



## DEPARTMENT OF THE NAVY

UNITED STATES NAVAL ACADEMY  
ANNAPOLIS, MARYLAND 21402-5000

USNAINST 5310.3  
5/DepMgt

29 NOV 1990

### USNA INSTRUCTION 5310.3

From: Superintendent

Subj: EFFICIENCY REVIEW POLICY AND PROCEDURES

Ref: (a) OPNAVINST 5310.14B  
(b) FLDSUPPACTINST 5310.1  
(c) USNAINST 12510.7

1. Purpose. To provide policy guidance, procedures, and assign responsibilities in conducting and implementing Efficiency Reviews at the U.S. Naval Academy (USNA).
2. Background. Manpower allocations should be based on substantiated requirements. These requirements are established by conducting Efficiency Reviews. Per references (a) and (b), each naval shore activity must develop a Performance Work Statement (PWS), a Most Efficient Organization (MEO), an Efficiency Review Report, and an Implementation plan which will substantiate its needs once every five years.
3. Discussion. The Navy ensures the effective and efficient use of manpower resources in fleet units and shore activities by granting authorizations only where justifiable manpower requirements exist. Manpower requirements are determined by a variety of processes: Efficiency Reviews (ER), Commercial Activities (CA) studies, Navy Manpower Mobilization System (NAMMOS), Hardware/Manpower Integration System (HARDMAN), staffing standards and workload driven manpower models, which are merged into the appropriate manpower documents to provide a comprehensive statement of total force manpower requirements.
4. Goals and Objectives. The long term goals of the ER program will be to identify and document requirements that maximize the use of available resources and to pay for itself with identified and implemented efficiencies and savings. ER savings will be retained by claimants during the execution year. The key to each claimancy retaining resources is that programs to which ER savings are directed must be valid and justified, and support the priorities of the Navy as a whole. It is expected that USNA will be permitted to keep its savings under the same guidelines.
5. Scope
  - a. All positions and functions at USNA are to be reviewed and an MEO developed and submitted to the Field Support Activity (FLDSUPPACT) by Unit Identification Code (UIC). Completion dates cannot be extended. The Navy Comptroller may assess penalties against USNA for missing the completion date.

b. The support of the Resource Management Department by cost center heads, sub-cost center heads, supervisors, and managers is critical to the Academy's ER performance.

6. Process

a. The Efficiency Review will employ a structured and disciplined analytical process to develop the MEO. The study shall determine whether functions can be consolidated, transferred, or eliminated; and shall streamline or eliminate existing rules, regulations, and procedures that inhibit productivity improvement.

b. The Efficiency Review process will review manpower workload in defining USNA's mission and duties; review and determine the equipment processes, and skills necessary for USNA to efficiently and effectively discharge its mission and duties; determine the number and define the mix of military, civilian, and contractor manpower required; and implement a Naval Academy-wide MEO.

7. Responsibilities. The Resource Management Department is responsible for USNA's Efficiency Review Program and will:

- a. Identify the service requirements of USNA.
- b. Establish the MEO.
- c. Prepare the Efficiency Review package to include:
  - (1) Performance Work Statement.
  - (2) MEO implementation plan.
  - (3) Summary of savings.
- d. Submit the report to CNO via the chain of command.

8. Implementation. Upon CNO approval of the Efficiency Review Report, USNA will have three months to implement the report's recommendations and the MEO. Thereafter, programmed manpower requirements, authorizations and budgets for manpower resource requirements will be based upon the ER and will reflect the implementation of ER recommendations. Managing to payroll will apply to civilian manpower budget levels once approval of the MEO has been received. Managers may deviate from the civilian baseline provided they do not exceed the authorized civilian payroll levels. Changes to the baseline should be documented in accordance with the requirements of reference (c).

  
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