

#### Future Force 21

FF21 is about maintaining and adjusting legacy systems while simultaneously creating the foundation for tomorrow's systems.

"The federal government faces a human capital crisis of significant proportions. ... Steps need to be taken to recognize that in order to maximize performance and ensure the accountability of government, you can't do it without people, and you can't do it without making human capital strategy a top priority."

### David Walker, Comptroller General

With an amazing breadth of missions and operations, an infinite array of operating conditions, and uncertain political and budgetary environment, the Coast Guard is truly a complex organization. The scope of activity in the Coast Guard's human resource system is similarly breathtaking. It is a cradle-to-grave system that includes: a military workforce (comprising officers and enlisted members, active and reserve) administered largely in accordance with the same laws that govern DOD's armed forces; a civilian workforce administered under federal civil service laws and practices; an auxiliary workforce with the proscriptions that one might imagine applying to a volunteer workforce, and numerous contractors that are essential to our mission performance yet managed through the acquisition process.

Thanks to improvements in methods, technology, and information management, the Coast Guard no longer relies strictly on physical labor to get the job done. It is still *people* that contribute the most to mission accomplishment, but increasingly it is a result of their knowledge, experience, and problem solving and decision-making skills. Each person has become a unique, and in some ways irreplaceable, asset to be nurtured, developed, given requisite resources, and then *enabled to act* in the best interests of the Coast Guard. People are no longer "expense items" but have become the most crucial capital asset an organization can have--its intellectual capital.

"The demands of the 21st Century security environment are markedly different from those that shaped the manpower requirements and personnel systems and policies that are used in the Department of Defense today. The current set of human resources policies and practices will not meet the needs of the 21st Century if left unchanged"

The Defense Science Board Task Force on Human Resources Strategy

Our challenges reflect those of our sister military services and our federal agency counterparts:

Budgets are constrained while the cost of people rises.

The economy continues to boom, as does the cost of benefits such as housing and health care.

The military will continue to be manned by volunteers.

Our people will operate in a more complex, technologically sophisticated environment.

The future workforce will require the same skills and talents as demanded by the private sector.

A diverse labor pool will require new strategies to access and retain a more diverse workforce.

Demographic changes (e.g., increasing numbers of junior members with families, increases in single parent families, members married to members, and dual career families).

The new workforce has little tolerance for performing unskilled labor and an increasing desire for lifelong professional development.

There is a different perspective on work-life balance.

An aging federal workforce in a competitive job market foretells a civilian personnel crisis.

Our missions and operating concepts, and our suite of assets, infrastructure, technology, and information, tell us that our future workforce must have certain *essential characteristics*:

High levels of independent judgement in carrying out missions and making business decisions.

Creativity & innovation necessary to get maximum advantage from advanced business practices, technology innovation & new operational concepts.

The rates of change in technologies and societies demand that future leaders continue to learn throughout their careers.

Leaders will have to deal increasingly with individuals outside their own organization in coalitions with military counterparts, foreign governments, non-government organizations, and with business and the media.

The future workforce must have broader language skills and cultural understanding.

Sophisticated technology will demand enhanced technical competence.

A sense of commitment to service will be ever more important.

These characteristics surely define the needs of *today's* Coast Guard workforce as much as that of the future--and they also define the characteristics demanded by most of the private sector and other public agencies. The future will offer all of us a new challenge--a war for talent.

## What are the key issues for the Coast Guard?

A new military force concept envisions substantial changes in the way our workforce is organized. The Coast Guard must be manned and supported by an occupational system that integrates active and Reserve components as well as civilian personnel and Auxiliarists. A more seamless force will require changes in the way we recruit, retain, train, compensate, and retire our people.

Recruiting and retaining talent is an ever-increasing challenge, especially for diversity.

Continued trend for smaller, optimal, crews. Eventually all units will be optimally crewed and demand fully trained people delivered *just-in-time*. The need for an all journeyman force will accelerate.

The workforce must be "stabilized" for maximizing our return on investment in our intellectual capital. The increasing technological complexity of the workplace requires greater skill levels and longer time in the job.

Traditional personnel tempo coupled to operating tempo severely degrades readiness and retention.

The need for technical specialization is increasing; one size no longer appears to fit all.

A number of recent DOD studies call for new ways of effectively managing people and anticipating and responding to the ever greater contribution of people to mission accomplishment. Providing organizational agility will be a key success factor.

# Future Force 21 will answer three crucial questions:

*How should our workforce be structured?* Our generalist paradigm may not be suited for a future characterized by sophisticated technology, complex platforms, and increased mission demands.

*Workforce structure* considers the way the workforce should be organized *across* the Coast Guard. The potential exists for increasing specialty knowledge and skill within a system (e.g., Deepwater, icebreakers, buoy tenders) by managing career paths within individual systems.

How should we manage career entry and progression? We may need increased flexibility to bring people in and out of the Service at different levels. Career entry and progression considers where and how people enter and leave the Service as well as how high and how fast they are expected to climb a career ladder, and whether a continuous climb is even in our best interests. The potential exists for increasing lateral entry vs. the "everyone-enters-through-the-bottom" approach. Also, a change from the "up-or-out" system to an "up-or-stay" system.

How should we manage our human resources <u>system</u>? We may need to move beyond a one-size-fits-all approach to compensation and assignments that provide more flexibility to deal with recruiting, retention, and force shaping issues. Our policies may be completely uniform across the workforce, or we may introduce flexibility to meet changing demands. This includes alternatives in compensation, retirement and assignment practices that may profoundly affect recruiting and retention.

As we consider options along these dimensions, the question before us is not which option is right or wrong, but which ones *may* make better sense in meeting our mission needs. Whatever new platforms and systems come our way, they must be staffed with people. It follows that we must offer those people attractive careers in a high quality work environment. Thus we must re-evaluate our traditional human resources policies and practices.

Choosing among the alternatives is not trivial. In many respects, the impact of these choices rival the scope and depth of the Integrated Deepwater System effort itself. It will take a significant investment in people, time and resources to chart the path - building upon Department of Defense research and our own assessments and studies. This effort must take a systematic, systemic, comprehensive, holistic approach to a new future.

FF21 is about *maintaining and adjusting legacy systems* while simultaneously *creating the foundation for tomorrow's systems*—embracing change while maintaining those features that are inherent in a military, multimissioned, maritime service.

"The Department of Defense has a wide range of tools for shaping its workforce, yet many of those available today are either not used or are no longer as effective as they need to be. Some of these tools tend to reflect the 'one-size-fits-all' approach that has evolved from a system in place for many decades and are no longer well suited to the current needs of the workforce. The Department needs to recognize that 'one size' does not fit all and to develop tools that allow flexibility for the different career patterns, compensation, expectations, and motivations in different occupations."

The Defense Science Board Task Force on Human Resources Strategy

Our work indicates the same is true for the Coast Guard. To learn more about Future Force 21, please refer to ALCOAST 077/01 (below) and our website http://www.uscg.mil/ff21/index.htm.

Regards, FL Ames

ALCOAST 077/01

COMDTNOTE 1000

SUBJ: FUTURE FORCE 21

A. COMMANDANTS DIRECTION 2000 - 2002

1. REFERENCE A DETAILED MY PRIORITIES TO RESTORE SERVICE READINESS AND SHAPE THE COAST GUARDS FUTURE. ONE OF MY FOUR IMPERATIVES TO SHAPE THE FUTURE IS TO IMPLEMENT THE FUTURE FORCE 21 (FF21) STRATEGY. OUR CURRENT WORKFORCE SYSTEMS WERE DESIGNED DECADES AGO, BUT OUR HUMAN RESOURCE (HR) NEEDS HAVE AND WILL CONTINUE TO CHANGE INTO THE 21ST CENTURY. FF21 IS A LONG-TERM COMPREHENSIVE, EVOLUTIONARY WORKFORCE REINVENTION PLAN THAT CHALLENGES OUR CURRENT SET OF HR MANAGEMENT POLICIES AND PRACTICES. OPERATIONALLY, FF21 IS ABOUT MAINTAINING AND/OR ADJUSTING OUR LEGACY HR SYSTEMS WHILE SIMULTANEOUSLY CREATING

NEW HR SYSTEMS. FF21S GOAL IS TO MORE EFFECTIVELY PROVIDE A WORKFORCE THAT CAN MEET BOTH THE CURRENT AND FUTURE WORK REQUIREMENTS OF THE COAST GUARD.

2. OUR LEGACY HR SYSTEMS INCLUDE ALL THE PRESENT HR POLICIES AND PRACTICES. WHILE EFFECTIVE IN THEIR TIME, THESE HR SYSTEMS REQUIRE FREQUENT AND INCREASINGLY COMPLEX INTERVENTIONS TO KEEP THEM FUNCTIONING IN AN OFTEN MARGINALLY EFFECTIVE WAY. FOR MANY YEARS, WE HAVE PATCHED OUR HR SYSTEMS TOGETHER, AND WE HAVE NOT BEEN ABLE TO ANTICIPATE HOW THESE PATCHES WERE RELATED TO EACH OTHER. TODAYS INCREASING DEMANDS FOR SKILLS, SPECIALIZATION, AND AN AGILE WORKFORCE ALSO REQUIRES US TO RETHINK SOME OF THE BASIC PREMISES ON WHICH THESE SYSTEMS ARE BUILT. THE FF21 WILL REVIEW OUR POLICIES AND PRACTICES WHILE RETAINING OUR FUNDAMENTAL MILITARY, MARITIME, MULTI-MISSION CHARACTER. THE IMPACT OF FF21 ON THE COAST GUARD HUMAN RESOURCES SYSTEM IS SIMILAR TO THE IMPACT OF DEEPWATER ON OUR CUTTERS AND AIRCRAFT.

- 3. SOME SPECIFICS OF THE PLAN INCLUDE THE FOLLOWING:
- A. ENLISTED. WE MUST DEVELOP, TRACK AND RE-USE THE SKILLS POSSESSED BY OUR MEMBERS MORE EFFECTIVELY. STUDIES SUCH AS THE JOINT RATING REVIEW, BUOY TENDER SYSTEMS STUDY AND PROJECT KIMBALL EACH UNDERSCORE THE NEED TO BETTER INCLUDE THE SKILLS POSSESSED BY COAST GUARD MEMBERS INTO THE FACTORS THAT MAKE UP ACCESSION, ASSIGNMENT, AND TRAINING DECISIONS. FIELD COMMANDERS HAVE REPEATEDLY CITED THIS NEED AS WELL. SKILL BASED ASSIGNMENT TESTS WILL OCCUR DURING THE S.P.E.A. R. 2002 CYCLE. AS WE BEGIN TO CHANGE THE FACTORS CONSIDERED IN THE ASSIGNMENT PROCESS, WE WILL SEEK A BALANCED APPROACH. MEMBER

ASSIGNMENT DESIRES AND ASSIGNMENT PRIORITY WILL REMAIN IMPORTANT AS WE TRANSITION. AS A FIRST STEP, WE WILL ALSO SEEK WAYS TO REDUCE THE FREQUENT TRANSFERS AND SHORT TOURS IN TODAYS WORKFORCE WITHOUT COMPROMISING UNIT READINESS.

- B. OFFICERS. WE WILL EXAMINE THE NEED FOR SPECIALTIES IN THE OFFICER CORPS. THE OTHER ARMED SERVICES ARE EXAMINING CHANGES IN THEIR OFFICER WORKFORCE STRUCTURES, AND THE COAST GUARD IS AN ACTIVE PARTICIPANT IN THE JOINT SERVICE EFFORTS. THESE STRUCTURE CHANGES WILL INCLUDE AN EXAMINATION OF THE UP OR OUT ASSUMPTION OF THE MILITARY WORKFORCE. WE WILL MAKE DECISIONS ON OFFICER SPECIALIZATION BY SEPTEMBER 2002.
- C. CIVILIANS. OUR CIVILIAN MANAGEMENT SYSTEM MUST BECOME MORE ADAPTIVE TO CHANGING NEEDS. RECRUITING IS BECOMING INCREASINGLY DIFFICULT, AND HIRING DEMANDS ARE INCREASING. WE WILL DEVELOP A NATIONAL RECRUITMENT PLAN THAT MEETS THE INCREASINGLY COMPLEX HIRING DEMANDS IN OUR CIVILIAN WORKFORCE. IN ADDITION, WE WILL BENCHMARK THE MANY AGENCIES THAT HAVE REINVENTED THEIR CIVILIAN MANAGEMENT PROCESSES, AND SELECT THE PRACTICES THAT WILL WORK BEST FOR THE COAST GUARD.
- D. WE WILL CREATE A WORKFORCE MASTER PLAN THAT PROVIDES STAFFING LOGIC AND GUIDANCE TO PROGRAM MANAGERS, OPERATIONAL COMMANDERS, AND FIELD UNITS. AT THE HEART OF THE PLAN IS MAKING A DETERMINATION AS TO WHAT SHOULD BE THE GENERAL SKILLS (OR COMPETENCIES) EXPECTED OF EACH WORKFORCE COMPONENT (ACTIVE DUTY AND RESERVE MILITARY, OFFICER AND ENLISTED, CIVILIAN, AUXILIARY, AND CONTRACTOR). THIS PLAN WILL FOCUS ON MATCHING THE AVAILABLE WORKERS TO THE WORK REQUIRED OF THE COAST GUARD.

- E. WE WILL INTRODUCE NEW TOOLS TO MATCH COAST GUARD MEN AND WOMEN TO THE MANY CAREER FIELDS IN THE SERVICE. WE WANT PEOPLE TO DO THE WORK THAT THEY ARE BEST SUITED FOR. IN THIS WAY, WE CAN HELP PROVIDE EACH WITH THEIR BEST OPPORTUNITY FOR SUCCESS. WE WILL ALSO REEXAMINE WAYS TO MAKE SEA DUTY MORE ATTRACTIVE, AN IMPERATIVE AS WE BRING THE NEW INTEGRATED DEEPWATER SYSTEM ON LINE.
- 4. THE FUTURE FORCE 21 TEAM HAS DEVELOPED A COMMUNICATIONS EFFORT FOR UPDATES ON CURRENT PROJECT STATUS. THE WEB SITE ADDRESS IS <a href="http://www.uscg.mil/ff21/index.htm">http://www.uscg.mil/ff21/index.htm</a>. THIS INCLUDES A TWO-WAY INTERNET PRESENCE. FF21 TEAM LEADERSHIP HAS ALREADY BRIEFED SEVERAL DISTRICT CO CONFERENCES AND THE GOLD BADGE CMCS.
- 5. THE FUTURE FORCE 21 TEAM ANALYZED OVER 75 COAST GUARD AND EXTERNAL WORKFORCE STUDIES IN DEVELOPING THIS PROJECT PLAN. AS PART OF THAT ANALYSIS, SEVERAL ITEMS WERE BROUGHT FORWARD AS STROKE OF THE PEN INITIATIVES. THESE CHANGES DO NOT CHANGE THE FUNDAMENTAL CHARACTERISTICS OF OUR WORKFORCE SYSTEMS, BUT THEY ARE CHANGES THAT HELP POINT OUR LEGACY WORKFORCE SYSTEMS TOWARDS THE FUTURE FORCE 21 DIRECTION. MANY OTHER, MORE COMPREHENSIVE CHANGES, HAVE BEEN INCLUDED IN THE FF21 PLAN AND THE HUMAN RESOURCES BUSINESS PLAN. THESE STOKE OF THE PEN CHANGES WILL BE PROMULGATED BY SEPARATE ALCOAST.
- 6. INTERNET RELEASE AUTHORIZED.
- 7. RELEASED BY ADM J. M. LOY, COMMANDANT.

### Flag Voice Contents

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