

U S COAST GUARD AUXILIARY



BUSINESS PLAN 2006-2007

USCG AUXILIARY BUSINESS PLAN

2006-2007

INTRODUCTION

This Business Plan provides a strategic blueprint for the *United States Coast Guard Auxiliary* (USCGAUX) for the years 2006-2007. It describes to the leadership the current environment, key strategic imperatives—aligned with the published vision and mission statements and NACO watchwords and directions. This plan is a living document and will be periodically updated based upon feedback from cognizant Coast Guard authority, the *National Executive Committee* (NEXCOM), and the *District Commodores* (DCOs), progress while accomplishing the elements of the plan, and future changes in the environment. The Business Plan is properly characterized as evolutionary, rather than revolutionary. Nonetheless, the cumulative effects of implementing the plan's features are intended to be substantial—providing clear direction, focus, and accountability for the coming years.

Since the original Business Plan was developed, each district has completed a District Business Plan, aligned with the National Plan, providing district-specific information, and a way forward.

EXECUTIVE SUMMARY

A balanced blend of RBS and MHLS is the ultimate strategic objective for the Coast Guard Auxiliary.

Since the enacting of the 1996 Auxiliary Act, which gave the Commandant the authority to expand our missions well beyond that of public education, vessel safety checks and safety patrols, we have been experiencing, and were willing victims of, mission creep.

- Doctors, dentists and medical professionals have been brought into service,
- Over 200 interpreters have offered their services to fulfill Coast Guard needs,
- Auxiliarists now perform Commercial Fishing Vessel examinations,
- FEMA has asked for and received our help,
- Rotary Wing Air Intercepts is another new endeavor,
- Auxiliarists are now being enlisted into the Ombudsman program to assist and support Coast Guard families across the country,
- Operation Patriot Readiness has opened even more opportunities for service,

- Strategic alliances with the Army Corps of Engineers, Boaters World, Boat/US, West Marine, and others, have proven valuable, and
- The Auxiliary is involved more then before in and becoming more proficient in Emergency Response Planning

The Auxiliary has experienced a rapid cultural transformation that has only been accelerated by the events of September 11th and the recent hurricanes. These dramatic events triggered a tremendous and very successful operational response by both the Coast Guard and the Coast Guard Auxiliary. Though clearly necessary and appropriate, these responses created a further imbalance between the Operational and Recreational Boating Safety missions.

This is not necessarily bad. In fact, the Auxiliary's ability to respond and meet these challenges is a proud tradition within the Auxiliary. However, this success comes at a price—an over utilization of resources, capability and capacity. Burnout or “compassion fatigue” is real and the Auxiliary must face up to this issue.

Operation Patriot Readiness gives the Auxiliary the vehicle for collaboration with the Coast Guard, but has exacerbated the current imbalance of mission capability and capacity. Operation Patriot Readiness was and is the major thrust that has increased the Auxiliary's operational focus, as the institution of critical infrastructure patrols, mapping, MARSEC levels, exercises, MDA and operational planning are brought to the forefront. It is important that the members of the Coast Guard Auxiliary know that the Coast Guard also values their RBS efforts and the need to stay informed, inspired and energized. This inspiration from the Coast Guard will be an important catalyst for improving performance measures in RBS programs as well as operations.

In a concerted effort to place emphasis on RBS and bring its prestige and importance on a par with operations, the Auxiliary has created a Recreational Boating Safety Specialist designation. The device puts the RBS programs on a par with Coxswain, Trident and Aviation devices as a program qualifier and recognition of performance. Members who maintain their qualifications and sustain performance across in the various RBS venues, including public education, public affairs, vessel safety checks, RBS visitation program and legislative outreach, will earn this device over a two-year period. This Auxiliary initiative is strictly aimed at improving the balance of our missions. Such efforts must be actively communicated and promoted.

What makes attaining balance a difficult task is that it is not expected that individual members be qualified and perform in all mission categories! Therefore, balance has an important effect on recruitment. The Auxiliary must recognize the needs of both the Auxiliary and the Coast Guard, determine the gaps in filling those needs, and then recruit to fill them. Such targeted recruitment may require us to develop new recruiting methods and talent pools. If the gap indicates a need for computer technicians, desktop publishers, doctors, radio operators or sailors, the unit needs to attract members with

these skills. Collaborative planning with the Coast Guard will enable the Auxiliary to identify the gaps in performance and the skills necessary to fill those gaps.

This balance between RBS and MHLS creates challenges for retention. At the deck plate, Auxiliarists should be encouraged to choose the specific areas for which they have requisite expertise and interest. We should not attempt to make square pegs fit round holes. In principle, having both programs enables us to meet the expectations of members; providing varied opportunities for them to do something that is meaningful and self-fulfilling—and needed by the Coast Guard. If the Auxiliary can attain the benefits of balance in missions and activities, it will result in a greater degree of member satisfaction and retention.

Therefore, each unit needs to manage its resources against the missions requested. Each unit needs to find the appropriate BALANCE between mission needs and available resources; recreational boating safety and maritime homeland security, and they must manage both the expectations of the Coast Guard and the Recreational Boater with those of the members. The Coast Guard can help by prioritizing mission balance through collaborative planning with the local Auxiliary units.

It is up to Auxiliary leadership, with support from Coast Guard leadership at Headquarters, the Sector and at the deck plate, to construct and direct the membership so as to establish and maintain a good balance between the RBS and MHLS missions. It is essential that the Coast Guard and the Auxiliary plan together to balance these missions in order to meet the needs of the Coast Guard, the Recreational Boating Public and Auxiliary membership.

In order to motivate and set direction for Auxiliary units, Coast Guard planning efforts should include RBS missions along with MDA, Sector alignment and other priorities. Auxiliary and Coast Guard field units should interact to balance prevention and response missions for various threat levels. With collaborative efforts at the Sector Operational Planning level and the Unit Tactical Planning level, the Auxiliary will be better equipped to recruit for needed skill sets and provide value added training to its members.

With the Coast Guard's direction, members will develop a clearer understanding of initial implementation during emergency response situations: putting backfill first, so that active duty can move out to where they are more needed and, second, understanding the deployment of Auxiliary facilities. The same understanding is necessary during normal, sustained periods. Since America's Waterway Watch is a priority mission, RBS capabilities should be planned and mapped as with other assets.

The Auxiliary can no longer, "go with the flow," hoping to provide the support the Coast Guard needs and also provide Recreational Boating Safety programs. The Auxiliary and the Coast Guard need to set expectations, plan together to meet those expectations and formalize those agreements. Just as the Auxiliary is stepping out with the Coast Guard and FEMA to formalize Auxiliary support for 2006, so should the levels

of support needed at the Operational and Tactical planning levels of the Coast Guard be created and formalized. This will only happen if the Coast Guard provides help and support from the top down.

In simple terms, this means that the Coast Guard must work with the Auxiliary to identify and communicate priorities and expectations effectively at all RBS and operational levels, and all threat levels, and so that the Auxiliary can train and empower members to find attractive service opportunities in both MHLS and RBS. Both the Coast Guard and the Auxiliary continue to have major responsibilities in the Recreational Boating Safety area and both organizations need to ensure that this vital area is not neglected. Deployment plans for MARSEC threat levels should include the appropriate levels and types of RBS activities for each level, as well as the operational backfill needs of the Coast Guard.

ENVIRONMENT

This section of the Business Plan looks at the present and future environment (national, federal government, state government, *United States Coast Guard* (USCG), and *United States Coast Guard Auxiliary* (USCGAUX)) that shapes the opportunities and challenges for the Auxiliary in the coming years. Links/opportunities with business are also potentially relevant, but these are more properly included in the *Coast Guard Auxiliary Association* (CGAuxA) business plan.

-National

September 11, 2001 (9/11) awakened the American public to the potential dangers of terrorism, demonstrated the vulnerability of the country, and resulted in a variety of initiatives to combat this menace. The formation of a new *Department of Homeland Security* (DHS), transference of the Coast Guard to this new department, and development of new Coast Guard missions will have far reaching consequences for the Auxiliary.

According to the Bureau of Labor Statistics¹ publication *Volunteering in the United States 2005*, 65.4 million people volunteered for an organization at least once in 2004-2005, up slightly from 59.7 million in 2002. The outlook for the longer-term future is uncertain² and will depend upon economic and demographic trends, in particular, upon participation statistics for the Baby Boomer generation. Nonetheless, in the short to intermediate term, the pool of volunteers is likely to increase modestly. This said, there

¹ For these and other related data, see <http://www.bls.gov/news.release/volun.nr0.htm>.

² For example, according to a study by the Harvard School of Public Health-METLIFE Foundation, the so-called Baby Boomer generation (those born during the years from 1946 to 1964) have “done less by every measure of civic engagement, including rates of voting and joining community groups.” See, e.g., <http://newswire.ascribe.org/cgi-bin/spew4th.pl?ascribeid=20040614.070531> and <http://www.mavanetwork.org/documents/InitiativeRetirement.doc>.

is evidence that the average hours per week offered by volunteers has decreased, as has the total number of hours given to volunteering.³

The Auxiliary is potentially well positioned to attract new members with its emphasis on patriotism and life saving. However, the Auxiliary is in competition with many other worthwhile opportunities as diverse as civic groups, churches and other religious organizations, hospitals, libraries, schools, museums, environmental groups, animal shelters, food banks, scouting organizations,⁴ and other government agencies (e.g., NOAA, Fish and Wildlife Service, and Bureau of Land Management).⁵ The Auxiliary needs to develop and fine tune effective recruiting (and retention) methods to succeed in a highly competitive environment. Among other things, the Auxiliary needs to study the relevant literature on trends in volunteerism and volunteer-specific issues⁶ and develop initiatives based on this research.

-Federal Government

The United States Government has led a national transformation from the *status quo* to a country ready and willing to take on terrorism wherever and whenever it bears on national security. While national and regional political administrations will change, it is likely that this national focus will remain strong.

The Auxiliary is closely tied to its parent service, the United States Coast Guard. In addition, the Auxiliary has developed successful partnerships with other Federal Government entities, including the U.S. *Army Corps of Engineers* (USACE), *National Oceanic and Atmospheric Administration* (NOAA), and the *Federal Emergency Management Agency* (FEMA). Current efforts are being made with the *Citizens Corps*⁷ to expand *America's Waterway Watch* (AWW), through their organization. Such a program will be implemented during 2006.

The Department of Homeland Security, the parent organization of the Coast Guard and thus of the Auxiliary, has developed numerous public outreach programs. The Auxiliary represents a valuable personnel pool for the implementation of these programs.

The Auxiliary needs to develop relationships within DHS to assure they are aware that the Auxiliary can muster valuable assets and personnel to assist the Department. In

³ See, e.g., <http://www.merrillassociates.net/topic/2003/05/exploring-contemporary-trends/>.

⁴ A Google search with the keywords "volunteer opportunities" generated over 90 million websites.

⁵ This has gotten so specialized that there is a web site solely devoted to government volunteer opportunities, <http://www.volunteer.gov/gov/>.

⁶ Some of the key trends/issues identified by Merrill Associates, for example, are volunteer burnout, the need for the human touch, increasing professionalism of the volunteer populations, new forms of volunteerism, diversity, and technology.

⁷ Citizen Corps is a component of USA Freedom Corps, a volunteer organization coordinated nationally by DHS. It was created to help coordinate volunteer activities that make our communities safer, stronger, and better prepared to respond to emergencies. Information on this organization is available on the web at <http://www.citizencorps.gov>.

addition, the AWW program needs to be inserted into the DHS inventory of outreach efforts.

Consistent with the Auxiliary's "focus imperative"(see "Focus" below) there is opportunity to expand and enhance these links.

-State Government

Until recently, states have aggressively pursued *recreational boating safety* (RBS) missions. RBS was relatively well funded and most states have established useful public programs in support of safety on the waterways.

Adverse economic developments (which reduced tax revenues) coupled with unfunded (or under-funded) security expenditures in the wake of 9/11 changed this situation. Economic conditions have generally improved more recently (see below), which may provide some short-term relief, but we believe that there will be continued budget pressures at the state level.

In recent years, the Auxiliary has forged strong ties with individual states and the *National Association of State Boating Law Administrators* (NASBLA). For the most part, states see the Auxiliary as a major RBS partner.

This affords the Auxiliary an opportunity to more fully integrate efforts with states in a yet more productive partnership than was previously possible. This expanded role, while more focused on safety issues, also includes participation in joint state/Auxiliary security issues, particularly in those areas of the country with a minor Coast Guard active duty and reserve presence. With the increased vitality of state revenues, these partnering relationship need to be further and more aggressively pursued.

-Coast Guard

The parent service of the Auxiliary has, since 9/11, dramatically shifted emphasis and resources to national security issues. This transformation will continue. As noted by Admiral Thomas H. Collins,⁸

"The dual threads of change and continuity are woven into the fabric of the Coast Guard's performance of today's missions and its anticipation of tomorrow's. On the one hand, the changes that the Coast Guard is experiencing today are of epic proportions by any measure. The Coast Guard must *lead* that change—to seize its opportunities by transforming itself so as to be ready to address tomorrow's challenges. At the same time, we in the Coast Guard must implement transformation initiatives within a framework that allows us to hold fast to the core characteristics and values—honor, respect, and devotion to duty—that

⁸ Collins, Change and Continuity: The US Coast Guard Today, available electronically at <http://www.nwc.navy.mil/press/Review/2004/Spring/art1-sp04.htm>.

have defined the very essence and success of our service to the nation throughout our history and will continue to do so in the future. Our strategic focus on people, readiness, and stewardship will sustain the Coast Guard through today's challenges, transform it to meet evolving demands and the uncharted future that stretches ahead, and preserve its enduring character.”

What the Auxiliary does in support of the Coast Guard is also changing. USCG has continued to seek partnerships to help meet the challenge of sustaining its RBS mission⁹ as new responsibilities have emerged. And the Auxiliary has always been a key RBS partner. Indeed, Coast Guard reliance on the Auxiliary for the RBS mission is likely to increase. It is the position of the Coast Guard, and thus the Auxiliary, that while both organizations will be playing an ever increasing role in *maritime homeland security* (MHLS), it is equally important that the traditional missions of increasing safety on America’s waterway remain a primary mission to be continued and increased. Commodore Gene M. Seibert¹⁰ noted,

“Some members may feel that our new responsibilities will affect our ability to maintain our important role in promoting RBS. For these members, I would like to assure you that although much emphasis has gone and will go into supporting MHLS, RBS remains, together with MHLS, one of our two major core missions. It is one of our first line missions and will continue to be essential, even more so in the new normalcy. As the Coast Guard’s attention is understandably filled with homeland security issues, it relies upon the Auxiliary stepping up its leadership role in this important mission area. By the Auxiliary increasing its efforts in RBS, it frees active duty resources for homeland security. In short, RBS missions contribute not only to boating safety but also to homeland security.”

The Coast Guard periodically makes organizational changes that impact the Auxiliary. One noteworthy change is a shift from certain Groups and Activities to new units called Sectors. In some Districts this has little or no impact on the Auxiliary. But in others, the establishment of sectors will have organizational impacts on the Auxiliary and may very well call for a re-alignment of some Districts, Divisions and/or Flotillas.

-Auxiliary

Since 9/11, within the Auxiliary, there has been substantial interest in expanding Auxiliary effort to support the Coast Guard’s increasing maritime homeland security

⁹ Notwithstanding the appearance of other missions, the USCG continues to regard RBS as a core mission. Admiral Collins noted, in remarks before the American Boat and Yacht Council in February 2004 that “As we all are too well aware, the Coast Guard’s operations over the last two years have significantly exercised our military, multi-mission and maritime capabilities. It is a challenge to execute both homeland security and our traditional missions like recreational boating safety...”

¹⁰ Seibert, G. M., (2002). *Maritime Homeland Security or Recreational Boating Safety?* *Navigator*, Winter 2002.

efforts. While there has been some erosion of public concern over the threat posed by terrorism¹¹ since 9/11, interest remains high¹² and members are actively looking for worthwhile ways to assist the Coast Guard. But some Auxiliary members are confused about their possible role(s) and mission(s) particularly those related to new Coast Guard security-related duties as the Coast Guard is still in the process of determining its needs. Some believe that the Auxiliary has lost focus, an issue addressed below. It is essential that all new Auxiliary initiatives to support Coast Guard security programs are carefully explained to the membership to minimize confusion, maintain focus, and ensure their continued motivation.

The careful and thoughtful balance of the traditional safety missions of the Auxiliary and the relatively new security missions, all under the umbrella of *Maritime Domain Awareness* (MDA) is a concept that will need to be deeply imbedded in the Auxiliary. MDA provides a logical bridge between the boating safety and the security missions of the Auxiliary. That will not be an easily or quickly accomplished task. The Coast Guard is attempting to achieve a similar balance and finding it equally difficult. The luxury of time to adapt is not available. Thus it is of paramount importance that Auxiliary leadership pursues such a balanced transition with all possible speed consistent with sound business practices. In this regard, the appointment of an MDA Director, reporting directly to the Auxiliary National Commodore, was an important first step.

An MDA White paper has been drafted that explains this function and linkages to Auxiliary programs. This is available electronically at:
http://www.cgaux.org/cgauxweb/home_frame_760a.htm.

The Auxiliary has made good use of computers and the Internet to enhance communications and provide opportunities for efficiency and ready access to information, forms, and manuals. For the most part, increased reliance on electronic communications has been successful. The Auxiliary web site has been redesigned and most departments have made significant enhancements. The web site has been substantially improved with respect to both organization and content.

However, increased use of electronic communications has created “haves” and “have-nots” among our members in terms of access. Our latest estimate is that approximately 80% of our members have personal access to computers—up substantially from earlier estimates. Nonetheless, some members lack access to this technology. Although mechanism(s) have been created at the Flotilla level (e.g., the CS officer) to facilitate dissemination of information and reports, effective communication remains an elusive goal.

The institution of background checks (and requirements to complete detailed forms) for Auxiliarists is certainly a sound policy in terms of possible new missions

¹¹ See, for example, Shambaugh, G., and Josiger, W., (2004). Public Prudence and its Support for Counter-Terrorism Initiatives, Presented at the 2004 Annual Meeting of the American Political Science Association.

¹² See for example, <http://www.pollingreport.com/prioriti.htm>.

following 9/11. In the longer term the Auxiliary will certainly benefit from closer association with the parent service and the national leadership is fully in agreement with the program. However, there are adverse short-term impacts including a decline in membership and delays in vetting new members. Active membership has decreased from 37,633 in 2003 to 35,712 in 2004 to approximately 32,000 members in 2005. Security checks are an important reason for this decline as some members, for a variety of reasons, have elected to resign rather than continue to participate. While we believe this to be a short-term phenomenon and that membership growth will ultimately resume, additional attrition is likely in 2006.¹³ This is a vital issue for Auxiliary management at all levels and must be addressed in the near term. (A Recruitment Study Team, chaired by NADCO-MS has been formed to explore all aspects of recruitment and retention.)

-Economy

The United States has recovered from a recession that resulted in relatively high unemployment rates and a significant drop in most major stock indices. Most Americans remain anxious about their financial futures. More recently the stock market has partially recovered.

Despite the welcome economic recovery, some economic developments have been adverse. Recent sharp increases in the price of crude oil and refined products (crude stands at \$67/bbl as of this writing) have put pressure on Coast Guard fuel budgets. Consequently, the Coast Guard has instituted better fuel management procedures and guidelines. This has had widespread impact on Auxiliary operations, both surface and air. Auxiliary and Coast Guard operations have changed, and will continue changing, to achieve the most effective and efficient fuel status. Fuel costs will remain high (or rise considerably) for the foreseeable future. The Auxiliary, working closely with the Coast Guard, must continually address this issue.. Finding a way forward is difficult. See the July 2005 issue of *On Course* for a more complete discussion of this issue.

STRATEGIC IMPERATIVES

This section provides a short list of strategic imperatives that are the cornerstone principles of the Business Plan. These imperatives include the need to manage transformation, achieve balance, focus, and ensure accountability.

- **Transformation:**¹⁴ It is obvious that the Auxiliary is going through a period of transformation. The Auxiliary should embrace and seek to manage this

¹³ It is possible that this attrition will be numerically significant. This is because the Auxiliary has established priority quotas in submitting paperwork, focusing upon members that are elected or appointed to offices and/or are active in the operational programs. The remaining pool includes (on average) less active members who may be less willing to provide the necessary data for processing.

¹⁴ It is not solely the Auxiliary that is undergoing transformation. It is affecting most sectors of the United States, including the Department of Defense. According to DOD (Elements of Defense Transformation, 2004) "Transformation is more than just acquiring new equipment and embracing new technology. It is rather the all encompassing process of thinking creatively in order to work better together with other parts of the Department and other agencies within the US Government...Transformation should be thought of as

transformation.¹⁵ As noted in the transformation guidance offered by the *Department of Defense* (DOD), we “must anticipate the future and wherever possible help create it.” According to retired Navy Vice Admiral Arthur Cebrowski, there are three distinct parts to transformation based strategies.¹⁶ First is a *focus on core missions*—seek ways for continuous improvement. Second, is a series of small exploratory jumps, where an organization pushes out the boundaries of a core competency and tries to create something new. Third, is placing a few big bets,¹⁷ programs or projects with high risks, but commensurate rewards.

- **Balance:** The Auxiliary needs to develop an appropriate balance between its two major missions of MHLS and RBS. As noted by COMO Seibert “It is important that we view these two mission areas—Homeland Security and Recreational Boating Safety—as not conflicting but complementary to each other. Our new responsibilities do not comprise an “either/or” scenario, but rather an opportunity to accomplish our RBS mission, as well as our new MHLS mission. One cannot be sacrificed for the other.”
- **Focus:** The Auxiliary needs to maintain a clear focus—and communicate this focus effectively to the membership. In broad terms, the key balanced mission areas are MHLS and RBS—other activities exist to support these key mission areas. Maintaining focus means simplifying organizational structures (where necessary), prioritizing programs, and making the fundamental choice whether to enhance, maintain, or retire present programs based upon their importance, opportunities, and available resources.
- **Accountability:**¹⁸ The Auxiliary is a volunteer service. In this sense, members determine their own level of activity and may accept or decline to participate in authorized activities. Nonetheless, as has been observed “Once you raise your hand, you are no longer a volunteer.” That is, volunteers must remain accountable for their actions. If the Auxiliary is to be a *reliable* component of Coast Guard Forces, its members must be *accountable for their commitments*. Among the various initiatives included in the Business Plan is the development of an improved management objectives system to facilitate Coast Guard and Auxiliary planning, increasing the likelihood that the Auxiliary will provide necessary support and member recognition.

a process, not an end state. Hence there is no foreseeable point in the future when the Secretary of Defense will be able to declare that the transformation of the Department has been completed. Instead, the transformation process will continue indefinitely. Those responsible for defense transformation must anticipate the future and wherever possible help create it. They must seek to develop new capabilities to meet tomorrow’s threats as well as those of today.”

¹⁵ Or as said by retired Navy Vice Admiral Arthur Cebrowski, head of DOD’s Office of Transformation “you have a choice: you can either create your own future, or you can become the victim of a future that someone else creates for you. By seizing the transformation opportunities, you are seizing the opportunity to create your own future.” See http://www.defenselink.mil/news/Dec2003/n12312003_200312311.html.

¹⁶ Cebrowski, A. K. What is Transformation? (http://www.oft.osd.mil/what_is_transformation.cfm.)

¹⁷ We have not placed any big bets in this Business Plan because we have not yet identified any opportunities with the appropriate risk/reward potential. Nonetheless, we remain alert to these possibilities.

¹⁸ For additional material regarding accountability, see memorandum from NACO to NEXCOM and NADCOs dated 1 October 2004 and titled “Accountability.”

Accountability applies at all levels of the Auxiliary, but particularly at the leadership levels.

MISSIONS/DIRECTIONS

This section addresses the major and supporting programs included in the Auxiliary Business Plan.

RBS

This is one of the two major mission areas of the Auxiliary, including the *public education* (PE), *vessel safety check* (VSC), and *recreational boating safety visitor* (RBSVP) programs. Remarks relative to each of these related programs are provided below, *but there is a clear need to reemphasize the continuing importance of the core RBS mission to the membership*. As noted above, the Coast Guard is relying on the Auxiliary (and other partners, including the *United States Power Squadrons* [USPS] and the states) to a progressively greater extent in supporting its RBS mandate. The PE program is a major source of Auxiliary revenue at all levels. As well, it is the major source of new members. The VSC provides an opportunity for one-on-one boater education and an opportunity to facilitate the MDA programs. The RBSVP program, through contacts with commercial outlets, provides additional avenues to deliver boating safety and MDA messages to the boating public. These are powerful reasons for the Auxiliary to enhance and grow these programs.

The PE program is a *core competency* that needs to be maintained and, if possible, expanded. As noted above, PE provides both internal and external benefits. From an external perspective, PE is a major component of the Auxiliary's outreach program, providing boating education for the public. From an internal perspective, PE provides a substantial proportion of our revenue and our new members. Historically, the PE program has been very successful. Over the years, the texts and other products have been greatly improved. Auxiliary PE products are fully competitive. The recent agreement with McGraw-Hill has the potential of increasing the Auxiliary's prominence in boating public education. Nonetheless, purchased products may be more expensive and continued "make or buy" analyses are necessary (for all products) to ensure that our materials are both attractive and cost-competitive.

This said the number of PE classes and class hours have declined in recent years—in part due to membership resistance to offering short courses and in part because of the competition for the time and energy of Auxiliarists from other programs. In view of the importance of public education as a source of both revenue and new members, we must find ways of reversing these declines and/or other means to recruit new members and raise funds. Partnerships with boat and boating equipment manufacturers—which provide free or discounted boating safety courses to customers and purchase these materials from the Auxiliary—are potentially attractive from a revenue and student base perspective.

The VSC program is likewise a *core competency* that needs to be maintained and, if possible, expanded. Unlike the PE program, the VSC program does not provide revenue to the Auxiliary, but funding and grants from PCB have made it revenue neutral over the years. During the early to mid 1990s, the number of VSCs decreased substantially, prompting a reexamination of this program. Funded by a grant from PCB, the VSC program was reengineered and many new features were introduced, such as empowering other organizations (such as USPS and the States) to administer VSCs. In 2004 an estimated 118,080 VSCs were administered by the Auxiliary. Though substantial, this accounts for only a small proportion of the registered recreational boats—much remains to be done. Our major client within USCG (PCB) has a clear objective to increase substantially the percentage of recreational boats that are examined. Continued transformation of this program is essential—involving additional exploratory jumps. A commercial partner is providing program materials and promotion support in the print media. Additional promotional activities should be explored and developed. It is also appropriate to continue to search for additional partners in providing VSCs.¹⁹ However, it is also essential to find ways to increase the participation and production of our members.

RBSVP provides methods to deliver boating safety and MDA messages to the boating public through commercial establishments, such as marine dealers. In addition, data generated by the program visitors provides the Coast Guard with mailing addresses for distribution of safety bulletins and product recalls. This year, the *United States Power Squadrons* (USPS) have joined as partners in the RBSVP—a partnership that evolved from a similar program with VSCs.

Ideas suggested to enhance RBS programs include the integration of the RBSVP, VSC and PE programs, to provide a logical career path for new members—an “RBS specialist,” targeted campaigns to reach “high risk” boaters, reinforcing the value of all three programs to the member and the boater. Such a designation has been created and has been designed so that each member does not need to participate in all three RBS programs.

The Department of Boating is the third department within the RBS Directorate. It provides direct and indirect support to the PE and VSC programs and Coast Guard Headquarters and District RBS Specialists. The Department of Boating provides valuable support to the Auxiliary RBS Directorate and the relationship and District RBS Specialists. Information garnered from the states is distributed swiftly to other Departments, such as Public Education. On a related matter, the role and function of the *State Liaison Officers* has steadily improved over the past several years. In one of the more important roles, the Boating Department is the primary interface with outside organizations and originates/maintains partnership agreements with Boat/US, Boater’s World, West Marine, USACE, and others. When other departments initiate projects with

¹⁹ This said, outside of USPS there are no large boating safety organizations to pursue and our efforts to attract States as partners have not been highly successful to date. At various times marinas and marine manufacturers have expressed interest in participating.

outside partners, the Boating Department serves as advisor and facilitates the development of agreements.

Operations (O) and Marine Safety (M)

This “program cluster” includes both traditional (e.g., safety or regatta patrols) and new (e.g., marine safety and homeland security) missions/activities.

Operations and marine safety includes many of the direct Coast Guard support missions. Unlike the RBS program cluster, operations and marine safety do not directly generate revenue for the Auxiliary. Rather, various Coast Guard departments provide event—or program-specific funding at the National or District levels. The operations and marine safety programs are generally viewed as highly successful, providing opportunities for program growth and membership growth. The Auxiliary has the potential to be a key “force multiplier.” Overall, the operations and marine safety program is a *core competency* that should be maintained and expanded.

This said, rapid changes in Coast Guard operations programs—with the presumption that the Auxiliary would also participate — have led to confusion among the Auxiliary membership. *Both Coast Guard and Auxiliary leaderships need to explain new Coast Guard and related Auxiliary missions/programs in maritime security and MDA carefully to reduce this confusion and capitalize on the possible attractiveness of these missions to increase member motivation, participation, and possibly member recruitment.* The MDA White Paper has been helpful in this regard, but more needs to be done.

On a more detailed level:

- The potential for an integrated “Operations Specialist” career path has been evaluated, but not recommended. This idea may be re-examined in the future.
- The *Aids to Navigation (ATON)* and chart updating programs should be maintained, but there is no impetus for growth.
- Investigate whether or not a new “environmental” program would be attractive—such a program might offer the opportunity to recruit new (and possibly younger) members with an interest in helping the environment. However (recall the strategic emphasis on focus), the costs and benefits of this program should be carefully studied.
- There may be opportunity to increase the number of land patrols as a cost-effective alternative or supplement to marine patrols. As a point of historical interest, land patrols were once a key component of Auxiliary activities during World War II, where Auxiliarists patrolled beaches, docks, and marinas. Implementation of land patrols requires that operational procedures are developed and use of various communications technology (e.g., radios, cellular phones) should be integrated. The MDA Director and the M, and O Departments are investigating this.

- There is both need for and member interest in greater participation in various types of readiness drills and field training exercises at the local unit and District levels. Properly designed, these can increase Auxiliary proficiency and readiness. The MDA Director and the M and O Departments are actively seeking to increase the scale and diversity of such exercises.
- Where possible the operations program should be rationalized, simplified, and made more uniform. The recent development of Aircraft and Surface Standardization Teams will prove useful in achieving this objective. Among other things, these STAN Teams will be able to share best practices. Additionally, coordination with the individual Coast Guard Districts should be done to ensure that “District-unique” requirements are justified.

Administration and Member Services

The function of the various administrative departments is to provide essential support to the core mission areas to ensure their success. Every two years, following the election of a new NACO, the Auxiliary is presented with an excellent opportunity to reexamine the philosophy, programs, products, organization, and resources of the administrative, training, and support staffs at the National level. Perhaps most important, senior Auxiliary management wishes to increase the “customer focus” of the various departments, simplify products and forms, and provide improved service to the membership. There are numerous specific issues/ideas under this broad rubric that are important but too detailed to be specifically included in this Business Plan.²⁰ However, each of the administrative and support departments is required to prepare a Business Plan that will be revised/approved by the NEXCOM on the recommendation of the cognizant NADCO.

A consistent membership complaint relates to the need to increase the timeliness and accuracy of the AUXDATA system and the need to develop greatly simplified reporting forms. Rightly or wrongly, our members believe that the paperwork system is not “user friendly” and we ignore this complaint at our peril. “Fixing the system” is not an easy task. However, we are making progress. For example, a new 7029 “EZ Form” is in beta test and, once bugs are discovered and fixed, will enter service. It is difficult to balance the conflicting objectives of providing detailed data on member activity (important for measurement and reporting purposes) and providing simple forms. In the past, this balance has favored an excessively complex system—there is need to rebalance. This form is mentioned in a strategic plan because it provides a concrete illustration of the need to regain member focus.

²⁰ For example, one of the important, but detailed, issues is the problem of finding ways to ensure that Auxiliarists without access to personal computers and the Internet can be provided with relevant forms, manuals, and other literature. As another example, the Department of Training should be rationalized and its function (providing training in support of the initial qualification process rather than “in service” training) clarified. (The Member Training Department was reorganized in 2004 to accomplish this task.)

International Activities

The Auxiliary (International Affairs Directorate) has provided support to the Coast Guard and the United States Southern Command to strengthen the existing volunteer organizations in the Caribbean (Caribbean Initiative). This mission continues to be successful, for example, by fostering the establishment of a volunteer search and rescue organization in Jamaica, a CG Auxiliary in Grenada, resurrecting a volunteer organization in the Turks & Caicos, establishing a public education program in the Bahamas and Aruba, and supporting the decision to establish a volunteer search and rescue organization in St. Lucia. We believe that this program has high social value, is fully consistent with Coast Guard missions, is revenue neutral, and provides useful and interesting opportunities for Auxiliarists. Additionally, the success of this program serves as additional evidence that the Auxiliary is one of the world's premier volunteer organizations.

A strategic plan has been drafted for the International Affairs Directorate, which outlines the vision, mission, responsibilities, and prioritized objectives of this Directorate for the period 2006-2010. This plan and other information can be found at: <http://www.cgauxinternational.org>.

ORGANIZATIONAL MATTERS

As the Auxiliary reflects Coast Guard sectorization it is likely that ALL Auxiliary levels of organization (National, District, Division and Flotillas) will change. These organizational changes may mirror the Logistics/Response/Prevention layout of the Coast Guard Sectors. Several Districts have already made such a change.

The organizational changes identified below are restricted to those deemed particularly important. Although transformation is an ongoing process with an organizational component, proposed changes should have a clear rationale.

-Staff Officer Responsibilities

Written staff officer job descriptions (at all levels) have not kept pace with the ongoing changes in the Auxiliary. Historically, as new missions were added, revised descriptions have simply appended additional responsibilities, without rethinking the entire job. There is a need to continually write new staff job descriptions to ensure that these reflect present and emerging functions and, wherever possible, are clarified and simplified. Because of the importance of leadership at all levels of the Auxiliary, all job descriptions should address the responsibility of each officer to mentor, train, and develop other Auxiliarists as their potential replacements. All job descriptions should define what is meant by "completed staff work" and the importance of accountability and support of the National Direction.

Drafting new job descriptions is not a pro-forma task. Rather it is central to implementing the Business Plan. Studies repeatedly show that the question “Do I know what is expected of me at work?”, or a simple variant, is the most important determinant of the strength of the workplace.²¹

-Flotilla Staff

Modifications need to be made to the alternative Flotilla Staff Model shown in Figure 4-3 of the *Auxiliary Manual* (M16790.1F) [AUXMAN]. This figure presents one example of a simplified alternative staff organization (consolidation of responsibility) for the Flotilla in circumstances where, either because of staff shortages and/or mission focus, it is desirable to have a simplified organizational structure. This particular example combines *Flotilla Staff Officer* (FSO) assignments under four major groups: (i) recruiting and retention, (ii) training, (iii) administration, and (iv) programs.

Another, yet more simplified, alternative should be identified, one with only three major staff officer groups: (i) RBS, (ii) operations and marine safety, and (iii) administration. (Note that this is presented as an alternative to the traditional list of staff officers identified in Chapter 4 (G.6) of AUXMAN. Flotillas with the resources and programs justifying a full staff will not be affected.) The reason for including the alternative simplified structure is to more nearly align the basic organizational unit to the key functional and support areas of the Auxiliary. Note that, inclusion of an alternative staff officer model provides greater flexibility for the Flotilla and is more nearly aligned with core mission areas.

AUXMAN has been revised, as appropriate, to emphasize core missions. For example, the manual states (p4-37) “The FC [Flotilla Commander] should appoint appropriate staff to conduct the business of the flotilla including finance, record keeping, information services and other administrative areas; to manage recruiting/retention and training; *and to conduct programs as desired.*” [Emphasis added.] Although arguably correct as written, this description appears to focus on the administrative functions while relegating participation in key program areas to a secondary role. This misses the point entirely. Rather, the description should make the point that “The FC should appoint appropriate staff officers to ensure participation in key program areas (e.g., RBS and Operations and Marine Safety) with additional administrative functions as necessary to support program areas.”²²

-Division Staff

²¹ See, for example, Buckingham, M. and C. Coffman (1999). *First, Break All the Rules: What the World's Greatest Managers Do Differently*. Simon & Schuster, New York, NY. As a matter of interest, the second most important question is “Do I have the materials and equipment I need to do my work right?”

²² Making revisions to AUXMAN is not a high value-added activity. It is time consuming, costly, and consumes resources better allocated to getting the job done. Nonetheless, minor “revisions” are appropriate—particularly those that clarify the relation between mission accomplishment and supporting activities.

At present, there are several functions/opportunities for Division Staff including (but not limited to): (i) sharing information with Flotilla Staff, (ii) mentoring Flotilla Staff, (iii) “on the job” training in various staff functions (preparatory to qualification for staff service at District level), and (iv) serving as points of contact with responsible Coast Guard units and/or State personnel. Division *Staff Officers* (SOs) perform many important and, in some Districts, essential functions. However, in many Districts the insertion of a staff layer between the District and the Flotilla is not efficient—delaying receipt of time-critical information (among other reasons). Moreover, the focus of effort of many SOs is misdirected—replicating AUXDATA reporting rather than spending time mentoring FSOs.

Therefore, it is desirable to provide an alternative (consolidation of responsibility) simplified Division Staff Model. Rather than having all the SOs presently authorized (or the combined staff as shown in Figure 4-2 of AUXMAN), an alternative organization should parallel the simplified Flotilla model noted above. That is, the Division Staff can be simplified to include only three major staff officer groups: (i) RBS, (ii) operations and marine Safety, and (iii) administration. This arrangement would require that the *District Staff Officers* (DSOs) assume increased responsibility for communication and follow-up, but reduce the likelihood of delayed, distorted, or diverted communications.

The intent of the above change is not to mandate a “one size fits all” solution. Transportation, communication, or other logistics considerations may mean that it is efficient for a particular District/Division to retain its present staff structure and responsibilities. The need to retain a more traditional staff organization among Divisions may be particularly acute in Districts/areas that encompass large areas, making travel by DSOs more expensive. The Business Plan continues to provide such flexibility. Nonetheless, adoption of a simplified model is encouraged where feasible.

In those Districts/Divisions where a simplified/streamlined staff structure is used, the DSOs must assume greater responsibility for communicating with FSO counterparts, providing information on new and revised programs and plans. The traditional information flow of DSO to SO to FSO to member will be replaced by DSO to FSO to member. SOs in this alternative organization are encouraged to focus on direct support and mentoring of FSOs as well as providing relevant input to Division Boards. The intent is to create a “flatter,” more agile organization with increased opportunity for mentoring in key program areas.

A Division Restructuring Study Team, chaired by ARCO-P, has been formed to look at all aspects of alternative Division organization.

-District Staff

District Staff Officers (DSOs) are critical to the success of the organization. This staff serves as a vital link between the National program managers and Division/Flotilla staff. At best they provide for effective two-way communications—sharing key inputs from the field necessary to create and improve National programs and disseminating valuable policy guidance, information (and in some cases materials), and “best practices”

distilled from input received from all Districts. DSO performance is variable; at best, these officers are highly effective. At worst, performance is sub-par. In some cases, such as VSC decal distribution, it has been necessary to communicate and provide materials directly to the Flotillas. Improved training (e.g., at NTRAIN) of DSOs is necessary and appropriate, but funding constraints limit the amount of training provided at either the National or the District level. We need to improve the selection process so that outstanding staff members are consistently chosen.

-National Staff

Several changes in the National Staff reporting arrangements have recently been accomplished. A new appointed position, Chief of Staff, has been created. While the duties, direct reports and responsibilities are being resolved, they are likely to change, reflecting experience as well as the perspectives of future elected leaders. While this is normal in most organizations, wherever possible some form of consistence is called for to help in the transition of newly elected and/or appointed leaders.

Another important change has been made in the senior leadership of the Auxiliary Association (CGAuxA). While the detailed changes are outlined in the “Coast Guard Auxiliary Association Strategic Business Plan”, the major change directs the National Vice Commodore (NAVCO) to assume the key leadership role in the CGAuxA. To assist in that role, many of the traditional duties of the NAVCO have been shifted to others, enabling the NAVCO to be very close to a full time leader of the CGAuxA.

COMMITMENT ACCOUNTABILITY SYSTEM

Over the past 25 years, the Auxiliary has attempted to put in place a system to ensure adequate support for its central missions without creating an unreasonable workload for its membership. During the 1970s the *Goal Attainment Program* (GAP) was developed and implemented. Later difficulties with GAP²³ led to revisions and enhancements and, ultimately, the creation of the *Auxiliary Management Objectives System* (AMOS) in the mid- to late 1980s. AMOS solved many of the problems with GAP and ultimately evolved into a workable system.²⁴ Nonetheless, AMOS had certain difficulties—including complexity and the fact that it was also being used as an award system—that ultimately led to its being phased out in the late 1990s. Elimination of AMOS was a popular move, but no replacement system was implemented. The implicit rationale for the lack of a formal management by objectives system was the belief that an unstructured approach was best. The best way to motivate the membership (believed advocates of this unstructured approach) was to present attractive new opportunities (jobs, missions) so that individual members could find “the right job.”

²³ These difficulties included a “per-member share” provision that created perverse incentives for Flotillas to drop less active or inactive members to avoid being burdened with unreasonable goals. GAP was, moreover, a “top-down” system that did not consider local needs and resources.

²⁴ Perhaps most noteworthy among the AMOS attributes was the ability to integrate USCG needs with member availability, skills, and interests in an equitable way.

Unfortunately, the lack of a formal management objectives system left many members unsure of USCG and USCGAUX needs. It is time to re-institute a management objectives system that provides clear guidance to the membership on needs and opportunities. The objectives of the system are:

- To provide and communicate mission *focus*: The system will be simple, easy to understand, and address the two principal areas of emphasis, RBS and Operations and Marine Safety. The system will include very few specific numerical goals. In the RBS area, for example, the only numerical goals will be the number of PE students taught and number of VSCs administered. Additionally, no goals will be established for various administrative elements. This is not a “command and control” or micro-management system; unit leaders should be free to identify the best means to achieve the agreed-upon ends.²⁵ As observed by D. Michael Abrashoff²⁶, “freedom creates discipline.”
- To match USCG and USCGAUX needs with USCGAUX resources: The new system will not be solely a “top down” system. USCG needs will be one essential input to the goal setting process, but Auxiliary unit resources and interests will also be reflected. Unit goals will be established using a flexible “bargaining” model similar to that employed in AMOS. Goals mutually agreed to are goals more likely to be attained. Thus, an objective of the system is to ensure membership *commitment*.
- To ensure membership *accountability*: The system will provide feedback to the membership on goal attainment and essential information for Auxiliary leaders to effectively manage.
- A Measurement System Study Team chaired by ARCO A (W) has been formed to look at all aspects of measurement and accountability systems.

TASKS AND MILESTONES

Earlier editions of the Business Plan identified specific tasks and milestones. These continue to be developed and tracked. However, to minimize the number of arguably “tactical” revisions to a “strategic” Business Plan, these are tracked in a separate NACO report. The most recent revision of this document (NACO’s Second Report on Strategic Business Plan’s Tasks and Milestones) is posted on the National Commodore’s web site.²⁷

DOCUMENT CONTROL

²⁵ Thus, for example, an Auxiliary unit may find that it is efficient to use boating safety booths at boat shows to recruit students for PE classes and are free to establish internal targets for the number of shows attended. However, the system goal is PE classes, not PA booth appearances.

²⁶ Abrashoff, D. M., 2002. *It’s Your Ship: Management Techniques from the Best Damn Ship in the Navy*. Warner Books, New York, NY.

²⁷ See <http://www.auxnaco.org/02AUG05BusinessPlanUpdate.htm>.

As noted at the beginning, this plan is a living document and will be updated as necessary or appropriate. The revision number and date of revision are shown on the lower left hand corner of each page.