

Outsourcing Service Functions Afloat: Issues and Concerns With a Military-Civilian Mixed Crew

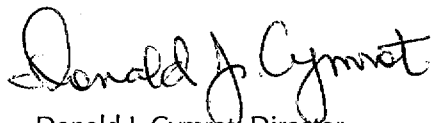
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A handwritten signature in black ink that reads "Donald J. Cymrot". The signature is written in a cursive style with a large initial 'D'.

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Summary

The Navy has a long history of successfully allocating shipboard work requirements among assigned sailors. Such work requirements include occupationally related tasks as well as the myriad of house-keeping and service duties necessary to keep the ship in warfighting trim. The division-of-labor strategy had junior sailors performing low-skill, labor-intensive jobs, such as food service, laundry attendant, and general cleaning duties, in addition to working in their rating-related home workcenters, while the more experienced sailors concentrated on rating-related duties in their home workcenters. In general, once sailors completed one, or possibly two, 90-day temporary additional duty (TAD) periods away from their regular workcenters, they were free to resume rating-related work without further interruption. This time-tested method of work allocation may be starting to unravel.

Finding the right people in sufficient numbers to man the fleet continues to pose important challenges to Navy manpower policy. According to experts, the overall Navy manning picture today is one in which the number of available personnel falls short of requirements. The rate and nature of worldwide contingencies translates into a relatively busy military with a high tempo of operations. In the Navy, sea tours are longer than desired for many ratings. Despite a programmed Navy standard workweek of 67 hours, many sailors on ships routinely remain on duty in excess of 12 hours a day.

In addition, unplanned losses and lower retention create workforce shortages. This places a heavier burden on the remaining sailors to keep up with the workload. Sailors are saying that they are working harder and longer in order to accomplish the mission. Junior sailors note that their service-related TAD tours are increasing. More experienced sailors are trying to cope with workcenter shortages by working longer hours in port. This is starting to fuel dissatisfaction. Increased

dissatisfaction generates more losses, which, in turn, accelerates the spiral downwards.

We are also in the midst of a societal change. The information technology revolution and low unemployment have resulted in better jobs, better training on the job, more specialization, and more frequent job changes. In short, workforce entrants have more expectations, and Navy recruits join with the same expectations. They view performing unrelated, low-skill jobs not as a “rite of passage” but as irrelevant and getting in the way of achieving their goals. A recruit entering the fleet after attending Information Systems Technician “A” school expects to be working with computers and telecommunications, not scrubbing pots and pans. Somewhere along the way, the leadership continuum was broken, and the character- and cohesion-building aspects of serving one’s shipmates is no longer being effectively communicated to new sailors.

A new model of work apportionment has been suggested. It is an arrangement that frees junior sailors from performing menial jobs unrelated to their “A” school training and, in the case of general detail (GENDET) sailors, allows them more time to focus on rating-entry, occupationally specific work activities.

The suggested workforce model involves hiring civilians to perform some of the service and housekeeping duties afloat. Using civilians is a radical change in the way shipboard work has traditionally been allocated. There are obvious implications of such a strategy—such as command and control over the civilian workforce—and many more not-so-obvious effects. CNA Research Memorandum D000119.A2 of January 2000 discusses the cost-effectiveness and the broader legal implications of outsourcing. Here, we will focus on practical issues that arise in integrating civilians into a military working environment on board the ship. Our strategy is to ask the fleet directly—sailors and officers. We conducted eight focus groups ranging in size from 9 to more than 20 participants in four paygrade ranges, including both enlisted and officer personnel, aboard two aircraft carriers.

We presented focus group participants with a scenario in which civilian workers replaced military food service and laundry attendants. We asked the participants to discuss the issues and implications of

such an arrangement, as well as to offer related ideas and recommendations. Virtually all of the participants engaged in lively discussions that encompassed diverse viewpoints.

The main finding from the focus groups and surveys is that the replacement of sailors by civilians should be transparent to the ship and Commanding Officer with respect to the flow of operations. In particular, any outsourcing contract should include provisions that protect the Navy's interests in the following areas:

- Ensuring acceptable work performance. In addition to health and safety considerations, many operational requirements complicate Navy work standards. Also, sailors in a workcenter perform functions that may not be apparent from a cursory review of core duties. Within reasonable limits, civilians should be able to perform the work of sailors they replace.
- Maintaining good order and discipline. Sailors are subject to a variety of regulations on personal conduct (on and off duty) that befit their role as representatives of the United States. There is a strong feeling that such control should extend to civilians. The ships do not want the added responsibility of civilians on board without commensurate authority over them.
- Avoiding excessive drain on the ship's resources. The extra demand on such resources as ship's store, fitness center, supplies, and medical services should not affect sailors negatively. Where applicable, the civilians should be self sufficient.

Most participants recommended that the Navy proceed cautiously with outsourcing afloat functions. We got the general sense that, with proper implementation and good management, outsourcing of food service and laundry functions can probably be successful. The most common recommendation made by the participants was to try outsourcing on a small scale, as a prototype, with the same civilian workforce characteristics intended for full implementation.

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Background

Entry-level workforce

Staffing shortages

The Navy has been experiencing growing labor shortages aboard operational units, particularly in the lowest paygrades. Several factors contribute to these shortages, such as sailors leaving sea duty prematurely for medical or disciplinary reasons or because of pregnancy. Staffing shortfalls are also exacerbated by a slowdown in entry-level replacements, especially among GENDETs.

Necessary housekeeping functions

The shipboard organization has always depended on entry-level sailors to perform the necessary, but menial, housekeeping functions. As the proportion of junior sailors decreases, such essential functions as food service, laundry, and corrosion control must be rotated more often among the same people. In some cases, shortages are severe enough that occupationally specialized and skilled petty officers have to be recycled through more housekeeping and other service tours.

Repeat tours in messcooking and laundry

More typical is the case in which an entry-level, skilled "A" school graduate, soon after arrival aboard his or her first ship, must be released to perform at least one 90-day period in either food service support or the ship's laundry. Although this has been a practice for many decades, newer sailors are finding it more likely that they'll be called on to do repeat TAD tours in these and other service functions.

Service tours can be beneficial

Performing service functions benefit sailors in various ways. Sailors have a chance to work directly for the entire crew. And, though the hours are long, crewmembers are usually supportive of their shipmates doing their turn. After all, most have already “been there, done that.” They claim that performing such duties has become a rite of passage that serves to promote cohesion and esprit de corps.

Is a new model needed, wanted?

As the proportion of junior sailors declines, and as skilled ratings become more focused on high technology, the fundamental need to rotate everyone through unskilled service jobs is coming into question. Is it the most cost-effective way to use the Navy’s uniformed members? Does the Navy effectively demotivate otherwise good sailors by repeatedly running them through the TAD gauntlet? Focus groups think so.

Leverage labor-saving methods

The Navy is considering several ways to rectify the problem. One is to leverage the best, new, labor-saving technologies to ameliorate the tedium. Tasks related to food service can be eased or eliminated by using pre-prepared meals, heat-and-serve entrees, and even vending-style self-service food dispensers. Such “instant” meals would be served on recyclable paper and plastic dinnerware. Another labor-saver would be to use superior quality, low-maintenance, long-lasting lubricants, coatings, coverings, and finishes. Wax-free decks and durable bulkhead paints that wipe clean with one swipe would go a long way toward easing the drudgery. In the laundry, CO₂ dry cleaning¹ would make a short issue of massive amounts of clothes, while eliminating the nauseating fumes of perchloroethylene (or “perc”), running cooler, and protecting the environment.

1. Micell Technologies, Raleigh, NC. Article in *Business Journal*, <http://www.bizjournals.com/triad/stories/2000/03/06/story7.html>

Outsourcing service jobs to civilians

Another option the Navy is considering is outsourcing some ship functions to civilians. Doing so, it is hoped, will free sailors to perform their primary duties, thereby enhancing the readiness of the ship. It is expected that the ship's morale will increase also. This report will focus directly on the issues related to the outsourcing of service functions aboard deploying ships.

CNA Research Memorandum D0000119.A1 of January 2000 discusses the cost-effectiveness and the broader legal implications of outsourcing service functions. Here, we will focus on practical issues that arise in integrating civilians into a military working environment on board the ship. Our main interest in this effort is to get an accurate sense of the fleet's issues and concerns, particularly the sailors who will have to work with civilians, should the Navy decide to outsource. We will examine the impact of outsourcing on the sailor, the unit, and the Navy. Our goal is to collect and analyze all of the issues related to such outsourcing through interviews, focus groups, and short surveys.

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Method: the focus group approach

We used two methods to gather the data: interviews/focus groups to collect the qualitative data and surveys to collect the quantitative data. Timely, qualitative data from focus groups enhance the analyst's ability to capture the broad range of issues related to a particular topic. Focus groups are particularly well suited for identifying perceptions, attitudes, and feelings, as well as for collecting ideas and recommendations. In contrast, surveys allow us to analyze the depth and inter-relatedness of issues. Often, as we have done here, studies make use of both methods.

Focus groups typically involve a representative cross section of a population of interest. How well a sample population matches the characteristics of the full population is vital in quantitative analysis, but less so in the qualitative realm. Even with rough approximate representation, groups can still be expected to cover most, if not all, of the pertinent issues. Contributions range from "thinking out loud" to extremely thoughtful, well-articulated problem-and-solution statements. As multiple groups contribute, issues and ideas start getting repeated. A point of diminishing returns occurs after about a half dozen groups have been conducted. A good approximation of completeness is when nearly all points raised have already been discussed in earlier groups. Indeed, by our second day of running focus groups, the same issues were being predictably revisited.

The only potential weakness we see is the lack of input from west coast sailors. Our previous experience with focus groups, covering other topics, is that some additional issues often emerge based on the nuances between east and west coast sailors. Nevertheless, we do not expect systematic differences between the coasts on the issue of civilians on ships because shipboard operations are similar.

Many issues were raised repeatedly from one group to the next. This served to underscore the importance groups attributed to certain

issues. More often than not, each group had something unique to contribute, including creative ideas worth considering. Although we cannot measure the significance of separate issues because of the limitations posed by the relatively small sample sizes, we can report that some issues tended to get more attention and generated more discussion. We will also provide a mix of descriptive statistics that, while not intended to measure significance, will serve to corroborate the findings from the focus groups.

Focus group execution

In February 2000, Dr. Adebayo Adedeji, CNA research analyst and study director, and Mr. Jim Gasch, CNA associate research analyst and focus group moderator, conducted 8 focus groups, with more than 100 participants. Support from the ships was superb. They provided 100 percent of the participants we requested.

First, we interviewed fleet staff personnel. Then we conducted the focus groups aboard two aircraft carriers, USS *Theodore Roosevelt* and USS *George Washington*, both homeported in Norfolk, Virginia. The focus groups were divided into four paygrade groups aboard each ship: apprentice (E1-E4), journeyman (E5-E6), master (E7-E9), and officer (W2-O5).

Problem statement

To lay the foundation for discussion, we posed the following “problem statement” for the participants to consider:

Today’s post-drawdown Navy faces challenges in finding and retaining the right people in sufficient numbers to man the fleet. There is a pervasive feeling that the fleet is undermanned and sailors stretched too thin. In addition to primary combat missions, many housekeeping and inherently nonmilitary functions, such as cleaning and food service, need to be performed. These are viewed as menial jobs and are all too often assigned to trained junior sailors. This inefficient use of personnel is a quality-of-life issue and contributes to low morale. Consequently, using civilians to provide these services (cooking, food service, cleaning, etc.) is being considered as a means of simultaneously solving the man-

ning shortfall problem, increasing the quality of life, and saving money.

However, the presence of large numbers of civilians on a combat ship raises certain questions and concerns. There are many day-to-day as well as longer term issues associated with outsourcing on ships and having civilians work side by side with active duty personnel on a deployable combat ship.

We asked participants to consider having to work side by side with civilians and to imagine themselves in positions of top leadership in Navy training. Then we asked them to draw on their knowledge and experience at the deckplate level to identify problems, fashion innovative solutions, develop long-term strategies, and implement their plans.

Covering the range of issues

The focus groups were designed to collect qualitative information covering a variety of issues, concerns, ideas, and recommendations related to the outsourcing of food service operations. We also administered a short survey instrument to collect additional quantitative information. The survey allowed us to quantify and rank the importance of some of the issues that groups felt were germane.

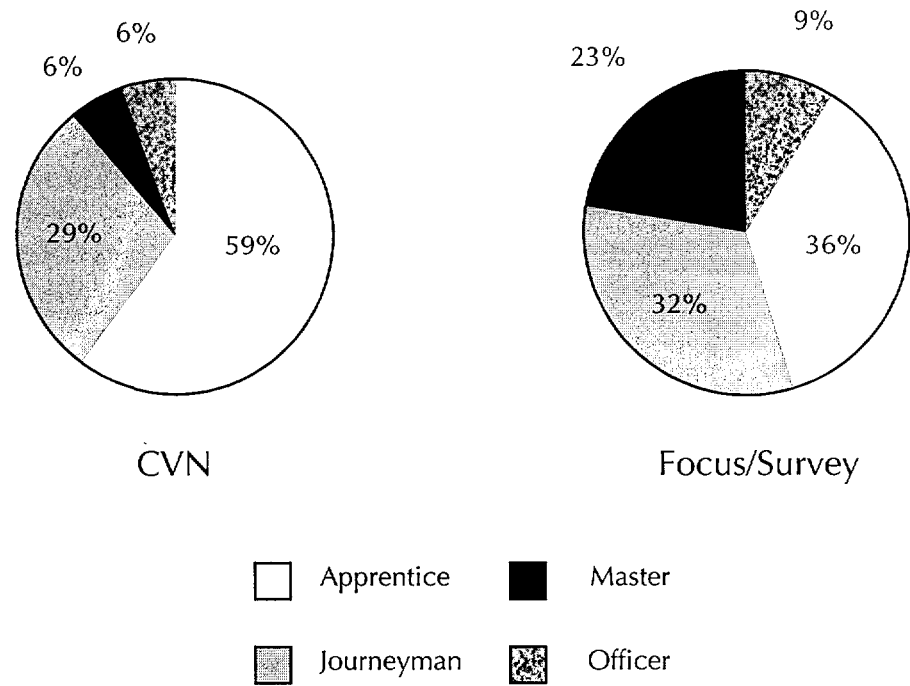
Validation

Because we also administered surveys in conjunction with the focus groups, we took extra effort to ensure that the groups were as representative as possible. We slightly oversampled in the journeyman, master, and officer categories because we wanted to benefit from their additional years of experience, as well as to preserve our ability to analyze differences based on paygrade groups. Correspondingly, we slightly undersampled from the apprentice category.

As figure 1 shows, the paygrade composition of the focus groups loosely approximated the paygrade proportions of the aircraft carriers' ship's company. We slightly oversampled the journeyman, master,

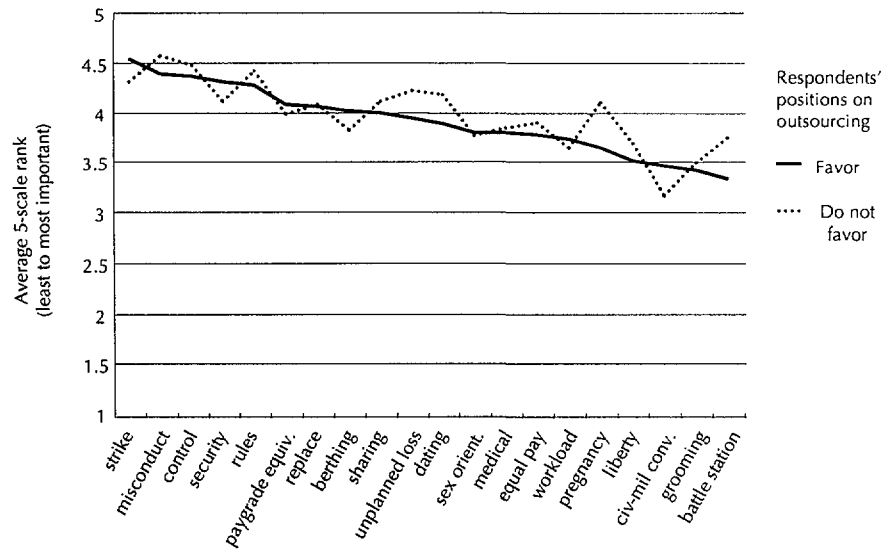
and officer categories to transcend some of the limitations inherent with small sample sizes.

Figure 1. Characteristics of focus group participants



We also found the survey helpful as a tool with which to validate and complement the findings raised in the focus groups. We evaluated the survey responses and found a significant level of internal consistency and lack of bias. In the survey, we asked respondents to rate the importance of issues related to civilian outsourcing. We also compared two separate groups of respondents to check for bias. The first group consisted of those respondents who mostly supported outsourcing. The comparison group consisted largely of those who opposed outsourcing. As shown in figure 2, we found a significant degree of consistency between the two groups. Effectively, the groups were able to put aside their biases, for or against, and rank the issues objectively.

Figure 2. Consistency on ranking of issues



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The mood in the fleet

“A” schoolers

Most new sailors report for their first tour of duty from Navy (class “A” school) occupational training. Senior enlisted supervisors often point out that typical “A”-school-trained sailors report aboard possessing a good measure of enthusiasm for work within their skill areas. After investing weeks to months of training in an occupational skill area, “A” school graduates typically have high expectations for continued on-the-job professional development. Ironically, as these sailors are at the peak of their learning curve, they find themselves assigned to temporary tours in positions unrelated to their occupations. The most common temporary tours are food service attendant, derisively called “mess cranking,” and ship’s laundry.

General Detail sailors (GENDETs)

GENDETs make up the other category of newly reporting enlisted sailors. Typically, they are assigned to perform deck work (seamen), entry-level work below decks (firemen), and entry-level aviation jobs (airmen). While GENDETs arrive in the fleet with minimal occupational training, they too are motivated by the lure of the sea. They soon find out that they are caught up in a seemingly never-ending cycle of assignments to menial labor, such as “rust busting,” laundry, and food service jobs. The difference with this group is that they tend to work in labor-intensive jobs (i.e., corrosion control, bilge cleaning) to begin with. So, it is not inconceivable that they would view their food service or laundry duties as a break from the regular “grind.” More often, however, they tend to view their regular workcenter duties and the service jobs they frequently get as equally dreary. Their hope for the future is an assignment to a specialized workcenter where they can gain valuable on-the-job experience needed to enter a Navy occupation. But to do that they must first be recommended by

the Professional Development Board (PDB). Things aren't simple for the PDBs either. PDB members often find themselves in the unenviable position of having to serve as gatekeepers to the "good" jobs. That is, they must delay sailors from leaving the GENDET workcenters to avoid exacerbating manning shortages.

Temporary additional duty (TAD) tours

The bottom line is that "A"-school-trained sailors are aggrieved over TAD tours outside their trained occupations, and GENDETs believe that they are hindered from entering an occupational specialty by multiple, competing forces, including their undermanned GENDET, food service, and laundry divisions. This problem is not limited to new "A" school graduates and GENDETs. Where shortages persist, re-tours are common and even petty officers sometimes are assigned TAD tours.

Unfulfilled expectations

Why are their expectations so high to begin with? Respondents, including former recruiters, say that part of the answer lies in the extremely competitive recruiting process. Service recruiters are competing against each other, as well as against a vibrant civilian economy, for a dwindling pool of eligible recruits. To be successful, recruiters must be very aggressive with their sales pitch. Many sailors report that promises of skills training, higher education, travel, and adventure were the principal factors that inclined them to enlist. They go on to say that, virtually without exception, recruiting promises turned out to be somewhat overblown, to say the least.

Why is it an issue now?

What makes it an issue now, and not before? Participants of all paygrades believe that undermanning and the high operating tempo partly contribute to sailor dissatisfaction. They feel that entry level sailors have to shoulder a greater burden than before. There are "too many chiefs, and too few indians," some say. They also attribute part of the problem to a cultural shift away from a strong work ethic and

toward expectations of quick and easy success, although this is purely anecdotal. Sailors are comparing their own situations with those of their peers in the civilian world—and, in general, they don't like what they see. Many have attributed the rising levels of unplanned losses of junior sailors to this situation. Whatever the cause, these losses are exacerbating the undermanning problems. Participants also believe that potential "attrites" view early separation as an opportunity to enter the vibrant civilian economy, and to do it with little or no stigma attached.

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Focus group and survey results

Organization of results

We divided focus group results into the following sections:

- Most important finding
- Issues and recommendations
- Survey results
- Summary.

Most important finding

The Navy must consider many of the issues, weighing the merits and drawbacks of each, before undertaking wide-scale implementation of civilian outsourcing aboard deployable units. In particular, any outsourcing contract should include provisions that protect the Navy's interests in:

- Ensuring acceptable work performance. In addition to health and safety considerations, many operational requirements complicate Navy work standards. Also, sailors in a workcenter perform functions that may not be apparent from a cursory review of core duties. Within reasonable limits, civilians should be able to perform the work of sailors they replace.
- Maintaining good order and discipline. Sailors are subject to a variety of regulations on personal conduct (on and off duty) that befit their role as representatives of the United States. There is a strong feeling that such control should extend to civilians. The ships do not want the added responsibility of civilians on board without commensurate authority over them.

- Avoiding excessive drain on the ship's resources. The extra demand on such resources as ship's store, fitness center, supplies, and medical services should not affect sailors negatively. Where applicable, the civilians should be self sufficient.

Other issues also need to be carefully considered. A detailed discussion of all issues follows.

Issues and recommendations

Importance of food service to the crew

Participants emphasized that food service is a make-or-break issue with regard to a crew's morale. Sailors view meal times as an opportunity to relax, recharge, and enjoy, punctuating periods of hard work, long hours, and frequent watches. They expect good food, good service, and a clean, pleasant atmosphere. Any compromise of those high standards would quickly be reflected in the mood of the crew. In this vein, they expressed concerns that lack of control or evaluation input by rank and file sailors may foster poor quality (rudeness).

Prototyping

Focus group members suggested that the Navy should "try it before they buy it." In other words, they supported the idea of conducting pilot tests of the proposal before considering outsourcing all shipboard food service to civilians. Participants in various pilot tests should be drawn from a typical cross section of the most likely civilian workforce segments. The prototype workers should reflect a typical mix of skilled and unskilled personnel. Prototypes should not be "stacked" with proven performers drawing high wages. Doing so would bias the results.

Discipline

More prevalent among the mid-grade to senior enlisted and the officer focus group members is the issue of control over the civilian workforce. Of course, the Navy expects to retain contractors that provide professional, responsible, diligent, and self-disciplined workers. Should that benchmark fail, as many conferees expect, how can the

Navy deal with individuals who have “crossed the line?” For example, suppose that, for the sake of good order and discipline, fraternization rules apply to civilians. How can the Navy mete out discipline over a “dating” incident? What if it finds out it can’t? How would the Navy reconcile a more permissive civilian attitude toward open homosexuality with its own “don’t ask, don’t tell” policy?

Many worry that arguments between civilian and military members could engender disrespectful behavior. The following is a typical comment:

Sometimes harsh words are traded among workers and supervisors. In the Navy we minimize occurrences of such behavior through regulation and the Uniform Code of Military Justice (UCMJ). Disrespect is a violation of the code, and can result in sanctions—but usually not discharge. Civilians aren’t similarly covered. Leaders are left with few options short of dismissal. Assuming that civilian messcooks are composed of mostly young, new entrants to the workforce, we can expect that their inexperience will occasionally surface some unpleasantries. Boot camp serves to instill values and standards in young sailors. Young civilian workers—not properly indoctrinated into the military culture, a way of life governed by discipline and obedience—might tend to be more impetuous. What we can’t afford is a breakdown in good order and discipline.

Essentially, focus group members are suggesting that an outsourcing contract should require that the company ensure adequate supervision and oversight, and that civilian-military chain-of-command relationships be well defined and universally understood. There should also be a system of sanctions, short of firing, that can serve to bring the errant ones back on track.

In another scenario, some group members expressed concern that sailors, who were administratively discharged, for example, might qualify to return to the fleet as civilian mariners. They recommend that the Navy not allow shipboard embarkation of former military members who hold “bad paper.”

Because the UCMJ does not apply to civilians, conferees believe that there must be a set of enforceable civilian personnel rules that serve

to maintain good order and discipline. The groups recommend that the Navy include very clear, enforceable, and reasonable standards of conduct in contracts for civilian workers. They acknowledge that certain leniencies may have to be tolerated, and that the Navy should educate the military crew to understand the differences.

Lines of authority

Focus group participants also expressed concern over how the chain of command might work with the integration of civilians into ships' crews. For example, suppose some military members work alongside civilians. Who reports to whom? Who has the authority to "order" the civilian to do something? What are their paygrade equivalencies?

Can the civilian "order" a sailor to do something? Participants said that these questions must be answered before a ship embarks with civilians. Many agreed that limiting the civilian workforce to merchant marines, civil service, or maybe naval reservists would simplify the issue of lines of authority.

Double standards

Sailors are concerned that double standards for civilians and military would be another contributor to lower morale. Most of the examples provided referred to foreign port visits. Everyone agreed that more lenient treatment and fewer liberty restrictions for civilians would irritate sailors. They recommend that liberty privileges be commensurate with the civilians' equivalent paygrade. Civilians violating liberty rules should be dealt with in similar fashion. The civilian supervisor(s) and ship's captain should have the authority to impose sanctions and should be authorized to "fire" employees for bad behavior.

There were also concerns about differing standards with regard to uniforms and grooming, berthing, and personnel management issues. Sailors fear that civilians might have less strict clothing rules (on and off duty), have better berthing spaces, or more time to attend to personal needs. These differences could create tensions and lower morale among sailors.

Fraternization

Not surprisingly, the issue of fraternization comes up in every group. Military members are governed by very specific regulations covering socialization and personal involvement with their shipmates. Additional restrictions apply to conduct between officer and enlisted personnel. The groups' concern is that good order and discipline would evaporate should civilians disrupt the system that has developed over the years.

The homosexuality issue

Predictably, homosexuality is one of the most controversial issues. Interestingly, from the surveys, mid-grade petty officer groups generally treated it as a non-issue. The most junior sailors, chiefs, and officers responded that it was an important issue that should be addressed. The "don't ask, don't tell" rules do not apply to civilians. Some participants expressed the concern that crew cohesion could be affected by embarking with known homosexuals. Others felt that, should sailors be able to successfully work with gay and lesbian civilians in the close confines of shipboard life, it could serve as an argument for reviewing the restriction on military members.

Compensation issues

We asked participants to compare sailors' perceptions of hypothetical food service contractors with known experiences involving civilian contractor technical representatives (tech reps). Participants responded that sailors are accustomed to serving with tech reps, and readily point out that their technical experience and higher levels of education justify higher pay.

Pay disparities

Potential pay differences between low-skill civilians and military personnel were brought up by all of the focus groups. Participants expressed concern over sailors experiencing real or perceived differences in compensation. Although low numbers of higher paid tech reps have little impact on morale, most participants agreed that larger numbers of low skilled, entry level civilians, making more than they, would be demoralizing.

Overtime compensation

Military members do not get paid for overtime, whereas civilians are likely to make good money working overtime. The average enlisted workweek is currently calculated to be 67 hours.² According to labor law, civilians are entitled to time and a half for weekly hours beyond 40. "If civilians work at least that hard," say the conferees, "they could be making as much as a junior officer."

Impact on retention

The allure of excellent hourly pay, including overtime benefits, may draw good sailors out of the Navy and into the hands of Navy contractors. Many respondents think that it might cost some level of reenlistments, which could serve to intensify existing workforce and skill shortages.

Labor action

One of the more common issues raised by groups involved the loss of tight control over the workforce. Sailors expressed concern that, regardless of contract language, civilians probably would not face serious sanctions for engaging in various forms of labor action. Continuity of services was foremost on the minds of conferees. One sailor opined, "once the bullets start to fly, they'll go your civilian mess-cranks," pointing toward the beach. Many others agreed with that scenario. Others held the view that civilians would "tough it out just like the rest of us," positing that a combination of duty, patriotism, and honor to their commitments would cap the "quitters" at less than 50 percent. In conclusion, most agreed that some specific contract language would be useful. Some of the examples follow:

- Proscriptions on quitting, particularly when hostilities are expected
- Provisions for impressment when war is declared

2. Phone conversation with Mr. W. McGovern, Technical Director, Fleet Standards Development Division, NAVMAC, Millington, TN (October 29, 1999).

- A requirement that civilian workers be in the Individual Ready Reserve and therefore subject to activation in time of hostilities
- Use of government civilian employees
- No strike clauses
- A mix of military and civilian so that sailors can be cross-trained in functional competencies where civilian losses occur
- Ready availability of meals-ready-to-eat (MREs) and heat-and-serve meals.

Watch standing

Because civilians would not be standing any military watches, participants were concerned that replacement of military members with civilians would entail loss of eligible watchstanders. CNA Research Memorandum D0000119.A1 of January 2000 discusses the maximum number of carrier billets that can be outsourced given that only military members can be watchstanders.

The study found that between 500 and 600 combined carrier and airwing billets can be outsourced without affecting general quarters watchstanding requirements.

What happens in the event of combat?

Focus group members expressed concern over what happens when the “shooting starts.” They covered several scenarios. First, how can the Navy legally retain essential workers who may try to quit at a most inopportune time? As they recommended before, the groups tended to favor some kind of government affiliation for the workers. Second, what will be the roles of the civilians in fighting the ship? Should they just get out of the way when general quarters (GQ) is sounded? If they are galley workers, should they help with some of the staging of munitions that occurs on the mess decks?

Legal experts believe that civilians would, by international law and convention, have to be excluded from any role that could be interpreted as combatant. However, civilians could still engage in activities related to survival. These functions could include rendering first aid,

participating in fire fighting and flood control, and continuing to perform services to crewmembers, including delivering meals to sailors at GQ stations. In the unlikely event of capture by enemy forces, civilians should present a noncombatant identification card and be treated as such by their captors.

Competing against our own recruiting market share

Some focus group attendees assumed that a civilian cadre would be composed of mostly young workforce entrants looking for travel and adventure. They further point out that the Navy is also vying to recruit sailors fitting the same description. Potential recruits may end up being recruited by civilian firms competing in the same market. In the longer term, outsourcing may lower retention of sailors. It is not unimaginable that many sailors would leave the Navy and join the contractor workforce, possibly on the same ship. The lure might be better pay (including overtime) and civilian lifestyle. The Navy might end up paying for manpower training that ultimately benefits a private contractor.

Or, scraping the bottom of the barrel

If the Navy is not competing in the same recruiting market as the contractor civilians, some conferees suggested that the only remaining pool would consist largely of people not going to college and those who are ineligible for military enlistment. Presuming that employment standards are lower, including mental category, physical condition, and past involvement with the criminal justice system, problems are likely to emerge.

- The Navy may find itself cultivating a new “servant class.”
- The American public may become agitated at the concentration along certain racial/ethnic lines and protest the lack of diversity in hiring by the Navy or the Navy’s contractor.
- Sailors may have low expectations and condescending attitudes toward “lower class” workers.
- Some civilian workers may have arrest records significant enough to disqualify them from naval service.

- Some of the employees may be in mental categories that would make them ineligible for enlistment.

“We don’t want to finish jobs that civilians have left undone”

Some of the participants made the point that they do not want to finish jobs civilians have left undone. A petty officer commented,

My experience in the yards [shipyard] is that we had to pick up and clean up after the yardbirds [shipyard workers] had supposedly finished. Contracts can’t cover every eventuality, and it is my experience that civilians will point out those particular tasks, typically the more disagreeable ones, that are not covered. It won’t be worth having civilians if they can’t be flexible enough accomplish common-sense tasks that may not be covered in the contract.

Unplanned losses

Unplanned losses will happen with civilians just as they happen with military personnel. Focus group members suggest that contracting companies should be given detailed requirements for timely replacements for their attrites. Some also suggested an incentive system that would reward companies, and potentially individual workers, for good attendance as well as good performance.

Medical

Groups spent a disproportionately large amount of time talking about medical issues.

Reimbursement for medical services and supplies

They expect that contractors will probably use the Navy’s shipboard medical department. Conferees, who were assigned to shipboard Medical departments, expressed greater concern. From the first mention of the issue, both corpsmen and medical department officers worried about the drain on their resources. They also recommended that civilian contracts provide for some kind of reimbursement for medical services.

Implications of licensure

Another concern expressed by conferees is that, for the most part, enlisted medical technicians provide shipboard medical services. What are the implications of licensure? Navy hospital corpsmen are not licensed registered nurses or practical nurses. They serve in a category unique to the military, where licensure is not required. That doesn't mean they are not talented; most are highly respected for their skills.

Litigation

Another issue involves how the Navy might deal with malpractice suits. Military medical service providers are clearly shielded from malpractice claims³ from servicemembers. But the same does not hold true for civilians. The groups recommend that contractors sign a waiver that holds harmless any military provider.

Over-the-counter privileges

Participants also pointed out that there might be problems with routine medical care. For example, sailors who need over-the-counter (OTC) medications for common maladies, such as the common cold or mild sore throat, can usually be dispensed the medications without seeing a provider. Will the same arrangement work with civilians?

Also, there is the issue of medical records: should the onboard medical staff have access to them? This is probably required to be able to track the incidence of infectious disease for the safety of the ship.

Concern over the degradation of quality of medical services

We also got the sense that sailors made such an issue out of civilian medical care because they did not want their own care to degrade because of the increased strain on the department caused by serving a large cadre of civilians.

3. Feres doctrine (*Feres v. United States*, 340 U.S. 135 1950).

The get-out-of-work syndrome

Finally, groups raised concerns about how to deal with civilian malingering. Most believe that at least a small amount of malingering occurs among sailors. Many fear that civilians might “game the system” to an even greater extent because malingering is hard to prove, and there are no known sanctions that can be used to manage the situation.

Training of civilians

Focus group participants were largely in favor of off-ship training and orientation of new civilian workers. This training could include fire fighting, general damage control, administrative issues, and rules and regulations. This training could be provided through a mini-boot camp or at fleet training centers. The common understanding is that the Navy should not pay for such training.

Government regulation

Participants felt that the Navy would have to pay more attention to occupational, safety, and health regulations. Rules for worker safety and health promulgated by the Department of Labor’s Occupational, Safety, and Health Agency (OSHA) and the Department of Transportation do not always apply to the military. With civilian workers aboard in large numbers, they believe that the Navy could be exposed to more scrutiny from agencies outside the Department of Defense.

Job rotation

Participants said that the one aspect of messcooking that makes it bearable is the temporary nature of the job. They are concerned that, without some job rotation, civilians will get burned out. Outsourcing arrangements should provide for a minimal level of job rotation between perhaps messcooking, laundry, and housekeeping.

Civil liability

Participants raised the issue of general liability and posed several questions. Suppose a civilian and a military member get into an argument, perhaps including physical contact. What is to prevent the civil-

ian from pressing civil, and maybe even criminal, charges? Do the sailors need to carry personal liability insurance? Maybe a civilian claims that he or she is being subjected to a hostile work environment for such reasons as “salty” language, leering, or boorish behavior. What recourse is there? Any of these situations can go the other way, too (i.e., the civilian’s conduct can affect the military member).

Group members summarized by stating that situations would, at a minimum, get more complex with potentially large numbers of civilians aboard.

Screening requirements

Sailors, particularly those being ordered to overseas duty, are carefully screened. The screening process to find a sailor “fit” for sea duty is somewhat stringent. Participants felt it important to apply similar screening processes to civilians.

Exercising of privileges

Sailors are very conscious of where they fit into the military culture hierarchy. They understand the reasons why higher rank earns greater privileges. Where they expressed concern is how civilians will fit into their experience. Most shared that they would be somewhat distressed if civilians had privileges that exceeded their own, particularly if the civilian workforce consisted mostly of entry-level, lower skill workers. Concern over the level of privileges and where civilians fit into the chain of command dominated discussion in some groups, particularly in the junior enlisted and chief petty officer sessions.

Travel procedures

Participants raised the issue of transportation costs and procedures related to civilian travel to and from deployed units. Most supported the notion that costs should be borne by the contractor, with the exception of medical emergencies or transport deemed mission critical by the military. Some made the point that overall transportation costs might be lower than is the current Navy experience with unplanned losses of junior sailors. That is assuming, of course, that the civilian workforce is more stable and less prone to attrition than

perhaps the GENDET workforce is. Another transportation issue raised concerned the eligibility and priority of civilian contractors to use military, or military-chartered, air transportation assets. This includes carrier onboard delivery (COD) flights to and from the carrier battle group. Some worried out loud that unimpeded civilian access to COD flights would tend to make scarce space-available seats even more scarce. Groups tended to say that transportation issues related to a deployed civilian workforce are manageable.

Worker personal problems

Participants mentioned that the military is very experienced with handling family emergencies. When entry-level civilians are brought aboard ship, the Navy should make sure procedures and processes are in place to ensure responsiveness to workers' family crises.

What priority will civilian contractors receive on government, chartered, or government-paid commercial transportation? Focus group members say benefits should mirror those afforded to military members. This should be another contract item.

Berthing issues

Berthing cleanliness is largely a self-help function by the occupants of berthing areas aboard ship. Outsourcing contracts should clearly state this responsibility. As far as the material readiness of a space, including repair or planned maintenance (PMS) of equipment, it should be assigned to the military department "owning" the space. Most participants felt that embarked civilians could be trained to perform PMS on equipment in their berthing spaces, as well as equipment in their workcenters. According to legal experts, civilians should not engage in PMS or repair of any equipment used to "fight the ship."

Participants expressed concern that civilians might be given berthing accommodations superior to those of their military counterparts. This would tend to foster dissatisfaction among sailors living in less appointed quarters.

Access to ship's store, recreation, and fitness centers

Most participants agreed that embarked civilians should have the same access to shopping, barbers, libraries, and other welfare and recreation facilities as military members. While in the United States, this may require collection of sales tax, depending on the state or territory where the ship is located. However, access to certain services, such as educational courses, should be on a space-available basis.

Appearance and safety

Some participants raised the issue of personal grooming. The point was made that personal grooming goes beyond presenting a sharp military appearance. Reasonable hair lengths and clean-shaven faces are critical to safety and survival since breathing apparatus and protection gear must be able to seal to one's face. There is also the issue of the U.S. Navy's ambassadorial role in foreign ports. To protect the reputation of the United States, sailors must maintain certain standards of appearance and personal conduct even when off duty away from the ship. Civilians should be expected to maintain the same personal standards.

Chief for life

Issues tend to surface in focus groups that would ordinarily pass unnoticed. These groups were no exception. One participant raised this interesting issue. Suppose a retired chief joined a civilian firm that outsources food services to the fleet. The former chief embarks with his old ship. Would the former chief be subject to liberty restrictions at perhaps the non-petty-officer level, as his civilian co-workers are, or would he "inherit" permissions related to his previous position as a chief? Such a situation not only would affect sailors but also has the potential to adversely affect civilian workers' morale. No consensus could be found among the participants. A related issue might also involve a former chief being welcomed into the CPO dining facility and lounge under CPO mess by-laws.

Survey results support focus group conclusions

As previously mentioned, we also administered a survey to focus group participants. The survey covered many of the same issues discussed in the group setting. However, the survey allowed individuals to reflect on the issues presented and assess their importance on a graduated scale. It also gave individuals a chance to bring up issues that may not have been covered, or were too controversial to bring up in public. The survey also provides us with a measuring tool, being mindful, of course, that small sample sizes limit the robustness of any quantitative method. As such, we view the survey analysis as complementary to the main focus group discussions. Appendix A reproduces the survey questionnaire.

Respondents were asked to consider and indicate the level of importance they assign to each of the issues germane to a mixed crew of military and civilians. These are the same issues identified and discussed in the context of focus groups above. The level of importance is on a 5-level Likert scale:

- Not at all important
- Slightly important
- Moderately important
- Very important
- Extremely important.

Most respondents rated most issues as “very important” to “extremely important.” These are the same issues discussed above. For example, about 90 percent assigned those ratings to “control authority.” Also, 75 percent gave “fraternization” the same rating. Appendix B displays the ratings for each of the issues discussed. To reiterate, the implication of this finding is that the fleet thinks that most of these issues should be resolved before proceeding with outsourcing.

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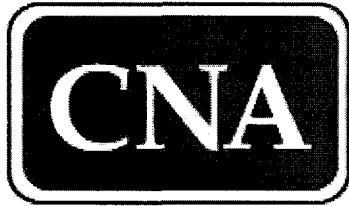
Wrap-up

As previously mentioned, CNA Research Memorandum D000119.A2 discusses the “high level” legal issues and their possible effect on civilians working on combat ships. The authors find that, although important, the legal issues that arise are not sufficiently compelling to block outsourcing on carriers. Our concern here is with issues that come up when we integrate civilians into a shipboard military working environment. These issues are important because they potentially pose the biggest threat to the civilianization concept. Some of them are social (e.g., fraternization); others are management (e.g., control authority) in nature.

We have identified the main issues and discussed their effect on the compatibility of a mixed crew of active duty personnel and civilians. This work is useful to future implementers of shipboard outsourcing because it brings out potential problems that must be addressed. Considered together, the findings also helped forge a range of recommendations for moving ahead. The main recommendation is to proceed cautiously with outsourcing afloat functions. We got the impression that, with proper implementation and good management, outsourcing of food service and laundry functions can probably be successful. A possible way forward is to try outsourcing initially on a small scale on a separable function (such as laundry). Such an experiment should use civilians with the same characteristics as those intended for full implementation. Then outsourcing could be gradually expanded to other candidate functions after the initial success of the test.

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Appendix A: Survey of focus group participants



Center for Naval Analyses
4401 Ford Avenue
Alexandria, VA 22302-1499

Survey of Focus Group Participants

Study on Outsourcing of Food Service Functions to Contractor Civilians

**Adebayo Adedeji
James L. Gasch**

February 2000

**Alternative Workforce for Food Service Afloat
Focus Group Survey**

February 2000

1. Please circle your grade category: E1-E4 E5-E6 E7-E9 W2-O4

2. Listed below are some of the issues that may need to be dealt with in order to bring civilian contractors aboard to help with food service. Please indicate the **level of importance** you would assign to each of these issues.

Issues pertaining to civilian food service workers aboard ship	Not at all important	Slightly important	Moderately important	Very important	Extremely important
a. Battle stations (civilians will Probably be exempted)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. Equality of liberty privileges/restrictions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. Dating/fraternization	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d. Sexual orientation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e. Fairness of compensation (equal pay for equal work)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f. Clarity of control authority. (who reports to whom)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g. Dealing with misconduct	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h. Impact of unplanned loss of civilian worker	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
i. Pregnancy of civilian worker	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
j. Berthing arrangements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
k. Fairness in distribution of workload	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
l. Medical treatment for civilians	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
m. Security risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
n. Grooming standards	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
o. Enforcement of rules/regs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p. Timely replacements for unplanned losses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
q. Sharing divisional duties, like cleaning berthing areas	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
r. Possibility of labor action (strike, sick-out)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
s. Paygrade equivalency for privileges of rank & authority over military members	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
t. Procedures for changing status from civilian to military	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
u. Procedures for changing status from military to civilian	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. What other issues do you think need to be addressed? Please list. Short explanations are welcome.

4. What are your recommendations pertaining to outsourcing certain jobs to civilian contract workers?

Civilians assigned to	Do not recommend at all	Recommend with serious reservations	Recommend with some reservation	Recommend	Highly recommend
a. Food service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. Laundry	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. Painting and corrosion control	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d. Administrative functions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e. Other. Please list.					
(1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

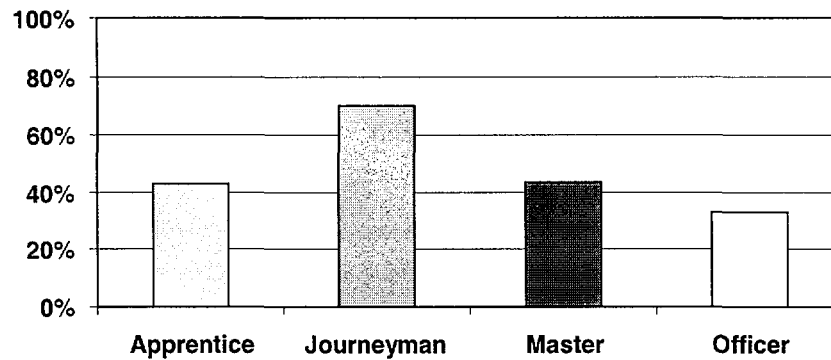
5. Are there any other issues that you think must be addressed? Please explain below.

If needed, you may continue on the back...

Appendix B: Issues by paygrade groups

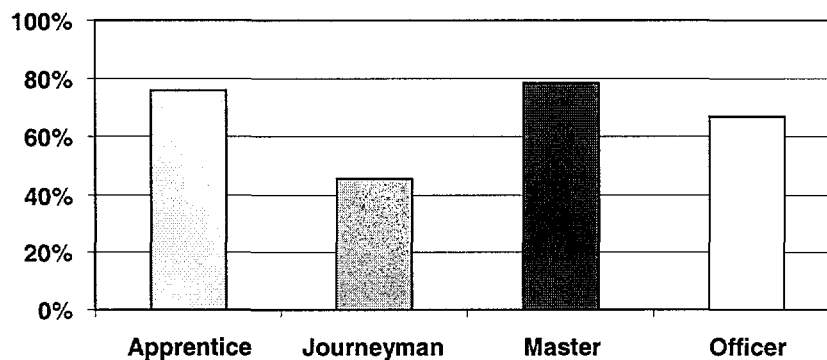
Percentage of Respondents Ranking Issues as Very to Extremely Important

Dating



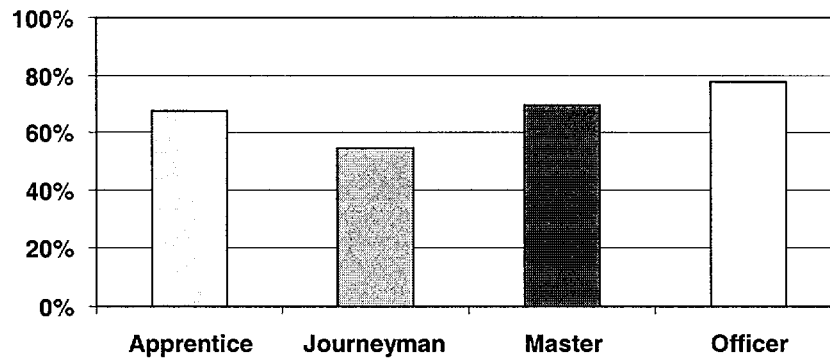
Percentage of Respondents Rating Issues as Very to Extremely Important

Sexual Orientation



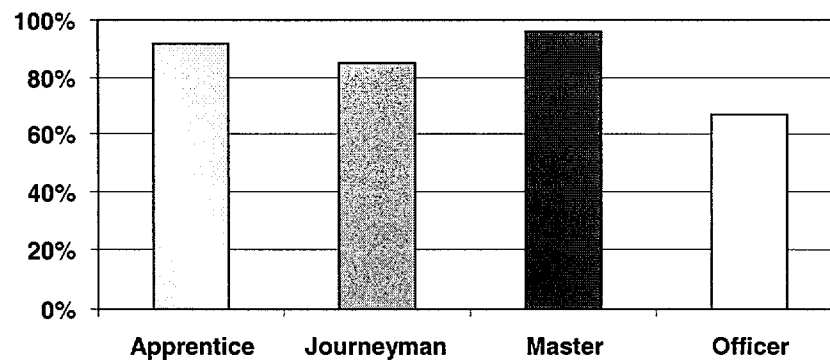
**Percentage of Respondents Rating Issues
as Very to Extremely Important**

Equal Pay



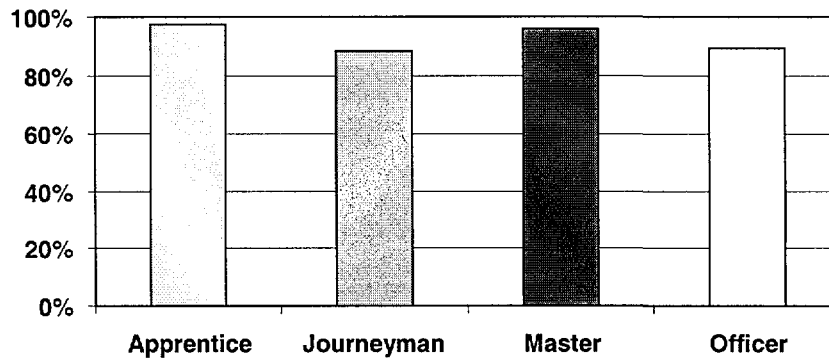
**Percentage of Respondents Rating Issues
as Very to Extremely Important**

Control



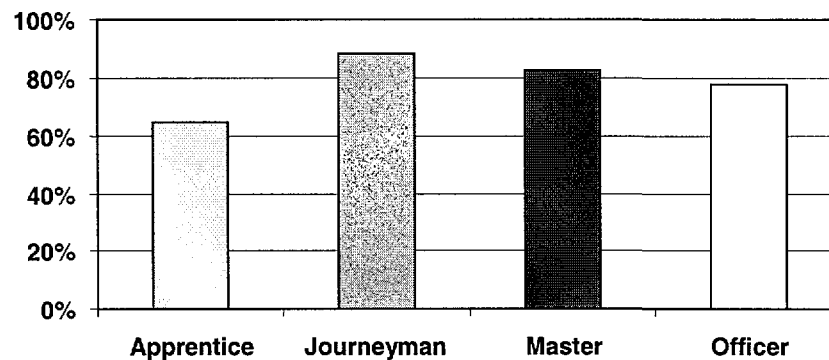
Percentage of Respondents Rating Issues as Very to Extremely Important

Misconduct



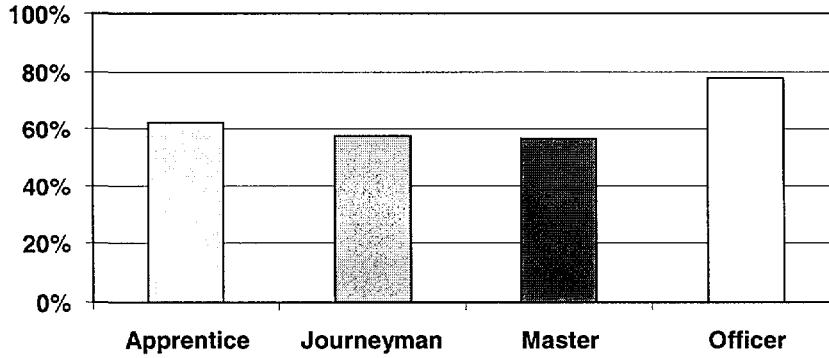
Percentage of Respondents Rating Issues as Very to Extremely Important

Unplanned Losses



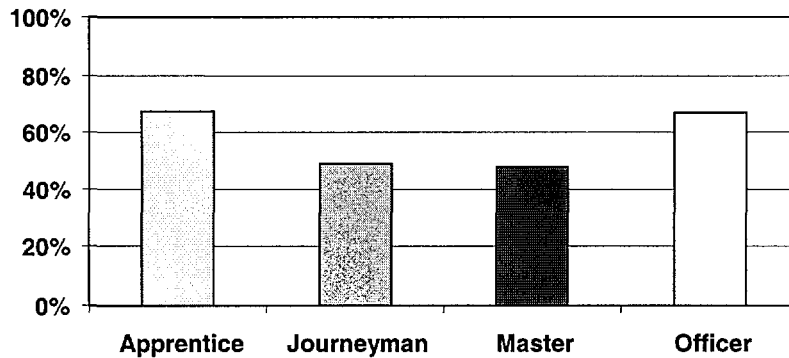
**Percentage of Respondents Rating Issues
as Very to Extremely Important**

Liberty Policies



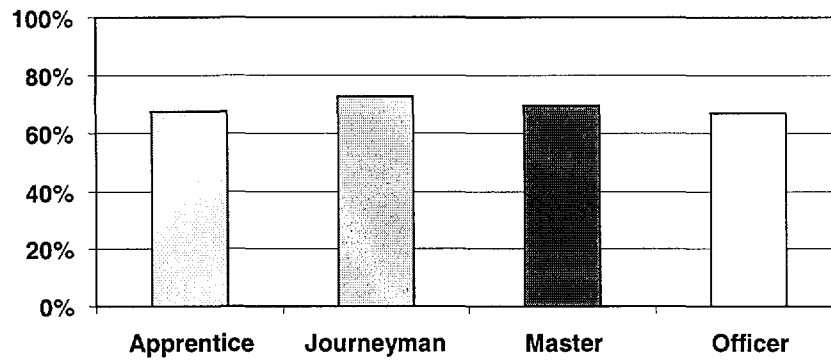
**Percentage of Respondents Rating Issues
as Very to Extremely Important**

Battle Stations



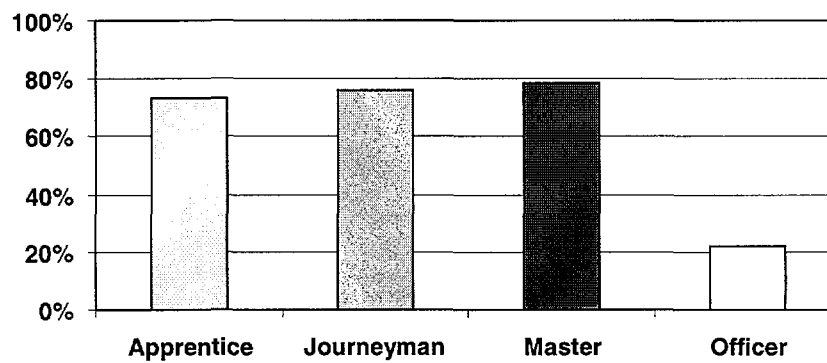
Percentage of Respondents Rating Issues as Very to Extremely Important

Pregnancy



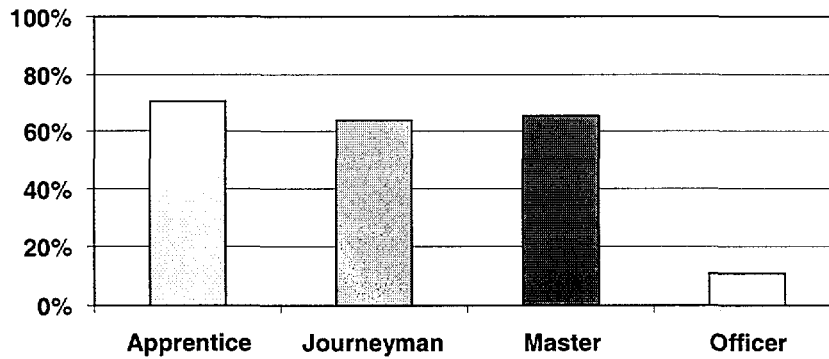
Percentage of Respondents Rating Issues as Very to Extremely Important

Berthing



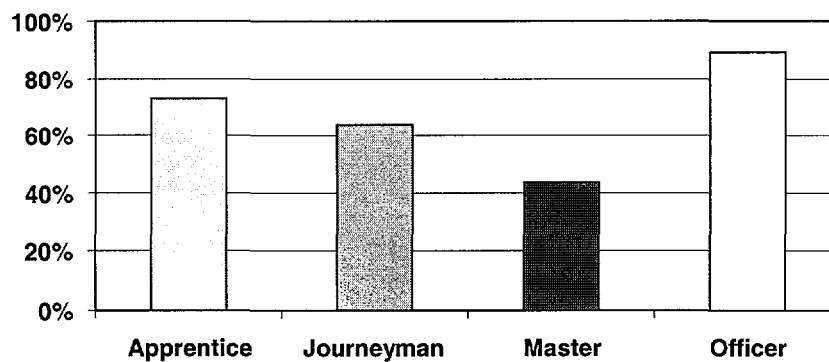
**Percentage of Respondents Rating Issues
as Very to Extremely Important**

Workload



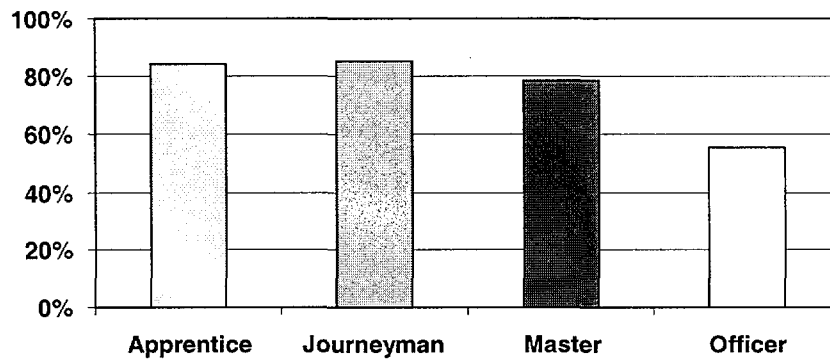
**Percentage of Respondents Rating Issues
as Very to Extremely Important**

Medical



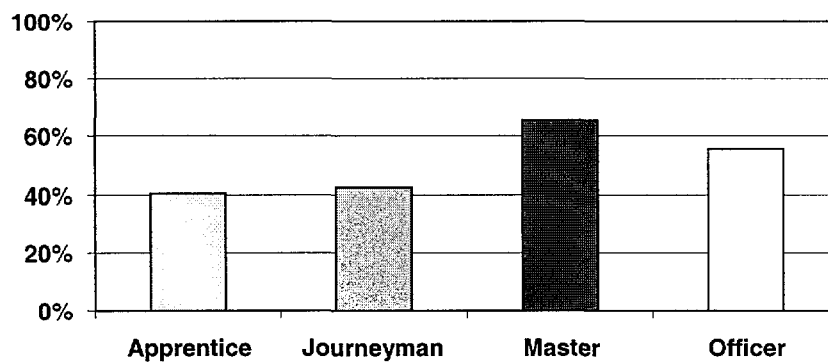
Percentage of Respondents Rating Issues as Very to Extremely Important

Security



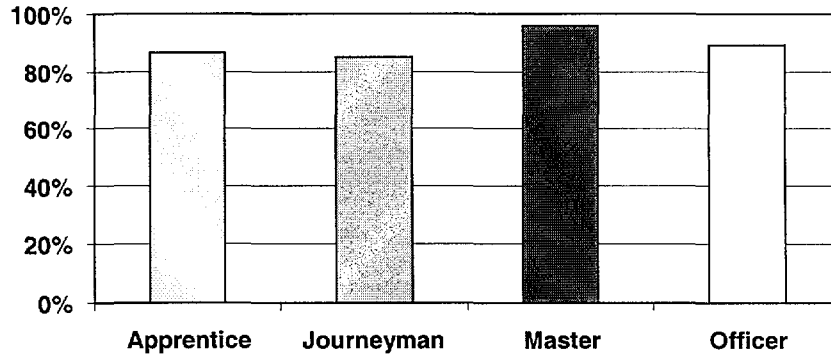
Percentage of Respondents Rating Issues as Very to Extremely Important

Grooming



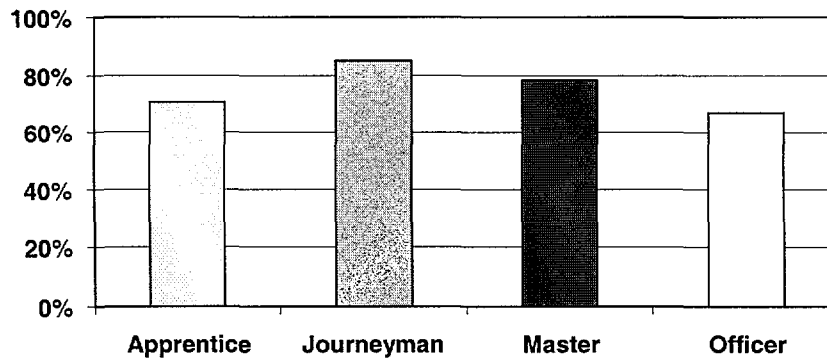
Percentage of Respondents Rating Issues as Very to Extremely Important

Rules



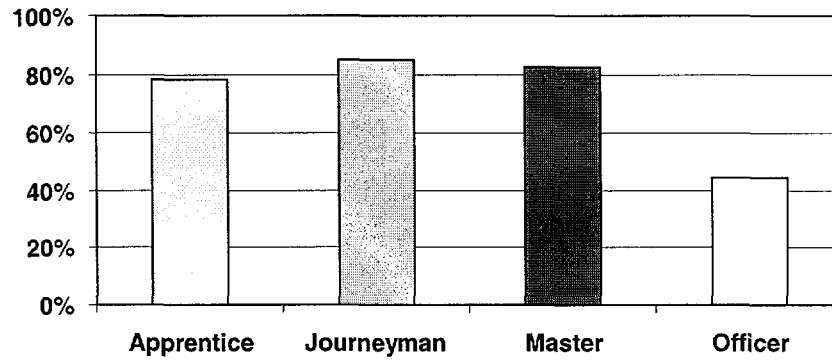
Percentage of Respondents Rating Issues as Very to Extremely Important

Timely Replacements



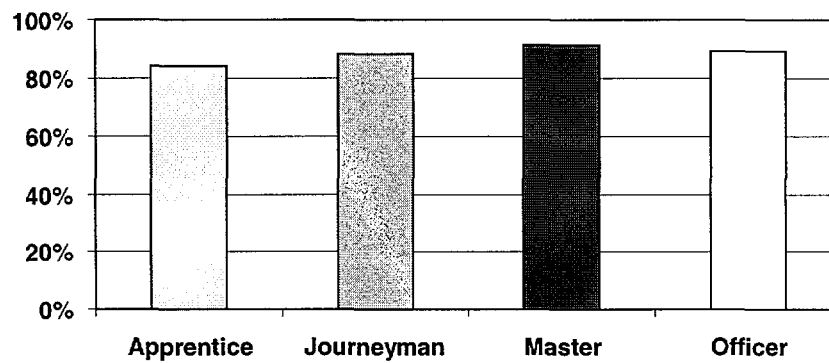
**Percentage of Respondents Rating Issues
as Very to Extremely Important**

Sharing the Workload



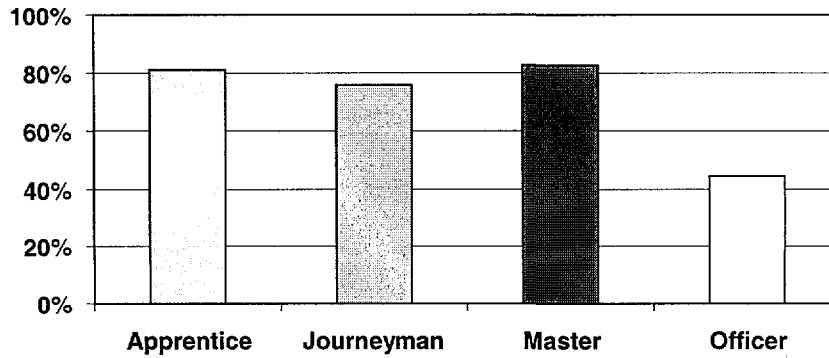
**Percentage of Respondents Rating Issues
as Very to Extremely Important**

Labor Action



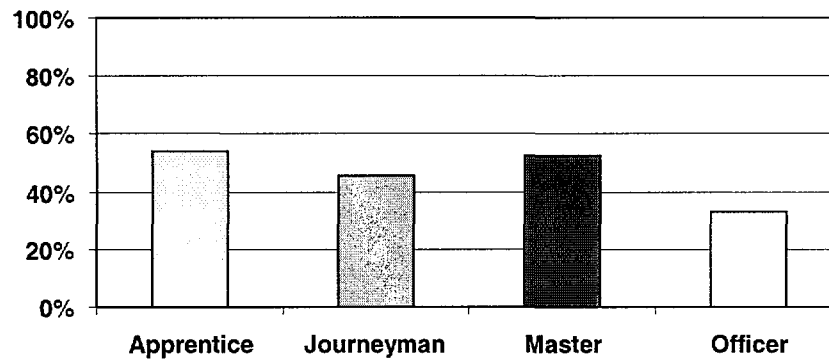
**Percentage of Respondents Rating Issues
as Very to Extremely Important**

Paygrade Equivalency



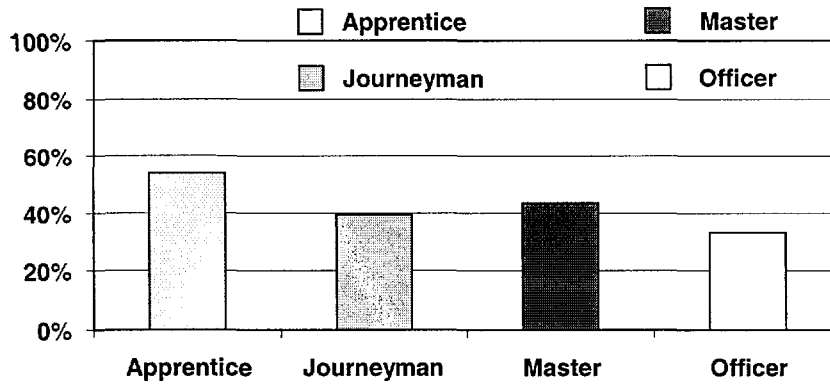
**Percentage of Respondents Rating Issues
as Very to Extremely Important**

Converting from Civilian to Military



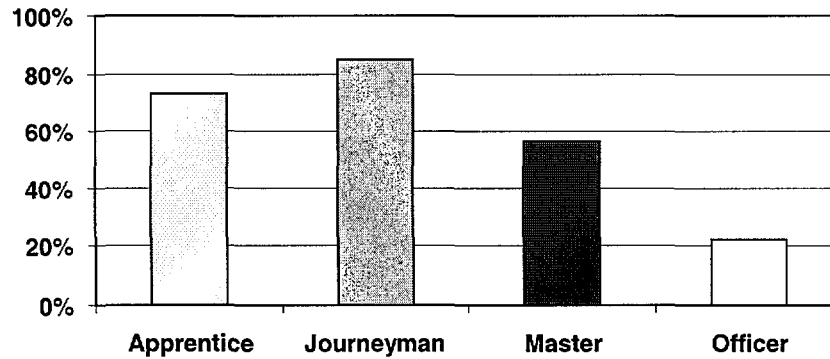
Percentage of Respondents Rating Issues as Very to Extremely Important

Converting Military to Civilian



Percentage Generally Favoring* Outsourcing

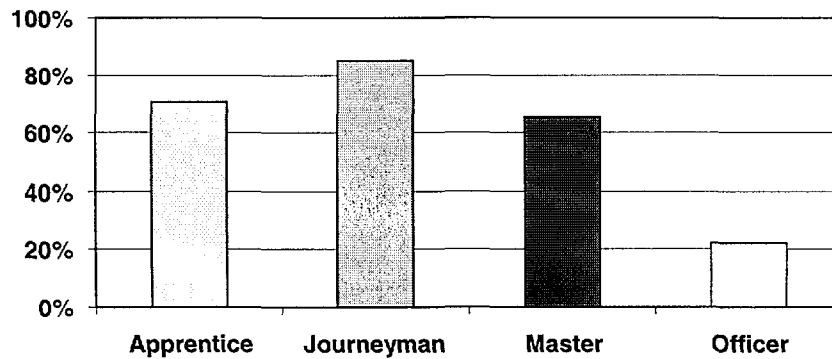
Food Service



* Recommend with some reservation, recommend, & highly recommend

Percentage Generally Favoring* Outsourcing

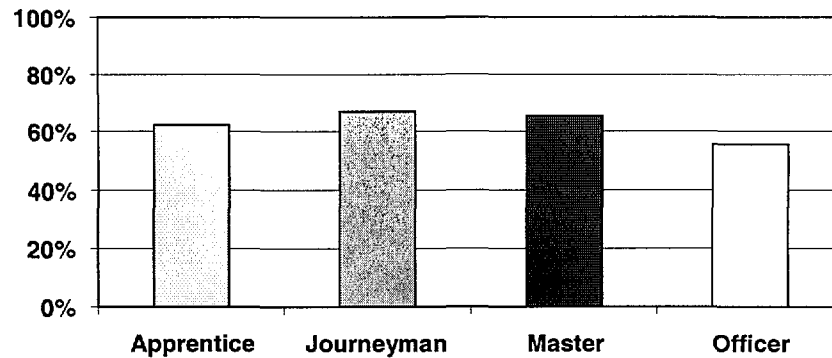
Laundry Services



* Recommend with some reservation, recommend, & highly recommend

Percentage Generally Favoring* Outsourcing

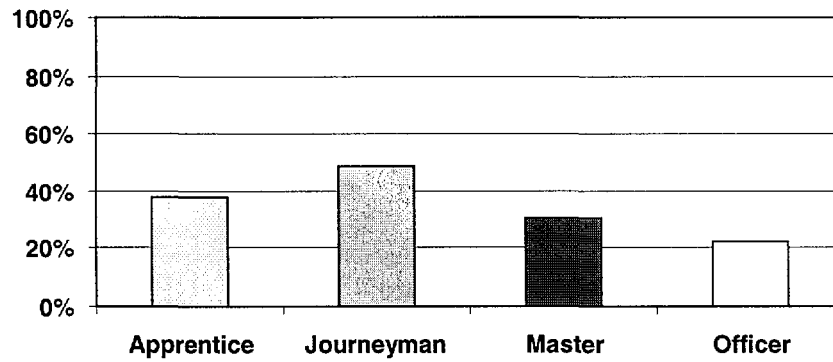
Corrosion Control (Chipping & Painting)



* Recommend with some reservation, recommend, & highly recommend

Percentage Generally Favoring* Outsourcing

Administrative Functions



* Recommend with some reservation, recommend, & highly recommend

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