

Counting the Cost: How Regionalizing Marine Corps Disbursing is a Bad Investment

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**Counting the Cost:**

How Regionalizing Marine Corps Disbursing is  
a Bad Investment

Contemporary Issues Paper

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## Outline

I. Thesis

II. Introduction

III. Body

- a. The Plan
- b. The Problem
- c. Technological Deficits
- d. Local Support
- e. Training
- f. Leadership Issues
- g. Measuring Success

IV. Conclusion

## Thesis Statement

Though some of the senior Marines in the Corps' financial management community are claiming success following the initial pilot program that studied the impact of disbursing consolidation at Camp Lejeune, issues remain to be addressed. The lack of technological infrastructure, degradation of local support to unit commanders and the negative impact on Marines in the finance community makes Corps-wide regionalization of disbursing a bad investment in both time and money.

## Introduction

The regionalization and consolidation of Marine Corps disbursing and finance offices began its transition upon approval of a one-year pilot program by the Marine Requirements Oversight Council (MROC) in December 2003.<sup>1</sup> There have been many opinions about this transition and much discussion on the positive and negative implications these changes will cause. Inherent in these discussions is whether the mission will suffer and if taking care of Marines and their families remains a top priority? This paper will attempt to expose some of the questions that deserve an answer before consolidation continues.

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<sup>1</sup> MROC DM 61-2003

### The Plan for Consolidation

In a brief to the Marine Requirements Oversight Council (MROC) in 2003, the Deputy Commandant for Programs and Resources (P&R), Mr. Charles E. Cook III presented three courses of action (COAs) that would pave the way for consolidation of the three disbursing offices and sixteen finance offices for a much leaner effort.<sup>2</sup> Each recommendation included a variety of positive and negative effects. The COAs ranged from remaining at Status Quo to consolidating into three DOs and three FOs. The COA recommended by P&R called for a consolidation into three disbursing offices and five finance offices. This course of action advertised and leveraged economies of scale, solution to reserve pay support, observation of the principle of mass, structure dividend, and more deployment and reenlistment opportunities.

### The Problems with Consolidation

Although there may one day be a proper time for additional consolidation, the myriad of personnel issues such as a loss of leadership billets and reenlistment incentives coupled with the lack of computer software in

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<sup>2</sup> Powerpoint Presentation to MROC on 8 Dec 2005

the technological spectrum need to be addressed and before further consolidation should be considered.

#### Technological Deficits

The Marine Corps still lacks the existing technological advancements to effectively regionalize without a significant impact on the service individual Marines and commanders receive. The service and support Marines and commanders receive will suffer under all consolidation choices where technology is not already in place and working. The 90% solution is not in place with Defense Travel System (DTS), Marine On-line (MOL), Document Tracking and Management System (DTMS), or Operational Data Store Enterprise (ODSE) to allow any personnel savings at this time. All systems remain coming soon or, in other words, three to five years before full implementation and the field actually sees all of these working at a level to allow a savings.

Technology advances in DTS, MOL, DTMS, or ODSE over the next three to five years will allow for many of the individual force structure returns without consolidation. Why take away the Commanders local financial management experts and focused service support if we will see the returns without consolidation? Has the force structure

savings from current technology been looked at and compared to the COAs presented?

In fact, the return in force structure is not an actual savings to the Marine Corps at all, in that Marines are still required to perform certain tasks. The small return in force structure to the Marine Corps from the financial management field consolidations is more likely a transfer of duties to the units we support. The tracking, contact, and verification tasks increases as support moves farther from the supported commands location. Until online systems can tasks without significant human intervention or verification, there is no actual structure saving.

#### Local Support

Most Marines who have been in supporting roles understand that commanders often want a face and a warm body to hold accountable for their actions, especially when there are significant problems with a service member's pay. They want to be able to reach out and touch a person, not a telephone. Families of those deployed would also be best served at a local office. Consolidation leads to decreased support for Commanders and Marines. There are also disparities between COAs with regard to locations that would retain finance offices. For instance, one COA provides a dedicated on-site FO to Quantico, but does not

provide on-site support to every large base. One might argue that commanders at Twentynine Palms would have to utilize the office at Camp Pendleton may not receive the same level of service for their commands as the commanders at HQMC and Quantico who can walk in the door. There is a difference between being down the street and down the coast.

### Training

Another problem in the argument for consolidation claims that it will foster a climate where disbursing Marines will train as they fight. Training depends on leadership.

Anyone that has served in been deployed can tell you a CSSB location provides you with the same level of preparedness and capability as an MLG. It is true that the entire way of training, deploying, and integrating financial management needs improvement, but to operate in their functional area of disbursing gains no advantage through consolidation. Schools and MOS focus may need to change, but consolidation does not affect the issue of fighting the Global War on Terrorism and will not lead to an increase in readiness.

### Leadership Issues

The loss of Finance Office billets caused by consolidation will lead to a decreased incentive to remain



on active duty for many Marines, even in the SNCO and officer ranks. The idea of being a SNCOIC of a Finance Office is much more attractive than the third senior MSGT in the consolidated disbursing office. The constant deployment cycle retention issues are a contentious issue that was not included in the MROC brief. Additionally, young Marines are attracted to stay in the MOS by the duty station choices. Consolidation would have a great impact on these three retention issues throughout the rank structure. This negative effect was also not addressed in Mr. Cook's brief.

#### Measuring Success

Lastly, there seems to be great importance placed on the success of the Camp Lejeune pilot program. What did they test and why was the Camp Pendleton model not considered effective? Since the majority of the 3432's in OEF/OIF have come from the West Coast, I would think that their model would be the more appropriate at the current time. Having Marines within each base has no negative impact, as these Marines are available for deployment at any time. The current situation of not having enough Marines to deploy is self-inflicted. The policy that you must be a Corporal or above to be deployed severely reduces the number of Marines that they were willing to draw from,

thus creating undue hardships. In total, more than 200 combat disbursers have deployed in the past twenty-four months to Afghanistan, Iraq, Haiti, the Horn of Africa, and Indonesia, and more continue to deploy. The majority of the Marines were deployed from Southern California finance and disbursing offices. The current organization of our operating force Marines facilitated the proper deployment, planning, preparation, and training directly by the Commanders, without unnecessary "strings attached" to bases and stations. Existing organization also facilitated effective and acceptable remain behind support to bases and stations, as well as providing reach back support.

As a community of disbursers, the only metric for success should be whether or not the MAGTF Commander was able to accomplish the mission and that the actions to that aim were aided by the complete integration of financial management in his intent. The first concern is that the MAGTF commander can control his deployable assets and continued placement of disbursing offices within the MLG, even in while in garrison is the best way for that to occur. The Global War on Terror demonstrates that our disbursing capabilities have had to adapt and evolve, but also may need to increase, particularly within the operating forces.

OIF has taught us that it is important that disbursing, along with other service activities, remain under the control of our operational commanders. "Services" remains one of the six core competencies of combat service support and as such should remain with the commander directly responsible for providing those services in an operational setting.

### Conclusion

The eagerness of the Marine Corps to save money through the leveraging of technology and application of the principle of mass is the main driving force in the consolidation of Marine Corps disbursing. As the Corps develops consolidation and technological infrastructures, leaders in the financial management community should find objective ways to aid commanders in accomplishing missions and taking care of Marines.

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