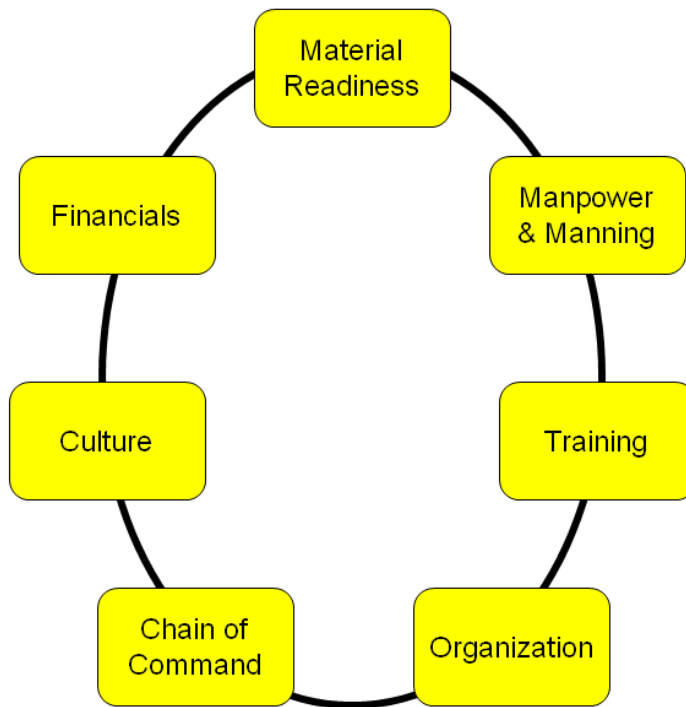


FLEET REVIEW PANEL OF SURFACE FORCE READINESS FINDINGS

Overview. The Panel concluded that Surface Force readiness has degraded over the last ten years. This degradation has not been due to a single decision or policy change, but was the result of many independent actions. When examined in the aggregate, the historical data enabled identification of first order effects and unintended consequences that have impacted surface force readiness.

Circle of Readiness



Material Readiness Systemic Findings

1. The historic source of support for shipboard maintenance, the Shore Intermediate Maintenance Activities (SIMAs) and Regional Maintenance Centers (RMCs), have undergone dramatic cuts in the past seven years, from nearly 8,000 billets to just over 2,500 billets in 2009.
2. The organizational move of RMCs to the Naval Shipyards has further reduced intermediate repair responsiveness.
3. The 9-week CNO availability schedule, begun in 1996 and fully implemented by late 1997, has proven to be of insufficient duration to accomplish required maintenance, in some measure, contributing to the backlog of deep maintenance requirements.
4. The lack of third party and self-assessment capability throughout the surface force prevents effective continuous maintenance.

Manning and Manpower Systemic Findings

1. Optimally Manned Ships, combined with the additional effect of reducing grade levels of selected billets, has caused a diminution of on-board level-of-knowledge, experience, and oversight of the work force across the ship. There is also a perpetual concurrent personnel loss of approximately 8% of Billets Authorized (BA) due to Individual Augmentation to support non-ship missions and unplanned manning losses due to legal, medical, school and pregnancy, etc.
2. Limitation to our legacy manning and distribution processes are resulting in low attained values of Navy Enlisted Classification (NEC) fit (rank, rating and NECs) with a 2009 manning average of 61% for at-sea surface units.

Training Systemic Findings

1. There appears to be limited formal in-rate training program requirements, and when in-rate training is in place, there is marginal execution.

2. Funding limits and onboard manning hampered efforts for ships to "grow their own." The biggest paradox in the Panel's findings on Navy schools is that C-School utilization rate is only 65% while Fleet NEC Fit is 60-65%. The Fleet needs 35-40% more C-School graduates while 35% of the available seats for each class go unfilled.

3. The level of knowledge of newly reporting officers is lacking. There is a surplus of ensigns assigned to each ship which challenges the capacity of the senior officers and Chief Petty Officers to train them.

Organization Systemic Findings

1. The decline in RMC manning and change in organizational realignments have not only impacted shipboard repairs and material readiness (maintenance responsiveness), but is detrimental to sea-shore rotation which returns Sailors to sea duty with enhanced technical expertise and maintenance "culture".

2. The surface force does not accurately know the full extent of the current total "deep" maintenance requirement, either by ship class or for the total force. This lack of knowledge drives late discovery of significant maintenance issues during planned availabilities which significantly drives up costs.

Chain of Command Systemic Findings

1. The lines of authority, responsibility, and accountability have become unintentionally blurred in the surface force and have hindered surface force effectiveness. It is important to understand that command relationships and the authority and responsibility are vested in the Type Commander. Moreover, it is important to understand that the concomitant responsibilities that Type Commanders have accreted in the establishment of the Fleet Readiness Enterprise as an element of the broader Navy Enterprise.

Culture Systemic Findings

1. It appears that a significant portion of the surface force is lacking in Personnel Qualification Standards (PQS) completions, and this in turn suggests that many of our ship leaders are at worst not dedicated to training their Sailors, or, more likely, simply are more tolerant of non-completion of PQS.

2. Many of our systems have redundancies designed into them to ensure operational capability is sustained in casualty situations or critical evolutions. There is some evidence to suggest that our ships are consciously accepting degradation in these redundancies in deciding to not replace expensive repair parts or pay for maintenance during availabilities.

3. The downward spiral of the culture is seen throughout the ship through the long-standing acceptance of poor housekeeping, preservation, and corrosion control. Over time, the ignored standard becomes the new norm. While the severity of current culture climate can be debated, its decline cannot.

Financial Systemic Findings

1. Surface ship maintenance has been significantly underfunded for over ten years. This is manifesting itself in the degraded material condition of the ships as reflected in recent Board of Inspection and Survey (INSURV) reports, corrosion audits, and Casualty Report (CASREP) data.

2. It may be legitimately said that insufficient funding applied over recent years has not been the result of an unwillingness to fund to the requirement as much as the result of not having a properly identified requirement. The end result is an understated requirement that has been underfunded in the budgeting process. Therefore, our maintenance requirements are frequently going to cost more in actual execution because of an unpredictable funding system - in other words, a lower return for each maintenance dollar invested.