense Finance and Accounting Service (DFAS). This process will take the control of NAVCOMTELCOM's financial processing and place this operation under another management command. This was mandated by DMRD 910 to consolidate the 500 occupational specialty codes series. This series includes accountants, accounting technicians, voucher examiners, payroll clerks and financial analysts. The Navy currently operates fifteen major accounting processing centers, seventeen independent accounting activities, and 103 other activities performing finance and accounting functions.¹³ This involves 3,700 personnel at a cost in excess of \$250 million annually.¹⁴ Exceptions have been temporarily granted for budget analysts, budget assistants, managerial accountants and financial managers.

The second phase of DMRD 910 is for capitalization of persons in the 300 occupational series, such as management analysts, and for consolidation of DPI, of which NAVCOMTELCOM currently operates seven major accounting processing centers within DBOF. If the consolidation takes place as planned, this will transfer twenty-five financial personnel

assigned to NAVCOMTELCOM to Defense Information Technology Services Organization (DITSO).

No information is available to determine the outcome, but the driving force is cost savings to DoD by the elimination of duplication of efforts in each branch of the services with standardization of functions within DoD. Under Corporate Information Management the task is to manage and control the accounting and reporting of all financial results of DoD operations, to support all DoD managers and customers, to develop and implement accounting policies, procedures and systems.¹⁵

The philosophy behind the financial systems consolidation is rooted in the lack of conformity in DoD accounting systems and the funds to build new systems from scratch. DoD has estimated a cost savings of \$150 million yearly starting in 1996 and projected savings of \$1.5 billion during a 10-year life cycle by reducing duplicative systems.¹⁶ The Navy's consolidation began in April 1992 with Civilian Payroll and expects the consolidation to take three years to complete. This consolidation will impact many financial personnel, not just payroll clerks, but accounting technicians and accountants who must verify that all cost has been collected and billed to the proper customer in a timely manner and financial records are accurate. Training in the new systems will be required.

These are not the only DMRDs that have financial management impact on NAVCOMTELCOM. There are numerous others that may impact the structure and financial operations. Regardless of the political outcomes of DMRDs, the personnel of NAVCOMTELCOM and its supporting NCTS will need training to adjust to the volatile financial environment. This environment has significant risks of loss of experienced personnel and requires extensive hardware and software modification training for current personnel. NAVCOMTELCOM must continue to sustain quality performance for existing workload even if there are conflicting DMRDs among the different Defense organizations that will impact NAVCOMTELCOM.



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Training Regulatory Guidance and Policies

Office of Personnel Management (OPM)

Training program policy provisions and required procedures are contained in the Federal Personnel Manual (FPM) Chapter 410 Training. All supplemental local policies must be consistent with FPM Chapter 410 and Civilian Personnel Instruction (CPI) Chapter 410. These policies are based on two guiding Principles:¹⁷

- Training and development are essential elements in the management of organizations and activities.
- Training resources management must be in consonance with the overall need to manage Federal Programs effectively.

Statute and Executive Order, Chapter 41 of Title 5, United States Code, is the basic statute authorizing training for most of the Federal Government.¹⁸ Executive Order 11348 of April 20, 1967, provides agency heads with additional Presidential direction on the manner in which the general statutory authority is to be used.¹⁹ Both the law and the Executive order authorize OPM to issue regulations governing various aspects of the

law. There have been several amendments, but the basic principles have not changed. Training means the process of providing for and making available to an employee in a planned, prepared, and coordinated program, course, curriculum, subject, system or routine of instruction or education in (various fields) which are or will be directly related to the performance by the employee of official duties for the Government, in order to increase the knowledge, proficiency, ability, skill, and qualifications of the employees in the performance of official duties.²⁰ This far-reaching definition leaves many discretionary policies for each agency to decide. What training is desirable, who will supply the training, who will get the training, and how the program will be implemented are decisions that must be made for an effective training program.

Training commitment varies among agencies. The size of the organization's budget is often a significant factor. OPM statistics show for 1990, small agencies, less than 1,500 employees, spent an average of \$638 per employee on training. Agencies with 1,500 to 10,000 employees spent \$1,040 per employee, and agencies with more than 10,000 employees spent \$500 per person.²¹ Despite these published figures, questions arise as to the definition of cost for training. Is the salary of employees being trained a part of the cost? Are travel costs for conferences on related job performance issues a cost of training? OPM regulations require, at a minimum, the agency to analyze and evaluate results and effects by whatever analytical tools seem appropriate. They publish pamphlets and offer assistance to the extent that its facilities and personnel are available.

Individual Development Training Plans (SF 12410/9 Rev. 10-89) are suggested, but not required. An employee or supervisor can request training for personnel. Training can be refused under certain circumstances or can be forced on employees in situations that involve job performance, present or future. Each agency must have training policies that do not discriminate on the basis of age, color, sex, race, religion, national origin or other factors unrelated to the need for training. OPM's responsibilities are:²²

- To provide agency heads maximum flexibility to operate training programs in the ways which best fit the special needs of the agencies;
- To require recording and reporting consistent with the law and the need to inform the President of the status of training in the Federal service;
- To encourage and assist in the establishment of adequate training programs by providing information, written guides, and advisory services;
- To stimulate, promote, coordinate, and facilitate interagency training efforts;
- To conduct training programs for other agencies designed to improve the public service; and
- To encourage cooperation among agencies.



Department of Defense (DoD)

The Career Structures Working Group Report for Financial Management Education and Training was tasked with the

responsibility of improving the effectiveness and efficiency of management education training, assuring continued relevance of training curricula, now and for the future, and providing a coherent program for DoD.²³ Currently, each military department has its own programs for financial or resource management personnel. Each determines the policies it will follow and the standards that will be acceptable. The career paths differ for military and civilian personnel and among military agencies for military. With the concept of DBOF, DoD has set out to standardize Financial Management.

The first steps were set forward in DMRD 971 and later revised under DMRD 985. Plans are being made to expand career referral services, implement standing committees and sub-committees and create model learning resource centers. There are standing committees for comptroller-ship, budget, finance and accounting, audit, and analysis. All of these committees report to a coordinating board and to the DoD Steering Committee. The focus is on formal training classes that are currently available within DoD.

The Joint Financial Management Improvement Program Compendium has issued an updated Catalog to be used as a guide for formal courses for Federal GS-510 Accountants. The guide lists available courses on generally accepted accounting principles, federal accounting, budgeting and reporting, and other related subjects. The Defense Resource Management Education Center, Naval Postgraduate School, Monterey, CA, has been assigned responsibility to provide both resident and on-site courses for DoD personnel.

However, there is not one class listed under Navy's classes for unit costing which is the current requirement for DBOF started in FY-92. The Naval Facilities Engineering Command (NAVFAC) does have in-house training designed for their particular needs.

The "Report on Quality Assurance in Department of Defense Financial Management Education and Training Institutions" found there were 181 financial management programs offered to DoD personnel.²⁴ On July 3, 1991, the DOD Comptroller issued a memorandum entitled "Management Plan for the Review of Financial Management Education and Training" addressing a broad spectrum of issues that spoke to the quality control of financial management. To ensure that formal college courses covered the subject matter at an appropriate level of the targeted audience and were effective instruction, extensive research involving comprehensive survey instruments was conducted. A listing was created by the Defense Manpower Data Center (DMDC) which details the number of civilian and military personnel involved in financial/resource management.

Providers of formal courses are institutions offering 179 different courses of instruction. A majority (78.9%) said the target group was both military and civilian; however, the percentile range for many schools was up to 90 percent military.²⁵

The sole agency reporting only civilian was The American University graduate level program in which the author is enrolled.²⁶ This is the most extensive research available for publication on financial management within DoD and the final conclusion was that there is no single "best

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method" to assure quality in DoD financial management education on training.²⁷

DoD classifies training as short-term or long-term. Any class that takes a person away from an assigned duty station for more than 120 days on a full-time basis is long-term training with the exception of apprenticeship, cooperative education, and intern programs. Most of this training is limited to GM-15's and above with allowances for GM-14's who excel in their job performance and demonstrated an exceptionally high potential for advancement.

There are strict requirements and it must be determined that no comparable facility exists within DoD or other agencies of the Federal Government to meet the training need(s) cost-effectively and there is no comparable facility or academic program in the local or commuting area for part-time or off-duty training that can meet the needs effectively.²⁸ These constraints eliminate any long term training for the Metropolitan Washington, DC, area. The National War College, Industrial College of the Armed Forces and Armed Forces Staff College are local. Each offers a variety of courses for financial managers, but most courses are in the area of Defense Economics and Decision-Making.

DoD has defined Financial Management as that part of management concerned primarily with the fiscal affairs of an organization and the translation of actions, both present and proposed, into meaningful and relevant information for use in the management process.²⁹ There must be translation of actions, from the planning stage to the execution stage, into monetary terms.³⁰ The sub-categories are Accounting, both Financial and Managerial, Finance, and Fund Control. This definition includes all fiscal activities performed to accomplish the mission of DOD business components: Programming, budgeting, accounting, reporting, cash management, finance, and related management analysis, internal control, auditing, productivity and performance measurements, and related training.³¹

Department of Navy (DoN)

On 13 January 1991, the Navy Comptroller Program Management Office (NAVCOMPTPMO) was established to act as the focal point for all financial management education, training and career development for DoN. NAVCOMPTPMO will be the direct link to promote the goals of the Assistant Secretary of Navy (Financial Management)/NAVCOMPT and the improvements recommended by the DoN Civilian Financial Management Career Program Planning Board (CFMCPB).³²



The CFMCPB's recommendations place responsibility on all managers to have some common core of knowledge of financial concepts so that opportunities for improving productivity are identified and exploited.³³ Tools such as work measurement, efficiency reviews, statistical quality controls, quality management, and organizational assessment are an important part of financial management training.

An interview with Lieutenant Pete Brown, NAVCOMTELCOM Supply Officer, confirmed that financial management skills are obtained by on-the-job training (OJT) and self-developmental activities. There is a Navy recommended assignment rotation, but this often leaves gaps in training. The Navy does not have a school house approach, as do the other DoD branches. There is no formal training required before promotions. The civilian workforce's financial training policies are driven by these military training concepts. College level education is required for accountants and auditors; however, no college courses are required for budget analysts, program managers, or financial managers. There is no requirement for additional training to keep pace with the changing environment as is the case in the private industry financial environment. Policy notification to representatives of school houses is slow or non-existing causing obsolete instructional materials to be taught to students.

Because of the lack of military financial training, the Navy has moved to make several Comptrollership positions civilian instead of military. A Report by a Blue Ribbon Task Force of the Association of Government Accountants published in 1990 as a part of the Chief Financial Officers Act cited the general lack of interest in financial matters by senior management as sapping the enthusiasm and commitment of financial management personnel.³⁴

Training Policies at NAVCOMTELCOM

The Office of Civilian Personnel Management (OCPM) located at the Washington Navy Yard provides the clerical and management support for NAVCOMTELCOM's training as published in OCPM Instruction 12410.1. OCPM provides guidance on policy, coverage, responsibilities and definitions of training terms. Individual Development Plans (IDPs) are required for probationary supervisors, career program interns, persons in special employment programs and senior executive service personnel. An IDP is not required for career employees with satisfactory job performance. Each agency (NAVCOMTELCOM) must have written instructions that must not conflict with higher written policy but can be restricted to each agency's needs.³⁵ They must be an evaluation of training by any tools that are found to be appropriate at each individual agency.³⁶ NAVCOMTELCOM is not allowed to have Employee Development Specialists. This service is a function of the Human Resource Office located at the Washington Navy Yard and would be considered a duplication of effort at the agency level. This organizational structure for training is configured to give maximum specialization without duplication of effort.

NAVCOMTELCOM Instruction 12410.1 published 18 September 1991 provides the guiding principles for training of both military and civilian personnel. Each Assistant Chief of Staff (ACOS) has an appointed Directorate Training Representative who plays a key role. It is the responsibility of this person to publish information on training offered and coordinate the necessary paperwork, except for mandatory training requirements that are assigned to the Program Manager (PM) in the functional area.

“Teamwork has been the greatest benefit for TQL. Annual ratings foster competition among employees and often do not lead to teamwork.”

NAVCOMTELCOM's FY-92 training budget was \$150,000 of which \$139,000 was obligated.³⁷ This restrained budget allows for training in support of mission-related official current duties, as defined by the Appraisal Performance Award System (APAS), critical elements, or in support of formal staff development programs.³⁸ This funds tuition, enrollment fees, library and laboratory fees, and purchase of required books.

It is the responsibility of line managers and supervisors to ensure their subordinates possess the competencies necessary to perform assigned duties effectively. The training directorate views their function as a customer driven relationship. The customer is the employee's supervisor and the training department providing the support as supplier of the requested services.³⁹ This policy assumes the job performance is satisfactory, reflects an up-to-date skilled workforce and the APAS is a correct measurement of job performance.

NAVCOMTELCOM's Strategic Plan, Objective H2.3.5 states:

By 1 July 1992, we will develop and implement a career development plan for each employee.⁴⁰

The goal of H2.4 is to increase by 50% employees motivation as measured by the responses to a 1991 job satisfaction survey.⁴¹ (The author was unable to obtain data from this survey as it is not available for research.)

A review of the NAVCOMTELCOM's supervisory training courses reveals no financial manager training is required for new supervisors. The author was unable to find a structured training plan for the Comptroller Department. The use of in-house training is the most common type of training. OPM officials feel most agencies like to do supervisory or managerial training in-house because that's an area where you might like to keep tight control.⁴² NAVCOMTELCOM officials feel it is simply a matter of dollars, not control.

Total Quality Leadership (TQL) Policies

The Navy's involvement with Total Quality Management (TQM), later changed to "Total Quality Leadership," can be traced back to 1981 when a young research psychologist, Laurie Broedling, heard W. Edwards Deming speak at a conference in San Diego.⁴³ Broedling was a member of a team under the Navy Personal Research and Development Center studying organizational improvement. At that time she was working on productivity improvements for onshore support systems operating under Navy Industrial Fund concepts, which is now a part of DBOF. The Navy Industrial Fund was created in 1950 with the concepts of customer and supplier relationships for budgeting and planning within defense at a zero profit or loss. Navy Industrial Fund objectives are similar to Deming's Fourteen Points for TQL.

The Naval Aviation Depot at Cherry Point, NC was one of six depots that repair, overhaul and modify military aircraft and operated under NIF. Between 1981-1984 they lost \$300 million.⁴⁴ It was this quest for better financial management by increased productivity by focusing on quality and team work that led to the current policies for TQL.

In the late 1980s, former General Motors executive, Robert Costello, was placed in charge of acquisition for the DoD. By 1989, twenty-one percent of Naval Air Systems Command (NAVAIR) work force was involved in TQM process training and 2,000 people had been sent to four-day Deming seminars.⁴⁵

The two biggest drawbacks for Navy's TQL is listed among Deming's Seven Deadly Diseases. The first obstacle for TQL is the mobility of management. Career officers are rewarded for new innovative policies that occur on their watch, not carrying out policies of previous officers. The second road block to TQL is the OPM regulations for evaluation of performance. Annual ratings foster competition among employees and often do not lead to team-work.

The NAVCOMTELCOM's Instruction 5200.2, published in July 1991, is committed to the policy of TQL. The Strategic Plan, Section III, lists four goals with thirteen objectives to obtain the goals. This command wants to develop a quality culture with unity of purpose. Two TQL coordinators, Marilyn McCall and Sharry Ingram, give full time support to the TQL process. Currently, ninety-seven percent of current headquarters personnel have been trained in awareness and seventy-five percent within the claimancy.⁴⁶ Ninety-five percent of top management has received from eight to one hundred hours of follow-on training; eighty-two facilitators were offered ninety-six hours of training.⁴⁷ Five Quality Management Boards (QMBs) have been chartered:

- Human Resources
- Resource Management
- Administrative Support
- Inspector General
- Operating System and Services

QMB's were asked to pick two Process Action Teams to study an area of concern. QMB's have a linking pin that reports to the Executive Steering Committee (ESC). The slogan "Cooperation not Competition" is the key element in team building according to Marilyn McCall. The benefits of TQL have not been measured in terms of productivity. The problems with acceptance of this management change is the biggest obstacle along with a shortage of training funds to support the needed travel, materials and supplies for TQL's mission. TQL does not get any direct funding although the program is mandatory within the Navy. Regardless of TQL shortfalls, this concept is slowly evolving at NAVCOMTELCOM. It may offer an economical means for future financial management training.

Teamwork has been the greatest benefit of TQL. The general model of work group behavior follows Deming's methods of identifying the inputs, processes, and outcomes. The current status at NAVCOMTELCOM for TQL is: the inputs of awareness training are in place, the process is being

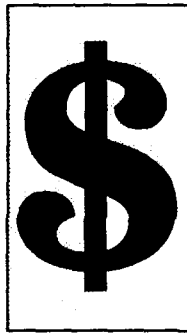


used, and the outcomes are uncertain at this time. The TQL process is for long-term results and has only a two-year baseline assessment at NAVCOMTELCOM.

At the current time, only one PAT is assigned in the financial areas. Several others must consider financial situations, such as the lack of funding or resources, in the study of the process to improve quality of life and the environment at NAVCOMTELCOM and its claimancy.

Cost and Benefits of Training

Training costs come under scrutiny each year when budget cuts must be made. Starting in FY 94, selected courses will be moved from centrally funded programs to a fully reimbursable basis. This will involve identifying and transferring education and training funds from the instructional providers to the using military services and defense agencies. Non-traditional modes of instruction are to be used whenever they offer cost-effective alternatives to the usual "schoolhouse/classroom" approach.



To determine the cost-effectiveness of training, actual cost information must be available including direct costs such as tuition, books, fees, travel, facilities, and expenses of people outside the organization who render services such as consultants. Indirect costs such as office supplies, equipment, facilities and general and administrative staff expenses that support the training program (salaries and fringe benefits) must be considered. Hidden costs such as the non-productive time loss from assigned duties and expected life of the

training skills acquired need to be assessed.

Currently, NAVCOMTELCOM's training costs are calculated and budgeted as only the direct cost of books, tuition and consultants. All training is funded with O&MN dollars. Financial training is combined with administrative training in the Navy Civilian Personal Data File (NCPDF) maintained by the Human Resource Office at the Washington Navy Yard.⁴⁸ NCPDF should contain all formal training provided by the Navy since October 1988. A check of my personal file in NCPDF obtained through the Freedom of Information Act was inaccurate. NCPDF did not contain "no cost to the sponsoring activity class" training that I have taken since transferring to NAVCOMTELCOM. With the limited data available, it is impossible to determine the actual cost of financial training at NAVCOMTELCOM in objective and quantitative terms.

Intuitively, many of us believe that financial training is beneficial, but there are always those who say, "Prove it."

The Office of Personnel Management recommends Human Resource Accounting in terms of Return on Investment (ROI). Budget justifications are in terms of potential savings generated through productivity gains or improved quality.

A case study of twenty supervisors conducted in 1989 at the Naval Ordnance Station, Indian Head, MD, showed a proficiency gap for competency of forty percent was closed to twenty-five percent within a

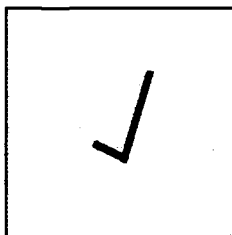
period of six months with selected training based on before-and-after need surveys. Each supervisor rated themselves in special selected areas and their supervisory personnel rated the supervisor's need in the same area. After six months the process was repeated. A performance value that included salary, benefits, and overhead resulted in an estimated improvement of \$3,255 for each employee's competency or a net cost savings of \$382,342 after a training cost of \$51,738 had been deducted.⁴⁹ The benefits were measured in improved supervisory performance, better overall organizational performance, improved return on training investment, and better financial control of government assets.

Case studies in the corporate environment consider the best trainers of financial managers as General Electric, Ford Motor, PepsiCo, Coca-Cola, IBM, and Arthur Andersen Accounting firms.⁵⁰ Each of these companies has variations to their models, but there is one common thread. There is always an input, process, output and outcomes or goals. All models emphasize quality products at reasonable prices, tailored to end-user requirements. At each step in the process there should be a value added and an evaluation of the process to optimize the overall effectiveness of the training program. These processes have indicators that tell whether or not students actually acquire the needed knowledge and skills.

Another way to approach financial training may be that we cannot afford *not* to offer financial training to key employees. As the Navy moves toward the "rightsize" by downsizing and reorganizing, the morale and productivity of those remaining on-the-job are critical to mission accomplishment. To maintain our competitive edge, our human resources must be as finely tuned as our computers and satellites.

Evaluating Training

The most common method of evaluating training is the end-of-course questionnaires that ask participants to rate various aspects of the experience. In the training industry these are known as "smile sheets." This type of evaluation is used to let the training staff know how they rated. Also, training contractors can demonstrate their effectiveness with positive ratings. "Smile sheets" provide quick answers, immediate feedback, and fit the short-term needs of the training branch.



In an article, "Don't Smile About Smile Sheets" published in the December 1990 *Training and Development Journal*, twenty-six limitations were given for use of end-of-course evaluations. The most important limitations were:⁵¹

- Ratings don't correlate with transfer of training. There is no clear relationship between end-of-course rating and the extent to which participants apply training on the job.
- Training participants do not have the background to supply valid judgments about the effectiveness of the course.
- Surveys are taken when people want to leave and don't take the time necessary to evaluate the course.

- Ratings are sensitive to working nuances.
- The emphasis is often on excitement. People like to have fun in training courses and may resent being asked to work hard or be given homework assignments.

NAVCOMTELCOM requires a second verification that you have completed the course, passed, and attended all sessions unless otherwise indicated. The employee and immediate supervisor must sign the back of the standard training form (DD 1556). The training branch reads all comments before processing the paperwork for payment.

The second most common way for evaluation of training is the obligational rate for the fiscal years training budget. Obligations incurred are the amounts of orders placed, contracts awarded, services received, and similar transactions during a fiscal year that will require payments during the same or a future period. In FY92, NAVCOMTELCOM's training branch had budget authority of \$150,000 and obligated \$139,000 or an obligational rate of ninety-three percent. This is considered highly successful execution of your training program by NAVCOMPT and OPM. The true measure of obligational rate is the ability of the training branch to spend money. There is no evaluation as to the quality of training or the usefulness of the training.

Another evaluation measure is the assumption that training is meeting the needs of the personnel because NAVCOMTELCOM has a high grade structure that should have expert knowledge and skills in their fields. Within the command most personnel are performing at satisfactory or above levels. This leaves training as an employee option or request from a supervisor for a specific training need. Many financial personnel have held other positions within the command and have used this on-the-job training as building blocks to the higher grade. There is currently no formal financial training plan to evaluate. Classes are selected on mission essential priority. This often leaves gaps in training that could lead to non-productive time loss. Classes for unit costing and DBOF concepts have been given to NAVCOMTELCOM's personnel.

NAVCOMTELCOM does participate in the DoN Centralized Financial Management Trainee Program. This two-year program has placed several budget analysts and accountants in headquarters or claimancy activities. Training is usually granted as long as the work schedule will permit and the training applies to a critical element of the employees' work plan.

Comparison of Financial Training

The Navy Comptroller Program Management Office at Pensacola, Florida, has responsibility for financial training within DoN. Robert E. Ryan is the Director and Thomas W. Steinberg is the Deputy Director. There are two divisions, Career Programs and the Trainee Program.

There are three entry-level courses available:

- Introduction to Navy Financial Management and Accounting (*revised and renamed "Introduction to Navy Financial and Managerial Accounting"-editor*)
- Principles of Navy Budgeting

- Introduction to Navy Industrial Fund (*revised and renamed "Introduction to Navy Industrial Accounting for the Defense Business Operations Fund" - editor*)

There are four mid-career courses available:

- Navy Practical Comptrollership Course (PCC)
- Professional Industrial Fund Managers Course (*revised and renamed "DBOF for Professional Managers at Navy Industrial Activities" - editor*)
- DoD Graduate-Level Financial Management Program (DoD GLFMP)
- Professional Military Comptroller School (PMCS)

Entry-level courses are for 30 hours and mid-career courses run from one to eight weeks with the DoD GLFMP consisting of a three-year program after working hours. All courses are centrally funded.

The Army offers to civilians and military personnel a centrally-funded, duty hours, fourteen-month Advanced Resource Management Course at Syracuse University. Two other programs, the Professional Military Comptroller School, and the Mentorship/Leader Development Program provide mid-career paths to advancement in financial management. Over 150 entry and mid-level courses are listed in the *Financial Management Training and Education Catalog* for the Army.

The Air Force Comptroller Civilian Career Management Program (CCCMP) is for civilian employee development in support of current and long-range needs for career executives in the Air Force Comptroller functions.⁵² The occupational series of positions covered by the CCCMP fall into two categories: Basic Series and Shared Series.

Basic Series:

- 501 Cost Analysis/Financial Administration
- 505 Financial Management
- 510 Accountant
- 511 Auditor
- 560 Budget Analyst

All positions in the Basic Series are dedicated to financial management. Therefore, all GS-12 through GM-15 positions in these series, regardless of where located, are centrally managed by the CCCMP.⁵³

Shared Series:

- 301 Officer/Administration (?)
- 343 Management/Program Analyst
- 1515 Operations Research

Shared Series positions meet the mission requirements and are managed in the same manner as the Basic Series.

When a person reaches the grade of GS-11, they are eligible to register with the CCCMP to be considered for further promotions. Individuals are placed in the Career Executive Force and are referred for vacancies for which they qualify.

The Defense Acquisition University was established 1 August 1992 to promote a systematic training program for the occupational codes in the 1000 series, contracting and acquisition. This university is made up of a consortium of fifteen different military service agencies, community colleges, large universities and educational organizations. There is a full range of courses offered to support the career goals and professional development of persons in the

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acquisition workforce. Three levels of knowledge have been established: Level-1 is for fundamental knowledge, Level-2 prepares for specialization in one of twelve fields, and Level-3 provides knowledge for management of the conceptual process. Each level has mandatory and desired courses. Level-3 requires financial management courses such as cost estimating. Each level must be satisfied before moving to the next level. Funds are provided by the Navy Career Management Center in Mechanicsburg, PA and cover the cost of the education, travel and per diem. All classes are taken during regular working hours.

The DoD programs leave gaps in financial management training. College classes are required for 510 and 511 series to qualify for the positions, but once in the position no further classes are required. The other financial basic series have desirable classes, but none are mandatory to qualify for a position. Maintaining the necessary skills needed to perform in the position is left to the supervisor and the employee. The Navy has no CCCMP to provide opportunities for advancement and to emphasize your career goals and professional aspirations.

Alternative Methods of Financial Management Training

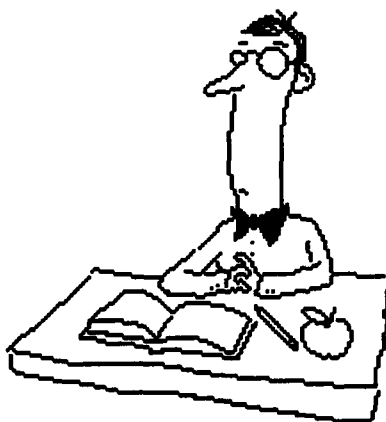
Formal Schoolhouse Training

The DoD *Catalog of Financial Management Training and Education* lists 120 formal financial management courses offered by 31 academic or training activities. The Catalog provides a single document for all DoD financial management education and training opportunities. Formal classroom training is the first choice for training. It has the advantage of speed in imparting knowledge and developing skills. Classroom settings permit two-way flow of information with immediate feedback. "Question and answer" and "show and explain" sessions can be extremely helpful to students. The classroom setting also offers the potential for networking among professional personnel and involves several minds working toward a common goal.

The quality of classroom training varies; however, when the instructor is a subject matter expert and teaches a class many times, the quality tends to be better. The biggest disadvantage to formal classroom training is the cost, in terms of time away from the normal duties and dollars. This cost can be cut by off-duty hour training at local colleges and universities. The head of an agency has authority to pay all or part of the training cost.⁵⁴ Another disadvantage is that information or knowledge not used within a reasonable timeframe is usually forgotten.

Distance Learning

The Naval Educational and Training Program Management Support Activity (NETPMSA) developed a Video Teletraining Technology (VTT) satellite network consisting of a two-way video/audio and voice-activated switching training system. Currently, there are five VTT East Coast sites—Newport, Dam Neck, Norfolk, Charleston, and Mayport—with seven classrooms (two at Charleston and Dam Neck) available for live



broadcasting twenty-four hours each day. In November 1992, a two-hour DBOF financial management training session was conducted. Plans are to conduct four-hour sessions in the near future.

VTT required a large up-front capital investment. NETPMSA has documented proof of cost effectiveness. The yield for Return on Investment (ROI) should prove efficiency over other types of ROI in the near future. With the first site for the West Coast to open in January 1994 in San Diego, training will be available for a large number of naval personnel. Training on policy changes that often take months to prepare in the "schoolhouse" environment could be scheduled in a more timely manner.

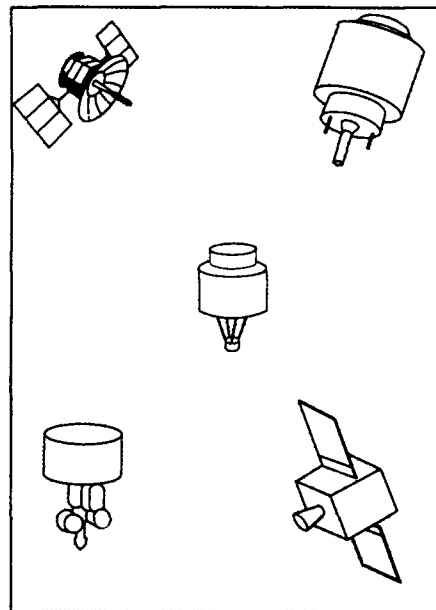
For NAVCOMTELCOM to fully utilize this technology, travel would be required. There are no current plans to open a site in the Washington, DC area. With the use of Bachelor Officers Quarters in the Norfolk or Dam Neck area, VTT is a cost-effective choice.

The Mind Extension University on cable television, satellite, videotape cassettes and related transmission technologies is available to all employees at NAVCOMTELCOM. A Master of Business Administration from Colorado State University is available. Many of these financial management related classes are eligible for tuition assistance. Classes are least-cost to government because there would be no loss of productive time away from the duty station and little overhead expense.

This type of adult learning has proven to be very effective. Various surveys have shown adults want to be trained, are motivated by training, and have a need that can be satisfied by training. All three research surveys taken by this author verify this statement.

Applying Victor H. Vroom's Expectancy Theory, a NAVCOMTELCOM employee has a reasonable expectancy that new skills will be needed to perform at the required level in DBOF. With the proper financial training, the probability of good performance could lead to the desired outcome of keeping a job. The value of keeping a government job in today's economy should be high.

Correspondence courses offer an opportunity to train at the employee's convenience. They are relatively inexpensive, require no time away from the job, and are comprehensive instructions for most adults. They do have the disadvantage of no personal contact. The true feedback of skills gained is not generally known because tests are left to the honesty of the employee. The DoD provides several financial and business management courses that have proven to be effective in the areas of accounting and finance.



“Video Disc applications have proven to be an effective tool for financial managers in areas of computer software.”

Video Computer Programs and Video Disc Applications

Computer-based training systems that require a student's response during instructions make it necessary to pay attention to the instruction. International Business Machine's Federal Systems Integration Marketing Research has shown that students learn best when they are active in the process.⁵⁵ A higher percentage of knowledge is retained than in a formal classroom setting. These programs can reduce course time for some students, be taken during slack times or as skills are needed, and can be offered at the student's office locations. The biggest disadvantage is that the programs work best if tailored to individual projects which increases cost.

Video Disk applications have proven to be an effective tool for financial managers in areas of computer software. They have the same advantages as computer programs but are inexpensive learning aids. Most financial managers have the equipment in their office settings and off-the-shelf packages are available for a variety of financial related subjects and business decision making.

Symposium, Professional Organization and Lecture Series

Financial management training can be obtained without spending time in a classroom setting. Participation in professional organizations such as the American Society of Military Comptrollers (ASMC) provides an opportunity for networking among personnel within DoD or a more in-depth look at a particular topic of current financial interest. Articles are published in the *Armed Forces Comptroller*, a quarterly professional journal on the most up-to-date information. NAVCOMPT publishes abridged manuscripts on financial management-related topics in the quarterly publication, *Navy Comptroller*. Each issue has at least one article on training. Books and newspapers provide information on current DoD issues. This type of training does not have any cost associated to the training budget. Knowledge gained from these sources ensure a greater understanding and acceptance of the final DBOF decisions.

The DoD offers many good speakers and lecture series that are often available at no cost to employees. The manager must be motivated to attend and apply some of the knowledge to his workplace for benefits to occur. Workshops and symposiums often create new innovative ideas because of the massive exchange of information on a particular subject or policy implementations.

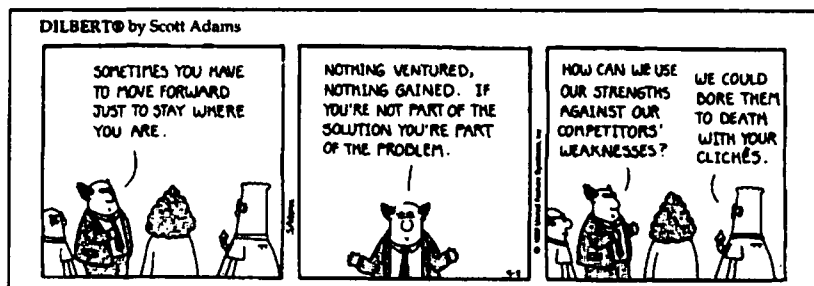
Financial managers need these sources of information to reduce the cost of operations, improve quality of the product, and invest in the best alternative choice of technology available.

On the Job Training (OJT)

There are four most commonly applied alternatives for OJT. The most often used method is coaching. This involves the individual's supervisor to provide guidance in either written or oral format. The biggest advantage to coaching is the development of skills and knowledge needed to perform a task in the expected manner of the supervisor. Gained experience should lead to the elimination of the uncertainties that come with a new job or

assignment. This method is successful because of the legitimate and coercive power of the supervisory personnel. However, in some situations the management style may be viewed by the subordinate as bureaucratic control and can lead to dependency or rejection.

Mentors have an advantage of a relationship between a less experienced person and a senior person. This type of training is effective in transmitting organizational values and providing an employee with an appropriate role model. Mentors do not have the disadvantage of coercive power unless the employee wants to accept that power.



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Rotational assignments for short periods of time have the advantage of providing employees with a broader understanding of organizations. Combined with other training programs, they can be very effective. The Navy's Centralized Financial Management Trainee Program is administrated using this method of training. Special projects outside of the normal duties are another method of training and have the same advantages and disadvantages as rotational assignments.

Productivity Gain Sharing (PGS)

Productivity Gain Sharing (PGS) Programs offer an opportunity for on-the-job training in financial management. PGS recognizes and rewards employees with incentives up to 50% of cost savings generated by exceeding agreed upon unit costs and performance standards. Rewards are paid in cash or administrative leave. DoD Instruction 5010.31-G provides guidance for design and implementation of PGS.

The DBOF organizational structure at NAVCOMTELCOM provides the necessary financial management framework for the involvement of all employees in financial information sharing. The DPIs and CDAs have definable and accurate measures of costs and performance. The combined budget execution and accounting systems (BFEMS) provides visibility in cost per unit or output with assigned targets (goals) for the measurement of improvements. PGS is an alternative method for financial management training that could result in motivating the workforce, meeting the customers needs, and managing the downsizing of NAVCOMTELCOM in a positive way.

The Naval Aviation Depot, Cherry Point is an example of a DBOF organization that has saved almost \$15 million and earned about \$1,000 for each of its 3,000 employees in the last five years.⁵⁶ PGS is used by Defense Logistics Agency supply depots organization-wide under the "Success Share" models using the DBOF's concepts.

"Civilian training policies are driven by DoN's military training policies. There are no requirements to keep pace with the changing financial environment within DoD as is the case in private industry or in the acquisition occupational codes. "

Findings

NAVCOMTELCOM has no consolidated listing of the classes that are offered to personnel in FY 93 for financial management training. Each employee should be notified by their training representative as classes are selected by the training office. Supervisors can request training classes or personnel can ask for approval of training in a specific course.

How much training an employee obtains depends mostly on two factors. One factor is the response of the employee in aggressively applying for training. The second factor is the supervisor's approval. These two factors vary widely within NAVCOMTELCOM. This process leaves employees and supervisors uncertain as to which courses will be offered in order to select the best training available.

The current policies at NAVCOMTELCOM limit training to mission related official current duties as defined by the person's APAS. This policy does not allow for future training needs. Most supervisory personnel outside of the Comptroller Directorate do not have financial APAS and will most likely be denied financial training unless strong justification can be made.

Civilian training policies are driven by DoN's military training policies. There is a suggested listing for financial management training, but no requirements. There are no requirements to keep pace with the changing financial environment within DoD as is the case in private industry or in the acquisition occupational codes.

Training dollars for NAVCOMTELCOM's budgets have stayed relatively constant at \$150,000 while the cost of training has increased. Many alternative methods for training are available. Formal classes provided by DoD or DoN are often listed as "cost-free classes." These classes are required to be chosen over classes with cost that may provide a greater benefit.

The cost-effectiveness of the training program cannot be measured. There is a lack of cost information available. There are no before and after statistics for comparison of benefits received. Training is evaluated by end-of-course "smile sheets" and questions answered by trainee and their supervisor. There is no formal training plan for financial training of personnel. Financial management courses are lumped with other administrative courses offered. Information is not available as to the total resources that have been made available for training.

Currently, the emphasis is on the TQL process as a means to conduct training and control costs. The TQL Program at NAVCOMTELCOM has been successful in awareness training of personnel and facilitators. There has been no cost analysis as to the total cost of the program including the lost time away from the normal duties nor the effectiveness of any TQL training programs.

The financial processing system does not always make the total cost of a product or service available to the employee. Most employees are unaware of overhead costs for G&A and Production. Unit costing was a new concept to NAVCOMTELCOM in FY 92 with more fee-for-services rates scheduled for FY 95.

Conclusion

The financial management training process at NAVCOMTELCOM needs improvement. Currently, there is no systematic structured training plan within NAVCOMTELCOM.

The Naval Supply Systems Command is the career path for military financial officers. The focus is on accountability and protecting the government assets in supply functional areas. Many financial management skills must be obtained by on-the-job-training and self development. This often leaves gaps in training.

The Navy Comptroller Program Management Office recommended that responsibility be placed on all managers to have some common core of knowledge of financial concepts so that opportunities for improving productivity are identified and exploited. The current policy of NAVCOMTELCOM limits training to critical elements on the civilian employees' Appraisal Performance Award System. No financial management training is required for new supervisory personnel. The Office of Personnel Management, Department of Defense, and Department of Navy policies and guidance are defined in a broader spectrum of providing training than is the current policies of NAVCOMTELCOM.

NAVCOMTELCOM's Strategic Plan, Objective H2.3.5 states:

By 1 July 1992, we will develop and implement a career development plan for each employee.

The results of the survey conducted in November 1992 by the author indicated less than forty percent of NAVCOMTELCOM's personnel have an Individual Development Plan. Only twenty-five percent of NAVCOMTELCOM's surveyed personnel said they were receiving training to advance to the next highest level. The survey responses show a willingness and need for more financial management training.

Defense Management Report Decisions (DMRD) directly impact the financial management at NAVCOMTELCOM. There are at least four DMRDs that may lead to loss of financial personnel and resources. Not enough information is available to make a determination on the outcomes. Not all personnel within the financial occupational codes are required to have formal training. Accountants and auditors are required to have twenty-four hours of college level accounting courses to qualify for appointment, but no additional training is required to keep pace with the changing environment. The history of the command indicates a changing environment in the products provided to customers and organizational structure. The associated costs with providing National Defense have been a subject of debate in recent years. The Defense Business Operations Fund mandates that all costs of producing a product or performing a service be passed to the customers of that activity group. In FY 92 the concept of unit costing was implemented for certain products with more products to be on a fee-for-service basis in FY 95. To meet the future needs at the Naval Computer and Telecommunications Command and accomplish the mission, an improved financial management training program must be provided.

Recommendations

Based upon research, I recommend action to improve the financial management training program. All recommendations recognize that a continual review of financial management training is necessary to ensure that management continues to look for ways to improve.

- That NAVCOMTELCOM develop and implement a career development plan for all financial occupational codes that would eliminate the gaps in training that now exist.
- That NAVCOMTELCOM require financial management training for all supervisory personnel and any other key personnel that are involved in financial decision making.
- That NAVCOMTELCOM implement a change in the policy of limiting training to critical elements of the current Appraisal Performance Award System for civilian employees.
- That management performance standards include a crediting plan for innovation in the area of productivity improvement, and that all employees who make productivity improvements are rewarded.
- That NAVCOMTELCOM develop a model for measuring the cost-effectiveness of training along the lines of the one illustrated in the research that will collect all costs for training and measure the outcomes of training.
- That NAVCOMTELCOM training branch publish annually a listing of all financial management training available for the next fiscal year in August of each year so employees and managers could select the best training.
- That NAVCOMTELCOM develop a program to ensure training classes are available for DBOF's unit costing requirements.
- That financial personnel be encouraged to join professional organizations such as the American Society of Military Comptrollers.
- That NAVCOMTELCOM form a Process Action Team under TQL to study the financial process and publish a command booklet for non-financial personnel that covers the financial policies of NAVCOMTELCOM.
- That scanning devices be used with NAVCOMTELCOM's identification badges bar coded to monitor training and gather data for personnel files.

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About the Author

Ms. Shelby Chambers is an Accountant at the Naval Computer and Telecommunication Command. She previously served as the branch manager of accounting at the Naval Surface Warfare Center, Indian Head, Maryland. She is a recent graduate of the Department of Defense Graduate Level Financial Management Program at The American University.



Finance and Accounting Training

A "Learning Center" approach at DFAS-Indianapolis Center

by Joy Martin

Satisfying the increasing demand for timely and cost-effective methods to train and retrain employees is one of the challenges facing the Department of Defense (DoD) as it pursues greater economies and efficiencies in its business operations. The Defense Finance and Accounting Service (DFAS) is meeting this challenge by adding flexibility to traditional training options.

Under the DoD management initiative for improving financial management education and training, DFAS is developing a prototype DoD Learning Center at DFAS-Indianapolis Center. The facility will allow local DFAS employees to try out automated training courses and, on behalf of DoD as a whole, evaluate ways to increase participation in "nontraditional/distance learning"—high quality, cost effective training provided mostly through an electronic environment.

The 3,500-square foot prototype Learning Center consists of self-paced laboratories in individual cubicles; multi-purpose training rooms; a reference area for print, periodical and video-based information; private counseling offices and a customer service desk. Resources will focus on five media: print, videotape, computer-based training, CD-ROM and video-teletraining. As more training technology applications become available under DoD's financial management education and training initiative, the Learning Center will integrate them into its self-paced and distance learning programs.

The Learning Center will act as the DoD and DFAS showcase for innovative training technologies and applications. It will also provide a "one stop" location for skill assessments, information, training and education, certification programs and counseling services (based on assessment and individual development plans) for the work force.

Initial response to DoD financial management initiatives revealed a great deal of interest in certification of knowledge. As a pilot program, the Defense Activity for Non-Traditional Education Support (DANTES) was asked to consider providing services to civilian financial management personnel. With DFAS and DANTES working in partnership, the Learning Center could offer a wider range of educational opportunities.

A Matter of Timing

Timing is critical to the usefulness of training to DFAS. If the training is received too early or too late with respect to mission requirements, it costs



DFAS money and productivity. Steve Freeman, DFAS Deputy Director for Human Resources, said:

The Learning Center is a cost-effective way to make training available on a timely basis, because it allows more flexibility in delivering training. Employees can train for a week, a day or an hour. Modular instruction and self-paced learning will prevent the need to pull employees away from the job for long periods of time.

With a Learning Center, DFAS won't have to wait until a certain number of people need training in order to justify a specific training course. As soon as an employee needs training, that individual can receive it from the Learning Center. An added benefit of the Learning Center is that it will increase training opportunities throughout DFAS. As new finance and accounting systems evolve and the cost of traditional forms of classroom instruction rises, the value of a Learning Center also increases.

Technology Holds Promise

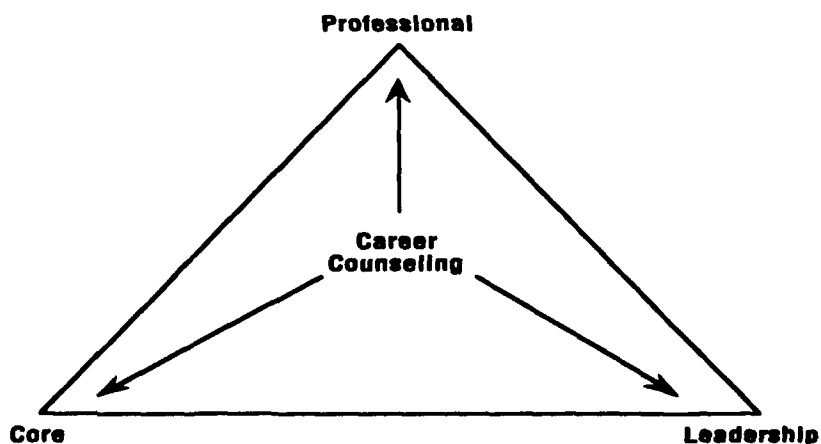
Until recently, the primary vehicles for delivering training in DFAS was classroom instruction and on-the-job training. To better define and manage future DFAS training challenges, training specialists from each DFAS Center and DFAS Training Officer Terry Hill met to discuss factors affecting the validation of work force training needs.

They determined that in order for DFAS to remain competitive and productive, the Agency would need to provide a broad range of education and training programs for its employees. For some, the training may mean acquiring new skills. For others, it could take the form of basic skills training or high-level professional development.

The Concept

The focus of DFAS training and education is on the development of multi-skilled employees, enhancing financial management career development and providing career counseling services. With this in mind, the Learning Center will incorporate self-paced training materials on core training, professional and leadership skills and career counseling (see Figure 1).

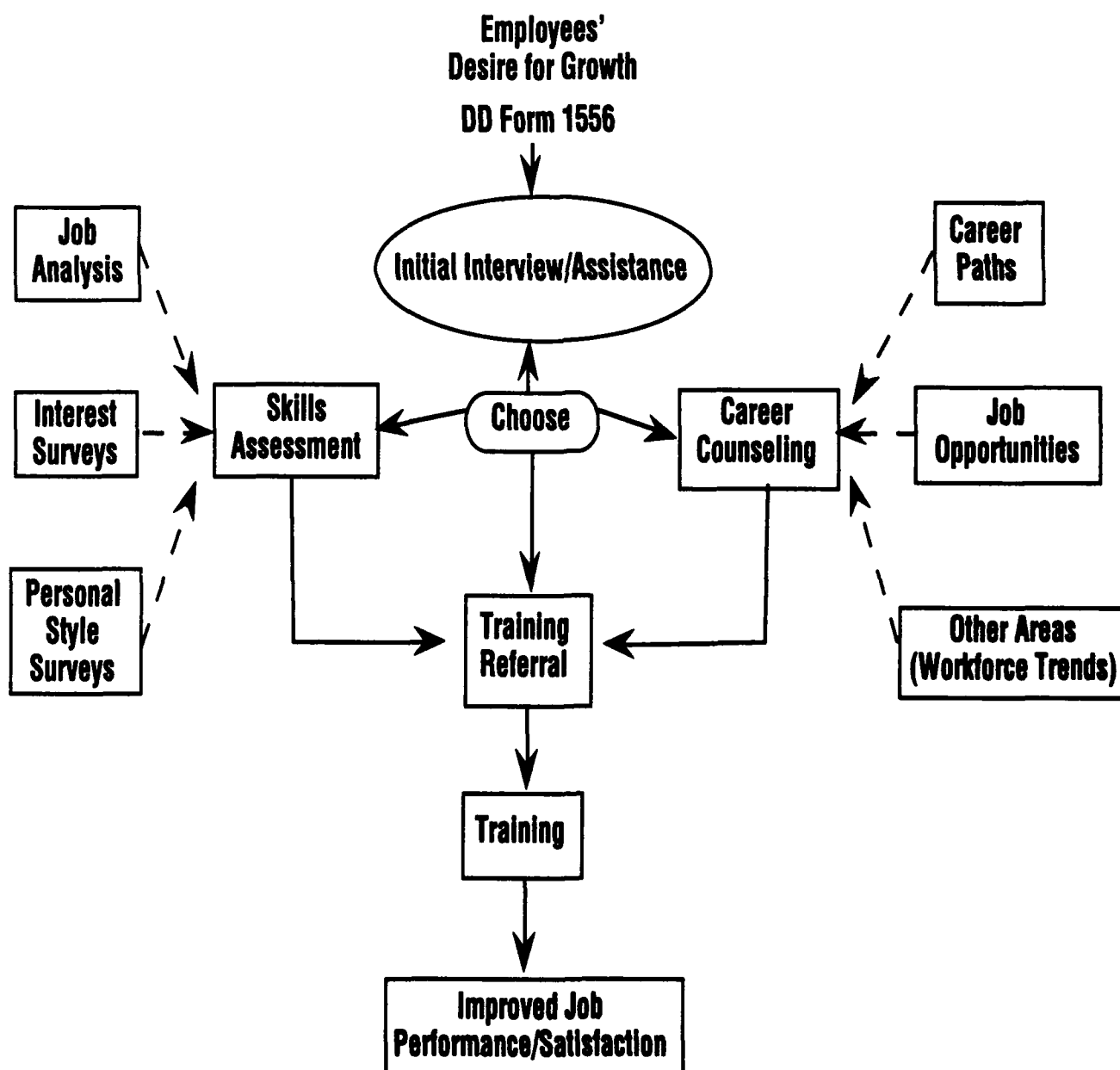
Figure 1: Career Counseling in a Learning Center



Core training includes skills such as team building, customer service, literacy, quality, communications, etc. Professional training includes Certified Public Accountant/Certified Management Accountant review, auditing and financial management courses developed by the military components and other DoD agencies. Leadership skills can be sharpened via the Myers Briggs Profile, supervisory training, situational leadership modules, etc.

The Learning Center also represents a new way to deliver career development services. Employees who come to the Learning Center for the first time will be interviewed to determine where their needs lie (see Figure 2). All requests for specific training will first be compared against Learning Center resources before training from an outside source can be justified.

Figure 2: Learning Center Concept



In addition, DFAS is working with the DoD Computer/Electronic Accommodations Program to find the right solution for providing accessible training for handicapped employees. By ensuring that the Learning Center is accessible to handicapped employees, DFAS is supporting the growth and advancement of an important segment of its work force.

Training Needs

The annual survey of training needs was used as a comprehensive inventory of employee training, development and education needs. Much of the training that is needed is not entry level, but upgrading or skill enhancement training to address technological changes in the work place or to provide career ladder opportunities for employees.

In addition, the capitalization and consolidation of DoD's finance and accounting network is expected to intensify training requirements in four areas:

- upgrading of skills of current employees
- massive, continuous training for users and managers of large-scale financial management systems
- on-demand training—in some cases, embedded in the systems used by employees to perform their work
- training reflective of DoD organization and goals (vice component specific training)

Looking to the future, in June 1992 DFAS Training Officer Hill conducted an evaluation of work force literacy within the Agency. In order to meet the literacy goals of DFAS and the Department of Education for the year 2000, it was determined that the DFAS Learning Center should include automated tools which:

- diagnose reading, language, math and writing ability based on job-referenced criteria
- prescribe remedial education for deficiencies
- provide instruction in areas where deficiencies are identified
- provide management feedback about progress (but not individual scores)
- provide a post-training evaluation to indicate gains in job-specific knowledge.

Measuring the Impact

The Learning Center staff will closely monitor employee achievement and acceptance of course, and the impact of advanced delivery technology. As part of an ongoing DoD evaluation process, studies of student learning will be periodically conducted to determine what changes should be made. Plans include a pilot project showing return on investment, the degree of training excellence achieved, cost-effectiveness and direct enhancement of job performance. Supervisory feedback will also be sought to determine application of training to the job. Customer satisfaction will be continuously monitored through questions related to instruction, content, delivery and overall satisfaction with the training.

The Learning Center concept takes into account the fact that different people learn at different rates in different ways. Some employees learn best

by seeing, others by doing and others by hearing. At the same time, managers and supervisors have the responsibility to identify and work on improving the skills of all employees. Deputy Director of the DFAS Human Resources Proponency Directorate Kathy Russell said:

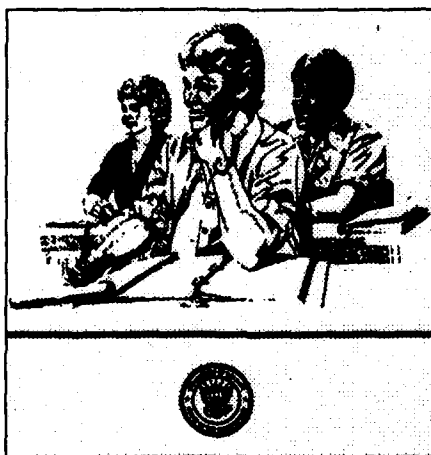
The Learning Center should go a long way to help managers meet their training objectives.

About the Author

Joy Martin is a Personnel Management Specialist with the Human Resources Proponency Directorate, Office of the Deputy Director Human Resources, Defense Finance and Accounting Service (DFAS), who began her career with the Department of the Army. She currently provides consulting services in the area of human resources management, developing and implementing the first DFAS Intern Resident Core Training Program. She is currently the Project Officer for the Department of Defense (DoD) prototype Learning Center for improving financial management education and training. She was selected by the DoD Comptroller to serve as a member of the Implementation Group to establish the Defense Finance and Accounting Service. She later co-chaired and chaired two multi-service working groups for improving financial management education and training. She has a Master's degree from the School of Public and Environmental Affairs (SPEA), Indiana University, and a Bachelor's degree in Business. She is a 1990 graduate of the Army Management Staff College. She is a member of the American Society of Military Comptrollers, the Federal Executive Association, International Training in Communications, and Hoosiers for Higher Education. Awards include Federal Employee of the Year and Department of the Army Selectee for Long-Term Training.

DoN Civilian Financial Management Career Program

Course and program descriptions and dates



Navy Financial Management Entry-Level Courses

- Principles of Navy Budgeting
- Introduction to Navy Financial & Managerial Accounting
- Introduction to Navy Industrial Accounting for the Defense Business Operations Fund

These courses are designed as introductory material for DoN civilian personnel in the GS-500 series, who are at grades GS-5 through GS-11, and junior enlisted personnel and officers in the DoN financial community. They are offered as resident or self-study courses (see below). Entry-level courses are cost-free.

Resident Course: Any naval activity may host a resident training course such as those listed below. Classroom materials (textbooks) and facilitator training (refer to "Facilitator Training Course" in this section) are available from NAVCOMPTPMO. (We will publish course locations and dates in the Navy Comptroller.) navcomptpmo sponsors entry-level courses (see below). Course Coordinator (unless otherwise noted): Patricia Cain, DSN 922-3972 Commercial 904-452-3972. *Note: The nomination form on page 41 must be used to nominate personnel for entry-level, NAVCOMPTPMO-sponsored, RESIDENT courses.*

Self-Study Course: Submit an approved DD Form 1556 to NAVCOMPTPMO, Attn: PMO-1T, 151 Ellyson Avenue, Suite F, Pensacola, FL 32508-5114. When listing the course on the 1556, include "self-study" in the title.

*Washington, DC (Location to be announced)

Introduction to Navy Industrial Accounting for DBOF

16-19 Nov 93 8-11 Feb 94 28 Jun-1 Jul 94

Introduction to Financial and Managerial Accounting

30 Aug-02 Sep 93 16-19 Nov 93 8-11 Feb 94 28 Jun-1 Jul 94

Principles of Navy Budget

30 Nov-3 Dec 93 22-25 Mar 94 2-5 Aug 94

*Naval Air Warfare Center Aircraft Division, Patuxent River, MD
(POC: Louise Barnes, DSN 326-3734/Commercial 301-826-3734)

Principles of Navy Budget 06-09 Jul 93

Introduction to Navy Industrial Accounting for DBOF 12-15 Jul 93

***Naval Air Station, Pensacola, FL (POC: Ron Wroblewski, DSN 922-2660 or Commercial 904-452-2660)**

Principles of Navy Budget
23-27 Aug 93

***Naval Computer and Telecommunications Command, 4401 Massachusetts Avenue, Washington, DC**

Principles of Navy Budget
11-14 Jan 94
Introduction to Navy Industrial Accounting for DBOF
15-18 Mar 94
Introduction to Navy Financial and Managerial Accounting
23-26 Aug 94

***Navy Comptroller Program Management Office, 151 Ellyson Avenue, Suite F, Pensacola, Florida**

Introduction to Navy Industrial Accounting for DBOF
26-29 Oct 93
Introduction to Navy Financial and Managerial Accounting
29 Mar-1 Apr 94
Principles of Navy Budget
24-27 May 94

Navy Financial Management Mid-Level Courses and Programs

Professional Military Comptroller School (PMCS)

A tri-service, 6-week school located at the Air University Center for Professional Development, Maxwell Air Force Base, Alabama. The school contributes to the professional development of military and civilian officials who serve, or have been selected to serve as comptrollers or other key financial management officials within the organization. Activities send nominations via the activity's chain of command to the major claimant using the DD Form 1556. The major claimant endorses and sends nominations to NAVCOMPTPMO, Attn: PMO-12, 151 Ellyson Avenue, Suite F, Pensacola, FL 32508-5114. Course Coordinator: Janice Travis, DSN 922-3977 Commercial 904-452-3977.

Course Schedule: (93E) 16 Aug - 24 Sep 93

**NAVY COMPTROLLER
PROGRAM MANAGEMENT OFFICE
151 ELLYSON AVENUE, SUITE F
PENSACOLA, FL 32508-5114**

DEM 922-XXXX COM 904-452-XXXX FAX 93903

ROBERT E. RYAN
DIRECTOR
PMO, x3785

THOMAS W.
STEINBERG
DEPUTY DIRECTOR
PMO-D, x3786

KAY HINDS
ASSISTANT TO THE
DIRECTOR
PMO-A, x3783

SANDRA PALMER
SECRETARY
PMO-C, x3783

CAREER
PROGRAMS
DIVISION

TRAINER
PROGRAM
DIVISION

PATRICIA A. CAIN
ENTRY-LEVEL TRAINING
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PMO-11, x3972

BRENDA F. LITER
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PMO-2, x3787

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JOHN F. JOHNSTON
TRAINER PROGRAM
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PMO-2T, x3821

BONNIE F. LEWIS
MID-LEVEL TRAINING &
EDUCATION
EDITOR, *Navy Comptroller*
PMO-13, x3962

SHIRLEY A. BROD
CLERK TYPIST
PMO-2T, x3819

KENDALL L. ROOSE
MID-LEVEL TRAINING
& EDUCATION
PMO-14, x3977

KATHLEEN D. SPATH
CAREER PROGRAMS SUPPORT
PMO-1T, x3972

Navy Practical Comptrollership Course (PCC)

A 9-day course hosted by the U.S. Naval Postgraduate School. Comptrollership topics include accounting, budgeting, planning, auditing, and management evaluation and performance. Activities send nominations via the activity's chain of command to the major claimant using the DD Form 1556. The major claimant endorses and sends nominations to NAVCOMPTPMO, Attn: PMO-12, 151 Ellyson Avenue, Suite F, Pensacola, FL 32508-5114. Course Coordinator: Janice Travis, DSN 922-3977 Commercial 904-452-3977.

Course Schedule: (93F) 09 - 19 Aug 93

PCC (93D), 15-25 March 1993



DBOF Professional Managers Course for Navy Industrial Activities ("Pro DBOF")

The course provides managers from industrial activities with problem-solving skills in the management of DBOF operations. The course format consists of 5 academic days of lecture, a case study, and analysis of the activity's financial and operating statement. The course is offered approximately three times per year. Personnel at or above the GS-9 level and the equivalent military ranks who are working in mid-level financial management positions in a Navy or Marine Corps industrial activity are eligible to attend. Course availability is announced by official message and telephone nominations are accepted; multiple nominations from an activity will be prioritized on a waiting list. Once space in the class is granted, the activity sends a DD Form 1556 (the course is cost-free) and a case study to NAVCOMPTPMO, PMO-13, 151 Ellyson Avenue, Suite F, Pensacola, FL 32508-5114, along with other required materials. **Course Coordinator:** Bonnie F. Lewis, PMO-13, DSN 922-3962 Commercial 904-452-3962.

Course Schedule:

15- 19 Nov 93 (Western)

13-17 Jun 94 (Western)

07-11 Feb 94 (Eastern)

14-18 Nov 94 (Eastern)

Mid-Level Course Under Development

DBOF Overview for Mid-Level Managers at Non-Industrial Activities

Based upon availability of expert instructors, this course will be available upon request at various locations by late Fall 1993. Tentative plans for course format consist of a two-day session targeted for personnel at and above the GS-9 and O-2 level who have no previous experience with the former Industrial Fund. Participants will be given an overview of DBOF with emphasis on its history, fundamental concepts, and implementation strategies. Case studies will be analyzed.

Suggestions for specific course content are welcomed. Contact the Course Developer/Coordinator: Bonnie F. Lewis, PMO-13, DSN 922-3962 or Commercial 904-452-3962.

Other Courses

Facilitator Training Course

This course is a NAVCOMPTPMO-developed and sponsored, resident course which provides classroom techniques for anyone interested in instructing or facilitating classes. The course lasts approximately 20 hours and can be taught on site on a varied schedule to accommodate individual office requirements. For additional information, contact: Patricia Cain, PMO-11, DSN 922-3972 or Commercial 904-452-3972.

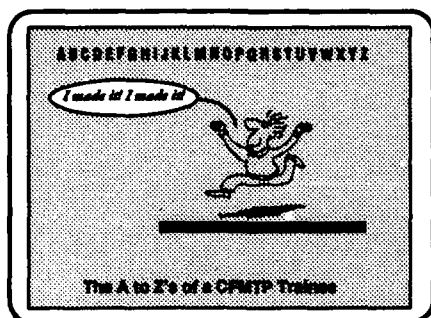
Other Programs

Secretary of the Navy Civilian Fellowship Program in Financial Management

A Secretary of the Navy notice (SECNAVNOTE) announcing nominations for the Fellowship Program in Financial Management is issued in the spring each year. Nominations for the 1993-94 school year opened in March and closed on 7 May 1993. To facilitate advanced planning, information about the Program will be published in the *Navy Comptroller* on a regular basis.

The SECNAV Civilian Fellowship Program in Financial Management is part of the Navy Civilian Financial Management Career Program. Fellowships provide an opportunity for high-potential employees to participate in an intensive program of advanced study in the area of financial management for one academic year (two consecutive semesters or three consecutive quarters) at the graduate level. The program of study and/or research should enhance one's capabilities and be of benefit to the Department of the Navy. Tuition, fees and book costs are provided cost-free for one academic year and an average of four fellowships are awarded each year. An applicant must be:

- a professional financial management employee (500 series) GS-9 through GS/GM-15 with career tenure, or a professional employee who performs duties in direct support of financial operations such as GS/GM-343 (Management Analyst/Program Analyst).
- at a career stage where a comprehensive/accelerated, full-time program of study will enhance necessary job skills.
- a career civilian employee with a minimum of 3 years of service in financial management within the Department of the Navy.



Michael Agdanowski
Wayne Alderman
JoAnn H. Araujo
Brenda Arts
Carolyn M. Barr
Jeffrey Boblich
Tonya Boone
Stephen Clarson
Karen Copeland
Margaret Coughenour
Donna Davenport
Kenneth DeWitt
Jeffrey Dye
Clara Eackles
Deborah Empfield
Keyte Ernst
Eric Ervin
Regina Essig
Jennifer Franceski
Anne Fream
Ann M. Hammontree
Ken Heath
Jacqueline Hicks
Thor Johnson
Sharon L. Jones
Matthew Lemery
Michael Maertzig
Michael Mrozowski
Douglas Palowitch
Barbara Peavy
Harry Reyher, Jr.
Mary Rodgers
Wayne E. Smetana
Tiffany Townsend
Jeanne M. Viviani
Steven Weldenkopf
Barbara Zientek
Catherine Zimmerman

- accepted by a graduate program as a student in good standing at an accredited college or university for a full-time program of study. (This is one eligibility requirement that, indeed, requires advanced planning.)

The Deputy Comptroller of the Navy awards Fellowships based on the recommendations of a panel composed of senior-level financial managers within the DoN. Fellowship awardees are required to sign a written agreement of obligated service in advance of training. This agreement specifies that the employee will continue in service for a period equivalent to three times the length of training.

For complete information regarding nominations and other requirements, review SECNAVNOTE 12410 of 8 March 1993, or contact Ms. Janice Travis, DSN 922-3977, Commercial 904-452-3977.

Department of the Navy Centralized Financial Management Trainee Program (CFMTP)

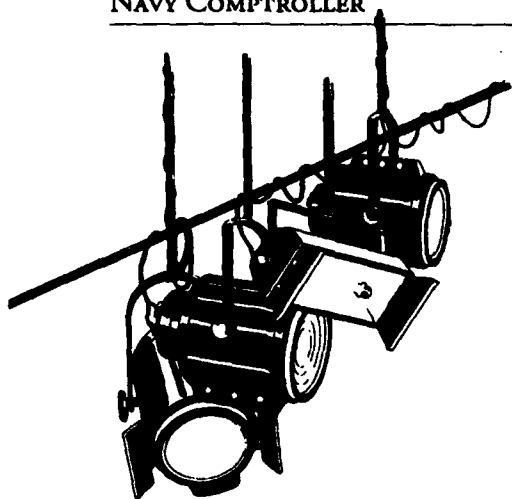
The goal of the CFMTP is to ensure a continuous flow of highly qualified, college-caliber trainees into the DoN's civilian financial management work force to meet future succession planning requirements. The Program provides centralized recruitment, funding, hiring, and management. All shore activities employing civilians (per SECNAVINST 12400.5A of 1 October 1992—DoN Civilian Financial Management Career Program) may participate.

NAVCOMPTPMO conducts an annual survey of major claimants and commands to ascertain trainee requirements based on an activity's anticipated turnover, retirement, and/or change of function or mission. An activity evaluates its ability to provide a trainee with comprehensive cross-series training, an Individual Development Plan (IDP), training and supervision, performance appraisals, counseling, and placement in a target position at the end of the training period.

Shore activities should contact their major claimants in the fall each year to discuss the feasibility of homeporting trainee(s).

Individuals who wish to apply for the CFMTP may request an information packet from NAVCOMPTPMO, Attn: PMO-1T, 151 Ellyson Avenue, Suite F, Pensacola, FL 32508-5114, or call DSN 922-3972, 3977, or 3962, Commercial 904-452-3972, 3977, or 3962 for information.

An alphabetical list of trainees chosen for the 1993-95 Centralized Financial Management Trainee Program is adjacent to this article.



Spotlight on Augustus (Gus) Wilson

Spotlight focuses on Navy personnel who have made significant contributions to professional development



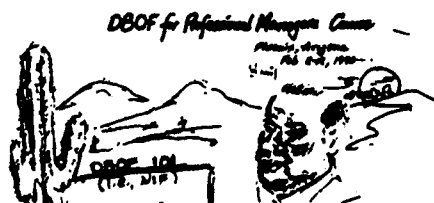
You may know Gus Wilson—he has been involved in the financial management of Navy industrial activities for a long time. He has seen the introduction of the Defense Business Operations Fund (DBOF) and has been actively involved in teaching the DBOF Professional Managers Course for Navy Industrial Activities (the “Pro DBOF course” formerly the “Pro NIF” course) for many years. First, he instructed as a “guest speaker” while working as a Budget Analyst in the Office of the Comptroller of the Navy, Office of Budgets and Reports Revolving Fund Organization. Later, as an activity Comptroller, he served as an assistant instructor. His hands-on experience at the field, systems command, and NAVCOMPT levels has given him a broad perspective from which he draws and shares with other managers. He has also served as an assistant instructor for the “Introduction to DBOF” course (formerly “Introduction to NIF”) for even more years, first when the course was sponsored by the Naval Aviation Depot, Alameda for San Francisco Bay Area naval activities and later when he worked in the Washington, D.C., area.

As an instructor, Gus strives for full class participation. Using humor (no doubt gained from his many years of experience) and insight, he draws out multiple solutions from class participants. He emphasizes that there are many ways of doing business, often more than one “right” way, and welcomes suggestions for a “better” way. He delineates the rationale for why a given solution is best for one activity but impossible for another and, more often than not, students leave the course with the potential for improving a process because of the ideas and information exchanged.

With twenty years of active duty naval service and seventeen years as a civil servant in the financial arena, Gus identifies with financial personnel at all echelons. He has served as Head of the General Ledger Branch at the Naval Air Station, Alameda; Accounting Officer at the Naval Air Rework Facility, Alameda (now NADEP Alameda); Systems Accountant at the Naval Air Systems Command; and Budget Analyst at the NAVCOMPT Office of Reports and Budget Revolving Fund Organization. Since 1988 he has served as Comptroller of the Public Works Center San Francisco Bay, where, once again, he is dealing with ground-level issues.

Gus holds a Bachelor of Science Degree in Business Administration with an Accounting Option from California State University Hayward.

Many thanks, Gus, for your significant contribution to Navy financial management training.



Drawing of “Gus” by Alexander T. Ragenton, Financial Manager, NAVFACENGCOM, Western Division (2/93)



"ASMC" Announces 1993 Awards

Featured are Department of the Navy winners

Nominations for the 1993 "American Society of Military Comptrollers" (ASMC) awards were made by naval commands in order to recognize financial managers for outstanding leadership in the areas of Auditing; Comptroller/Deputy Comptroller; Education, Training and Career Development; Manpower Management; and Resource Management. The ASMC has announced the winners in each category; award-winners and categories from the Department of the Navy are listed below.

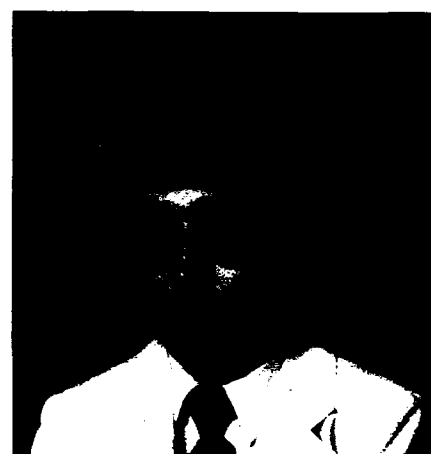
Accounting and Finance

Unit Under Major Command

Distinguished—Mr. Brian K. Lloyd

Charleston Naval Shipyard, Charleston, SC

Mr. Lloyd is honored for a consistently high level of achievement and his efforts to improve efficiency and reduce costs in the Charleston Naval Shipyard. His efforts have reduced the manual workload in timekeeping and saved money as well. He also developed small computer software applications which increased accuracy and improved customer service.



Mr. Brian K. Lloyd

Comptroller/Deputy Comptroller

Major Command, Headquarters or Higher

Distinguished—Captain Edward G. Schweir, USN

Charleston Naval Shipyard, Charleston, SC

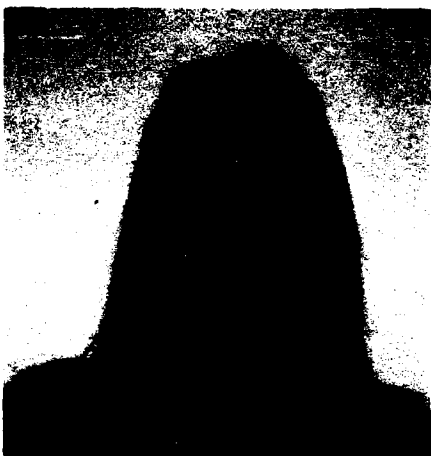
Captain Edward G. Schweir is honored for superb performance in a challenging environment of downsizing and restructuring. As a strong proponent of Total Quality Leadership, Captain Schweir demonstrated his skills by improving the budget process, not only at the Charleston Naval Shipyard, but also throughout the Navy. He served as a leader in professional societies including the American Society of Naval Engineers and the American Society of Military Comptrollers where he served as Chapter President from 1992-1993. His leadership, expertise, dedication, and innovation in the areas of cost control, budgeting and resource management are recognized throughout the community.



**Captain Edward G. Schweir,
USN**

-continued-

"ASMC" Announces 1993 Awards (continued)



Ms. Ariane L. Whittemore

Comptroller/Deputy Comptroller (continued)

Major Command, Headquarters or Higher

Meritorious—Ms. Ariane L. Whittemore

Office of the Comptroller of the Navy, Washington, DC

Ms. Ariane L. Whittemore is honored for her major, original contribution to the improvement of Navy financial management. She redesigned the Navy operations and maintenance financial management structure, thereby significantly reducing the size and complexity of the structure. This simplified structure more accurately portrays the total costs of mission area; provides comptrollers throughout the Navy with additional flexibility and control over resources; and allows the Navy to more clearly and precisely justify its budget to Congress.

Analysis and Evaluation

Major Command, Headquarters or Higher

Meritorious—Commander Thomas A. Gardner, USN

Office of the Comptroller of the Navy, Washington, DC

Commander Gardner is honored for his accomplishments in analyzing the performance potential of the National Defense Sealift Trust Fund. Commander Gardner's efforts were instrumental in conducting inter-agency negotiations and gaining approval to include the National Defense Sealift Fund in the FY 1993 President's Budget, and the establishment of the Fund in the FY 1993 National Defense Authorization Act.



**Commander Thomas A. Gardner,
USN**

Navy Comptroller is published quarterly for the Assistant Secretary of the Navy for Financial Management. It is the official professional bulletin for Navy financial operations specialists, publishing articles on financial management, budgeting, accounting and cost analysis in the Department of the Navy. Submit subscription requests or changes of address to the Editor, Navy Comptroller Program Management Office, 151 Ellyson Avenue, Suite F, Pensacola, FL 32508-5114.



Publication Policy:

Navy Comptroller considers for publication unsolicited manuscripts, photographs, artwork and letters dealing with the full spectrum of financial operations in the Department of the Navy. Items of general interest to the financial management community are also welcomed as well as photographs. Manuscript submissions should be submitted on floppy disk accompanied by a typed double-spaced copy, a head and shoulders photograph of the author and any other photographs pertinent to the manuscript, and a short biography.

Deadline for submission of all material is three months prior to each quarterly publication date (January, April, July and October).

For further information, write to the Editor, *Navy Comptroller*, Navy Comptroller Program Management Office, 151 Ellyson Avenue, Suite F, Pensacola, FL 32508-5114, or call the Editor, Bonnie F. Lewis, at DSN 922-3962, or Commercial 904-452-3962.

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Cover photograph is a view of the Naval Submarine Base, Kings Bay, Georgia, 1989. (Official U.S. Navy Photo-Released)