
BY THE U.S. GENERAL ACCOUNTING OFFICE

Report To The Secretary Of The Army

Problems In Implementing The Army's Reserve Components Full-Time Manning Program

The Army's Full-Time Manning Program assigns Active Guard/Reserve personnel to Reserve Component units to enhance unit readiness and deployability. By the end of fiscal year 1984, Active Guard/Reserve strength reached 25,478 and is scheduled to increase to 45,493 by the end of fiscal year 1986.

While GAO found that the Full-Time Manning Program has many positive aspects, it found problems in the requirements determination process; program management; and the practice of mixing, within the same Reserve unit, both civilian technicians and Active/Guard Reserve personnel. GAO is recommending actions to address these problems.

The Defense Department agreed with GAO's recommendations and is taking actions to correct the problems.



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

NATIONAL SECURITY AND
INTERNATIONAL AFFAIRS DIVISION

B-211298

The Honorable John O. Marsh
The Secretary of the Army

Dear Mr. Secretary:

We reviewed the Army's Full-Time Manning (FTM) program because of its obvious importance as part of the Army's Full-Time Unit Support for the Reserve Components, congressional interest in program implementation, and the Army's plans to significantly expand FTM over the next 2 years.

The FTM program resulted from a series of Department of Defense studies which determined that there was a need for an increased number of full-time personnel in units. Initial implementation of FTM was accomplished by voluntarily converting civilian technicians to an Active Guard/Reserve (AGR) status. Beginning in 1981, technician conversions were supplemented by appointing new AGR personnel and assigning them to unit positions. It appears that the Army's original intent was to replace all technicians in troop units with AGR personnel. However, in 1983, Congress, reacting to concerns about costs and technician complaints, established a minimum strength level for the technician force and prohibited further conversion of technician positions. This congressional prohibition was made pending determination of an appropriate force mix of technicians and AGR personnel considering readiness requirements.

Under the FTM program, Active Guard/Reserve personnel are assigned to Reserve units to enhance unit readiness and deployability through improved training, personnel administration, maintenance, supply, and operational activities. These objectives are to be accomplished by

- increasing the number of full-time personnel in units over the manning levels that have existed, almost unchanged, since the 1950's;
- establishing a cadre of Reservists on full-time active duty, with military skills and backgrounds comparable to those of their counterparts in Active Army units; and

--aligning full-time positions with specific military positions in units.

The transition from a total civilian technician support force to a predominately AGR support force poses a major challenge to the Army. Prior to the FTM program, the technician force consisted of 35,925 personnel (28,393 National Guard and 7,532 Army Reserve technicians). By September 30, 1984, the full-time support force totaled 57,040 (31,562 technicians and 25,478 AGR personnel).

There are many positive aspects of the FTM program such as the military and education background of AGR personnel, the effects of increased full-time manning levels in units, the Army's plans for AGR professional and technical career development, and the fact that AGR personnel are deployable with their units. However, our review showed there are problems concerning the force requirements determination process and model application in the field, program administration and management, and the mixed civilian (technician) and uniformed (AGR personnel) full-time support force in units. These problems hamper program effectiveness and, in some cases, contribute to increased program costs.

FTM FORCE REQUIREMENTS AND MODELS

Unit models were developed to identify the positions in units which should be filled by full-time manning. The basis for the projected growth in the number of AGR personnel was questionable due to differences in the FTM requirements between Army Reserve and Army National Guard unit models and the application of these models in the field. The Department of the Army, recognizing the questionable justification for different FTM requirements in the same type units, has recently issued a full-time staffing guide, applicable to both Army Reserve and National Guard units, which identifies the positions in units that could require full-time personnel. This staffing guide reconciles differences between Army Reserve and National Guard full-time manning models and establishes limits on the total number of full-time positions in units. The U.S. Army Forces Command's and National Guard Bureau's unit manning models, adjusted to conform to the staffing guide, are to be applied to specific units to determine requirements for full-time personnel.

Although FTM positions are currently being filled according to Army unit deployment schedule priorities, some commanders have expressed concerns about the types of positions being filled, as well as the numbers of FTM positions.

- According to some unit commanders, state headquarters and major commands directed that designated FTM positions be filled without considering input from unit commanders. This often results in unit commanders receiving positions that they do not consider to be the most critical in their units. In addition, models primarily identify supervisory FTM positions while many commanders feel they need more nonsupervisory positions.
- In some cases, commanders have reservations about receiving additional FTM personnel whom they might not be able to properly utilize.
- The training/operations position in a company-size unit is not normally an authorized position in the Table of Organization and Equipment.¹ Consequently, the AGR assigned to this position is also assigned a senior administrative or leadership position in the unit. This often causes job conflict during Reserve training periods between training and leadership responsibilities.

PROGRAM ADMINISTRATION AND MANAGEMENT

Program management has been marked by a lack of clear direction or enforcement of regulations by the Department of the Army, the National Guard Bureau, and the U.S. Army Forces Command. In addition, current Army regulations governing the FTM program (AR 135-2 and 135-18) have been interpreted differently in the field. This has caused:

- A lack of uniformity in Army Reserve and National Guard practices affecting appointments, retentions, and termination of AGR personnel. For example, despite a prescribed tour length of 3 years, State Adjutant Generals were appointing AGR personnel to tours ranging from 6 months to 3 years and were also establishing their own policies for probationary periods.
- Overgraded AGR personnel in FTM positions. Army Reserve Personnel Center records showed that about 750 out of 6,300 AGR enlisted personnel in Army Reserve units were overgraded for their positions. The combination of unrestricted technician conversion (from civilian to military status), changes in FTM models, the lack of controlled grade structures, and promotion eligibility policies have all contributed to these numerous incidents of overgrading. In some instances, we found overgraded

¹Table of Organization and Equipment--Army document used to allocate personnel and equipment to units.

personnel have even been promoted to the next higher grade.

--Confusion over the proper role of technicians. From the beginning of the FTM program in 1980, plans did not address how the Army would deal with existing technicians for whom conversion to AGR status was not a reasonable or possible option. When the Congress established a minimum strength level for technicians and placed a ban on changes in their role and status, the Army had no plans which would allow it to effectively use that number of technicians in their established roles. The National Guard Bureau has developed a plan which would reassign technicians to positions outside Army Guard troop units, but the U.S. Army Forces Command approach for the Army Reserve is to attempt to divide tasks between technicians and AGR personnel by designating the tasks as either administrative or wartime tasks.

--Problems with displaced Reservists and double slotting, which become increasingly significant, as the FTM program expands. Double slotting, or the assignment of two persons to the same authorized position, exists in some form in nearly every unit we visited, even though the U.S. Army Forces Command and the National Guard Bureau directed that the practice cease in 1983. This occurred because displaced Reservists were not always being placed in excess status when an AGR was assigned to the position, thus resulting in the double slotting of that position. According to current policies, Reservists who are displaced from FTM positions can be carried in an excess status up to 1 year if there are no available positions for their grades or military occupational specialties.

--Concerns about AGR career viability. A key aspect of the ultimate effectiveness of using AGR personnel in the FTM role is the establishment of a career AGR cadre. However, Army policies concerning retention beyond initial tours and actions by State Adjutant Generals, such as establishing tour lengths of only 6 months, undermine the career concept and led many of the participants to question the desirability of continuing in the AGR force.

Proposed revisions to Army Regulations 135-18 and 135-2, which are currently at the Army Secretariat level for approval, provide more detailed guidance than the existing regulations and address many of these problems. However, it is important that

the Department of the Army, the National Guard Bureau, and the U.S. Army Forces Command ensure that these regulations are properly implemented in the field. This is a particularly critical matter for the National Guard Bureau, which lacks centralized control over Army Guard personnel.

MIXED FULL-TIME FORCE

The current system, mixing civilian technician and AGR personnel in units at all levels, causes effectiveness problems; the most severe cases occur in Army Reserve units. The full-time force in most units is composed of a mix of civilian technicians; AGR personnel; and, in some cases, Active Army personnel. The actual composition of the full-time force varies from unit to unit. In some units, it consists primarily of AGR personnel, while in others it is primarily civilian technician personnel. As a result, there are problems in administering two different work forces (civilian and military), both of which could be doing essentially the same job; lines of authority for day-to-day supervision are often vague or ignore military/civilian rank comparability or informal parallel systems exist; job and position responsibilities often overlap or are ill defined; and there is a continuing source of friction between technicians and AGR personnel because of pay, benefits, and leave differences. The almost unanimous opinion of commanders and full-time personnel in the units we visited is that there should not be a mix of civilian technicians and AGR personnel in deployable troop units.

Under the present civilian grade and pay structure, an all-civilian technician force in units would be a less costly alternative than an all-AGR force, but many of the disadvantages of this approach would remain--problems in obtaining qualified personnel in lower grades, shortfalls in the level of military skill and experience, and a significant percentage of nondeployable civilian technicians in Army Reserve units. The current unsatisfactory structure and system could be corrected by converting to an all-AGR force in deployable units and reassigning civilian technicians to nondeployable organizations, such as support facilities and state headquarters elements. This is the basis of the National Guard Bureau's plan for the use of civilian technicians. Conversion to an all-AGR force in deployable units involves the realignment of fewer than 9,200 civilian technician spaces in Army National Guard and Army Reserve units. This could be accomplished through attrition, and the rights of the current technician force would be protected.

There is a significant cost to an all-AGR force in units, and in order for this to be considered a cost-effective approach, the Army must ensure that AGR personnel actually

acquire military skills and experience comparable to those of their Active Army counterparts. Planned career development programs for AGR personnel include attendance at appropriate Active Army schools and developmental assignments with Active Army units. Properly implemented, these actions could result in an infusion of military skills and background that were not available previously in most units.

CONCLUSIONS AND RECOMMENDATIONS

We believe that the Army's FTM program is an approach to full-time support which has the potential to enhance the capability of the Reserve Components. However, it will require intensive management by the Army to ensure that program goals and benefits are achieved and that program costs are controlled.

The Army's new FTM staffing guide provides more definitive guidance to be used in the development of FTM unit models; however, we have reservations about an across-the-board application of these models which would provide the same level of manning to all units regardless of deployment priority. We believe that the requirements determination and authorization process must be closely controlled to ensure that full-time personnel are being effectively utilized.

The importance of the FTM training position in company size units is significant enough to warrant consideration of revising Reserve Component unit organization structures to authorize this as a permanent position.

Although the Army's revised regulations governing AGR personnel and the FTM program (AR 135-2 and AR 135-18) should eliminate many of the problems encountered, including differences between the Reserve Components, we believe it is important that the Department of the Army and the National Guard Bureau ensure that the provisions of the regulations are implemented properly in the field.

Adherence to established AGR grade structures is a critical aspect of program cost effectiveness and is necessary to prevent a continuation of the current overgrading problems in the force. According to Army personnel officials and in our opinion, this should not measurably affect overall promotion progress, as many authorized FTM positions have not yet been filled.

In our opinion, mixing technicians and AGR personnel in deployable troop units is not organizationally sound and detracts from effectiveness. Of the two alternatives, either

all-technician or all-AGR, we believe that the all-AGR force in deployable units is the preferred choice for the following reasons:

- It offers a solution to the problem of technicians unable to deploy with their units, whereas the all-technician choice would only prolong the situation.
- Military pay and benefits, which are higher than comparable civilian pay scales, are a positive factor in the recruitment and retention of qualified personnel.
- It eliminates management problems associated with a mixed force in troop units.

We believe that a technician support structure, protecting the rights of current technicians, can be developed along the lines of the National Guard Bureau's plan. This plan removes technician positions from deployable units and realigns them in headquarters, maintenance support elements, and other nondeployable organizations. Such a plan should also be adaptable to the Army Reserve.

Finally, the majority of personnel in units we visited appeared to be well qualified. Our examination of military personnel records showed that AGR personnel in the units we visited met military occupational specialty requirements and that many of them had active duty experience. In addition, a high proportion of AGR officers had completed resident, basic or advanced, qualification courses.

We recommend that to improve the overall management of the FTM program and enhance the readiness of the Reserve Components, you take the following actions:

- Develop procedures to review the implementation of unit models and the requirements process to ensure that FTM personnel are being properly utilized.
- Determine the feasibility of authorizing a training/operations position in company-size units.
- Ensure that the provisions of the regulations governing the FTM program are properly implemented in the field. In this respect, the National Guard Bureau should establish procedures to closely monitor activities in the States and determine what degree of centralized control is required to ensure that uniform standards are maintained.

- Adhere to established grade structures for the AGR force and revise promotion policies to ensure that promotions are governed by this structure to prevent overgrading.
- Develop a plan for using the civilian technicians which removes their positions from deployable troop units and also protects the rights of current technicians and following the development of such a plan, request that congressional restrictions affecting the movement of technician positions be removed to implement the phase-in of an all-AGR full-time force in deployable troop units.

Our findings are discussed in more detail in appendix I.

AGENCY COMMENTS AND OUR EVALUATION

On April 26, 1985, the Department of Defense (DOD) provided official comments (Appendix III) on the draft of this report. DOD agreed with our findings and recommendations and advised us of the following actions:

- The Army is preparing a new regulation and revising existing regulations covering the full-time support programs to incorporate our recommendations concerning overall program management.
- Procedures are being established to monitor compliance with these regulations and ensure effective use of full-time personnel through the proper application of staffing guides.
- Army staff activities will examine the feasibility of authorizing a company operations/training position in Tables of Organization and Equipment.
- The Army has initiated actions to realign overgraded AGR personnel. Since August 1984, about 150 of the 750 overgraded personnel have been reassigned, and the remainder will be properly assigned by October 1987. In addition, adherence to promotion regulations should prevent recurrence of this situation.
- The Army staff has prepared a plan to remove civilian technician positions from deployable units and replace them with AGR personnel. The plan will be submitted to the Secretary of the Army for approval.

GAO believes that the actions outlined above, if effectively implemented, should correct the problems noted during the review.

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

We are sending copies of this report to the Committees listed above; the House and Senate Committees on Armed Services; the Director, Office of Management and Budget; and the Secretary of Defense.

Sincerely yours,



Frank C. Conahan
Director



PROBLEMS IN IMPLEMENTING THE ARMY'SRESERVE COMPONENTS FULL-TIME MANNING PROGRAMBACKGROUND

Current mobilization plans assign early deployment missions to many Army National Guard (ARNG) and Army Reserve (USAR) units. These increased mission requirements being placed on Army Reserve Component units, coupled with an apparent stabilized active Army end strength of 780,000, highlight the importance of full-time support programs for the Army Reserve and National Guard. Full-time support is provided by some Active Army personnel,¹ Active Guard/Reserve (AGR) personnel,² technicians,³ and civil service personnel.

The majority of these supporting personnel are assigned to full-time unit support (FTUS) in major USAR commands and ARNG divisions down to the detachment level. The purpose of FTUS is to provide selected Reserve Component units with full-time personnel to perform those critical day-to-day functions which prepare the unit to go to war. All four services have full-time support programs. The Army has had the lowest percentage of full-time support personnel among the services, as shown in the following table:

Percentages of Full-Time Personnel
in Reserve Components on Sept. 30, 1982

Army Reserve and National Guard	4.8
Navy Reserve	15.4
Air Force Reserve and National Guard	21.3
Marine Corps Reserve	11.5

The Army planned to increase full-time support primarily through expansion of the AGR force. By the end of fiscal year 1984, the full-time support force totaled 57,040 (31,562 technicians and

¹Active Army personnel are assigned when qualified AGR personnel are not available or when special skills are needed in connection with training or force modernization.

²ARNG and USAR personnel serving on active duty under 10 U.S.C. 672(d) and 32 U.S.C. 502(f).

³Full-time civil service personnel who are assigned to units in the Army Reserve and National Guard and who are required to be members of the Reserve Components as a condition of employment.

25,478 AGR personnel) and had reached the 8-percent level. The table below shows the actual and planned AGR strengths for fiscal years 1984-86.

	<u>AGR Strength</u>		
	<u>Actual</u> <u>(9/30/84)</u>	<u>Planned</u> <u>(9/30/85)</u>	<u>Planned</u> <u>(9/30/86)</u>
USAR	8,852	10,700	14,714
ARNG	<u>16,626</u>	<u>20,583</u>	<u>30,679</u>
Total	<u>25,478</u>	<u>31,283</u>	<u>45,393</u>

The increase in AGR strength supports the implementation of the newest aspect of full-time support, the Army's Full-Time Manning (FTM) program, which began in 1980. Under FTM, AGR personnel are assigned to units to increase readiness and deployment capability by providing personnel with military skills in training, operations, administration, and logistics. The FTM program resulted from a series of Department of Defense studies which determined that there was a need for an increased number of full-time personnel in troop units. Prior to the FTM program, full-time support levels in units had remained substantially unchanged since the 1950's and consisted of one or two technicians in company-size units and had increased slightly to four or five technicians in battalion headquarters. With the FTM program, the Army plans to increase the number of full-time personnel to a level of four or five for companies and six or seven for battalion headquarters. Increased manning levels are also scheduled for higher headquarters levels.

Initial implementation of the FTM program was accomplished by voluntarily converting civilians occupying technician positions to AGR status. In 1981-82, technician conversions were supplemented by appointing new AGR personnel and assigning them to unit positions. The Army's original intent was to replace all technicians in troop units with AGR personnel. However, in 1983, the Congress, reacting to concerns about cost and technician complaints, established a minimum level for technicians and prohibited further conversions.⁴

ARNG and USAR Technician Program

Prior to the FTM program, full-time support for the National Guard was provided by technicians under the Guard Technician Act of 1968, which was an outgrowth of the National Defense Act of 1916.

⁴Technician strength levels could not be reduced below fiscal year 1982 end strengths, and technician positions could not be converted to AGR positions.

The passage of the National Defense Act of 1916 authorized federal funding to hire maintenance personnel and clerks to give full-time support to the National Guard.

The Guard Technician Act of 1968 required that military technicians

--be members of the National Guard units in which they worked and

--be promptly separated from employment upon loss of National Guard membership.

National Guard technicians hold excepted service appointments and must have military assignments compatible with their technician positions.

Unlike the National Guard Technician program, there is no statutory authority for the technician program of the Reserves. Technicians in the Army Reserve come under general civil service laws and are "competitive service" appointments. The Army Reserve Technician program was established in 1950. In 1960, the "dual status program" for Army Reserve civilian technicians was established by a memorandum of understanding between the Department of Army and the former U.S. Civil Service Commission. Under the program, individuals who either were members of or were eligible for membership in the Reserve were a primary recruitment source and individuals not eligible for Reserve membership constituted a secondary recruitment source, when Reservists were not available. In 1970, a new memorandum of understanding was approved, which stated that technicians should be members of the same Reserve units in which they worked, when practicable.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of our review were to

--examine the development of FTM force requirements;

--determine if the program, as currently structured and administered, was providing unit commanders with qualified personnel that could effectively carry out the unit mission; and

--determine how well the FTM program was being implemented at the unit level.

We visited 101 Army Reserve and National Guard units (ranging in size from company to brigade) and headquarters elements in the First, Fifth and Sixth Army areas. See appendix II for a list of units visited.

We visited a cross section of units to enable us to examine the FTM program under a variety of conditions. The selected units were a mix of combat, combat support, and combat service support units with different deployment priorities, manning levels, and geographic locations.

We interviewed Army Reserve and Guard officials to discuss (1) utilization of FTM personnel and (2) existing conditions and problems resulting from implementation of FTM. We also interviewed commanders, AGR personnel, civilian technicians, Active Army personnel, and Army Reservists to determine (1) how a mixed full-time force (AGR and civilian technicians) affected unit operations and administration, (2) what the problems of the FTM program were, and (3) whether current FTM allocations met the units' needs.

We reviewed Army studies and reports addressing the need for an increased number of full-time personnel in units. We also reviewed Army policies and records pertaining to program costs at the Department of Army, the National Guard Bureau, the U.S. Army Forces Command, and selected State Headquarters and major Army Reserve commands. In addition, at the Reserve and Guard units, we examined personnel records to determine if FTM personnel met position qualification requirements and also reviewed formal inspection reports, readiness reports, and other documents to determine possible trends and correlations between conditions/performance and the number of FTM personnel assigned to a unit.

Our review was conducted from April 1984 to January 1985 and was made in accordance with generally accepted government auditing standards.

FTM REQUIREMENTS DETERMINATION

Our questions concerning the rationale for the Army's planned AGR strength increases were primarily due to concerns about the force requirements determination process, which includes the development of FTM models and the application of these models in the field.

Full-time manning models and staffing guides were initially developed by U.S. Army Forces Command and the National Guard Bureau for Army Reserve and Army Guard organizations, respectively. There were significant differences in the manning requirements for the same type units, both in numbers and types of full-time positions. For example, there were 47 full-time positions identified in an Army Reserve tank battalion, while a National Guard battalion had only 30 positions; Army Reserve companies had a position for a lieutenant, while the highest

position in National Guard companies was for a sergeant first class (E-7). In order to resolve these differences, the Department of the Army issued a staffing guide in September 1984, applicable to both USAR and ARNG units, which identifies the positions in units that are appropriate full-time positions. This staffing guide also establishes an upper limit on the total number of full-time positions in units. The U.S. Army Forces Command's and National Guard Bureau's unit manning models, revised to conform to the staffing guide, are to be applied to individual units to determine requirements for full-time personnel.

FTM positions are currently being filled on the basis of Army established unit deployment schedules with the earlier deploying units getting first priority. Although we found no indications that units were unable to utilize the full-time personnel already on hand, a uniform application of the models could result in many lower priority units receiving more personnel than they need.

Some of the factors affecting full-time personnel requirements include

- mobilization missions,
- force modernization,
- unit personnel and equipment status,
- geographic dispersion of Reserve Component units, and
- availability of support facilities.

While it appears that "round out" units (Reserve Components assigned to Active Army units for deployment) and some types of units, such as combat arms battalions or brigade headquarters, can utilize all of their authorized full-time positions, the need for the same level of manning across the board is not as evident. Some battalion headquarters elements lack a full complement of assigned or attached units, or the units are so widely dispersed that the units do not have a full-time command and control mission. Other units lack sufficient personnel and equipment to properly function as units.

In addition, some commanders have concerns about the implementation of models regarding the types of positions being filled, as well as the numbers of FTM positions.

- According to some unit commanders, state headquarters and major commands directed that designated positions be filled without considering input from unit commanders. This often results in commanders receiving positions that

they do not consider to be the most essential ones for their units. As an example, a unit commander with a qualified Reservist assigned as supply sergeant would prefer that priority in FTM assignments be in maintenance or administrative positions.

- FTM models primarily identify supervisory positions and many commanders feel they need more nonsupervisory positions.
- Training is recognized as one of the most critical problem areas in Reserve units. In fact, the designation of a unit trainer is one of the first priorities in most units. However, since there is normally not a training/operations position authorized in the Table of Organization and Equipment for most company-size units, the person assigned this duty is also assigned to a senior administrative or leadership position within the unit. However, unit commanders and trainers believe that this practice detracts from the ability to properly perform the duties of either position, as training responsibilities often become more demanding during unit drill periods when all personnel are present.
- Commanders in some units, close to the maximum FTM fill level, have expressed concerns about their ability to utilize additional personnel.

PROGRAM ADMINISTRATION AND MANAGEMENT
HAVE BEEN MARKED BY A
LACK OF CLEAR DIRECTION AND GUIDANCE

The Army's lack of clear direction has been a major factor in many of the problems encountered during the implementation of FTM, and affects both program costs and effectiveness. Field unit commanders and program participants felt overwhelmed by what they considered vague and often contradictory instructions from the Department of the Army, the National Guard Bureau, and the U.S. Army Forces Command regarding policies and procedures on promotions, appointments, retention, and personnel authorizations. In addition, initial versions of the Army regulations governing the FTM program and procedures for AGR personnel provided only general guidance, which was differently interpreted in the field.

A further complication has been the sometimes strong resistance to the AGR program from technicians (primarily in the

Army Reserve) and some senior Reservists who regard the AGR concept and FTM as an attempt by the Army to increase its control of the National Guard and Army Reserves.

Lack of uniformity in Army Reserve
and National Guard FTM policies

A lack of uniformity exists in Army Reserve and National Guard policies affecting AGR personnel in the areas of appointments and retention. Army Regulation 135-18 specifies that individuals selected for AGR status will serve an initial probationary tour of 3 years. The National Guard Bureau modified this to tours of 1 to 6 years, with the first year being a probationary period. However, we found that tours in the National Guard ranged from 6 months to 3 years. In addition, some states have established their own probationary policies; one state permits the termination of AGR personnel with 30 days' notice at any time during their initial tours.

The National Guard Bureau lacks the degree of centralized control that exists in the Army Reserve. Although the Director of the Army National Guard can establish uniform quality standards for the AGR program, it is up to the states to implement them. Traditionally, State Adjutant Generals have had a great deal of independence and they have exercised their independence in managing the AGR program in their individual states. For this reason, it is particularly important that the National Guard Bureau establish procedures to closely monitor AGR career management and FTM program implementation.

AGR promotion policies need revision

Current promotion policies, coupled with initial appointments of AGR personnel in grades higher than their authorized FTM positions, civilian technician conversions, and manning model revisions, have resulted in many instances of overgrading. For example, in USAR units, according to Army Reserve Personnel Center records, about 750 out of 6,300 enlisted AGR personnel assigned to Army Reserve units were overgraded for their current positions in August 1984. In the units we visited, we found overgrade situations as high as 18 percent in one Army region.

Overgraded personnel are those individuals who are assigned to positions that are authorized lower grades/ranks than the occupants of the positions currently hold. Army Regulation 135-18 states that applicants must hold, or have been selected for grades equal to, or one grade lower than, the grades of the positions to which they are assigned.

We found several cases where overgraded personnel have remained in the same units for more than 3 years with no action taken to reassign them to appropriate positions for their grades. In some instances, overgraded personnel have even been promoted to the next higher grade.

These promotion policies are contributing to increased program costs. For example, if all 750 overgraded AGR personnel were E-6's in E-5 positions, the total increased cost (based on about a \$3,000 salary differential) would be more than \$2 million a year. There seems to be questionable justification for promoting and retaining personnel when no positions exist at the higher grades in the same unit. The alternatives are either to follow the same policy that is in effect for officers (promotions are not effective until the officers are assigned to positions authorized the higher ranks) or immediately reassign promoted personnel to appropriate positions.

Strict control of promotion policies and enforcement of existing directives regarding overgrades should not have a detrimental effect on AGR recruitment and retention. The Army is already reassigning overgraded personnel to positions commensurate with their grades, and since not all identified AGR positions have been filled, sufficient vacancies should exist to accommodate overgraded personnel. Army officials responsible for recruiting have informed us that there have been few problems in obtaining qualified applicants for authorized positions.

Confusion and dissension over proper roles for technicians

During the initial implementation of FTM, the Army did not adequately consider the proper roles and status of the existing technician force. This was especially true in the case of many technicians for whom conversion to AGR status was not a reasonable or possible option. In addition, the National Guard Bureau and the U.S. Army Forces Command had conflicting views on the ultimate role of civilian technicians.

The failure to adequately consider roles and status of existing technicians produced more severe consequences in the Army Reserve than in the National Guard because of the civil service status of technicians and the large numbers of USAR employees who are either "status quo" (federal civilian employees of the U.S. Army Reserve serving in technician positions who are not required to possess military status) or misassigned technicians (those whose Reserve status is not with the same units in which they are employed). For example, in the headquarters of one field artillery brigade, the senior technician, who is also the unit supervisor, is affiliated with and would deploy with a hospital unit.

This condition exists in Army Reserve units because there is no requirement for compatibility between the military occupational specialty and the full-time technician position. About 25 percent of technicians are assigned to Reserve units other than the units in which they are employed, and another 20 percent are "status quo" technicians. In a 1979 letter report to the Secretary of Defense (FPCD-79-18), we concluded that "status quo" and misassigned technicians were not mobilization assets and that action was needed to correct the problem. This situation will not measurably improve as long as the technician force retains its competitive service status. This is not the case in the National Guard. Military technicians are all in excepted service status. Military membership is the primary condition of employment, and the military position must also be compatible with the technician position.

The National Guard Bureau plans to integrate technicians into the full-time support structure by voluntarily converting and transferring technicians to support positions outside deployable troop units, such as state headquarters or maintenance facilities. Under this plan, all full-time positions in division-level units and below would be filled by AGR personnel. However, the U.S. Army Forces Command's plans for Reserve units are slightly different. Its latest manning models were developed using the rationale that the full-time support tasks can be divided into either a go-to-war or administrative category. The AGR personnel would perform go-to-war tasks, while technicians would perform the peacetime tasks. For example, the supply position in a unit would be a technician position since many routine supply activities are required in peacetime--drawing cleaning materials, rations, etc. The support for this rationale is not clear since our review did not disclose any real distinction between full-time tasks in units that would permit such a division of tasks, because in the event of mobilization, there would still be a requirement for personnel to perform the supply activities of the unit. Of the two approaches, the National Guard approach seems more realistic and could be adopted by the Army Reserve.

Double slotting continues
to be a problem

Double slotting, or the assignment of two persons to the same position in the unit's Table of Organization and Equipment, existed in some form in nearly every unit we visited. There were even some cases where AGR personnel were double slotted with each other. Commanders sometimes listed AGR personnel as attached (belonging to higher level units), rather than assigned, to their units, but in many cases it was openly

acknowledged that Reservists were not being placed in an excess status or reassigned when AGRs were assigned to their position.

During the initial implementation of FTM, this practice was permitted in order to avoid displacing Reservists from their units; however, in 1983, the U.S. Army Forces Command and the National Guard Bureau directed that double slotting cease by September 1983. Displaced Reservists, under current policy, may be carried in an excess status for a period of 1 year, if there are no available positions for their grades or military occupational specialties.

The reluctance of commanders to take corrective action is primarily due to their concern for unit members who cannot easily relocate and would be forced out of the Active Reserve structure. The problems of displaced Reservists will become more severe as the level of FTM is increased, as many FTM positions are senior level positions. It is likely that some action may be necessary to preclude the loss of senior Reservists.

Concerns about AGR career

The overall effectiveness of the FTM program is highly dependent on the ability to attract and retain a sufficient number of qualified AGR personnel for assignment to full-time positions in troop units. A key aspect of the AGR concept is that it offers participants the opportunity to qualify for military retirement with pay and benefits after completing 20 years of active duty with Reserve Components.

However, many of the AGR personnel we interviewed expressed concern about lack of job security and questioned whether the career opportunities actually existed in the AGR program. Army policies and actions by State Adjutant Generals also contribute to this concern. For example, we found that some states had established probationary periods during which AGR personnel could be released from the program with 30 days notice.

In addition, there are no assurances of retention in AGR status beyond specified tour lengths. Finally, we were told AGR personnel were concerned because many of the technicians who resisted the FTM program were now responsible for making decisions affecting the retention of AGR personnel. There is concern that these technicians, who occupy high level positions, could dictate who should be retained and who should be removed.

The Army is attempting to correct existing problems in the management and administration of AGR and FTM programs

Revised versions of AR 135-2 and 135-18 are currently being prepared. These revised regulations provide more specific guidance concerning AGR personnel management and FTM program management than is available in current regulations and address many of the problem areas identified during our review. The revised regulations, which apply to both the Army National Guard and Army Reserve, establish standard tour lengths, qualification requirements for appointment and retention, military education requirements (completion of Active Army resident courses of instruction), and promotion policies which should preclude recurrence of the current overgrade situation. Army officials responsible for the staffing and approval process told us the revised AR 135-2 was at the Army Secretariat level in May 1985 and that the new AR 135-18 would be published in July 1985.

MIXED FULL-TIME SUPPORT FORCE
IN UNITS (TECHNICIANS AND AGR PERSONNEL)
HAMPERS ORGANIZATIONAL EFFECTIVENESS

The full-time force in most units is composed of a mix of technicians, AGR personnel, and, in some cases, Active Army personnel. The composition varies from unit to unit and depends on factors such as the number of technicians actually in place in 1983, when the Congress established a minimum strength level for technicians and prohibited further technician conversions, and the relative priority of the unit, which determines the allocation of AGR personnel to FTM positions.

The full-time force in some units consists primarily of AGR personnel, while in other units it is primarily technician personnel. This condition can even exist within the companies of a battalion and cause significant management problems in administering two different work forces (civilian and military), both of which are doing essentially the same job. As a result:

- Lines of authority for day-to-day supervision are vague, violate military/civilian rank comparability, or informal dual systems exist.
- Job and position responsibilities often overlap or are ill defined.
- There is a continuing source of friction between technicians and AGR personnel regarding pay, benefits, and leave inequities.

The question of "who's in charge" in the mixed full-time force is one of the more serious problems of the FTM program. However, it is less of a problem in the National Guard than in the Army Reserve. National Guard Bureau policy is quite explicit--the supervisor is the person with the senior military rank. In most states this policy was being followed, although in one state the unofficial policy has been to ensure that the military technicians remain the unit supervisor by controlling the grades of AGR personnel.

In Army Reserve units, the designation of the day-to-day supervisor is left to the discretion of the unit commander. There are instances where the full-time supervisor is lower in military rank than those being supervised or has no military rank or supervisory authority is divided between military and civilian full-time personnel. This situation creates confusion among subordinates, who must often cope with conflicting instructions and priorities from multiple bosses.

As the FTM positions in a unit are filled, there is an immediate impact on the duties and responsibilities previously assigned to unit technician personnel. Technician job descriptions, which were prepared by the National Guard Bureau and Civil Service Commission for ARNG and USAR units, respectively, are standardized and generally cover the entire range of administrative duties in units. Duties associated with FTM positions are also covered by the technician job descriptions. Although technicians often welcome the additional help, they also resent the erosion of their authority and many regard the FTM program as a threat to their jobs or grades.

Technician and AGR personnel are attempting to work together in many units. However, some underlying frictions exist because of pay and benefit disparities in the two systems. AGR personnel performing the same jobs receive substantially more pay and have better leave and medical benefits.

It was generally the opinion of commanders and full-time personnel in the units we visited that mixing technicians and AGR personnel in the same unit hampered the units' effectiveness and that the solution to the problem would be to make the full-time support force in units either all-technician or all-AGR personnel.

To correct the problems caused by the mixed full-time force in units, the Army could adopt the National Guard Bureau's approach. All full-time positions in deployable units (division and below) would be filled by AGR personnel, and civilian

technician positions would be reassigned to nondeployable organizations, such as support and maintenance facilities, state headquarters elements, and Army Reserve commands. This would involve the realignment of fewer than 9,200 civilian technician positions in ARNG and USAR units. However, any realignment is currently prohibited by congressional restrictions on technician position conversions, which were discussed previously. Therefore, a key aspect of implementation plans must be the protection of the rights of the current technician force by precluding involuntary transfers or conversions encumbered civilian technician positions. The combination of voluntary conversions and the current civilian technician attrition rate of 10 percent should permit an orderly phase-in of the all-AGR force in deployable units.

PROGRAM BENEFITS AND COST

Benefits

The goal of the FTM program is to provide a highly qualified cadre of Reserve officer and enlisted personnel on active military status to support Reserve Component programs. The majority of the AGR personnel in the units we visited appeared to be well qualified for their positions.

Our examination of military personnel records showed that many of the AGR personnel had active duty experience beyond initial entry training and that a high proportion of the AGR officers had completed resident, basic or advanced, branch qualification courses. The Army intends to ensure that AGR personnel actually acquire the military skills and educational background comparable to those of their Active Army counterparts through a combination of attendance at Active Army schools and developmental assignments with Active Army units. The revised Army Regulation 135-18 specifies military educational requirements for AGR officers and enlisted personnel and provides guidance on developmental assignments. We believe that this is an important key to the overall effectiveness of FTM, as it corrects what many believe was a serious deficiency in the technician program. Technicians were often not given the opportunity to attend Active Army schools, and their educational requirements for military promotion qualification were the same as those for other Reservists.

The overall impression in the field was that as a result of FTM, units were better and that they could do more things quicker. We recognize that a major factor in this perception is that there are more people available to accomplish the required tasks and that the improvement cannot be attributed solely to the presence of AGR personnel as opposed to technicians. However, some commanders stated that the expertise of AGR personnel

and the additional flexibility provided by their full-time military status was the only way they were able to accomplish many of their training missions. For example, personnel in the 48th Infantry Brigade informed us that if it had not been for their AGR personnel, they could not have met many of the requirements resulting from their "round out" assignment to the 24th Division at Fort Stewart, Georgia.

An additional benefit of FTM is that military pay and benefits enable units to fill many of the lower grade positions that are difficult to fill under the current technician grade structure. For example, in one unit in Virginia, there was a turnover of seven different people in one GS-5 technician position during a 6-year period.

Costs

It is clear that there is a significant cost to the FTM program. Since the inception of the program in 1980, military pay raises have increased the salary differentials between comparable military and GS grades, which has resulted in an increased overall program cost for the FTM program.

We reviewed the Army's Cost Benefit Analysis which was submitted to the House Appropriations Committee in March 1984 and found that the methodology followed was generally acceptable. The Army's analysis found that there was an insignificant direct cost differential between technicians and AGR but that life cycle cost differentials were on the order of 16 percent. However, the study pointed out that the life cycle costs might be "worse case" numbers, since there was no existing data base to calculate accurate retirement factors for AGR personnel. The Army concluded that the increased cost was offset by the military advantages of the AGR force.

In order to provide a comparative view of the impact of the technician/AGR direct cost differential, we prepared the following table to show the unit cost. We used cost data from the Army's analysis and models from the Army's staffing guide. We assumed that the technician grade levels currently authorized for these type units would remain the same but that the total number of technicians would be increased to the planned FTM strength levels. As can be seen from the tables, under these conditions the technician-staffed unit would be less costly than the AGR-staffed unit.

Annual Direct Cost^a Comparison of
Military Technicians with AGR

Company-Size Unit

<u>Technician</u>		<u>AGR</u>	
GS-7	\$22,978	E-7	\$25,156
GS-7	22,978	E-6	21,667
GS-5	17,989	E-6	21,667
GS-5	<u>17,989</u>	E-4	<u>15,144</u>
Unit cost	<u>\$81,934</u>		<u>\$83,634</u>

Battalion-Size Headquarters

GS-10	\$34,486	04/03	\$39,993/33,310
GS-9	30,917	03/02	33,310/26,923
GS-7	22,978	E8/E7	29,202/25,156
GS-7	22,978	E7	25,156
GS-7	22,978	E6	21,667
GS-5	<u>17,989</u>	E5	<u>18,089</u>
Unit cost	<u>\$152,326</u>		<u>\$167,417/150,301</u>

^aDirect costs include civilian pay, military pay, and allowances for technicians and military pay and allowances for AGR personnel.

LIST OF UNITS VISITEDBY GAOArmy ReserveArkansas

346th Ordnance Company

ConnecticutHQ, 76th Division
395th Supply and Service Battalion
439th Quartermaster CompanyKansas89th Army Reserve Command
326th Area Support Group
842nd Quartermaster Company
368th Finance Company
469th Ambulance Company
971st Medical CompanyMarylandHQ, 313th Transportation Battalion
430th Transportation Company
949th Transportation Company
352nd Civil Affairs Command
12th Psychological Operations Company
HQ & HQ Company, 8830th Military Police BrigadeMassachusettsHQ, 187th Infantry Brigade
HQ, 3rd Battalion, 35th Infantry
HQ Company
A Company
HQ, 3rd Battalion, 18th Infantry
HQ Company
A Company
C Company
Combat Support Company
D Troop, 5th Armored CavalryMissouri102nd Army Reserve Command
520th Maintenance Battalion
245th Maintenance Company

New York

344th General Hospital

Pennsylvania

HQ & HQ Battery, 479th Field Artillery Brigade
224th Military Intelligence Company

Texas

300th Aviation Company
311th Aviation Battalion
871st Engineer Battalion
491st Medical Company
808th Engineer Company
217th Transportation Company
420th Engineer Brigade
807th Medical Brigade
HQ, 871st Engineer Battalion
 HQ Company
 A Company
HQ, 807th Medical Brigade
 HQ Company
 341st Medical Group

National GuardArkansas

HQ, Arkansas Army National Guard
296th Medical Company
1st Battalion, 142nd Field Artillery
2nd Battalion, 142nd Field Artillery
HQ 142nd Field Artillery
HQ Battery
A Battery
B Battery
C Battery
Service Battery
Troop E, 151st Cavalry
212th Signal Battalion

D.C.

HQ, D.C. Army National Guard
HHD, 372nd Military Police Battalion
275th Military Police Company
276th Military Police Company
471st Military Police Company

Georgia

48th Infantry Brigade

Kansas

HQ, Kansas Army National Guard
130th Field Artillery Battalion
HQ Battery
Service Battery
A Battery
635th Armor Battalion

Missouri

HQ, Missouri Army National Guard
735th Maintenance Battalion
1035th Maintenance Company
1140th Engineer Battalion

New Jersey

State of New Jersey Department of Defense
HQ, New Jersey Army National Guard, 50th Armored Division
HQ & HQ Company, 250th Signal Battalion
A Company
B Company
C Company

Texas

HQ, Texas Army National Guard
736th Maintenance Company
136th Transportation Company
1st Brigade, 49th Armored Division
1st Squadron, 124th Cavalry
249th Signal Battalion
449th Chemical Company
4th Battalion, 112th Armor
111th Engineer Battalion
249th Supply and Transportation Battalion
HQ, 3rd Battalion, 112th Armor
 HQ Company
 Combat Support Company
 1st Squadron 24th Armored Cavalry
 HQ Troop
 B Troop
 C Troop

Virginia

Virginia Army National Guard, Department of Military Affairs
HQ, 116th Infantry Brigade
HQ, 3rd Battalion, 116th Infantry



ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

RESERVE AFFAIRS

20 APR 1985

Mr. Frank C. Conahan
Director
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Conahan:

This is the DoD response to the GAO Report titled "Problems in Implementing Reserve Components Full-Time Manning Program," March 19, 1985, GAO Code No. 393040, OSD Case No. 6714.

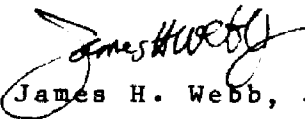
We concur with the findings and recommendations contained in the report. Minor technical corrections have been annotated directly to the draft copy and a detailed enclosure is attached which addresses each specific finding and recommendation and provides the DoD position.

As described in the report, most unit level problems are traceable to actions early in the implementation of the full-time Active Guard/Reserve program in the Army National Guard and Army Reserve. The residual effect of these actions still lingers in some grade overages and in a less than optimum mix of categories of full-time support.

Policy revisions based upon an in-depth, comprehensive review of full-time requirements are being conveyed to field commanders through new, more detailed and specific regulations.

Many of the report's findings corroborated our earlier conclusions on problem areas, and corrective actions were already underway prior to the report's publication. Command inspections of Guard and Reserve units will be a key tool in future program administration. These teams, plus special advisory teams, will closely examine the effective utilization of full-time support personnel, assignment and grade practices, and full-time support personnel qualifications. The new staffing guides developed by the Army are viewed as accurate yardsticks to measure the level of full-time support needed to achieve and maintain unit readiness. This process is not static, however. Periodic reviews will reexamine support levels and make adjustments as needed. As the components increase their mission tasking and overall personnel strengths, full-time personnel (technicians and AGR's) will also increase, albeit at a slower rate than in recent years.

Full implementation of all the GAO's recommendations will require time and the support of Congress. This office will closely monitor adjustments to the Army's full-time support programs to ensure that any disruption of current technician and AGR members is held to an absolute minimum.


James H. Webb, Jr.

Attachment

GAO note: Page references in this appendix have been changed to correspond to those in the final report.

GAO DRAFT REPORT-DATED MARCH 19, 1985
(GAO CODE NO. 393040) - OSD CASE NO. 6714

"PROBLEMS IN IMPLEMENTING THE ARMY'S RESERVE COMPONENTS FULL-TIME
MANNING PROGRAM"

* * * * *

0 FINDING A. Army's Full-Time Manning (FTM) Program.

The GAO noted Army's FTM program resulted from a series of DoD studies, which determined a need for an increased number of full-time personnel in units. The GAO also noted that under the FTM program, Active Guard/Reserve (AGR) personnel are assigned to Reserve units to enhance unit readiness and deployability, a revolutionary approach to full-time support involving a shift from a civilian to a military force in troop units. The GAO found that although there are positive aspects of the FTM program, such as the military and educational background of AGR personnel and the effect of increased manning levels in units, there are also problems. The GAO concluded that these problems hamper program effectiveness and in some cases, contribute to increased program costs. (pp. 1-2, Letter/GAO Report)

[See GAO note, p. 21.]

DOD COMMENT. Concur. The Army has already initiated actions to correct the cited overall program management shortcomings. These actions include new staffing models and specific instructions to commanders concerning the identification of full-time support positions. In addition, new regulations, AR 135-18, AR 135-2, AR 140-XX and NGR 600-5, which govern the identification of positions and the management of Active Guard/Reserve (AGR) personnel have been drafted with a target implementation date of fourth quarter fiscal year 1985.

0 FINDING B. Differences In FTM Requirements Between Army Reserve (AR) And Army National Guard (ARNG) Unit Models.

The GAO found that the basis for the projected growth in the number of AGR personnel was questionable due to differences in the FTM requirements between AR and ARNG unit models and the application of these models in the field. The GAO further found that, in order to resolve these differences, the Department of the Army recently issued a full-time staffing guide, applicable to both AR and ARNG units, which (1) identified the positions in units that could require full-time personnel, (2) reconciled differences between AR and ARNG full-time manning models, and (3) established limits on the total number of full-time positions in units. GAO found that FTM positions are currently being filled based on Army established unit deployment schedules, with the earlier deploying units getting first priority. Although GAO noted no indications that units were unable to utilize the full-time personnel already on hand, the GAO

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also found that application of the models could result in many of the lower priority units receiving more personnel than they need. The GAO report that some commanders have concerns about the implementation of models because of the types of positions being filled, as well as the numbers of FTM positions. The GAO concluded that the Army's new FTM staffing guide provides more definitive guidance to be used in the development of FTM unit models. GAO also concluded that, while it appears "round out" units can use all their authorized full-time positions, the need for an across-the-board application of these models, which would provide the same level of manning to all units regardless of deployment priority, is not as evident. The GAO further concluded that the requirements determination and authorization process must be closely controlled to ensure that full-time personnel are being effectively utilized. (p.6, Letter; pp. 4-6, Appendix I/GAO Report)

DoD COMMENT. Concur. Staffing guides implemented in September 1984 provided a more accurate basis for projecting full-time manpower requirements. Effective utilization of full-time support is being made a special interest item during inspection of ARNG and USAR units.

0 **FINDING C. Program Administration And Management Has been Marked By A Lack of Clear Direction And Guidance.** The GAO found that the Army's lack of clear direction has been a major factor in many of the problems encountered during the implementation of FTM, which ultimately affect both program costs and effectiveness. The GAO reported that field unit commanders and program participants felt overwhelmed by what they considered vague and often contradictory instructions from the Department of the Army, National Guard Bureau, and U.S. Army Forces Command regarding various policies and procedures. The GAO further found that initial versions of the Army regulations governing the FTM program and procedures for Active Guard/Reserve (AGR) personnel provided only general guidance, which was interpreted differently in the field. The GAO also found that a further complication has been the sometimes strong resistance to the AGR program from technicians and some senior reservists. The GAO concluded that the Army is attempting to correct the existing problems in the management and administration of AGR and FTM programs and revised versions of AR 135-2 and 135-18 are currently being prepared. The GAO further concluded that these revised regulations, which apply to both the ARNG and AR, provide more specific guidance than is currently available and address many of the problem areas it identified. (pp. 3-4, Letter; pp. 6, 7, 11, Appendix I/GAO Report)

DoD COMMENT. Concur. Management of full-time support programs will be enhanced through the implementation of newly developed regulations such as AR 135-2, AR-135-18 and

AR 140-XX. Uniform administration of these regulations will be monitored through command inspection visits to ARNG and USAR units.

- 0 **FINDING D. Lack Of Uniformity In Army Reserve And National Guard FTM Policies.** The GAO found that there is a lack of uniformity in AR and NG policies affecting AGR personnel in the areas of appointment and retention. For example, despite a prescribed tour length of 3 years, State Adjutants Generals were appointing AGR personnel to tours ranging from 6 months to 3 years and were also establishing their own policies for probationary periods. The GAO further found that the National Guard Bureau lacks the degree of centralized control that exists in the AR and, therefore, concluded that it is particularly important that the National Guard Bureau establish procedures to closely monitor AGR career management and FTM program implementation. (p. 3, Letter; p. 7, Appendix I/GAO Report)

DoD COMMENT. Concur. However, most short tours noted in the report are attributable to the use of temporary AGR members in the National Guard who backfill for members attending extended training or who have been hospitalized for extended periods. We view this as a necessary management tool for effective execution of the AGR program. Notwithstanding this, the National Guard Bureau has stressed to the states the need for uniformity in the management of AGR personnel. Two major areas, manpower authorization and career development, are now centrally managed by the National Guard Bureau. Other management areas are being reviewed to identify those that may benefit from more centralized management.

- 0 **FINDING E. AGR Promotion Policies Need Revision.** The GAO found that current promotion policies, coupled with initial appointments of AGR personnel in grades higher than their authorized FTM positions, civilian technician conversions, and manning model revisions, have resulted in many instances of overgrading, i.e., in August 1984, 750 out of 6,300 enlisted AGR personnel assigned to Army Reserve units were overgraded for their current positions. The GAO further found overgrade situations ranging from 5 percent to a high of 18 percent, and several cases where overgraded personnel had remained in the same unit for more than 3 years with no action taken to reassign them to an appropriate position--in some instances overgraded personnel had even been promoted. The GAO concluded that these promotion policies are contributing to increased program costs. For example, if all 750 overgraded AGR personnel were E-6s in E-5 positions, the total increased cost, based on an average \$3000 salary differential, would be more than \$2 million a year. The GAO further concluded that there seems to be questionable

justification for promoting and retaining personnel when no position exists at the higher grade in the same unit.
(pp. 7-8, Appendix I/GAO Report)

DoD COMMENT. Concur. Action was implemented in August 1984 to realign overgrade Active Guard/Reserve personnel. This has resulted in a reduction from 750 to 600. The remaining overgrade personnel will be realigned by 1 October 1987. A February 1985 revision to AR 140-158, and more stringent monitoring of accessions, should prevent recurrence.

- 0 **FINDING F. Confusion And Dissension Over Proper Roles For Technicians.** GAO found that from the beginning of the FTM program, plans did not address how the Army would deal with existing technicians for whom conversion to AGR status was not a reasonable or possible option. The GAO further found that the problem in the AR is more severe than in the National Guard because of the civil service status of technicians and the large numbers of AR employees who are either "status quo" or misassigned technicians. The GAO noted that in a 1979 letter report to the Secretary of Defense (FPCD-79-180, OSD Case No. 5239), it concluded that "status quo" and misassigned technicians were not mobilization assets, and that action was needed to correct the problem. The GAO also found that the National Guard Bureau had developed a plan reassigning technicians to positions outside ARNG troop units, but the U.S. Army Forces Command approach for the Army Reserve is to attempt to divide tasks between technicians and AGR personnel by designating the tasks as either peacetime or wartime tasks. The GAO concluded that the support for the Army Forces Command rationale is not clear, since GAO's review did not disclose any real distinction between full-time tasks in units that would permit such a division of tasks. The GAO further concluded that a technician support structure, protecting the rights of current technicians, can be developed along the lines of the National Guard Bureau's Plan, which removes technician positions from deployable organizations and such a plan should be adopted by the Army Reserve. (p. 4, Letter; pp. 8-9, Appendix I/GAO Report)

DoD COMMENT. Concur. The GAO proposal is being evaluated by the Army staff and a recommendation will be submitted to the Secretary of the Army. If approved, DoD will request removal of congressional constraints on realignment of technician positions.

- 0 **FINDING G. Double Slotting Continues To Be A Problem.** The GAO found that double slotting existed in some form in nearly every unit visited and, in some cases, AGR personnel were double slotted with each other. The GAO further found that commanders sometimes listed AGR personnel as attached, rather than assigned, to their units, but in many cases it

was openly acknowledged that Reservists were not being placed in an excess status, or reassigned, when an AGR was assigned to their position. The GAO reported that during the initial implementation of FTM, this practice was permitted in order to avoid displacing Reservists from their units. In 1983, however, U.S. Army Forces Command and the National Guard Bureau directed that double slotting cease by September 1983. The GAO also found that the reluctance of commanders to take corrective action is primarily due to their concern for unit members who cannot easily relocate and would be forced out of the Active Reserve structure. The GAO concluded that the problems of displaced Reservists will become more severe as the level of FTM is increased, as many FTM positions are senior level positions, and it is likely that some action may be necessary to preclude the loss of senior reservists. (pp. 9-10, Appendix I/GAO Report)

DoD COMMENT. Concur. Army policy implemented in 1983 prohibits "double slotting." Army Inspectors General, the National Guard Bureau, and the office, Chief Army Reserve have been directed to monitor assignment actions to ensure that the practice of "double slotting" of drilling and Active Guard/Reserve personnel is ended.

- 0 **FINDING H. Concerns About AGR Career Opportunities.** The GAO found that many of the AGR personnel interviewed expressed concern about the lack of job security and questioned whether the career opportunities actually exist in the AGR program. The GAO further found that many Army policies and actions by State Adjutant Generals often do not appear designed to enhance the career possibilities of the program, which may lead many of the participants to question the desirability of continuing in the AGR force. The GAO concluded that a key aspect of the ultimate effectiveness of using AGR personnel in the FTM role is the establishment of a career AGR cadre. The GAO further concluded, however, it will require intensive management by the Army to ensure that program goals and benefits are achieved. (p. 4, Letter; p. 10, Appendix I/GAO Report)

DoD COMMENT. Concur. Comprehensive career management regulations, AR-135-18, AR 140-XX and NGR 600-5, have been drafted with a target implementation date of fourth quarter fiscal year 1985. These regulations should provide for a full-time AGR force with the skills, expertise and experience needed to achieve and maintain component readiness.

- 0 **FINDING I. Mixed Full-Time Support Force In Units (Technicians And AGR Personnel) Hampers Organizational Effectiveness.** The GAO found that the full-time force in most units is comprised of a mix of technicians, AGR personnel and, in some cases, active Army personnel, with

the composition varying from unit to unit. GAO noted that the full-time force in some units consists primarily of AGR personnel, while in other units it is primarily technician personnel. In GAO's view, when this occurs within the companies of a battalion, it can cause significant management problems in administering two different work forces. The GAO also found that as a result of this mix (1) lines of authority for day-to-day supervision are vague, violate military/civilian rank comparability, or informal dual systems exist, (2) job and position responsibilities often overlap or are ill defined, and (3) there is continuing source of friction between technician and AGR personnel regarding pay, benefits, and leave inequities. The GAO reported that it was generally the opinion of commanders and full-time personnel that mixing technicians and AGR personnel in the same unit hampers the unit's effectiveness and that the solution to the problem would be to make the full-time support force in units either all technicians or all AGR personnel. The GAO concluded that mixing technicians and AGR personnel in troop units is not organizationally sound and detracts from effectiveness. The GAO further concluded that of the two alternatives, the all AGR force is the preferred choice because it offers an immediate solution to the problem of the technicians unable to deploy with their units, whereas the all technician choice would only prolong the situation, and (2) military pay and benefits are a positive factor in the recruitment and retention of qualified personnel. (p. 5, p. 6, and p. 7, Letter; pp. 11-13, Appendix I/GAO Report)

DoD COMMENT. Concur. However, as stated in the response to Finding F, implementation is subject to Secretary of the Army approval and congressional support in removing current constraints on the movement of technician positions.

O FINDING J. FTM Program Benefits And Cost. The GAO found that the majority of the AGR personnel appeared to be well qualified for their positions. The GAO noted that the Army intends to ensure that AGR personnel actually acquire military skills and educational background comparable to their active Army counterparts. The GAO further found that an additional benefit of FTM is that military pay scales enable units to fill lower grade positions that were difficult to recruit for, or to retain personnel in the technician grade structure. The GAO also found that it is clear that there is a significant cost to the FTM program. Based on an Army Analysis and models from Army's staffing guide, GAO performed an analysis showing that a technician-staffed unit would be less costly than an AGR-staffed unit. GAO noted the Army position is that the increased cost is worth the increased skills and experience provided by the AGR force. The GAO concluded that there is a significant cost to an all AGR force and, in order for this to be considered a cost-effective approach, the Army must ensure

that AGR personnel actually acquire military skills and experience comparable to that acquired by their active Army counterparts. The GAO further concluded that if the FTM program is properly implemented, it could mean an infusion of military skills and background that were not available previously in most units. (pp. 5, 7, Letter; pp. 13-14, Appendix I/GAO Report)

DoD COMMENTS. Concur. However, the cost differential between AGR's and technicians is a function of the relative grade structures implemented by the reserve component. Annualized costs also fluctuate dependent on compensation changes in either category. Where there is a cost disadvantage associated with AGR's, this is frequently offset through their increased availability on a round-the-clock basis without incurring overtime or compensatory costs.

AGR's undoubtedly benefit from meeting the same professional and technical development requirements as their active duty counterparts. The Army will continue to emphasize this in its forthcoming directives.

RECOMMENDATIONS

- 0 **RECOMMENDATION 1.** The GAO recommended that the Secretary of the Army develop procedures to review the implementation of unit models and the requirements process to ensure that FTM personnel are being properly utilized. (p. 7, Letter/GAO Report)

DoD COMMENT. Concur. The implementation of the staffing guides distributed in September 1984 is being closely monitored by all responsible Army activities. Specific regulatory guidance has been included in AR 135-2, Full-Time Military Support Program, which we anticipate will be implemented in fourth quarter fiscal year 1985.

- 0 **RECOMMENDATION 2.** The GAO recommended that the Secretary of the Army determine the feasibility of authorizing a training/operations position in company size units. (p. 7, Letter/GAO Report)

DoD COMMENT. Concur. The Office, Deputy Chief of Staff for Operations and Plans, the National Guard Bureau, Office, Chief, Army Reserve and US Army Forces Command, will examine the feasibility of formally establishing company level training NCO positions.

- 0 **RECOMMENDATION 3.** The GAO recommended that the Secretary of the Army ensure that the provisions of the regulations governing the FTM program are properly implemented in the field. (In this respect the GAO suggested that National

Guard Bureau should establish procedures to closely monitor activities in the States and determine what degree of centralized control is required to ensure that uniform standards are maintained.) (p. 7, Letter, GAO Report)

DoD COMMENT. Concur. The National Guard Bureau's Evaluation and Utilization Branch will closely monitor the state level management and utilization of full-time support personnel. Other actions being taken by the National Guard Bureau will establish the optimum level of centralized control consistent with applicable statutes and good management practices.

- 0 **RECOMMENDATION 4.** The GAO recommended that the Secretary of the Army, together with the National Guard Bureau, adhere to established grade structures for the AGR force and revise promotion policies to ensure that promotions are governed by this structure to prevent overgrading. (p. 7, Letter/GAO Report)

DoD COMMENT. Concur. Actions already implemented coupled with more specific directives and monitoring by inspection teams, should serve to prevent recurrence.

- 0 **RECOMMENDATION 5.** The GAO recommended that the Secretary of the Army develop a plan for using technicians which removes technician positions from deployable troop units and also protects the rights of current technicians. (GAO noted that if the plan can be successfully implemented, DoD can then request that congressional restrictions affecting the roles and status of technicians be removed to permit transfers of positions and duties, as well as voluntary conversions, in order to phase in an all AGR full-time force in deployable troop units.) (p. 8, Letter/GAO Report)

DoD COMMENT. Concur. A proposal for implementing the GAO recommendation is being prepared by the Army staff for submission to the Secretary of the Army. If approved DoD will then request removal of congressionally imposed constraints on the realignment of technician positions. We will carefully monitor implementation to ensure that technicians rights are protected.





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