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DEPARTMENT OF THE ARMY REPORT

PROJECT 39A

15 October 1962

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DEPARTMENT OF THE ARMY REPORT

PROJECT 39A

Introduction

This report summarizes a series of studies conducted under Project 39a, certain decisions already reached by the Secretary of the Army based on these studies, and resultant actions taken or still required.

Some of the principal objectives of this current project have already been accomplished by the Army in actions under the recent Project 80 reorganization. Major operating functions were decentralized from the headquarters to field commands, with a net reduction in the headquarters strength of about 19 percent. Thus, Project 39a is basically a further examination of the residual headquarters. The primary objective is to accelerate and improve the decision-making process. Other objectives are to insure that no residual functions continue in the headquarters staff which could be conducted with equal or greater effectiveness in field commands or agencies; improve internal staff organization and procedures for greater efficiency and effectiveness; and estimate the personnel and dollar savings which might be achieved.

The general approach taken in this further examination was five-fold:

1. Studies were made of major functional activities of the headquarters, and alternative organizational patterns and relationships to conduct these activities were examined. The Secretary of the Army made a series of decisions concerning these basic relationships as the studies progressed.

2. One major staff task which involves extensive coordination was examined in detail, to identify and assess existing deficiencies of the departmental staff organization and procedures.

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3. Concurrently, more general studies were made of particular aspects of staff operations -- to include details of internal organization and procedures -- all directed toward possible means of improving and expediting the decision-making process and eliminating fragmentation of effort or responsibility.

4. Evolving relationships with subordinate commands and agencies (under the Project 80 organization) were examined to identify possible inefficiencies or problem areas.

5. Major staff agencies were asked to suggest which functions currently performed they would decentralize, consolidate or eliminate under an assumed strength reduction. Based on their replies and the foregoing examinations, an evaluation was made of the effect of further headquarters strength reductions over-and-above those already accounted for in Project 80.

This report devotes a major section to each of the foregoing areas of examination. In the course of the studies conducted, the relevant questions contained in Part II (Guide) of the approved outline for Project 39a were used extensively. The effects of this utilization, and answers to specific questions, appear throughout the report. This approach seems more meaningful than an effort to provide specific answers to the relevant questions in the order listed, because certain of the questions (e. g. those concerning essential headquarters functions and functions which should be decentralized to field agencies) were basically settled in Project 80 and others can be more usefully addressed in the context of a general discussion. Specific data concerning changes in the headquarters staff during the periods 1 July 1960-30 June 1961 and 1 July 1961-31 May 1962 (pre-Project 80) are presented in an Annex.

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SECTION I

MAJOR ORGANIZATIONAL RELATIONSHIPS

The broad, essential functions of the headquarters are: policy formulation; planning, programing and budgeting activities which cannot be conducted at a lower level; coordination and supervision of the efforts of subordinate commands directed primarily toward the development and support of major force systems; provision of certain department-wide services; and related performance appraisal and inspection services. Many organizational patterns for execution of these broad functions are possible and were examined in detail in Project 80. In the current study, three primary relationships were re-examined.

Relationships Between the
Civilian Secretariat and the Military Staff

The Project 80 report proposed no major changes in the organization or procedures of the Office of the Secretary of the Army. Minor modifications were suggested, bearing on the relationship between the Secretary and the Army staff. These concerned clarification of the roles of the General Counsel and of the Office of Analysis and Review, in order to eliminate certain duplications. The detailed report suggested that other duplications might exist, pointing to what was described as a discernible tendency to maintain in the Secretariat an "in-house" staff capability beyond that required if maximum use were made of the Army staff. Accordingly, increased use of the Army staff was suggested, with corresponding reduction in the internal staff of the Secretariat.

In attempting under Project 39a to determine the optimum relationship between the Secretariat and the Army staff, consideration was given not only to the suggestions of Project 80, but also to the announced desires of the new Secretary of the Army for a system which would enable him to work more closely with the Army staff in certain areas, accelerate decision-making by eliminating over-coordination, multiple reviews and consequent revisions, and provide for greater interchange of staff and Secretarial viewpoints during the developmental stages of major staff actions.

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Alternatives Considered. In order to assure consideration of a wide range of concepts for the basic Secretariat-Army staff relationship, a series of alternative organizational and working arrangements (differing in varying degree from the existing situation) were described and provided the Secretary for discussion and study. These alternative concepts were as follows:

1. To organize the staff of the Army Secretariat so as to provide a complete review capability for all functions and operations in the Army staff. The Army Secretariat would comprise an independent level to review military staff solutions, re-examine them in detail and make whatever adjustments appear to be necessary for the best solution.
2. To organize the staff of the Army Secretariat so as to permit collaboration with the military staff at each stage of development of solutions to Army problems. Definitive guidance in all areas would be provided the staff in advance, and the implications of military-civilian differences would be injected at low levels.
3. To eliminate any unnecessary overlapping and duplication which may exist between the Secretariat and the Army staff, retaining within the Secretariat the minimum staff assistance required to function under this adjustment. The Army Secretariat would contribute to military staff solutions -- either during development or review -- guidance concerning political, technical, industrial, economic and public affairs aspects of the problem. It would assist in interpretation of the views and objectives of the Secretary of Defense and in the presentation of Army views and recommendations so as to make them more easily understood at higher echelons. In long-range and major problem areas, the Secretariat would provide preliminary general guidance to indicate the character of response planned or recommendation required. Time permitting, members of the Secretariat could participate in an interim military-civilian review of the developing solution, to refine guidance and to assure consideration of all alternatives before completion and presentation to the Chief of Staff and the Secretary. As to actions which normally flow through technical channels, Secretariat participation in some instances would be similar, but would occur between the appropriate Deputy Chief of Staff and Assistant Secretary, with the majority of actions subject only to normal general review.

4. To reduce the internal staff of each of the various offices of the Secretariat to one or two individuals and to rely almost entirely upon the Army staff, i. e., to approach full integration of the staff and the Secretariat, although without actual consolidation of the Office, Secretary of the Army, and the Office, Chief of Staff.

5. To allow full initiative in solution of the Army's problems to the Army staff. The Secretariat would review solutions for political and civilian implications only, accepting military professional judgment in military matters. The Secretariat would become informed concerning the details of these matters only to the extent necessary for advocacy before OSD; the Congress, and other external bodies and individuals. Staff recommendations would normally be approved or forwarded after broad examination and without exploration in depth.

Decisions. After personal consideration of relative advantages and disadvantages, and discussion with principal members of the Secretariat and with the Chief of Staff, the Secretary of the Army determined that Concept 3, with some modifications, most nearly approached the desired relationship between the Secretariat and the Army staff.

Actions. The results of the Secretary's decision are expressed more fully in the following policy paper, which is to be published as a Department of the Army memorandum.

"ORGANIZATIONAL RELATIONSHIPS HEADQUARTERS, DEPARTMENT OF THE ARMY

"1. The Department of the Army is separately organized under the Secretary of the Army and functions under the direction, authority and control of the Secretary of Defense. The Secretary of the Army is responsible to the Secretary of Defense and to the President for the operation of the Department of the Army and for its efficiency and has authority to conduct all the affairs of the Department.

"2. Headquarters, Department of the Army, is defined as the executive part of the Department of the Army at the seat of government. It consists of the Office of the Secretary of the Army and the Army staff. The Army staff is the military staff of the Secretary of the Army and is presided over by the Chief of Staff.

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"3. To assist the Secretary of the Army in the execution of his broad responsibilities for the administration and operation of the Department of the Army and for its efficiency, the Secretary of the Army is provided by law and regulation with the following principal civilian assistants: The Under Secretary of the Army, the Assistant Secretaries of the Army, the General Counsel and the Administrative Assistant to the Secretary of the Army. Each is charged with responsibilities for specific functions which collectively embrace supervision of the business administration and civilian management aspects of the mission of the Department of the Army. The offices of these officials and of the Chiefs of Legislative Liaison and Public Information, together with certain required boards and committees, and the personal staff of the Secretary comprise the Office, Secretary of the Army.

"4. The Chief of Staff is the principal professional military assistant and advisor to the Secretary of the Army and is authorized by him to supervise the members and the organization of the Army.

"5. The Secretary of the Army exercises his authority through his principal civilian assistants and through the Chief of Staff. He maintains under his immediate supervision those activities which involve vital relationships with the Secretary of Defense, Congress, other principal Government officials, and the public. In his relationship with the Army staff, he concerns himself directly with those matters of broad policy, plans, programs and operations which likewise demand the personal concern of the Chief of Staff and upon which decisions are required by the Secretary of Defense, Joint Chiefs of Staff, National Security Council, and the President.

"6. The Under Secretary of the Army is the chief civilian assistant and advisor to the Secretary and is kept fully informed so that he may act in his stead when required. Subject to the direction of the Secretary, the Under Secretary and the other principal civilian assistants deal directly with appropriate segments of the Army staff in such areas as manpower,

logistics, financial management, and research and development. In lesser questions of determination of policy in those fields and in carrying out the Secretary's responsibilities for civilian management, they exercise the Secretary's authority for him as delegated in general orders or elsewhere.

"7. Under the direction of the Chief of Staff, the Army staff renders professional advice and assistance to the Secretary, the Under Secretary, and to their principal civilian assistants in developing and providing broad basic policies, plans and programs for the guidance of the Department of the Army. The Army staff specifically assists the Secretary of the Army in the preparation and issuance of directives and programs to implement such plans and policies and in the supervision of their execution.

"8. The principal civilian assistants to the Secretary contribute guidance to military staff solutions, during development and/or in review. They assist in the interpretation of the views and objectives of the Secretary of Defense and in the presentation of Army recommendations and actions so as to make them more easily understood within the Department of Defense, by the Congress, and by the public.

"9. In long-range and major problem areas, the Secretary or his principal civilian assistants may provide preliminary general guidance concerning the response, plan or recommendation required to insure that essential factors are considered by the staff. As a matter of general procedure, actions on major matters which will be brought to the attention of both the Chief of Staff and the Secretary of the Army will be discussed during development by the senior responsible official of the Army staff with the appropriate civilian assistants to the Secretary whose recommendations will be included when the action is transmitted to the Chief of Staff. Any differing viewpoints will be presented to both the Chief of Staff and the Secretary of the Army.

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Minor organizational changes associated with initial implementation of this preferred concept will result in certain personnel savings reflected in Section V.

As a basis for further implementation, more detailed realignment of functional responsibilities among principals of the Secretariat to eliminate any unnecessary duplicate staffing which may exist is under study. Such realignment will be reflected in the publication of new general orders assigning responsibilities within the Secretariat and may result in further savings.

Relationships Among
Planning, Programing, and Budgeting

Planning

Existing System. An examination of the planning function, as presently conducted, developed the following salient points which have been recognized for some time by the Army staff:

Major Army planning activities have centered around a joint system which has not always worked effectively since its inception, and which is not well suited to methods currently preferred by OSD. This joint-Army planning system has involved preparation of a family of Army plans, covering separate time frames (long-range, mid-range, and short-range), related to comparable joint plans, and designed to serve different purposes within the Army. Five separate plans constitute the family. Despite this family of plans, it has been found necessary, for a variety of reasons, to fill in with additional plans, such as the Army Long Range Capabilities Plan, and interim plans, such as the Operating Forces Projection Plan (prepared this year in the absence of approved joint and Army plans of the family), to meet particular requirements and to provide guidance for programs and program changes. Seven major Army plans are involved, not to mention numerous supporting planning efforts conducted in various elements of the staff. A list of these plans, with a brief statement of their relationships and purposes follows:

<u>Army Plan*</u>	<u>Purposes</u>	<u>Relationships</u>	<u>Prepared By</u>
1. A United States Military Program (USMP)	<ul style="list-style-type: none"> a. Provide Army view of desirable over-all Defense objectives. b. Basis for all long-range projections, plans, supporting programs. 	Tendency to "share" guidance responsibilities with ARDP and ALRCP, described below.	Director of Coordination and Analysis, OCS
2. Army Re-requirements Development Plan (ARDP)	<ul style="list-style-type: none"> a. Coordinated Army position for JCS long-range plans. b. Guidance for Army mid-range planning. c. Guidance for R&D 	Provide basis for Army input to Joint Long Range Strategic Study (JLRSS)	Long Range Analysis Group, ODCSOPS
3. Army Long Range Capabilities Plan (ALRCP)	<ul style="list-style-type: none"> a. Basic structure for all other short, mid, and long-range Army plans at "capabilities" level. b. Provide an organizational and materiel "line of balance" among various Army programs. 	Projects current levels of manpower and funding through 20-year period.	Same as 2
4. Army Mid-Range Estimate (MRE)	<ul style="list-style-type: none"> a. Coordinated Army position for JCS "objectives" planning. b. Guidance for such "functional" Army objectives as materiel modernization. 	Provide basis for Army input to Joint Strategic Objectives Plan (JSOP)	Director of Strategic Plans and Policy, ODCSOPS

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<u>Army Plan*</u>	<u>Purposes</u>	<u>Relationships</u>	<u>Prepared By</u>
5. Army Strategic Objectives Plan (ASOP)	<p>a. Set Army objectives to improve readiness position within foreseeable monetary and manpower ceilings.</p> <p>b. Provide guidance for Army programs and budgets.</p>	Develops for Army use basic guidance contained in the Joint Strategic Objectives Plan (JSOP)	Same as 4
6. Mobilization Requirements Annex to ASOP (MOB-R-ASOP)	<p>a. Provide guidance for detailed mobilization planning.</p> <p>b. Basis of optimum force structure for reserve components.</p>	Structurally a portion of ASOP, but can be considered a major planning activity in its own right.	Same as 4
7. Army Strategic Capabilities Plan (ASCP)	Guidance for utilization of capabilities in being (rough equivalent of "current operational planning" discussed later)	Amplifies for Army use basic guidance contained in the Joint Strategic Capabilities Plan (JSCP)	Same as 4

* The title "plans" is adopted in the broadest sense of the word. Actually, the documents described take various forms, some of which approach the nature of a "study" rather than a "plan for action."

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As a result, substantial staff effort has been devoted to the development of a series of plans of questionable utility. It has, for example, been estimated on the basis of surveys that some 1500-1700 man-hours are devoted by the responsible agency, and 2300-2500 man-hours by contributing agencies, to the preparation of one major planning document -- such as the MRE or the ASOP. The existing set of Army plans involves the following principal difficulties:

1. Proposal of uncoordinated, sometimes conflicting strategies and/or courses of action for the Army. This is aggravated by fragmentation of responsibility for preparation of various plans, with resultant unilateral claims of exclusive responsibility for providing Army guidance in a given area.
2. Duplication of effort, in that most plans attempt to incorporate their own analysis of the world environment, the threat, technological forecasts, etc.
3. Arbitrary division of planning into separate time frames (long-range, mid-range, short-range), whereas in fact the major problems in planning cover all time frames, and the transition between these time frames is an important consideration in itself.
4. Without the adoption of special additional or interim plans, such as those mentioned above, the present planning system does not provide adequate guidance for programing. With these special measures, the system presents a fragmented, confusing, and inconsistent body of guidance.

Alternatives Considered. Alternative approaches to the conduct of planning were obtained from several sources:

The Project 80 report indicated that unilateral Army planning for the development of operational forces and systems was adversely affected by overemphasis in ODCSOPS on the joint aspects of planning. It proposed, in effect, that these two types of planning be separated, and that force development planning be conducted by a major staff element which would also be primarily responsible for Army programing. The major disadvantage seen in this latter part of the proposal is: To co-locate the responsibility for program administration with force development planning

in one major staff agency might so immerse that agency in the administrative mechanics of the program system as to impede true force development planning and the substantive aspects of programing, just as much as involvement in the joint planning system allegedly has in the past. ODCSOPS has in fact been reorganized to get a better division between joint and Army planning, but there is still room for a clearer division of effort, and separate responsibilities within ODCSOPS are the source of some of the competition among plans noted above. Programing responsibility has not been handled as proposed in the Project 80 report. Rather, a separate Director of Army Programs has been established in the Office, Chief of Staff.

Another theory has been advanced to the effect that all Army planning should be centralized under one so-called planner who would be responsible for the Army aspects of joint planning, Army force development planning, and at least the major actions involved in programing. This theory of centralized planning would, in effect, have programs tacked on as an appendage. This might attain the objective which all concede to be desirable -- a closer correlation of planning and programing -- but it seems to have all of the disadvantages mentioned in a. above, in that the "planner" would be diverted from adequate unilateral Army force development planning by the mechanics of both joint planning and program systems.

There are several concepts for a single or "master" Army plan, and most of these visualize the application of automatic data processing systems to solve the major problems involved in trying to incorporate into one plan all of the information, guidance, etc., which is necessary for proper execution of Army missions. One such concept revolves around an application of AUTOPROBE to support first a coordinated operations planning system, and later an Army "master" plan, to guide annual revisions and improvements of the 5-year program. While the potential of ADPS applications should certainly not be slighted, it appears premature at this time to base procedures and organization on some particular application still under conceptual development.

Consideration has been given, in connection with all of the foregoing, to major reduction in the number of plans produced and to elimination of present duplication and overlap. Principles which might well be applied to any structure of Army plans are:

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1. Each plan should cover all time frames appropriate to the functional purposes of the plan, in order to avoid the weaknesses inherent in arbitrary division into long, mid, and short-range periods.

2. Such basic elements as evaluations of the world environment, technological forecasts, and strategic concepts should be developed only once (and, of course, kept current), for all planning purposes.

Programing

Existing System. The importance of relating force development and other planning to programing has been noted above. It is equally important that programing bear a proper relationship to budgeting. Mr. Hitch has described the function of the program system as that of providing a logical transition between plans and budgets. The examination of the programing function, as presently conducted, developed these points:

The Army program system is in a state of change, as the result of OSD programing methods instituted over the past year (which have culminated in publication of the Five-Year Force Structure and Financial Program on 15 June 1962). The Army program system is under study to attain maximum conformity with these OSD methods. Meanwhile, however, it has been necessary to superimpose interim methods (to maintain, update, and change the base program) on the existing functional system of program development. Considerable difficulty was experienced in trying to isolate from all staff actions those which could be clearly identified as programing actions within the staff. Further, programing and budgeting are so interrelated and interdependent that it is impossible to draw a distinct line between the two.

As a result, it is not feasible to state how many personnel are involved in activities which might be considered program-related. In most cases, the same people who are charged with staff supervision of functional areas are also the ones who must develop and analyze program requirements, and arrange and justify them in the appropriate format to fit the OSD program system, resource category appropriations for budget purposes, etc. If the administrative part of the programing function is overemphasized, it can be viewed as absorbing or dominating virtually every important activity of the staff. All staff elements contribute to programing and program execution in their functional areas.

However, those staff elements specifically identified by title and function as program elements should be concerned primarily with the coordination and administrative processing of program documents which reflect the results of Army decisions and recommendations derived from plans, staff studies, effectiveness analyses, and the like, developed by responsible staff agencies and commands in functional areas such as force development, supply management, etc. To do otherwise tends to establish a separate mechanism for programing decisions which displaces the normal functional staff elements where the real capability for analysis lies.

Alternatives Considered. Various concepts of what is meant by programing and how it should be conducted were examined:

Department of the Army action on the Project 80 report resulted in the establishment of a Director of Army Programs in OCS. This location was selected (as opposed to a major functional element of the staff) for the dual purpose of giving emphasis to programing, and avoiding a situation in which a major element of the staff was both the director of the program system and a proponent of one particular program. The solution had these advantages, but certain disadvantages have developed. Because of the importance given to programing, and the position of the Director of Programs in the Office of the Chief of Staff, there is a tendency on the part of both OSD and subordinate commands to look to the Director for information, guidance, and actions which his office is not manned to provide without recourse to the remainder of the staff. To retain this organizational solution, but mitigate the problems, the alternatives are: better definition of the responsibilities of the Director and better means of getting staff-developed information to and through his office; expansion of his office into a "super-staff" element with full responsibility and authority for all programing and related actions; or some relief of the presently burdensome system through automation.

One theory holds that programing represents the critical element in all staff action. There are appendages of planning (which provides some input), budgets (which are a different expression of programs), and necessary evaluation of program execution (another source of changes and updating) tacked on at either end of the system. This concept, if carried to the extreme, could mean that program activities and staff elements specifically identified as programmers would supplant

the rest of the staff. (It therefore corresponds with the "super-staff" alternative noted above.) However, the administration of the program activity is now actually coordinated by a committee system (the Program Advisory Committee), the individual members of which both represent and answer to the heads of their respective functional staff agencies.

As was noted in the case of planning, there are several concepts concerning the application of automatic data processing systems to programing. Those who are program-oriented visualize the total system as one to accomplish automated programing, budgeting, and operational evaluation. As an example, one such concept which has been suggested revolves around the Army Long Range Capabilities Plan (as an extension of the current 5-year base program), and attempts to relate to it all planning, programing, budgeting, resource management, and command and control activities. However, the ALRCP in its present form is designed for the limited purpose of establishing a "line of balance" among various Army programs, based on a projection of 1963 levels of manpower and funding. Unless considerably modified, this plan will not make proper provision for the type of program change which should result from forward planning based on new strategic concepts, analysis of alternatives, etc. It is conceivable that ADPS will have greater application in programing than in the type of activity which has so far been described as planning. It would nevertheless be premature in the case of programing, as in the case of planning, to base procedures and organization primarily on applications still under conceptual study.

Consideration has been given, in connection with all of the foregoing, to the extent to which automation could reduce the requirement for personnel in the programing system. The consensus at this time appears to be that no appreciable personnel savings can be forecast, because in extension of the program system, OSD is placing more and more detailed requirements which demand personal attention and judgment.

Budgeting

Existing System. The close relationship between programing and budgeting has been noted. In one sense the two functions are identical, each representing an arrangement and summation, in different formats,

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of Army resources over a given period. Unlike programing, however, the administration of budgeting seems to present few problems. Examination disclosed that:

The budgeting function is being conducted relatively effectively. Although they do not result from the budgeting process, per se, the principal problems which do exist are:

1. Budgets rarely reflect the full requirement established in planning. This situation results from a combination of over-all resource limitations, and the somewhat tenuous nature of the link between planning and budgeting which programing has represented in the past.
2. Considerable, and to most peoples' minds unnecessary, work is involved in translating information from the program package structure to the appropriation structure.

As in the case of the programing system, if administrative procedures and staff relationships were so arranged, budgeting could (and at one time very nearly did) supplant the rest of the staff, as far as major meaningful activity in the resources field is concerned. However, perhaps because it is an older function, for which the administrative system is now generally recognized as an accounting, correlating, and reporting procedure to reflect decisions and recommendations developed elsewhere in the staff, budgeting is conducted relatively without turmoil by the Director of the Army Budget, located as a major element in the Office of the Comptroller, and operating with the aid of the Budget Advisory Committee -- a close counterpart of the Program Advisory Committee.

Possible Improvements. In order to mitigate the problems indicated above, the following improvements would be desirable:

1. Realign the appropriation structure to conform more closely with the program package structure. Such action is beyond control of the Army and involves Congress as well as the DOD.
2. Achieve closer and more effective working relationships among planning, programing, and budgeting -- and in particular between the latter two.

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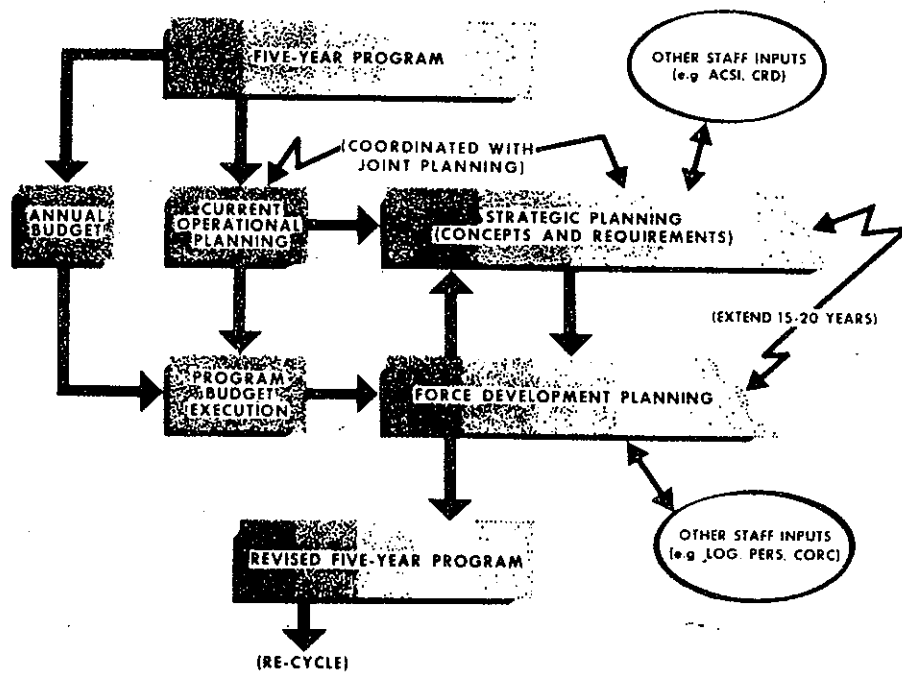
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Analysis of Alternatives

In order to analyze the various alternative concepts and suggestions summarized above, it is necessary to relate planning-programing-budgeting into a single system showing the interdependency of the activities involved. This system must conform with, but should not be dominated by external influences such as joint planning or OSD programing. A primary objective of any system should be to keep its various elements in proper perspective. There is always the danger that such factors as organizational placement, personalities, etc., may put one or another element in a dominant position to the disadvantage of over-all system effectiveness.

The simplified diagram below represents the basic concept which appears, as the result of analysis, to be the most logical solution. This is discussed on succeeding pages, with the procedural and organizational alternatives which exist for implementation of the concept.



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The system must start with an approved 5-year program (currently referred to as the base program) -- shown at the top of the diagram -- and result in a revision (update, change) of that program -- shown at the bottom of the diagram -- during the annual cycle. Both of these 5-year programs are relatively firm in the earlier years, and become less firm later in the time frame -- as represented by shading on the diagram.

The early portions of the current (base) 5-year program represent Army resources, existing or soon available, which are reflected in both the annual budget and current operational planning. Leaving the budget aspects aside for the moment, current operational planning is primarily the responsibility of the JCS and unified commanders, but the Army staff is deeply involved in an advisory and supporting role -- to say nothing of ever-more-frequently occurring cases in which the Army receives direct instructions to vary its commitments or capabilities in a particular area. From all of this activity, the Army staff can deduce and project broad requirements for the correction of deficiencies in current capabilities. Current operational planning thus provides one basic input for longer-range planning.

This longer-range planning must start with an evaluation of the world environment, available technological forecasts, resource estimates, and statements of national objectives, in order to develop appropriate strategic concepts. Obviously, Army planning must bear a close relationship with, and support joint planning activities throughout. This stage of Army and joint planning could logically end with the establishment and projection of strategic concepts and develop broad force requirements to execute them. One major entity of the Army staff could monitor and guide this effort, but other elements of the staff (and commands) would provide significant input. For example (recalling the type of basic element earlier suggested for use in all plans), projection of the world environment and technological forecasts might possibly be developed under the monitorship of ACSI and CRD, respectively, and certainly would be developed with their major assistance. Current plans whose purpose could be considered taken over by this strategic planning activity would be the USMP, the MRE, the ASOP, and appropriate portions of the ARDP. As is the case with the 5-year program, this plan would be far firmer in its early portions than later in the time frame covered. It should, however, be projected as far into the future as appears desirable to perform its basic purposes (perhaps 20 years). Far from separating planning from operations, this concept would in fact directly relate the two,

as evidenced by the input to be provided from current operational planning and the necessary coordination with JCS planning and operational activities.

The next major phase of the Army planning effort can be described as force development planning -- translation of the broad concepts and requirements established in strategic planning into an expression of the forces and systems which the Army should develop and provide for joint usage, within the limiting parameters of resources currently available and projected for the future. This is, in essence, the basic mission of the Department of the Army within DOD. Force development planning would have as one basic input the results of program and budget execution in earlier time frames. It would obtain directional guidance from the strategic planning effort, and would in turn provide an input to the earlier stages of that effort -- as represented by the arrows between these two major types of planning. Force development planning could be considered to take over the purposes now fulfilled by the ALRCP, appropriate portions of the ARDP, and the mobilization requirements aspects of the ASOP. As in the case of strategic planning, force development planning could be the responsibility of one major staff entity, but would receive basic input from other elements of the staff (materiel considerations from DCSLOG, manpower considerations from DCSPER, etc.). It would involve the development of coordinated troop bases for the active Army and the reserve components. Like the strategic planning effort, it would be firmer in its earlier portions, and would extend over a total time frame necessary to fulfill its purposes. Force development planning would provide the source (but would not become involved in the mechanics) of specific updatings and changes to the 5-year program, the revision of which would initiate another cycle in the planning process.

The foregoing concept does not represent one "master" plan, but rather two basic planning efforts which can be logically divided from the organizational as well as the procedural point of view. The organizational alternatives are:

1. To leave ODCSOPS as presently constituted, assigning both planning efforts described above to one major element of that office. The disadvantages of such a solution were described in discussion of the planning function.

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2. To reorganize ODCSOPS into two major branches, one responsible for each of the planning functions described above. This solution has no apparent procedural disadvantages, but would represent an extremely broad span of responsibility for one Deputy Chief of Staff. It might also have the result that one of the two basic planning efforts would be made subordinate to the other.

3. To establish separate Deputy Chiefs of Staff; one responsible for strategic planning and associated activities, to include all participation in joint planning and operational matters; and the other responsible for force development planning and general execution of the primary Department of the Army mission to provide operational forces to unified commands. This solution would not separate those planning and operational responsibilities which should remain intimately associated. On the other hand, it would avoid a span of control on the part of one Deputy Chief of Staff which many have considered unmanageable in the past. A more detailed description of the respective responsibilities of these Deputy Chiefs of Staff is:

Deputy Chief of Staff for Military Operations

Concerned primarily with establishment of requirements for, and utilization of, combat ready forces.

Involves development of strategic concepts and plans; establishment of requirements for forces to support war plans; international politico-military matters; support of joint planning and operations; special warfare operations and cold war activities.

Includes war gaming to establish force requirements; MAP support requirements; civil affairs matters; support of civil defense; strategic communications; electronic warfare; military history.

Deputy Chief of Staff for Force Development

Concerned primarily with development of required Army forces to support military operations.

Involves establishment of detailed troop bases, active and reserve, to support war plans; mobilization planning; organization and training of necessary forces; combat developments to include tactical concepts and doctrine; and qualitative materiel requirements.

Includes military standardization; participation in programing and budgeting activities concerned with the development of forces; management control of force systems to coordinate the phased availability of men, equipment, and doctrine; establishment of focal points for coordination of special activities including Army aviation, CBR, and nuclear weapons.

Returning to the diagram, the annual budget shown at the left derives from the current 5-year program and (after completion of the approval and apportionment processes) provides the monetary resources within which program and budget execution must proceed. It is, therefore, an important source of basic input into force development planning, and through force development planning, into the earlier stages of strategic planning.

To coordinate the programing function, three organizational alternatives are feasible:

1. The program coordination mechanism could be located in DCSOPS, or with the proposed Deputy Chief of Staff for Force Development. The disadvantages of this alternative have been discussed. This solution was considered and rejected in Department of the Army action on the Project 80 report.

2. A second alternative is to locate program administration under the Comptroller, who is not in the true sense of the word a proponent of any particular program, and who can therefore take an impartial view toward the correlation of all programs. This corresponds to the organizational pattern in OSD and in most major Army staff sections and would facilitate application of a uniform accounting system to programing, budgeting, and fiscal activities.

3. The third alternative is to leave the Director of Army Programs in the Office, Chief of Staff, as at present, with his responsibilities more clearly defined. The advantages and disadvantages of this solution were discussed in connection with the programing function.

Decisions

On the basis of the foregoing analysis, the Secretary of the Army approved:

1. The concept of dividing ODCSOPS into two major staff elements, in the manner outlined.
2. Retention of the Office of the Director of Army Programs in the Office of the Chief of Staff.
3. The following definition of program coordination, as an aid in delineating the responsibilities of the Director of Army Programs:

Program decisions involve a selection amongst various alternative courses of action so that the Army can come as close as possible to meeting genuine, over-all requirements with the most efficient possible use of resources. Program decisions must thus be supported by two different kinds of analysis. First, various proposed courses of action must be examined in order to determine what they will really contribute towards the meetings of valid requirements. Second, determinations must be made as to the amounts of resources various courses of action will actually require.

A primary function of all program proponents is to identify, analyze and evaluate all feasible alternative courses of action available to the Army and to recommend specific courses of action for meeting objectives. The bulk of program proposals, in the fields of forces and major weapons systems will be developed by the Deputy Chief of Staff for Force Development. Program proposals, including the feasible alternatives and recommended course of action, are staffed and submitted to the Chief

of Staff, who sends them to the Programs Office for analysis. In making its analysis, the Programs Office assures that the impact on other programs has been properly evaluated. Further, the Programs Office identifies areas of possible duplication as between programs and areas in which assets available to one program may be applied to another. In the exercise of its function, the Programs Office may exercise the authority of the Chief of Staff to obtain information from any agency in the Army. The Programs Office does not make program decisions. Rather, its function is to insure that program issues presented to the Chief of Staff and the Secretary of the Army are accompanied by adequate analysis and data to enable them to make fully supportable program decisions.

Secondary functions of the Programs Office are:

To record program decisions made by the Chief of Staff, the Secretary of the Army or higher authority in such form that they will be made available for budgetary purposes and for dissemination to those within the Army who will be responsible for execution.

To develop and coordinate instructions to the staff and to subordinate commands concerning the administrative and procedural aspects of the programing system.

Actions

Based on these decisions, the Chief of Staff issued instructions for the DCSOPS, supported by other staff agencies as necessary, to develop a detailed plan for the reorganization of his office, and associated proposals for necessary adjustments within other staff elements to avoid overlapping responsibilities and achieve maximum effectiveness and personnel economy in strategic planning, force development planning, and related programing activities. The DCSOPS is also charged with recommending a schedule for implementation.

In the course of implementation of the detailed plan, other actions will be required:

Request for legislation authorizing an additional Deputy Chief of Staff for the Army should be made. If this action is not considered desirable, a title other than Deputy Chief of Staff for Force Development could be adopted. In any case, the individual -- as principal manager of Army force development activities -- should have equivalent stature. In this connection, the Department of the Army Reorganization Project Office (DARPO) has drawn attention to the fact that the committee set up to review the Project 80 Study Report recommended redesignation of COA, CRD, and ACSRC (now CORC) as Deputy Chiefs of Staff. Although these recommendations were not submitted to the Congress with the reorganization plan, on 15 December 1961 the Secretary of the Army sent the Secretary of Defense a memorandum which stated in part: "This note will simply confirm my understanding that you will support affirmative legislation to permit the creation of three additional Deputy Chiefs of Staff on the General Staff of the Army." The DARPO Project Director now recommends that any legislation requested to authorize a Deputy Chief of Staff for Force Development also include authority for these redesignations.

After adjustments have been made in planning and programing activities according to the new concepts, manpower requirements in this field should be screened. It appears that the two new major staff agencies can be organized and function effectively within the total strength currently authorized ODCSOPS -- despite the necessary expansion in force development planning and supervision -- if the Army family of plans is simplified. As for remaining elements of the staff, a rough survey indicates that the equivalent of 95 personnel outside of ODCSOPS are engaged full-time in activities directly related to the preparation and review of current plans. (This figure results from the summation of part-time efforts by a larger number of personnel.) If optimum adjustments can be made in the planning system, and in workloads throughout the staff, this full-time load might be reduced by as much as one-third. The possibility of such a reduction would be enhanced if arrangements could be made within the Army staff for a more selective review of contingency plans submitted by unified commanders. (Support currently provided by the Army staff to the Joint Staff in this regard is particularly heavy in the logistics and personnel areas.) These potential strength reductions are incorporated in Section V.

As indicated above, the Army programing system is being revised to conform more closely with the system recently adopted by OSD. Continuing modifications in some aspects of this new Army programing system may be required as the Deputy Chief of Staff for Force Development assumes responsibilities visualized for him.

Implementation of these new organizational arrangements and systems must be carefully phased to insure continuity of the important activities involved.

Methods to Integrate Army Staff Effort

Requirement for Integration

The Basic Problem. The purpose of any military staff is to assist the commander in those planning, coordinating, and supervisory activities which must be conducted at his level but for which he, himself, has insufficient time. At some levels, the problems facing the commander are relatively simple, so that he personally can direct the efforts of a small staff and integrate the results of their individual work. At higher levels and in more complicated situations, the problem of directing and integrating the efforts of the staff exceeds the capabilities of one individual. Over the past fifty years or so, the Army has developed and utilized a general staff concept in the organization of its various headquarters. The concept is based on the division of staff effort into a small number of functional areas such as personnel, intelligence, operations, and logistics. The general staff officer who heads each of these divisions is supposed to provide a coordinated response to any problem which develops in his functional area. (As will be discussed later, coordinated responses are more difficult to develop at higher staff levels.) The concept has been applied at all levels from battalion through the departmental general staff; however, substantial modifications have been required at the higher levels. Modifications at various levels have established additional functional elements which must be given equal stature with the four basic functions for various reasons. Examples of such elements are reserve components, and research and development. When taken together with certain specialized elements reporting directly to the commander, such as the Judge Advocate, the Inspector General, and the Chief of Information, the span of control is substantially increased

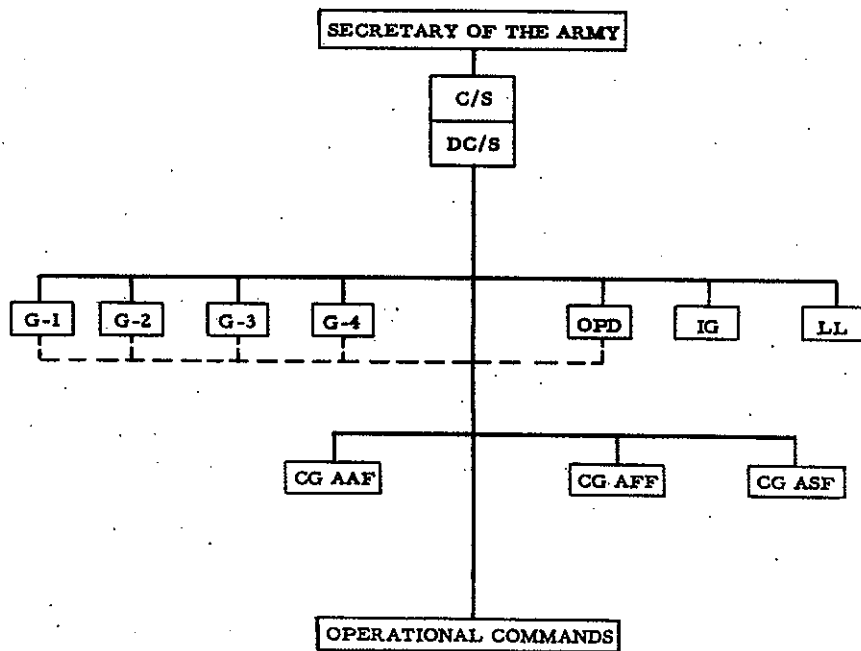
beyond that intended in the basic concept. At various levels, assistance to the commander in direction and integration of the staff effort has been sought by providing agencies ranging from one or two individuals to comparatively large groups of people, variously organized and designated. In a sense, much of the history of reorganizations in the Army departmental headquarters since early in World War II has revolved around attempts to reduce the span of control and improve direction and integration of the staff effort at this highest level. Various solutions have been proposed, adopted, tested, and rejected.

Special Aspects of Integration at Headquarters, DA, Level. The unique complexity of problems faced at departmental headquarters level stems in large part from the fact that it is at this level where direct civilian control is applied, where ultimate decisions on resource allocation must be made, and where major political, international, and other external influences are brought to bear most directly on Army matters. This means that the leadership at this level must be prepared to approach virtually any problem from several points of view, and to respond to specific desires and instructions of political authority, both elective and appointive. Another complicating factor is that the Secretary of the Army and the Chief of Staff in many ways appear jointly to constitute the "commander." Moreover, the assistance provided this Army leadership in direction and integration of the staff effort must be responsive to the methods of operation of the top national leadership, and these methods change substantially from time to time.

Historical Alternatives

Three types of integrating concept appear to be representative of those which have been tried or proposed at the departmental level in the past:

The OPD Solution



SCHEMATIC DIAGRAM
WAR DEPARTMENT - 1942

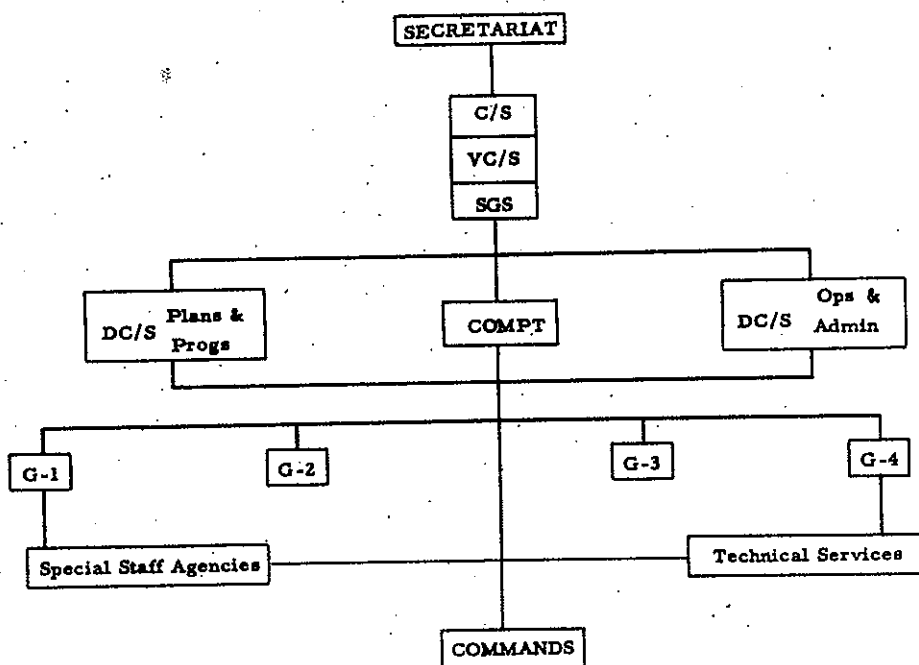
History. At the beginning of World War II, it became apparent that the War Department contained no single agency responsible for assisting the Chief of Staff in over-all coordination of world-wide Army operations and activities. It became highly important, because of the scope and nature of the operations involved, for some responsible agency to follow up on instructions issued and to determine the adequacy of actions taken in their execution. In 1942, a War Plans Division -- later designated OPD -- was established for this purpose. Although officially positioned at the same level as the functional general staff agencies, OPD was in fact a sort of "super-staff" which issued instructions to and received basic information from these other agencies. General staff sections (except G-2) were reduced in size and freed from operating responsibilities. They continued to exist primarily for the purpose of establishing Army-wide policy in their respective functional fields.

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Advantages. OPD well served its immediate purpose -- to provide in effect a wartime command post for the Chief of Staff. With this organization, relatively quick responses to any really significant problem were available. On major matters, the Chief of Staff could if he chose deal with only one staff assistant who had a broad perspective and could provide an integrated solution without recourse to consultation with other agencies.

Disadvantages. Once the exigencies of wartime effort passed, policies and procedures in the fields of personnel organization, and materiel suffered because of the relative impotency of all major staff divisions other than OPD and G-2. This appeared to be due to the adulteration of the theoretically direct line of command from the Chief of Staff to other staff divisions.

The Two-or-Three Deputy Solution



SCHEMATIC DIAGRAM
DA STAFF - 1950

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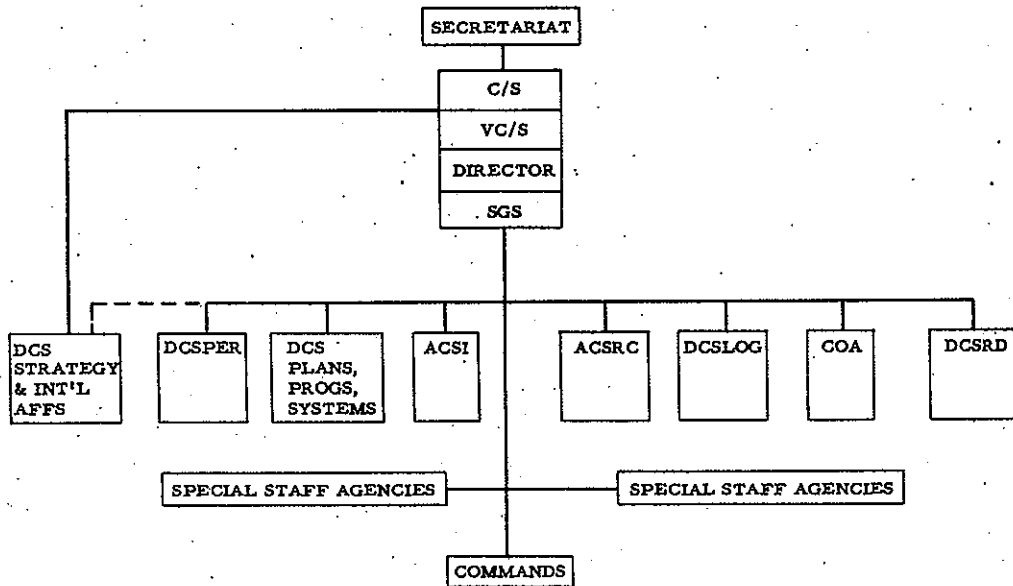
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History. Noting the disadvantages indicated above, a board (Patch-Simpson) appointed in 1945 recommended a reorganization which was approved in 1946. This board concluded that, contrary to popular belief, a general staff could not be restricted to matters of policy and planning; it must operate and direct. Consequently, the designation Director was given to principal staff assistants, and six such Directors were established (Personnel and Administration; Intelligence; Organization and Training; Service, Supply and Procurement; Plans and Operations; Research and Development). These principal staff assistants reported directly to the Chief of Staff and a single Deputy Chief of Staff. However, it was soon decided, on the basis of further studies, that this was too fragmented an organization, which required excessive time on the part of the Chief of Staff to coordinate and direct. In 1948, a new organization substituted for the single Deputy Chief of Staff a Vice Chief and two Deputy Chiefs (Plans and Combat Operations; Administration). This arrangement was further modified by the addition of a Comptroller, and in 1950 an organization was adopted which had a Vice Chief of Staff and three deputies (DCS Plans and Programs; DCS Operations and Administration; Comptroller) assisting the Chief of Staff in integrating the efforts of the four traditional Assistant Chiefs of Staff (G-1, G-2, G-3, G-4), the special staff, and the technical services (under G-4 but not in a command relationship).

Advantages. With this arrangement, the Chief of Staff had more time to devote to JCS activities which were increasing in scope. The basic planning, programing and budgeting functions were integrated under a single Deputy Chief of Staff. (However, they were segregated from administrative and operating functions.)

Disadvantages. While the three deputies integrated staff actions within their respective fields of responsibility, their instructions to the general staff divisions were occasionally at cross purposes. The Deputy Chief of Staff for Plans and Programs also had the budget responsibility, while the Comptroller was a staff advisor with respect to efficiency and economy, and fiscal matters generally. With these restricted responsibilities, the position of the Comptroller above the staff was anomalous. There was no effective integration of R&D efforts.

The Director of the Army Staff Solution



SCHEMATIC DIAGRAM
DA STAFF ORGN PROPOSED BY
STUDY GROUP B - 1961

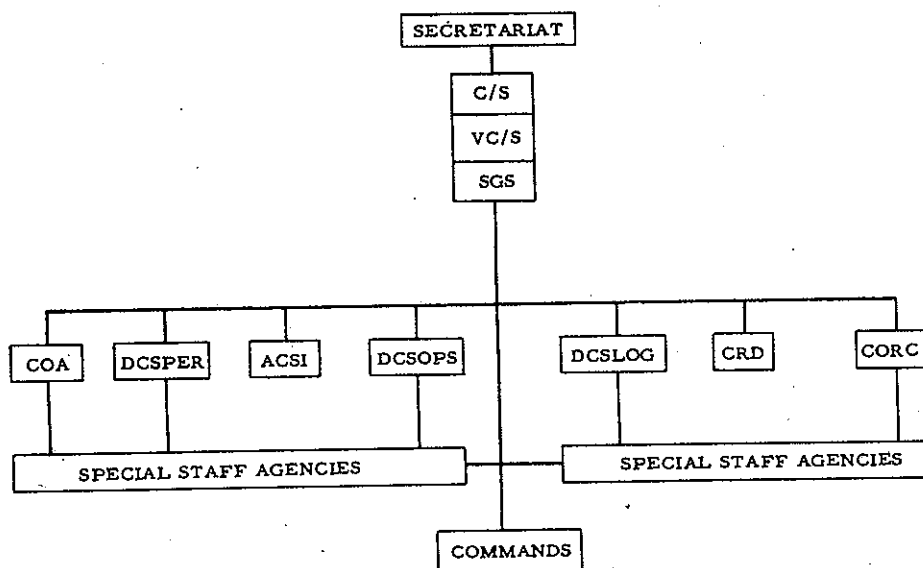
History: Subsequent reorganizations of departmental headquarters led to the present system of multiple deputies or their equivalents reporting directly to the Chief of Staff. This is not dissimilar to the multiple Director system adopted in 1946, except that the major staff assistants are now considered to have no substantial operational responsibilities. Disadvantages have been noted which are essentially the same as those that once led to abandonment of the multiple Director system. Study Group B of the Project 80 Committee, which examined the departmental headquarters organization, recommended an integrating scheme incorporating a Director of the Army Staff, charged with the direction and coordination of the staff effort.

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Advantages. The major objectives in proposing the Director of the Army Staff were to avoid fragmented staff actions and free the Chief of Staff and Vice Chief of Staff from time-consuming coordination responsibilities. This Director could also be delegated authority to make certain decisions for the Chief of Staff.

Disadvantages. An additional individual would have been interposed between the primary staff agency heads and the Chief of Staff. Unless this individual were to constitute simply another Vice Chief of Staff or a more senior Secretary of the General Staff, he would require a considerable staff to assist him. Considering his proposed position in the chain of command, this could result in a close counterpart of the OPD solution with an additional layer of review over the staff. Depending on the degree of authority delegated, this might either delay decisions or pre-empt responsibilities which should reside in the Chief of Staff and Secretary of the Army.

Existing System



SCHEMATIC DIAGRAM
DA STAFF-1962

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The existing staff organization can best be described as a multiple deputy system based on the traditional general staff concept. Seven Deputy or Assistant Chiefs of Staff (or their equivalents) assist the top Army leadership in their respective functional fields. This will be increased to eight with the Deputy for Force Development. They are directly responsible to the Chief of Staff within their functional fields and are delegated authority to make certain decisions for him. They exercise varying degrees of supervision over the related activities of special staff agencies, field agencies, and commands. According to the general staff concept, any one of these deputies could assume responsibility for, prepare, coordinate, and submit to the Chief of Staff an integrated product of the efforts of the entire staff. In practice, circumstances combine to erode the validity of this theory somewhat. At departmental headquarters level, each deputy's field of responsibility is of such scope that the major problems which must absorb most of his attention tend to create an orientation toward his particular functional field rather than toward an over-all perspective. Under the circumstances, the large number and broad scope of actions underway in the staff at any given time make it very difficult for an individual deputy to be aware of all actions related to, or bearing on the action for which he is responsible; the requirements for extensive coordination of problems cutting across staff lines are difficult to execute and tend to be solved through ad hoc committee action in many important cases; and the response under these conditions appears to be slower than desirable. These are not insurmountable problems which invalidate the general staff concept, even at departmental headquarters level; but they do demand modified application of the concept to meet the particular situation at this level.

The integrating function is now carried out primarily within the Office of the Chief of Staff. The principal elements to assist the Chief of Staff in this function are:

1. A Vice Chief of Staff who is authorized to act for the Chief of Staff in delegated matters and in the latter's absence; to manage the Army staff; and to review appropriate major staff actions to insure that they meet requirements of the Chief of Staff and the Secretary.

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2. A Secretary of the General Staff (with a Deputy and Assistants) whose primary responsibilities are to assist the Vice Chief of Staff in managing the Army staff; to manage the Office of the Chief of Staff; to assign incoming requirements to major staff entities for action; to review and present to the Chief of Staff for decision staff responses to these requirements; and to provide an information link and supervise correspondence between the Office of the Chief of Staff, and the Secretary of the Army and higher authority.

3. A Director of Coordination and Analysis who, on a case-by-case, as assigned basis, recommends guidance for the Chief of Staff to issue with respect to certain major staff actions; reviews and evaluates for the Chief of Staff certain staff responses; and prepares certain actions utilizing information obtained from and coordinated with the staff. In addition, this office performs a review and analysis function by identifying gaps in long-range planning and study activities and recommends action to fill these gaps.

4. A Director of Army Programs who coordinates programming actions for the Chief of Staff; insures that Army responses to OSD programming requirements are adequate and timely; and analyzes program change proposals originating in the Army staff to assure that their impact on other programs has been properly evaluated and that total assets remain in appropriate balance among programs. The office also has responsibilities connected with appearances of the Chief of Staff and Secretary of the Army before committees of the Congress.

5. The foregoing integrating elements are all components of the Office, Chief of Staff. In addition, there is the General Staff Council, which consists of the Chief of Staff and his principal advisors (the Vice Chief, Deputy Chiefs, and others), meeting regularly twice a week. This GSC is not a decision-making body. Its purposes are to discuss major problems, to bring important matters to the attention of all concerned, and to provide a forum in which the Chief of Staff may issue informal guidance and receive informal advice. (A close counterpart to the GSC is the Army Policy Council which provides a similar forum for the Secretary of the Army.)

Major Advantages and Disadvantages of Existing System.

Advantages. As compared with the other alternatives previously discussed, the existing system of integration concentrates responsibility for basic functional areas in individual deputies and permits delegation of commensurate authority (although the latitude for delegation appears to be constantly shrinking). Further, it preserves the direct command lines from the Chief of Staff to these deputies, and avoids an intermediate level of review with authority to direct changes in staff submissions.

Disadvantages. In the existing organization, the span of control is great, since a rather large number of independent deputies and many other staff section heads are reporting directly to the Chief of Staff. The actions of these deputies and other staff officers must be coordinated at that level with the assistance of an advisory integrating mechanism. Within the integrating element, administrative assistance, review and analysis, corrective or improvement efforts, guidance preparation, and other activities are now somewhat arbitrarily divided and loosely assigned. Moreover, the existing organization requires adjustment to permit the more intimate participation of the civilian Secretariat in staff actions which the Secretary desires.

Integrating Principles

This review of historical alternatives and assessment of weaknesses in the existing system, together with the recent examination of the headquarters organization by the Project 80 group, has not disclosed any completely effective organizational solution to achieve staff integration at the departmental level. The same difficulties have been noted in somewhat similar patterns tried by the other Services. It appears, however, that certain basic principles must underlie the solution adopted:

1. The job of the integrating staff element should be to aid the Chief of Staff and Vice Chief of Staff in carrying out their responsibilities, not to assume portions of these responsibilities.

2. It should not be in any sense a separate decision level for normal staff actions, or a staff "above" the regular staff. The integrating staff element should have no directive authority in its own name, and should not be in the command channel.

3. The organization and functions of the integrating staff element must be consistent with relationships established between the civilian Secretariat and the military staff, and improve responsiveness to the methods adopted by the Secretary in the management of his department.

Desirable Modifications

In addition to the Chief of Staff, Vice Chief of Staff, Secretary of the General Staff, and their immediate offices, the Office of the Chief of Staff now incorporates three major elements. These are: the Office of the Director of Army Programs; the Office of the Director of Coordination and Analysis; and the Office of the Deputy Secretary of the General Staff. This latter office includes all Assistant Secretaries of the General Staff, the Staff Management Division; the Staff Civilian Personnel Division; the Staff Communications Division; the Weekly Summary Branch; the Correspondence Branch; and the Administrative Branch. As stated earlier, activities related to control of major staff actions, miscellaneous service activities, review and analysis, guidance preparation, corrective and improvement efforts, and internal administration are intermingled in a somewhat loosely assigned fashion.

The basic functions assigned to the Office of the Chief of Staff appear to fall into seven principal categories: communications services; civilian personnel matters; staff management functions; program coordination; provision of administrative, informational, and protocol types of staff services; review and analysis and related functions; and control of staff actions in general. The existing organizational pattern in OCS provides distinct groupings for the first four of these categories; the latter three are presently combined in the Offices of the Deputy Secretary of the General Staff and the Director of Coordination and Analysis. The existing Staff Communications Division and Staff Civilian Personnel Division appear to be operating effectively in the execution of their currently assigned functions. Certain modifications in the activities of the Staff

Management Division appear desirable. The exact functions and responsibilities of the Director of Army Programs have not yet been stabilized in the light of evolving program requirements and the recently approved definition of program coordination. However, no major structural changes seem necessary in these organizational elements at this time. The real organizational and functional choices appear to exist in the allocation of SGS functions presently executed by the Deputy and Assistant Secretaries of the General Staff, and the Office of the Director of Coordination and Analysis.

The suggested modifications and alternatives described below can and should be accommodated within total personnel strengths presently assigned to OCS. The only possible exception is the Office of the Director of Army Programs. Here some upward adjustment may be required, although it is not possible to make an accurate judgment at this time. Perhaps, the current workload is abnormally heavy in this office, because the existing program system has not yet been adapted to the new OSD system. It may be hoped, however, that implementation of the recently approved planning-programing relationships will clarify and perhaps ease this situation.

The Staff Management Division has an important function to perform in connection with the responsibilities of the Vice Chief of Staff and the Secretary of the General Staff in managing the Army staff. It provides advice with respect to financial management, manpower control, and general management improvement programs. In particular, the latter responsibility requires increased emphasis, but not an increase in personnel. This element of OCS should give more attention to the review of regular staff procedures, working documents, and other factors, with the objective of modifying staff operation for better effectiveness and efficiency. This element of OCS should also monitor more closely proposed staff reorganization. Any significant structural change (as opposed to total manning levels only) within a major staff agency should be subject to prior review by Staff Management Division and approval by the Vice Chief of Staff. Current manpower control activities are only one element of such review. It appears that routine manpower surveys have been given too much attention. More initiative is needed to seek out problem areas in organizational structure and staff procedures. The functions of this office are concerned entirely with the headquarters staff. On the other hand, the Comptroller's management office should be concerned only with over-all Army management problems and agencies outside of this headquarters.

Program Coordination. The program coordination office should perform the functions for which the Director of Army Programs is currently responsible, as clarified by the approved definition of program coordination earlier cited. The principal functions shown in this definition can be summarized as follows:

1. Analyze program proposals to assure that impact on other programs has been properly evaluated and that total assets remain in balance among programs.
2. Insure that program issues presented to the Chief of Staff and Secretary of the Army are accompanied by adequate analysis and data to support decisions.
3. Develop and coordinate instructions to the staff and commands concerning administrative and procedural aspects of the programming system.
4. Record program decisions in suitable form for budgetary purposes and dissemination to agencies responsible for execution.

Procedural relationships with other elements of the staff should take into account the functions and responsibilities which are contemplated for the Deputy Chief of Staff for Force Development in the fields of program proposals and system control related to major Army force systems.

Staff Services. The informational, protocol, and administrative type functions of the SGS include such things as White House liaison; securing informational fact sheets; arranging informational briefings; travel and quarters arrangements for general officers; preparation of routine correspondence for the Chief of Staff and Vice Chief of Staff; and the like. It seems desirable to separate these important but often more routine functions from the more substantive staff action control and guidance functions in order to allow greater emphasis on the latter grouping. The staff service type functions could conveniently be handled under the supervision of one principal assistant (perhaps designated a Deputy SGS). In order to reduce the span of control required of the Secretary of the General Staff himself, the current activities and organizational units of the Administrative, Correspondence, and Weekly Summary Branches might well be a part of this grouping.

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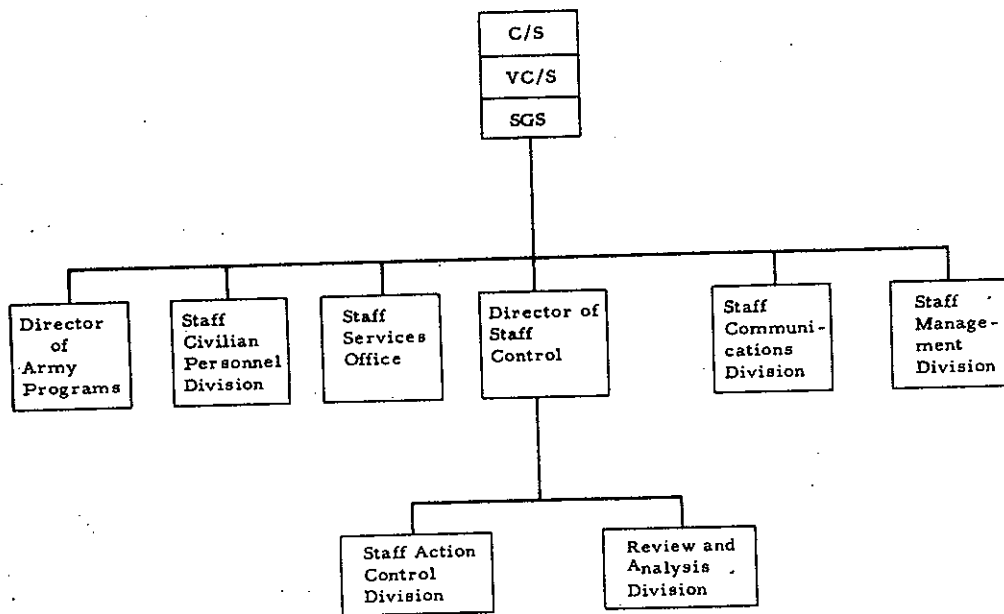
Staff Action Control. In order to be most responsive to newly defined relationships between the Secretariat and the military staff of the Army, and in order to improve coordination and assist in substantive review of major military staff actions, it seems appropriate to combine certain activities of the present Office of Coordination and Analysis with staff action functions of the Assistant Secretaries of the General Staff. This combination could be effected in several ways, but in any case, the result should provide for the establishment of a Staff Action Control Office. The major functions of this office would be to:

1. Review incoming action papers, develop appropriate guidance, and recommend action assignment. Recommend whether the action agency should be delegated authority and responsibility for direct response, or instructed to recommend response to OCS.
2. Control suspense on actions to be processed through OCS, or monitor suspense on delegated actions.
3. Monitor non-delegated actions and provide additional information and guidance upon request, or as new conditions develop.
4. Arrange for interim review of proposed response as appropriate.
5. Evaluate response and recommend adjustment, or process for decision, to include appropriate briefing arrangements.
6. In delegated actions, monitor summary report of action taken.
7. Forward completed action or disseminate decision to staff and commands as appropriate.
8. Maintain summary records of guidance, information and action, including significant actions which are handled in technical direction channels through the Office of the Under Secretary or an Assistant Secretary.
9. Assign and monitor necessary follow-up actions.

In order to carry out these duties, a staff of perhaps six officers appears necessary. This staff should consist of two levels of competence -- the upper level would include senior colonels of judgment and broad competence, assisted by a lower level of more junior administrative assistants. The exact number and ratio between the two groups would have to be adjusted on the basis of experience. As indicated earlier, this can be done within present over-all OCS strength allocations, but would require upgrading in the rank and experience of personnel above that now available in the Assistant Secretaries of the General Staff who are concerned in this work.

Alternative A.

One method of obtaining the increased staff action control capability would be to combine the personnel resources and organization of the Coordination and Analysis Office with the Assistant Secretaries of the General Staff. The basic organizational structure is shown below.



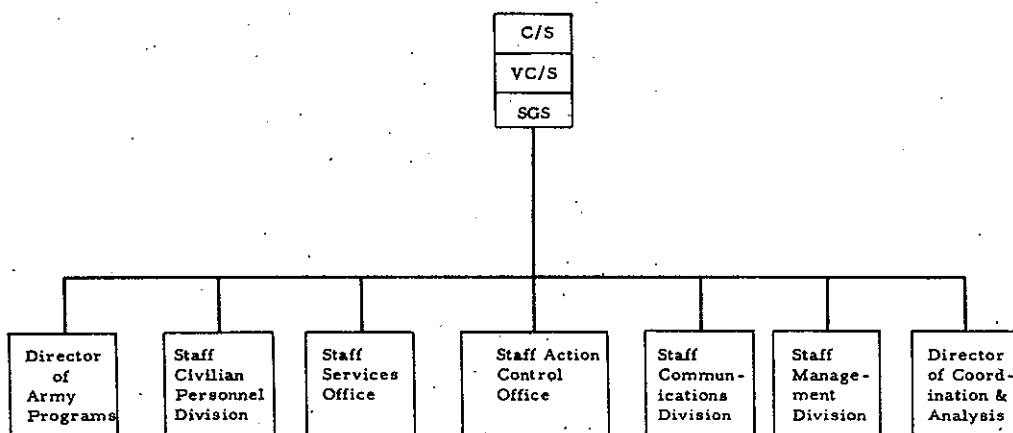
PROPOSED BASIC ORGANIZATION
OFFICE, CHIEF OF STAFF
(ALTERNATIVE A)

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This solution would eliminate current overlapping responsibilities between ODC&A and the ASGS's. The staff action control could be strongest in this alternative since all of the current personnel resources of the Coordination and Analysis Office would be immediately available to support it. However, the independent nature of the study and analysis function would be lost in large measure, and fewer competent personnel might be expected to concentrate on this work, particularly the longer range aspects. It could be expected that this solution would be looked upon as a variation of the OPD scheme by the Deputy Chiefs of Staff. As a general rule, these principal staff assistants are opposed to a strong coordination function since they feel (probably with justification) that it tends to assume their responsibilities.

Alternative B.

The second alternative would be to strengthen the staff action control capability as indicated earlier, without any other significant change in the present organization. This would probably be more acceptable to the staff. The basic organizational structure is shown below.



PROPOSED BASIC ORGANIZATION
OFFICE, CHIEF OF STAFF
(ALTERNATIVE B)

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Establishment of the separate Staff Action Control Office would reduce dependence upon the Office of Coordination and Analysis in many current coordination actions. This, combined with a previous decision on planning relationships which relieved the office of responsibility for annual preparation of the document, "A U. S. National Military Program," would allow the independent analysis capability presently contained in the office to be further emphasized, or would permit a reduction in personnel.

A re-oriented analysis capability should be devoted to:

1. The identification of gaps in longer range planning and study activities with a view toward recommending action required to fill these gaps.
2. Increased liaison with the other Services to broaden Army appreciation of their current and long range objectives and programs.
3. Contact with DOD, other governmental, and private study groups to bring in new ideas.
4. Conduct or arrange for analytical studies concerning the inter-relationship of, and alternatives for major military programs, and their relative contribution to the Defense establishment.
5. A cadre capability to establish, chair, and provide administrative support to task groups which are required occasionally for the conduct of special studies.
6. Recommendations toward the establishment of long range Army objectives and courses of action.

Under this alternative, there would remain an inherent capability for back-up to the Staff Action Control Office in any or all of the following areas:

1. Assistance in developing comprehensive guidance on complicated staff actions.

2. Assumption of staff responsibility for preparation or detailed coordination of certain major staff actions which cut across the areas of responsibility of several major staff agencies.

3. Correction and re-write actions to meet the requirements of the Secretary of the Army, the C/S or the VC/S on a crash basis, when normal staff procedures have not been satisfactory.

However, with a stronger staff action control, it should be hoped that these requirements would decrease and a greater reliance be placed on the regular staff.

If the stronger staff action control and the increased study and analysis capability are both desired, this alternative will cause no increase in OCS strength, but will require upgrading in the rank, experience, and caliber of several of the personnel assigned as Assistant Secretaries of the General Staff. Further, if any of the study and analysis functions listed in this alternative are considered unnecessary, then total OCS spaces might be correspondingly reduced.

Under either alternative, capabilities closely related to the study and analysis function should accompany it. In particular, these include assistance to the C/S and VC/S in preparation of speech material, and guidance and assistance to the Army staff in preparation of visual aids. This latter capability is available in the ODC&A due to presentation requirements for the C/S and VC/S and is used extensively by the staff.

Decisions

On the basis of this analysis, the Secretary of the Army:

1. Approved the basic concept that the integrating function be accomplished within the Office of the Chief of Staff, and indicated that Alternative B should be adopted.

2. Expressed his desire that the study and analysis capability incorporated in this office be able to perform directly for the Chief of Staff and Secretary of the Army such selected independent cost effectiveness, systems analysis, and other type studies as may be assigned, as well

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as to provide guidance, review, and analysis of similar studies produced by the staff and commands. When necessary, the studies should incorporate political and economic, as well as military and technical matters. The office should have the capability to provide, within policies established by the Secretary of the Army and the Chief of Staff, continuing and meaningful guidance and coordination to the efforts of the various agencies, both military and civilian, which conduct long range and operational research type studies.

3. Noted that he would look to this organization to analyze the various possibilities and implications of major shifts in organization, weaponry, and deployments, as well as other major Army policies, and to prepare recommendations on these matters, either independently or coordinated with the staff, for his consideration and that of the Chief of Staff.

4. Indicated that, in view of the requirement for this expanded review and analysis capability in the Office of the Chief of Staff, and a contemplated reduction of such capability in the Office of the Under Secretary, some personnel augmentation in the Office of the Chief of Staff may be necessary.

Actions

Based on these decisions, the Secretary of the General Staff should prepare a detailed plan for reorganization of OCS. The probable necessity of some personnel augmentation noted in the Secretary's decision should, over a period of time, be offset by the reductions in OCS manning levels indicated in Section V.

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SECTION II

MAJOR STAFF OPERATIONS

In order to aid in the assessment of working procedures within the departmental headquarters in response to the guidelines of Project 39a, an extensive examination was made of a major and complex staff task -- the development of a detailed Army troop structure for both active and reserve forces.

The objective in this examination was simply to assess the efficiency of the procedures, without regard to the adequacy of the results. Particular attention was given to levels of review and decision; division of responsibility and authority; numbers, kinds and purposes of documents prepared; means of coordination; and time required; in order to identify apparent procedural problems in a major type of staff operation. It must be recognized that the present system is being changed extensively with development of a revised program system. In addition, some of the defects in the present system noted during this examination are already having corrective action taken. However, the conditions described below were those which existed in July and August when the examination was made.

Preparation of the Troop Structure

Over-all System. The over-all system was difficult to assess, since it appears that some of its organizational and procedural features have not been clearly defined, either in regulations or in practice. The basic task performed is to translate broad requirements established in strategic planning, and guidance from higher authority, into an expression of specific troop units and supporting elements which the Army should develop and maintain. The present system has apparently emphasized extensive inter-agency participation and coordination to insure the validity of the final product from all points of view. Four major steps occur in the process.

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1. Preparation of active Army and reserve component Force Structures which contain major units and bulk personnel allocations distributed among geographical and functional commands, to be used as a framework for subsequent development of more detailed listings.
2. Preparation of a basic Troop Program containing instructions to the field as to how the framework will be expanded.
3. Preparation of detailed Troop Bases by major commanders, and other appropriate agencies, in accordance with these instructions.
4. Consolidation of the coordinated results into the final products, which are known as the Troop Program and the Mobilization Troop Program.

Perhaps the best way to describe the procedures is in terms of the documents involved and responsibilities for their preparation.

Active Army Force Structure. The term "force structure" has not been defined in official Army publications. A new force structure document under review in late September includes definitions and other descriptive material. As used by the Army staff, the term connotes a planning document which lists the numbers and assignments to major commands of selected types of combat units, together with the total military personnel strengths for each Army component of unified commands, and a skeletal break-out of the remaining elements of Army strength. DCSOPS has responsibility for the management of Army forces, to include world-wide allocation of major combat units to support operational and mobilization plans, and troop bases for major commands. An Assistant DCSOPS for Plans and Operations supervises the formulation of the force structure, composition and deployment of the major combat units of the active Army and the reserve components, and development of mobilization and demobilization guidance, policy and plans. The current ODCSOPS functions manual assigns to the Director of Strategic Plans and Policy the function of formulating the structure, composition and deployment of the Army in terms of major combat units for use in developing and revising the Troop Program.

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Force structures for the active Army are developed and refined under monitorship of the Mid-Range Plans Branch of the War Plans Division. Under past procedures, draft structures have not been reviewed by comparatively senior staff officials during their early development. A draft force structure containing major combat units, total Army strength, and end fiscal year strengths for oversea commands, ARADCOM and STRAF, is first prepared by an ODCSOPS action officer and provided to an ODCSPER action officer (Military Strength Program Branch, Programs Division, Programs Directorate). This officer prepares a phased strength projection which forms the tentative basis for the active Army trainee load, and strengths associated with trainers, support personnel, patients, instructors (based on student load projections provided by an action officer in Training Branch, O&T Directorate, ODCSOPS), transients, and other activity categories. These factors are included in the draft force structure by the ODCSOPS action officer and the document is staffed initially at low level with six major staff agencies, and six of the eight directorates in DCSOPS. Comments are resolved by compromise at action officer level where possible. Any unresolved differences are high-lighted in a summary sheet action for resolution during formal coordination, or by Chief of Staff decision. Normally, authority to concur with the document is retained at the directorate level in all staff agencies. However, when divergencies are involved, or when significant changes in forces or strength allocation would result from approval, the heads of the staff agencies usually do not delegate this authority. After inter-agency coordination, the summary sheet is reviewed at four levels within ODCSOPS prior to submission to the Chief of Staff.

Because the total process of developing an approved, detailed Troop Program requires so much time, the force structure appears to be used for purposes for which it was not intended and for which it seems to be inadequate. For example, within ODCSLOG, the official force structure is extended into a more detailed structure which is used as the basis for logistical and materiel requirements planning. Other sections take similar actions before the troop program cycle is completed.

There has been no fixed time for preparation or revision of force structures, and varying numbers have been prepared at varying times.

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For example, 22 numbered force structures were prepared during CY 1961 (due in large part to the build-up), while only three numbered force structures plus one for the Operating Forces Projection Plan (OFPP) were prepared during the first eight months of CY 1962. The latest force structure document (previously mentioned) does establish a specific preparation schedule, with provision for special cases.

Troop Program. The next document in the cycle is the Troop Program. This is one of five control programs in the present Army program system. It is designed to establish objectives and guidance for the strength and structure of the active Army, including military and civilian personnel allocations, deployments and broad readiness goals to meet the requirements of plans, and the procurement, distribution, training, movement, management, pay and welfare of Army personnel. It prescribes organizations, activations, and inactivations for military units, and similar instructions regarding utilization of civilian personnel. The DCSPER is responsible for consolidating the Troop Program into an integrated document.

The Troop Program preparation begins with the issuance of a control program directive incorporating the approved active Army force structure previously described. An ODCSPER action officer of the Military Strength Program Branch, Programs Division, breaks down strength allocations contained in the force structure into "identity" categories (officer, warrant officer, branch or service where appropriate, enlisted, etc.) and projects a quarterly phasing of all personnel spaces. After approval by the ODCSPER Director of Programs, this information is forwarded to the staff through program channels for extensive additional input from at least three major staff agencies (ODCSOPS, ODCSPER, and OACSI), and at least three special staff agencies (TAG, TSG, and TPM), and often involves several organizational elements within each agency.

Based on the input from these agencies, the ODCSPER action officer prepares a draft of the basic Troop Program which is then routed for initial comment by the agencies which contributed input. After necessary revision and attempted resolution of differences, it is formally coordinated by a summary sheet action through the program elements of ODCSOPS, ODCSLOG, and OACSI, with authority to concur

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normally retained by the Deputy or Assistant Chiefs of Staff or their principal assistants. Normally, the Vice Chief of Staff has forwarded the program to the Under Secretary of the Army for final approval. It is then forwarded to commands and agencies for their guidance and use in preparation of troop bases. The DCSPER is responsible for preparing the instructions to each major command or agency to submit its recommended troop basis, and for review, coordination, necessary modification, and approval of their recommendations.

Active Army Troop Basis. The Troop Basis of the active Army is an integral part of the complete Troop Program. It is developed in the Troop Basis Branch, Authorization Division, Manpower Directorate of ODCSPER. The Troop Basis is an adjusted compilation of the submissions of the troop basis proponents. These proponents include all major commands (formerly six -- now eight), four special staff agencies which have operating responsibilities (COE, CSIGO, COT, TSG), and DCSPER as manager of the Department of the Army Administrative Area (personnel not administered by any of the foregoing proponents). Several of the major proponents have sub-proponents who prepare a separate troop basis. In toto, more than 30 troop basis proponents make detailed submissions containing both TOE and TD organizational listings.

Prior to the current FY 63 submission, each proponent submitted his troop basis annually. The submission consisted of seven voluminous documents, one set from USAREUR weighing 108 pounds. The current submission is under the new ADPS system in the form of punch cards which will be updated quarterly. The data now come directly to the data processing unit in the OTAG.

After a technical review in the OTAG for completeness and correctness, the data are reduced to a readable form and forwarded to the ODCSPER action officer who, in turn, furnishes copies to the following agencies for their review to insure conformance with the basic Troop Program:

Military Strength Program Branch, ODCSPER
 Civilian Strength Program Branch, ODCSPER
 Commands Branch, ODCSPER
 D/AAA Branch, ODCSPER
 Requirements Office, Enlisted Division, OPO

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Standards and Systems Office, Manpower Group, OPO
Geographic Divisions, Operations Directorate, ODCSOPS
Plans Directorate, ODCSLOG

Following this review, which takes approximately thirty days, the ODCSPER action officer reconciles the comments, informs proponent commands concerning changes to their submissions, and forwards corrections to TAG for publication of the Troop Bases Data Annex consisting of the following sections:

Section I - Summaries, Volume I (Organizational Tables) published every two years and Volume II (Personnel Tables), published annually.

Section II - Program Unit Listing. (Published every two years.)

Section III - Station and Deployment Extract. (Published every two years.)

Section IV - Program Note References. (Published annually.)

Section V - Current Actions, Strength. (Published monthly to show progress toward Troop Program objectives. This document contains strength of units by identity category -- officers, warrant officers, enlisted personnel and aggregate -- stationing, and twelve-month projections concerning organization of units.)

Section VI - Current Actions, Note References. (Published quarterly to show progress toward Troop Program objectives. This document contains the detailed organizational structure of TOE units world-wide.)

The Troop Basis is implemented by the Authorization Division, Manpower Directorate, ODCSPER, by quarterly allocation of military and civilian manpower to the troop basis proponents by means of manpower authorization vouchers issued one fiscal quarter prior to the period in which the programed action is to take place.

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Reserve Components Force Structure. The reserve components force structure is prepared in the same general way as the active Army force structure. The Strategic Plans and Policy Directorate of ODCSOPS is assigned responsibility for formulating guidance for and monitoring the mobilization and demobilization planning of the Army. Within that directorate, the Force Structure and Deployments Schedule Branch of the Mobilization Plans Division develops the over-all reserve component force structure to support planning requirements. Normally, it is prepared annually, although recent continuing changes in guidance have caused the present force structure to be under preparation for fifteen months without completion.

Guidance is received from many sources. Basic guidance as to paid drill strength and funds available has been furnished by OSD, the Under Secretary of the Army, and the Chief of Staff. In addition, the mobilization and deployment schedules contained in various plans, requirements and readiness objectives set by unified commanders, known requirements to round-out the active Army, requirements for air defense (on-site) battalions, etc., are available to the action officer, together with input from War Plans Division (ODCSOPS), Organization and Training Directorate (ODCSOPS), Programs and Budget Directorate (ODCSOPS), and Plans Directorate (ODCSLOG).

In order to obtain approval of the force structure, a summary sheet action is coordinated with the Deputy Chiefs of Staff for Personnel and Logistics, and with another division and another directorate within ODCSOPS. It is then reviewed by three echelons in ODCSOPS before submission to the Chief of Staff. Ultimate approval has been by the Secretary of Defense.

Mobilization Troop Program and Reserve Component Troop Bases. The Mobilization Troop Program is the planning blueprint of the Army Establishment -- the active Army, the reserve components, the Army of the United States, and civilian personnel -- from Mobilization Day through M plus fifteen months. In theory, this document replaces the Troop Program when mobilization takes place, and reflects the capability for expansion of the active Army to a balanced force to support operational plans and theater commanders' stated requirements. The over-all mobilization program is developed by DCSPER (Military Strength Branch, Program Directorate) in response to a mobilization program directive which establishes the principal goals to be attained under mobilization conditions.

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The relationships among force structures, program guidance, troop bases, etc., and the procedures used in development of the complete Mobilization Troop Program are comparable to those involved in the active Army program.

The reserve component force structure, developed by ODCSOPS, is an integral part of the Mobilization Troop Program document. After publication of the basic guidance document, Commands Branch, Manpower Directorate, ODCSPER, publishes a directive to major commands and agencies for submission of their mobilization troop bases, both TOE and TD. DCSOPS (O&T Directorate) prepares Annex I (TOE Troop Basis) which reflects the mobilization and deployment schedules of TOE units. DCSPER (Manpower Directorate) prepares Annex II (TD Troop Basis). However, DCSOPS (Mobilization Plans Division) prepares an intermediate document, "Reserve Component Troop Basis Guidance," which, after Chief of Staff approval, provides guidance to CORC for preparation of troop bases for National Guard, and Army Reserve units under mobilization conditions. CORC allocates units by type and numbers to the National Guard Bureau and to CARROTC. These agencies, in turn, offer National Guard units to the various state governors and allocate Army Reserve units to the CONUS armies and oversea commands. The refined result of this initial allocation is the draft Reserve Component Troop Basis which DCSOPS (O&T Directorate) completes and staffs for approval by the Chief of Staff. Thereafter, Mobilization Plans Division, DCSOPS, determines reserve component shortfalls in force augmentation and prepares a list of AUS units required for post M-Day activation. From these documents, the previously mentioned Annexes I and II are developed.

Planned Revisions

In addition to the use of ADPS processing, other improvements are under study and development -- designed to bring the Army troop program system more into line with the over-all OSD program system. Recent instructions require the development and maintenance on a continuing basis of a combined five-year Department of the Army Troop Basis (active Army forces), and a five-year Force Augmentation (high-priority reserve component units, AUS units, and individual reinforcements), as a basic document in support of the DA Five-Year Force Structure and

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Financial Program. This document will be known as the Force Basis. DCSPER has been assigned primary staff responsibility for the five-year Army Troop Basis. DCSOPS has been assigned primary staff responsibility for assuring over-all organizational balance in the Troop Basis, for reviewing short-fall analyses submitted by major commanders, and for developing and maintaining the five-year Force Augmentation. The Director of Army Programs has been designated to review and seek approval of the Force Basis.

Current thinking is that the Force Basis will become an annex to the Army Five-Year Force Structure and Financial Program, and will then be called the Force List Annex. Another document, the Manpower Annex, whose specific content has not yet been defined, will also be required. Together, these two annexes are intended to replace the current Army Troop Program.

Analysis

The foregoing example of a major staff task which cuts across general staff lines, illustrates a number of problem areas in staff organization and procedures. Although some of the problems are necessarily identified directly with the particular staff task, they appear to be typical and are felt to be present in other task areas as well. The following points were noted:

1. There is a considerable division of responsibility between the two primary staff agencies involved -- ODCSOPS and ODCSPER.
2. A number of staff divisions within the two primary agencies and also a number of other major staff agencies are intimately involved. Input is received from 30 troop basis proponents and at least 12 major elements of the Army staff.
3. As an example of apparent overlap in responsibilities, the Plans, Combat Developments, Army Aviation, and Organization and Training Directorates in ODCSOPS, as well as the Requirements Division, ODCSLOG, and OCRD all have responsibilities relating to the introduction and phasing of new weapons systems which affect force structures.

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4. The active Army force structure is prepared in the Mid-Range Plans Branch of the War Plans Division, while the complementary reserve component force structure is prepared by the Force Structure and Deployments Branch of the Mobilization Plans Division.

5. The documents submitted to the Chief of Staff for approval, after resolution of divergencies, apparently represent compromises to meet conflicting requirements as stated by various agencies competing for scarce resources. Alternative structures and their implications are not prepared normally.

6. The system involves a tremendous amount of detail due to the large numbers and types of units in the Army and the centralized nature of the accounting and reporting requirements. (For example, as of 1 September 1962, the total listing contained 2,340 TOE units and 2,290 TD units.)

7. There is a lack of responsiveness to day-to-day requirements and to the frequent and often major changes which have arisen.

8. It is not possible to evaluate the contemplated revisions to the system in detail, but it does not appear that they are directed toward elimination of division of responsibility or conflicts in interest, although perhaps their eventual result will reduce the complexity and detail now required.

Action

Revisions in the troop program system and the establishment of force development planning previously discussed should be coordinated and directed toward minimizing the many divisions in responsibility which now exist. A review of the detailed Army troop structure should be made to explore possibilities for simplification by reductions in the number of the many small units and detachments now accounted for separately. Consideration should be given to decentralization of authority to major unit commanders to handle detailed accounting, with the departmental responsibilities limited to accounting for the major units while recording only bulk allocations of administrative and other miscellaneous spaces to subordinate commands. Desirable improvements in coordination procedures will be considered in the next section of this report.

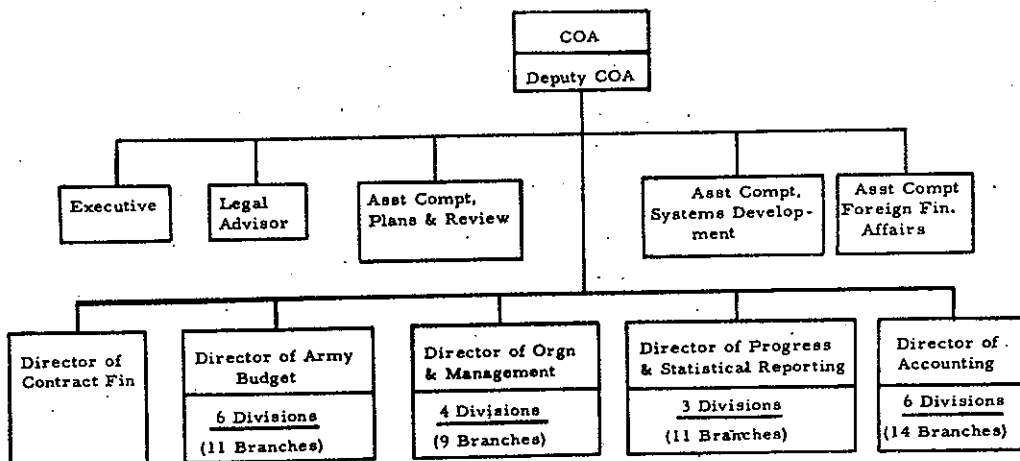
SECTION III
INTERNAL ORGANIZATION AND PROCEDURES.

In addition to the broader problems of staff relationships and major staff operations already described, some time was spent examining possibilities for improvements in internal organization and procedures to meet the given objectives of the project. The following areas appear to justify some corrective action.

Organization of Major Staff Agencies

Over-all Pattern. There are several types of over-all organization among the major staff agencies of the headquarters. To an extent, these variations are justified by differences in the nature of functions performed. It appears, however, that some of these variations create situations which can impede decision-making. To illustrate:

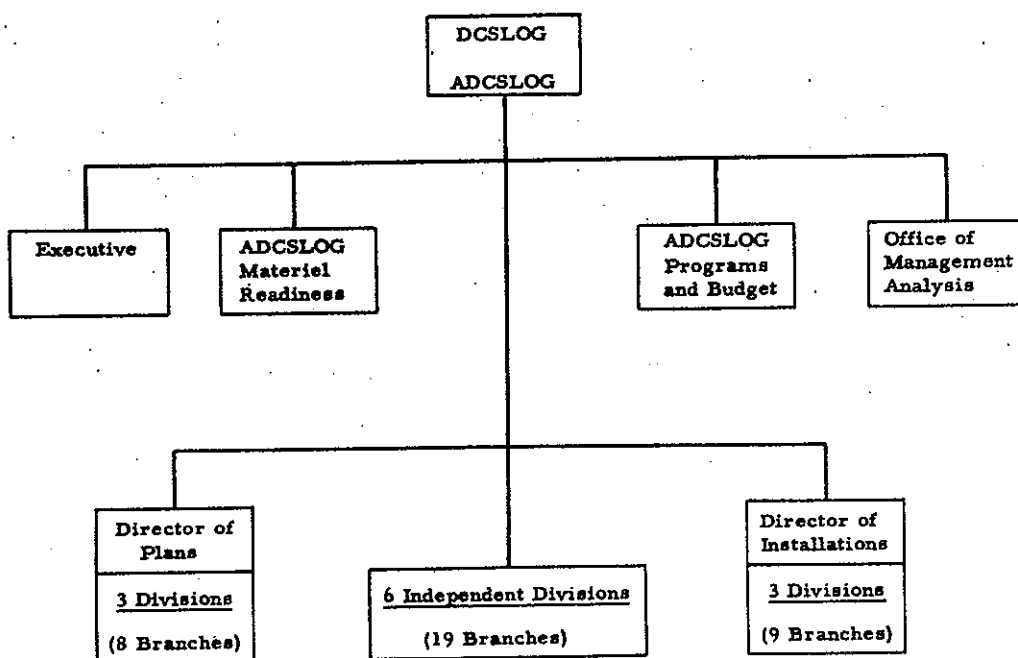
As shown in the chart below, the COA has nine people, in addition to his administrative executive and deputy, who report directly to him. Only four of these individuals supervise directorates which are further organized into divisions and branches. The remaining five are assistant comptrollers or advisors who supervise relatively small organizational entities.



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DCSLOG is somewhat similarly organized, with 15 individuals in addition to the administrative executive reporting to the agency head. These include a principal assistant (the ADCSLOG); two functional assistants (the ADCSLOG for Materiel Readiness and the ADCSLOG for Programs and Budget) who do not have immediate supervision over large organizational elements; three special assistants; an Office of Management Analysis; two directors whose directorates include subordinate divisions, and six independent divisions.



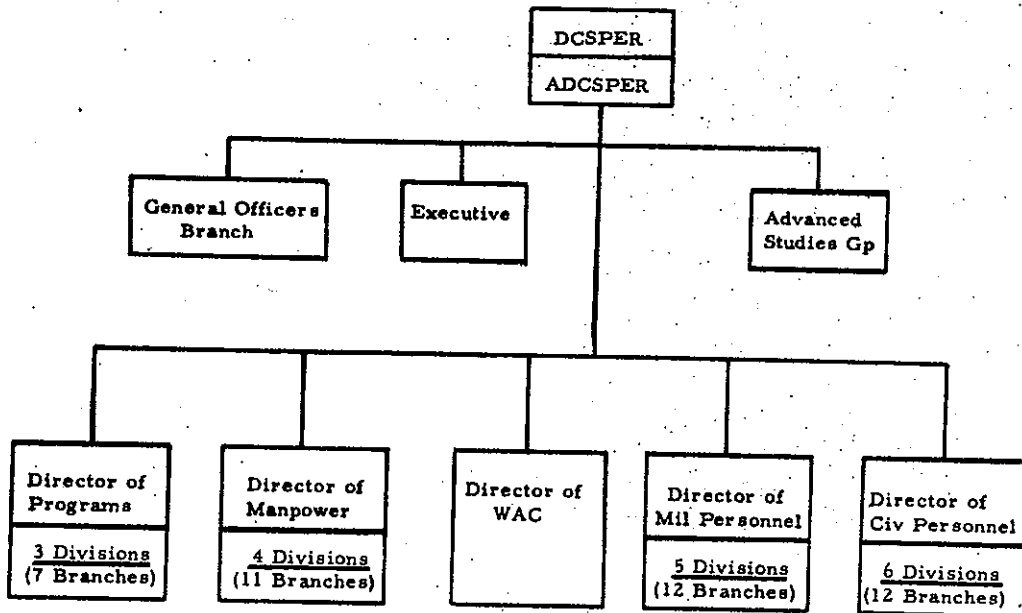
This type of organization -- which involves a number of principal assistants or advisors who have no responsibility for direct supervision of a major subordinate element of the organization, but all of whom may presumably seek information from, and place requirements on all elements -- has two potential disadvantages:

1. Such assistants may place conflicting requirements on, or issue conflicting guidance to subordinate elements, and
2. Unless authority is properly delegated and responsibilities clearly defined, these assistants may represent additional decision levels within the agency which can impede the decision-making process.

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Another type of organization has been adopted by DCSPER. In this case, seven individuals report directly to the DCSPER in addition to his administrative executive. These consist of five directors (four of whom supervise subordinate divisions), and the chiefs of two special branches (General Officers Branch, Advance Studies Group). There is a single Assistant Deputy Chief of Staff authorized to act for the DCSPER in certain matters, and in his absence. ACSI has adopted a comparable organization.



While it is recognized that other general staff agencies may well have particular problems which preclude their complete adoption of this type organization, it is considered that efforts toward this end would aid in eliminating some of the potential difficulties described above.

Internal Organization. Within the major staff agencies, there appears to be a tendency toward over-organization into small units. Many small branches of from one to three persons exist. There are a number of small divisions, with strengths of nine to eleven, which are nevertheless subdivided into two or three branches. Consolidation of compatible activities into larger staff units would appear to be feasible.

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in many cases. Along the same line, an examination of detailed functions of the headquarters elements indicates that a very careful division of functions has been made, even down to the individual officer. In terms of fixing individual responsibilities for specific functions and tasks, this appears to meet a Project 39a objective, but it seems probable that this objective is intended to apply to the supervisor of a major functional area rather than to individual action officers. Apparently, administrative requirements for job descriptions and Civil Service regulations lead to this detailed break-out of functions, but it seems likely to contribute to a maldistribution of work and operate against efficient handling of changing staff workloads.

This was the thesis of Dr. Learned of the Harvard School of Business Administration, who said:

"When functions and responsibilities are formulated in detail at the lower levels and persons perform only those functions with which they are formally charged, there is danger of uneven distribution of workload with excessive demands on some people and idle time for others. It is better at lower levels to have it understood that a person is to be the expert within a group on certain topics, techniques, etc., but for work assignments he is a member of a task force team and will be assigned work according to the load on this level."

He extends this concept to avoid delays and inadequacies in staff work due to over-organization and the need for coordination by suggesting that:

"The team may consist of an officer who is regarded as the leader of the team and is named by the director with primary interest. The team may include other personnel from that directorate and other directorates which have an interest in the problem and who have technical or personnel resources to bear upon it."

He says the team method:

"...has long been the doctrine of general staff work. It is nevertheless regarded by too many staff officers as a violation of channels of formal organization. It is absolutely essential

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that the over-formalization of staff organization be replaced by greater emphasis on formal and informal staff teams which produce better quality results. "

Administration and Supervision. Using the seven general staff sections of the headquarters as an example, 54 percent of the personnel are in the action elements. These include action officers and branch chiefs who function as action officers in most cases. There are 34 percent in purely administrative or clerical jobs, which seems rather high. The remaining 12 percent includes supervisors above the branch level. The supervisory element of 12 percent is distributed among 114 divisions (or equivalent offices), 26 directorates (or equivalents), and the offices of the 7 agency heads themselves -- who in addition have a total of some 27 principal assistants variously titled as deputies, assistants, and advisors. It appears that these supervisors could be reduced in number by consolidation of small staff elements and simplification of over-all agency organization as previously discussed.

Above the branch level, the 164 staff element chiefs are served by 204 deputies, assistants, executives, and assistant executives. While these immediate assistants are undoubtedly justified in most cases, an attempt should be made to reduce the number involved wherever possible.

Action. It is recommended that staff agencies of the headquarters be instructed to review their organizational structure and functional break-down, with a view toward adopting the organizational simplifications and concepts discussed above.

Decision Levels and Coordination

One of the stated objectives of Project 39a is the elimination of excessive review processes and unnecessary multiplicity of management levels within military department headquarters. Since review is intended to improve the validity of staff work, and since the size of the headquarters has a major effect on the number of its management levels, the problem is to determine what is excessive and unnecessary.

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There should be a distinction between vertical review or decision, and horizontal review or coordination. The fact that regular staff procedures are so frequently avoided when a quick but thorough response is required suggests that excessive review procedures now exist in the headquarters. While there is some telescoping of vertical decision levels in these quick actions, the primary expedient used seems to be virtual abandonment of formal coordination procedures.

Decision Levels: For purposes of considering the vertical review problem, the term "decision level" will be used to denote the head of any staff entity (or his deputy) who can direct that a staff action be revised before it is presented to higher authority. This term does not include the advisory review by immediate assistants to a decision maker who may contribute to the validity of a decision, but who are not a separate decision level provided they have no independent authority to direct change. Unnecessary delays seem to occur through executives, deputies, special assistants, and the like, who become decision levels in that they are accorded (or assume) authority to have staff actions revised prior to presentation to their chief. In such a situation, the number of decision levels through which a staff action can pass in the headquarters may reach 13 or more. This is undoubtedly an exaggeration for the average action, but it does occur. The possible decision levels are: Branch Chief; Division Deputy or Executive; Division Chief; Deputy Director or Executive; Director; Assistant Deputy Chief of Staff; Deputy Chief of Staff; Secretary of the General Staff; Vice Chief of Staff; Chief of Staff; Assistant Secretary of the Army (and/or one of his principal assistants); Under Secretary of the Army (and/or one of his principal assistants); Secretary of the Army.

This possibility could be removed by adherence to the following principles in order to reduce the number of decision levels:

1. Within major staff agencies, the authority to direct revision of a particular staff action should be restricted to three individuals: the chief or deputy chief of a division (perhaps in consultation with the branch chief involved); the director or his deputy (or comparable official); and the deputy chief of staff or a principal assistant.

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2. Authority for final decision within the agency should be delegated to the lowest level where all the facts and collateral considerations are known. Each of the individuals listed above would then have the authority to give final agency approval to some actions in the name of the Deputy Chief of Staff, or in more major actions only the authority to refer them to the next higher level.

3. In general, there should be no more than one deputy or equivalent at each of the foregoing decision levels, and then only where such a position is justified because of the magnitude of the workload or the frequent absence of the principal. Wherever such positions are authorized, the incumbent should have authority to make decisions for his chief or determine those matters to be referred to the chief himself.

4. If at any decision level, including those within the Office, Chief of Staff, and the Secretariat, a staff action is to be returned for revision, then the officer who will take final action at that level should be briefed on the matter and himself direct the action. Other members of his office should advise and recommend in this regard, but the decision should be made by the individual who is to assume final responsibility in order to reduce repeated revisions. Similarly, whenever feasible, the final decision level within an agency should participate in any interim review of the staff action while it is in progress. As an example of the foregoing, the Vice Chief of Staff (or an Assistant Secretary) should not normally return a staff action for revision without reference to the Chief of Staff (or Secretary of the Army) in any case where the Chief of Staff (or Secretary) himself will be the final decision authority at that level.

If the foregoing principles were followed, the maximum number of decision levels to which any staff action might be subjected would be five: Division Chief or his Deputy; Director or his Deputy; Deputy Chief of Staff or his Assistant; Chief of Staff, Vice Chief of Staff, or SGS; and Secretary, Under Secretary, or Assistant Secretary.

It is recognized that deviations from these procedures will be required or desirable in particular instances. However, such deviations should be avoided in the interests of rapid staff action.

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Action. Recommend that all agencies of the departmental headquarters be instructed to review their internal organization and procedures, in the light of the foregoing suggestions, to reduce decision levels to a minimum.

Coordination Procedures. As indicated in earlier discussion, most of the delays and difficulties in handling major staff actions appear to be due to horizontal coordination requirements and problems. Organizational and procedural changes within the planning and programing area were recommended in order to improve and clarify the major functional relationships within the headquarters, and should reduce any fragmentation of responsibility which exists. An important aspect of the coordination problem was considered in more detail in discussing preparation of Army troop structures. It can be hoped that the changes suggested will mitigate major coordination difficulties. Suggested changes in guidance preparation, provision for interim reviews of major staff efforts, internal organizational changes, and use of the team concept of staff work, which were suggested above, all tend toward the same end. The remaining problems which are foreseen seem to involve primarily administrative procedural aspects.

The existing administrative system for handling staff actions which lead to a decision (or a recommendation to higher authority) is based on a standard form, known as the summary sheet, and associated instructions and regulations for its use. In brief, the system calls for:

1. The summarization of salient facts bearing on the problem in the briefest possible form, with attachments providing necessary additional detail.
2. An indication whether budgetary, manpower, legal, Congressional, public relations, security, and other implications exist and have been considered.
3. A single recommendation for the action to be taken. The system prescribes that this recommendation be coordinated with all staff agencies having a significant interest in the action. The proponent of the summary sheet action must seek a concurrence in his recommendation from each such agency. If another agency non-concurs, it is incumbent on the two staff principals involved to attempt to resolve the disagreement.

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Should such resolution not be reached, a formal statement of non-concurrence is prepared by the objecting agency, and a formal consideration of non-concurrence by the proponent agency, for decision by the Chief of Staff.

This system is designed to achieve several ends: to conserve the time of the Chief of Staff; to insure that no decision is made without full staff consideration of the major implications (and that the Chief of Staff himself is alerted to these implications); and to keep all concerned informed of the action and decisions taken thereon. The system has been partially successful in meeting these objectives, but has developed several weaknesses:

1. As a result of the practice (in itself desirable) of delegating responsibility and authority within major staff elements, actions are often concurred in by a subordinate, and the staff agency head is not aware of the action. Of course, the number of summary sheet actions in the headquarters is such that, if each one were brought to the personal attention of every interested agency head, inordinate delays would occur.

2. The injunction that full staff coordination must be obtained, and the associated implication that the ideal result is a recommendation in which all interested agencies concur, often leads to one of the following:

-- An expedient, compromise solution which may not represent a good choice from anyone's point of view.

-- A hardening of positions, requiring institution of formal non-concurrence procedures and resolution by the Chief of Staff.

The process leading to either of these results is time-consuming, and little substantive contribution is made to solution of the problem itself.

3. The presentation of problem solutions in the form of feasible alternatives to be considered by the decision maker is not encouraged by the use of this system.

None of the foregoing should be interpreted to mean that all of the purposes for which the summary sheet system was designed are invalid.

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Neither should it be considered that the form itself cannot be used to present staff actions in the manner desired. It is apparent, however, that changes in the system (and in the summary sheet document) are desirable to promote the kind of treatment of problems within the staff which top leadership is seeking.

These deficiencies in the coordination process have been recognized for some time. The Project 80 report suggested that a new system of "active coordination" be adopted. Under this system, the action agency would be charged with responsibility for seeking out all major considerations affecting a proposed course of action -- both for and against -- and alternative courses which might reasonably be adopted. Formal concurrence as such would no longer be required of other interested staff agencies; the action agency would assume full responsibility. Perhaps this proposal goes too far in the opposite direction in attempting to overcome present deficiencies. However, combined with the task or team concept of staff action previously discussed, it appears useful, particularly for major staff actions.

An optimum system should provide for the development of workable alternatives, and the most accurate possible estimates of the resource and other implications involved in each. Each alternative need not be concurred in by all interested staff agencies, but the range of alternatives should reflect all viewpoints, and the action should show which alternatives are preferred by each agency and for what reasons. Full discussion of the real advantages and disadvantages associated with each course of action should be included. The results of such a system might be expected to provide the decision maker with all of the relevant facts and opinions he requires.

As a part of the Project 39a study, the DCSPER was requested to apply this proposed system to a major staff effort actually in progress. He was asked to make an assessment covering such considerations as: whether unnecessary work was generated in the process; whether the staff, as a result of the new procedures, had a better understanding of the real problems involved in the action; what kinds of staff actions should be subjected to these procedures; and what changes in instructions, regulations, documents, etc., should be made to implement desirable new procedures. The results of DCSPER's analysis are summarized below:

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Action officers from the three agencies of greatest interest were assembled into a task group to develop feasible courses of action, advantages and disadvantages. Since there had been a non-concurrence in the original action, each of the non-concurring agencies developed an alternative course of action which represented its viewpoint. The task group then evaluated the alternatives, incorporating the known objections and principal viewpoints of the agencies concerned.

This procedure was estimated to double the length of time for a single action officer to develop a single workable solution. However, it was felt that this was due primarily to a more critical and detailed examination of the problem, a more active interchange of ideas, and the necessity of the task group arranging its work schedule to conform to other duties.

They found that development and submission of major staff actions as a detailed study, including analysis of alternatives, with a simplified covering document in place of the summary sheet has the following advantages:

1. Fulfills a requirement to present all feasible courses of action.
2. Encourages more active coordination between staff agencies in lieu of formal coordination.
3. Enables action officers and agency heads to gain a better understanding of the problems involved.
4. Encourages more objective and critical analysis of a problem.
5. Simplifies current detailed and restrictive summary sheet preparation.
6. Presents recommendations to the Chief of Staff and Secretary of the Army in a manner which more fully advises them of the problem, and, hence, facilitates decision-making.

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Action. Recommend that current publications governing staff procedures for coordination and review of major staff actions be amended to provide for the changes suggested above. For minor staff actions, a simplified summary sheet procedure should be considered.

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SECTION IV
RELATIONSHIPS WITH
SUBORDINATE COMMANDS AND AGENCIES

It is not the intention of this study to re-plow the ground covered by Project 80. Further, that major reorganization occurred so recently that detailed inter-relationships of new functional groupings are still being adjusted. However, the evolving relationships of the departmental headquarters with its major subordinate commands and agencies were examined to some extent in this study for the purpose of identifying any developing procedural problems or any remaining overlap in functions, tasks, or activities.

A major objective of Project 80 was the consolidation of the materiel, combat development, and training functions, which had formerly been conducted by six separate technical services, into three principal field commands. Since the technical services had been both special staff agencies and operating agencies, many operating activities were handled directly by headquarters elements. The reorganization concept delegated responsibility to the three field commands for as many of these operating functions as possible. However, it was found that certain department-wide services could not be operated efficiently by any subordinate command, and these were retained under the direct supervision of the departmental headquarters. Major examples are medical, construction, communications, and certain administrative services. Such operational activities continue to be conducted by field agencies reporting directly to the departmental headquarters.

Major Subordinate Commands

As stated in the terms of reference for this study, the principal functions of the military departments involve organizing, training, and developing combat forces for unified commands; equipping and supporting these forces; and applying improved technology to identify and provide better materiel support and weapons systems. In overseeing these

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functions, the departmental headquarters is charged with activities of policy formulation; over-all planning, programing, and financial management; and supervision, coordination, inspection, and appraisal of field performance.

Program Coordination. The basic headquarters responsibility for program coordination requires that primary Department of the Army program and budget directors (or their counterparts in any new system) must continue to be members of the departmental headquarters staff, even in those cases where the program involved is executed almost exclusively by a single operating command. Clarifying instructions concerning these relationships have already been issued with respect to materiel programs and budgets, but comparable instructions in other areas are needed.

Coordination of Force Development. With the decentralization of primary functions to the three major CONUS field commands, coordination of force development is a critical headquarters problem involving phased availability of materiel, doctrine, and trained manpower. This aspect of headquarters operation does not appear to have been sufficiently emphasized in the past, and was an important factor considered earlier in recommending the establishment of a new Deputy Chief of Staff for Force Development.

In executing these coordinating responsibilities, the present, interim control system for developing detailed milestone schedules and checking progress on selected major weapon and force development programs should be absorbed into a coordinating office within the ODCS for Force Development. Although the project manager system within the new AMC can provide substantial assistance in this activity, and should be utilized fully in developing detailed schedules and information, the responsibilities for departmental control cannot be delegated to a single, subordinate command. The functions of other major commands are too closely affected to permit such decentralization of responsibility. The selection of particular programs which require this centralized attention and control should be a function of the DCS for Force Development, but must include those programs which the OSD has designated. Some of these on the present list are purely materiel programs with no force development aspects. The list of such items subjected to centralized control and reporting should certainly be kept to a minimum, and authority

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with respect to these programs decentralized. However, it is apparent that some are of particular interest to higher authority (e. g. production of certain ammunition). Even in these cases, in order to avoid multiple control procedures, the reporting aspects could be handled through the same office, although actual preparation of reports on items involving only materiel can be decentralized, probably to AMC.

Action. Recommend that management control of major force development programs be established within the ODCS for Force Development and that the control office assume responsibility for the current, interim Department of the Army monthly progress reporting system.

Inter-Headquarters Communication. Because of the major organizational changes which resulted from its establishment, the importance of its operations, the large dollar values represented, the direct interest of higher authority in its activities, and its location in Washington, the headquarters of the AMC has presented the most significant problems in inter-headquarters communication. One area of difficulty appears to stem from the fact that the former technical services whose materiel functions AMC assumed were both staff and operating agencies. Where staff activity left off and operating activity began was not clear in many functions. It had long been the practice to obtain and exchange information by telephone or by direct correspondence between interested elements of the technical service and headquarters staffs. The command-like relationship which existed between DCSLOG and the technical services made such exchanges normal.

Under the reorganization, AMC has been delegated important operating responsibilities. In order to execute these responsibilities, AMC headquarters must have an opportunity to analyze its own problems and to evaluate and correlate information being provided to higher echelons. However, the press of time (and former habit) seems to tempt agencies of the departmental headquarters to pass problems and seek information by direct contact with subordinate elements of AMC headquarters, and to devote considerable time to the review of responses. The command cannot operate effectively under these conditions. On the other hand, if in every instance these exchanges were reduced to formal correspondence by both headquarters, inordinate delays would result.

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In connection with this study, a very limited examination of correspondence between DA and AMC headquarters showed these problems. Directives to AMC have been signed routinely by division chiefs or deputy division chiefs of the DA headquarters. It appears that the normal approach has been to request information on which to base a reply to some agency, rather than to request preparation of the reply, or even to authorize a direct reply in routine cases with an information copy to DA.

In one particular case, a routine communication from OSD requested information as to the extent a certain DOD Instruction in the logistics area had been carried out. Twenty days were allowed for the response. Although the information was available only in AMC, processing of the action to AMC, and a suspense date which provided for seven days of review within DA headquarters, allowed only four days out of the twenty for AMC to develop the information.

In another example, a request for information was sent from ODCSLOG to AMC as a basis for making a reply to an inquiry from the Army Comptroller. This illustrates a continuing tendency to consider AMC as a direct charge of ODCSLOG, rather than as a major subordinate headquarters, and is probably a carry-over from operations with the technical services.

Although the departmental headquarters seems at fault in these examples, it appears also that some of the AMC staff may be overly sensitive to the prerogatives of an independent command in other cases. The departmental headquarters must be in the channel of information passing from commands to OSD. If OSD were provided more information than is available to the departmental headquarters, or if the latter had no opportunity to evaluate the information and to correlate it with other information being provided, then the Secretary of the Army could not properly execute his responsibilities. These requirements can and should be met without interference with either the valid responsibilities and authority of subordinate commanders, or the desires of OSD. AMC has (perhaps understandably) objected to direct telephone inquiries or informal requests on the part of staff officers, and has indicated its preference for a more formal means of passing instructions. Since time will not allow for all such instructions to be transmitted by command

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letter (approved by the Chief of Staff and signed for him by The Adjutant General), expedients have been adopted.

It seems that a reasonable solution would be to recognize informal channels for passing minor or urgent requests and instructions (perhaps later confirmed by official correspondence in the urgent cases), and to employ formal correspondence to the commander for major actions.

Action. Recommend that correspondence between DA and AMC headquarters be monitored with a view toward developing more effective administrative procedures which will reduce the problems discussed above without creating unnecessary delays in inter-headquarters communication.

Duplication of Responsibilities with AMC. There are indications that some duplication remains between the departmental headquarters and AMC. While the division of responsibilities in some areas has been clearly defined, as in procurement, petroleum distribution, depot and port operations, and training of wholesale logisticians, AMC headquarters believes that the division in other areas remains somewhat vague. Examples given are in the areas of materiel requirements studies, military aid program execution, industrial mobilization activities, and development project execution.

There is an understandable reluctance to delegate certain of these functions entirely to a newly established headquarters. Both DCSLOG and CRD have indicated that it may be possible to delegate additional responsibilities to AMC as it completes its shake-down. These possibilities are reflected in deferred strength reductions of the headquarters discussed in Section V of this report.

Residual Technical Service Branch Functions. Prior to the recent reorganization, a technical service chief was the head of a major branch of the Army and provided its doctrine, trained its personnel, organized and equipped its units, and influenced Army troop lists to provide an adequate capability in units of his service to carry out branch missions in any area. The reorganization concept nullified these functions almost entirely for six of the technical service chiefs, in spite of their serious

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concern about the effect. Four of these six chiefs were retained to perform Army-wide service functions and to act as special staff officers in their technical fields. The Chief of Staff expressed his desire to utilize their capabilities to advise him on world-wide problems in their specialized fields.

An examination of current departmental headquarters organization charts, and the most recent detailed descriptions of functions which are available, shows that vestigial branch functions of the technical services have been retained in the present organization which were intended to be decentralized to the field commands, or covered by general staff agencies in the same way as for other branches of the Service.

1. In the ODCSLOG, a Technical Planning Branch of 5 spaces provides technical advice to the DA staff on Ordnance logistics; development of Ordnance doctrine and concepts, including troop unit structure and deployment; Ordnance portions of mobilization and contingency plans, force structures and troop programs, including reserve components programs; and Ordnance logistic organization capabilities, limitations, missions, responsibilities, and status. This is apparently intended as a cell of branch competence in a field no longer specifically represented in the DA staff.

2. In the Office of Support Services, the Plans Division of 13 spaces is responsible (along with certain other functions) for the review and coordination of Army plans and concepts pertaining to the Quartermaster Corps, and similar activities pertaining to the QMC portion of the DA TOE Troop Program, troop lists, and troop bases. This is again a branch proponent function in a field no longer represented specifically on the DA staff. Perhaps up to one-half of the spaces involved could be eliminated.

3. In the Office of the Chief of Transportation, the Troop Employment Branch of 13 spaces develops the Transportation Corps portion of the DA Troop Program; reviews and comments on the adequacy of TC troop units in plans; comments on the adequacy of TC units in oversea commands; maintains information on the status of TC units world-wide; develops the TC segment of the Mobilization Troop Program; formulates guidelines for the development of military organizations;

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develops transportation elements of "type corps forces"; supervises the Transportation Corps Training Literature Program; provides transportation guidance for combat development activities; and reviews concept studies. Most of these functions seem more appropriate for the Combat Developments Command which should have adequate TC representation in its headquarters and field units. Others are more appropriate for general staff agencies.

4. In the CBR Directorate of ODCSOPS, there are major elements of this 81-space agency concerned with combat development studies; research and development programs (also covered specifically for CBR in the OCRD and in the CBR command of AMC); materiel requirements and testing (covered in AMC); development and review of TOE's for Chemical Corps units; training literature; supply and maintenance activities; etc. While many of the Directorate's functions are directly concerned with the focal point for CBR matters intended in the reorganization, it appears that perhaps a third of the total spaces are now devoted to detailed coverage of functions also handled in CDC and AMC, as well as in OCRD, and other sections of ODCSOPS.

5. In the Office of the Chief of Engineers, an Engineering Division of 15 spaces in the Directorate of Topography and Military Engineering provides (among other functions) technical assistance on developmental activities and techniques involving military bridging and stream crossing, concealment and deception, barrier and denial, camouflage and detection, military demolitions and prefabricated structures. These appear to overlap functions of other agencies. Advice on broad techniques may be appropriate in evaluating operational plans, but developmental activities in these areas are covered both in the CDC and in AMC. In the Readiness Division, with 17 spaces, there is an included function of determining adequacy of Engineer troop support. A detailed correlation of authorized personnel against activities indicates that the questionable functions noted above may represent additional duties which are assumed, as required, by personnel normally employed in other tasks. However, three spaces can be identified in the Troops-Materiel Branch of the Readiness Division which may be devoted primarily to provision of advice on adequacy of Engineer support in troops and materiel.

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6. In the Office of the Chief Signal Officer, there are a number of functions which seem to reflect a direct branch interest. These functions include advice on doctrinal coverage for tactical communications; advice related to activation, organization, assignment, etc., of TOE Signal units; implementation of the troop basis, active and reserve; maneuvers and exercises; combat readiness status, training, and equipment of TOE Signal units; implementation of the Signal troop portion of operational and other plans, and monitoring of logistical support; advice on distribution of tactical Signal equipment; advice on adequacy of TOE Signal equipment and personnel; preparation of the Signal TOE troop basis; and review of the Signal troop portion of war plans for capability to support. These functions are distributed throughout several sections of the Signal Office, but they appear to be concentrated in the Command and Control Systems Division which has 153 spaces. Within this division, the Status and Analysis Branch of 27 spaces seems to include the largest number of such functions.

Action. Some possible space adjustments are discussed in Section V of this report, but this is a matter which requires continuing study because of the short time since the Project 80 reorganization, and because of an understandable reluctance on the part of the former technical service chiefs to allow important functions to be slighted during the adjustment period. A further and more detailed examination should be made of the residual technical service organizations in about six months to see how their operations have evolved. At that time, the objectives should be to eliminate any continued overlap in functions related to materiel, doctrine, and training; and to assure that preparation of detailed troop bases is consolidated in the new ODCS for Force Development. Adequate representation should be provided in that office to assure inclusion in Army troop bases of proper units of all branches of the Service.

Field Agencies and Installations
of the Departmental Headquarters

As discussed earlier, there are certain Army-wide operating functions which cannot efficiently be executed by any subordinate command, and which must remain the direct responsibility of the departmental

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headquarters. These operating functions are generally handled by field agencies and installations reporting directly to this headquarters. Some of these are located in the Washington area; others are distributed throughout the United States and overseas. They are called Class II activities or installations of the DA headquarters. It appears that most of the 92,400 personnel in these agencies are engaged in activities which can be pursued only at separate installations, and are properly subject to the direct control of the departmental rather than a subordinate headquarters. However, some of the smaller activities represent, in effect, extensions of this headquarters and seem to be separately located and administered largely for the sake of convenience. A general summary of these agencies shows the following:

Over 52,100 personnel are engaged in activities and installations under the general staff supervision of DCSLOG:

1. Most of these (some 50,700, including about 7 percent seasonal personnel) are directly supervised by the Chief of Engineers. Of these, 42,414 serve in the various Engineer Divisions and Districts; about 4,400 in the Army Map Service; and some 2,025 in the Engineer Ballistic Missile Construction Office. Other separate Engineer activities in this category are the Engineer Geodesy, Intelligence and Mapping Research and Development Agency (155); the Engineer Reactor Group (311); the Waterways Experiment Station (956); and 465 personnel in lesser activities. Approximately 30,000 of these personnel are engaged in Engineer civil functions and hence are not accounted for as a part of the departmental strength.

2. About 800 personnel are under the direct supervision of the Chief of Support Services. Some 693 of these are employed in the National Cemetery System, and the remainder in two smaller activities: the DOD Commercial Warehouse Storage (17), and the U. S. Army Subsistence Center (77).

3. Under direct supervision of the Chief of Transportation are 51 personnel in the Transportation Engineering Agency, and some 450 distributed among 13 Transportation Terminal Units in oversea areas.

4. In addition to the foregoing, DCSLOG has direct supervision over the 115 personnel of the DCSLOG Data Processing Agency.

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There are a total of some 20,000 personnel in activities and installations which fall under the general staff supervision of DCSPER:

1. Almost 17,500 personnel are supervised directly by The Surgeon General. Of these, the great bulk (approximately 16,250) are employed in the Walter Reed and Brooke Army Medical Centers, five general hospitals, and the U. S. Army Medical Research and Development Command. The remaining 1,250 personnel are in several small agencies, some co-located with the larger activities discussed above.

2. Another 2,000 personnel are directly supervised by The Adjutant General. The bulk of these are assigned to the U. S. Army Data Services and Administrative Systems Command (550); the U. S. Army Records Center (663); and AG Publications Centers (520). The remainder are distributed among the Institute of Heraldry, the Central Registry, and Courier Transfer and Mail Stations in Washington, New York, San Francisco, and Seattle.

3. The remainder of the DCSPER category of activities consists of the Civilian Personnel Field Offices under direct supervision of DCSPER (90); a Report Repository and CID Activity under The Provost Marshal General (16); the Chaplains Board (10); and Personnel Management Teams and Evaluations Centers under supervision of the Chief of Personnel Operations (310).

DCSOPS has general supervision over approximately 10,900 personnel:

1. The bulk of these (about 7,150) come under the Chief Signal Officer and include: the U. S. Army Strategic Communications Command (4,200); the U. S. Army Pictorial Center (1,250); and Alternate Communications Units (900). The remaining personnel are divided among four smaller activities: the U. S. Army Signal Security Liaison Group (10); the U. S. Army Signal Communications Security Agency (260); the U. S. Army Alaskan Communications System (300); the U. S. Army Radio Propagation Agency (224).

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2. About 3,750 personnel are under the direct supervision of DCSOPS. These include the United States Military Academy (3,300), and five smaller activities: the Army War College (180); the USMA Preparatory School (53); the Strategy and Tactics Analysis Group (128); the U. S. Army Aviation Accident Research Board (45); and the Nuclear Weapons Coordination Group (17).

The Comptroller of the Army supervises 5,940 personnel, of whom 1,690 are in the Army Audit Agency, and some 4,250 under the Chief of Finance. Finance personnel are distributed among the Finance Center (3,761); the Finance and Accounts Office (465); and the U. S. Army Finance Board (21).

ACSI supervises some 2,500 personnel including 972 in the U. S. Army Intelligence Center; 766 in the U. S. Army Attache System; and the remainder in small detachments and U. S. Army components of Defense and national agencies, world-wide.

CRD directly supervises 460 personnel distributed among various research offices and groups both in the United States and overseas.

The Chief of Information supervises about 260 personnel in Information Branches (20); Home Town News Centers (69); the Troop Information Support Unit (74); and the Exhibit Unit (94).

The Judge Advocate General supervises 171 personnel in the Field Judiciary (32); the Claims Division (58); and The Judge Advocate General's School (81).

There are 49 personnel employed under the supervision of the Chief, National Guard Bureau, in various property and fiscal offices.

A detailed examination of these agencies was not considered to be a part of Project 39a, nor was it possible to get much information concerning them in the time available. However, this omission appears to be the normal pattern in organizational studies.-- Although Project 80 reviewed these activities to some extent, and 389 personnel spaces were transferred from Class II status to the headquarters establishment, some Project 80 personnel believe that a thorough examination was not made. Thus, a further study of these activities seems advisable.

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Action. It is not probable that substantial personnel savings will be developed in this examination. However, since the personnel involved represent a significant portion of the Army's manpower resources, the further study should be directed toward insuring that these resources are effectively and efficiently utilized. The study should:

1. Include examination, in appropriate cases, of the continuing necessity for these activities and installations, and the possibilities for greater efficiency and economy through assignment to a major subordinate command, or consolidation of like activities.

2. Consider improvements in departmental headquarters information, management, and control of these activities and installations. In this connection, manpower allocation procedures should be better correlated with fiscal and other management controls.

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SECTION V
STRENGTH REDUCTIONS

As shown in the Annex to this report, the personnel strength of the departmental headquarters decreased from 15,254 on 1 July 1960 to 13,697 on 31 May 1962, a reduction of over 10 percent. Project 80 changes decreased the strength to 11,143 by 1 September 1962, a further reduction of 19 percent in the three month period. Thus, the DA headquarters size has been reduced by a total of 4,111 spaces, or 27 percent, in the past 27 months.

Project 80 Reductions

In decentralizing major operating functions of the departmental headquarters to field commands, the Project 80 reorganization of the Army caused a substantial reduction in the headquarters strength as required in the statement of Project 39a. However, no Army-wide, net savings are immediately attributable to these actions. Such savings should be anticipated in the future through efficiencies resulting from the consolidation in field commands of like functions which were formerly performed in numerous agencies. The extent of such potential savings cannot yet be estimated. Concurrent with transfers out of the headquarters, there were certain increases in DA staffing through greater emphasis on some departmental functions and absorption of some activities formerly assigned to field agencies. While there is no intention to describe the Project 80 reorganization in detail, the following summary shows the nature and magnitude of the principal changes.

An Army Materiel Command was established to control most research and development, and wholesale materiel functions formerly performed by the departmental headquarters. Approximately 2,800 departmental spaces were transferred from the former technical services, the Office, Chief of Research and Development, and the Office of the Deputy Chief of Staff for Logistics, to the newly created Army Materiel Command.

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A Combat Developments Command was created to consolidate combat development functions and doctrinal responsibilities formerly assigned to USCONARC, the technical and administrative services, and other agencies of the Department of the Army. One hundred seventy departmental headquarters spaces were transferred to the new command.

The mission of the Continental Army Command was re-oriented to assume most responsibilities for individual and unit training, and school supervision throughout the CONUS. One hundred eighty-eight departmental spaces were transferred to USCONARC.

Miscellaneous transfers of personnel in and out of the departmental headquarters resulted in a net increase of approximately 600 spaces.

In summary, the effect of Project 80 was to reduce the strength of the headquarters from 13,697 (3,130 military; 10,567 civilian) on 31 May 1962 to 11,143 (3,008 military; 8,135 civilian) on 1 September 1962 -- a net reduction of 2,554 (122 military and 2,423 civilian) spaces.

Project 39a Reductions

As an initial step to develop possible additional reductions under Project 39a, staff agencies were requested to assume a reduction of 15 percent in their post-Project 80 strengths, assess the impact on their functions, and indicate the changes in organization and manning that they would adopt. Staff agencies were advised to adjust to these assumed reductions, insofar as practicable, by procedural efficiencies, consolidation of functional elements, identification of personnel retained for the transition period of the Project 80 reorganization, reduction of administrative personnel and "nice-to-have" elements, and avoidance of operational detail which could be handled in a subordinate headquarters -- prior to considering the elimination of any essential functions.

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The replies received were evaluated in conjunction with other studies (described above), in order to identify specific strength reductions that could be made without serious impairment of effectiveness, and others that would be required to achieve an over-all reduction of 30 percent within the headquarters.

Summary of Staff Agency Replies

Office of the Chief of Staff. It was indicated that the Civilian Personnel Division could be reduced by 30 spaces, by end 1963, through increased use of automation. Various schemes for minor savings were offered, but later withdrawn after additional examination. (Possible revisions in the functions of this office were discussed in detail in Section I.)

Office, Comptroller of the Army. The Comptroller stated that any reduction in his office would adversely affect his capability to carry out assigned missions. In connection with a mandatory 15 percent cut, he identified 56 clerical and action officer spaces throughout his organization which could be eliminated. These were concentrated to some extent in the Fiscal Analysis Division, the Directorate of Organization and Management, and in the graphic capability of his Review and Analysis Division. He also considered, but later rejected, the possibility of combining the Office of the Chief of Finance with his agency in an attempt to achieve greater efficiency.

Office, Deputy Chief of Staff for Personnel. The DCSPER stated that, while it was not practicable to predict precisely the effect of a 15 percent reduction, it was likely that the major impact would be in the field of advance personnel planning and in the promptness of response to requirements and directives from higher authority. He proposed to implement a mandatory 15 percent reduction by eliminating the Special Review Division and reducing manning levels within each directorate, using a percentile factor.

The DCSPER also stated that, to reduce layering, the assignment of officer and enlisted personnel and related functions of personnel operations now in OPO could be placed in ODCSPER. He has estimated that

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this might save on the order of 150 spaces. In this connection, the Chief, OPO, believes that such a consolidation would seriously weaken personnel management which the Project 80 reorganization attempted to strengthen by creation of this new agency.

Office, Deputy Chief of Staff for Military Operations. In connection with a 15 percent mandatory reduction, this agency proposed: accounting for 10 spaces which are financed from Civil Function, Ryukyus, funds as non-departmental headquarters spaces; establishing the Office of Foreign Military Training and the Africa Division as Class II activities of the headquarters (39 spaces); reductions (23 spaces) at division level and below, with the greatest concentration (13) in the CBR Directorate; and reduction of staffing (32 spaces) at director level through elimination of supervisory personnel. (This agency will be completely reorganized as discussed in detail in Section I.)

Office, Deputy Chief of Staff for Logistics. The DCSLOG identified 21 spaces that could be eliminated when AMC is fully operational, which he estimated as early 1963. These positions deal with liaison with AMC; public information; supervision of procurement; materiel readiness; programing, budgeting and planning; supply management; materiel maintenance; and administrative support of these functions. He also indicated that the family housing function, with 41 spaces, could be transferred to OCE with a possible over-all saving to the headquarters. He suggested further that a Class II activity for certain military assistance functions related to Africa might be established with a reduction in headquarters strength. In addition, certain other possible savings were identified to achieve a mandatory 15 percent reduction. These included a consolidation of activities related to PEMA program guidance and PEMA budget execution to eliminate 4 spaces.

Office, Chief of Research and Development. The Chief of R&D stated that any reduction would result in a decrease in the over-all effectiveness of his agency. In connection with a mandatory 15 percent reduction, he identified 37 spaces that could be eliminated by internal reorganization and consolidation. However, he said that such a decrease was considered dangerous in view of the immaturity of AMC. (This was interpreted to mean that such reductions might become feasible when AMC became fully operational.)

Office, Assistant Chief of Staff for Intelligence. ACSI identified 131 spaces which he understands will be transferred to DIA with a transfer in functions that is now planned. Since this would represent more than a 15 percent reduction in this agency, no other reductions were considered. (At such time as these transfers are made, OACSI manpower requirements should be re-analyzed in the light of remaining functions.)

Office of Reserve Components. The Chief of this agency stated that a 15 percent reduction would result in a 30 percent loss in effectiveness. To achieve such a cut (7 spaces) he stated that: some consolidation would be necessary; functions dealing with reserve component equipment and materiel, the Army Corps Program, and the coordination of Section V Committee actions would have to be transferred to other staff agencies; and 3 administrative positions would have to be eliminated. (Only the latter action would result in any over-all headquarters reduction.)

Office, Chief of Finance. The Chief of Finance pointed out that his office had been reorganized under Project 80 and that further reductions could have a serious, long-lasting, and most damaging impact on the efficiency and effectiveness of his agency. This staff agency's response to a mandatory cut identified 11 spaces that could be eliminated by consolidation of functions within the agency.

Office of The Adjutant General. The initial reply from The Adjutant General identified several activities which could be decentralized or consolidated. A further detailed study was made with his assistance. Based on this study, it was concluded that: the DA Administrative Area Section, the U. S. Army Records Center Liaison Unit and the Retirement Statistics Unit could be transferred to field agencies of the AG. (These transfers would not affect the efficiency of operations; neither would they result in any net saving to the Army.) The determination of stock requirements for DA publications and blank forms could be decentralized to existing AG publications centers by the first quarter of FY 64. The DA headquarters should be relieved of space accountability for the Defense Post Office, although its activities could continue under supervision of TAG, if desired. Within the OTAG, consolidation of the officer and enlisted record units could eliminate 20 spaces. Issue of CONUS PCS orders on individuals could be decentralized to ZI major commanders, as is now done with overseas

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commanders, with a saving of 27 spaces and \$250,000 per year in printing costs. Publication of the Army Register could be converted to a mechanized procedure. These last two proposals must be coordinated within the headquarters and with major subordinate commands. Subject to further coordination with the Superintendent of Documents, a sales agency in the OTAG which handles requests for DA publications could be eliminated.

Office, Chief of Military History. The Chief of Military History stated that any cut in his agency would have an adverse impact on efficiency and effectiveness and would interfere with his current instructions to assume expanded authority, direction and control over Army historical agencies, programs and personnel. A mandatory 15 percent reduction would be achieved by reorganization within the agency, transferring the function of supervising historical properties and art to a field activity, and by serious curtailment of other assigned functions.

Office of The Provost Marshal General. The Provost Marshal General stated that it was impossible for his office to accept a 15 percent reduction and perform assigned functions. Instead, he proposed a 10 percent reduction which could be effected primarily through consolidation within his agency. He stated that the 10 percent reduction would reduce the effectiveness of his office to unacceptable standards.

Office, Chief of Chaplains. The Chief of Chaplains stated that his personnel resources have already been trimmed to the point where he has insufficient flexibility to accomplish his mission, and no defense-in-depth is available to provide for emergency situations or "crash" missions. A mandatory reduction of 15 percent would be accomplished by transferring 5 spaces, along with certain functions, to the Chaplains Board at Fort Meade, Maryland. (There would be no net saving to the Army.)

Office, Chief of Information. This agency identified certain minor activities which might be transferred to the Troop Information Support Unit, to OSD, and to TAG in order to achieve a mandatory 15 percent reduction. He stated that any such reduction would materially affect his operations and detract seriously from the Army image presented to the external public.

Office, Chief, Army Reserve and ROTC Affairs. The Chief of this agency stated that a 15 percent reduction would reduce his manpower authorization to such a level as to render him incapable of completely fulfilling his mission. A mandatory reduction would be absorbed by an across-the-board cut in action officers and clerical personnel without eliminating or transferring any functions, or any reorganization within the agency.

Office, Chief, National Guard Bureau. This agency concluded that a reduction of any type was completely impracticable and no detailed assessment of the effect of mandatory reductions was submitted.

Office of The Inspector General. The Inspector General replied that he considers all current functions essential to the accomplishment of his mission and does not feel that any can be eliminated, consolidated, or transferred. In this connection, a 15 percent mandatory reduction would be accomplished by cutting personnel engaged in the inspection function with a commensurate reduction in the number of general coverage inspections.

Office of The Judge Advocate General. The JAG recommended that 57 spaces be transferred to the U. S. Army Field Judiciary. These spaces are all related to independent judicial functions. (Although their transfer will reduce the size of the headquarters, there will be no net savings to the Army.)

Office, Chief of Engineers. This agency stated that the strength which resulted from the Project 80 reorganization is considered to be 5 percent below the essential requirements to discharge assigned missions adequately. However, the area analysis function, with 13 spaces, could be transferred to the Army Map Service with no appreciable impact. (This transfer would not result in a saving to the Army.) In order to accept a 15 percent mandatory cut, he would have to reduce technical assistance given to major commanders in the operation and maintenance of facilities; curtail, or assign to the field, recently acquired construction design capabilities; decentralize to field agencies control of construction material requirements and reporting thereon; reduce review of real estate action cases to cover only actions involving major policy.

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Office, Chief of Support Services. The Chief of Support Services stated that any reduction in staffing at this time would seriously impair accomplishment of his mission. Any mandatory cut would be applied equally to all major functional areas. (His evaluation excluded the cemeterial function which will be discussed later.)

Office, Chief Signal Officer. It was pointed out that this office has been subjected to a rigorous review by the Department of the Army Reorganization Planning Group under Project 80 and that the resultant approved mission and function statement constituted the minimum essential functions to be performed in this agency. The Chief Signal Officer feels it essential that the recently approved organization and personnel authorizations be stabilized to facilitate the reorganization transition. A 15 percent mandatory reduction within this agency would be applied on an across-the-board basis except for the Office of the General Counsel which could be consolidated in the Office of The Judge Advocate General. (This action has been directed and is discussed later.)

Office of The Surgeon General. The Surgeon General identified certain administrative supply and medical statistical functions that could be transferred to existing field activities under his supervision. (Such a transfer would not result in any savings to the Army.) He said that the additional 22 positions to be eliminated from his agency under a mandatory 15 percent cut would require internal consolidation or arbitrary elimination of positions. He said that such actions would have a noticeable impact on the efficiency of his office.

Office, Chief of Transportation. This agency recommended retention of the present manning level, developed under Project 80, for a reasonable period of time to permit an orderly evaluation of the reorganization's impact. In connection with a 15 percent mandatory cut, it was indicated that the development of documentation and marking procedures (1 space) could be transferred to AMC; the transportation engineering function (6 spaces) could be transferred to the Transportation Engineering Agency, Fort Eustis, Virginia; and the vehicle survey function could be transferred to AMC and CONARC (4 spaces each). Other cuts would be taken by miscellaneous reductions within his office and transfers of functions to other staff agencies.

Analysis of Possible Reductions

From the discussion in earlier sections and the foregoing staff agency replies, the following actions were selected for analysis to assess possible means of reducing departmental headquarters strength. They are arranged by categories of elimination or reduction, consolidation, and decentralization of functions and tasks -- as requested in OSD guidelines.

Elimination or Reduction of Functions or Tasks.

1. Reduce OSA staffing. A separate examination, conducted within the Army Secretariat, estimated that 40-50 personnel spaces could be reduced over a period of time. Some of these will result from the changed Secretariat-military staff relationships discussed in Section I. Since some of the personnel involved may be relocated elsewhere in the Army staff, the lower figure is used at this time. This reduction is recommended, but should be phased over about a six-month period.

Reduction in hq strength: 13 military and 27 civilian spaces
Annual savings: 36.4 man-years
\$344,000
(by April 1963)

2. Transfer Explosive Safety Board, OSA. In 1953, the Secretary of the Army was made responsible for the Armed Services Explosive Safety Board which had formerly been the responsibility of the ASD (S&L). The Army's position at that time was that the board should remain under direct supervision of OSD, since it involves equal consideration of the divergent problems of the three military departments in an important and sensitive area. This position has not changed. As recently as 30 July 1962, the ASA (I&L) recommended to the ASD (I&L) that the latter's office assume responsibility for the board. This action is recommended for immediate implementation.

Reduction in hq strength: 1 military and 11 civilian spaces
Annual savings: 10.8 man-years
\$91,000
(no net savings to DOD)

3. Transfer Defense Service Agencies, OSA. The Defense Telephone Service, Washington, and the Defense Supply Service, Washington, are assigned to the Office of the Administrative Assistant to the Secretary of the Army, and perform necessary service functions in the Washington area for the entire Department of Defense. Their strength could be accounted for under an appropriate joint activities category of the DAAA. Such action would conform to the method of handling the Defense Printing Service which is operated by the Department of the Navy. It would require no physical relocation and no change in the exercise of operational control by the Army. An alternative would be for OSD to assume direct operation of these services. Either action would reduce the accountable strength of the headquarters, and is recommended for immediate implementation.

Reduction in hq strength: 288 civilian spaces
Annual savings: 259.5 man-years
\$2,092,000
(no net savings to DOD)

4. Phased Reduction, Civilian Personnel Division, OCS. The division chief has indicated that a phased reduction in his authorized ceiling can be made through procedural improvements and the application of automatic data processing. This proposal has been approved by the SGS. The procedural improvements will require considerable time; however, it is expected that by December, 1963, a total of 30 civilian spaces can be eliminated from this office. Such action is recommended.

Reduction in hq strength: 30 civilian spaces
Annual savings: 27 man-years
\$218,000
(by December 1963)

5. Phased Reduction, ODCSLOG: The DCSLOG has indicated that once AMC is fully operational, his authorized staffing could be reduced to eliminate 21 personnel spaces. He believes this can be done by April 1963. The reductions would be in the following areas: liaison with AMC (2); public information (2); supervision of procurement (2); materiel readiness (4); programing, budgeting, and planning (2); supply management (3); materiel maintenance (2); and administrative support of the foregoing (4). These spaces can be considered part of the double-staffing which was recognized as a necessity in Project 80 during the transition to the new organization. No adverse impact on effectiveness or efficiency is contemplated once AMC assumes the full workload in these functional areas. A phased reduction over a six-month period is recommended.

Reduction in hq strength: 5 military and 16 civilian spaces
Annual savings: 18.9 man-years
\$173,000
(by April 1963)

6. Intelligence Functions to DIA: Present plans envision the eventual transfer of approximately 131 spaces from OACSI to DIA. These positions are associated with area analysis, order of battle, automatic data processing and intelligence documents library functions which will be progressively assumed by DIA. No assessment of the impact on headquarters effectiveness or efficiency is pertinent. The saving which may accrue to DOD through the consolidation of intelligence functions is unknown; however, there will be a reduction in the personnel authorization for the Army headquarters. This action is already planned by OSD.

Reduction in hq strength: 81 military and 50 civilian spaces
Annual savings: 118.0 man-years
\$1,213,000
(net savings to DOD unknown)

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7. NGB Overhead to USAF: The National Guard Bureau is organized with approximately equal staff sections for the Army National Guard and the Air Force National Guard. Both of these staff sections are administered by a common headquarters element which is staffed with 3 Army officers, 4 Air Force officers, and 85 civilian personnel. These Air Force officers and all personnel (military and civilian) in the Air Force staff section are vouchered by Headquarters USAF. The remaining personnel in the headquarters element (Army officers and all civilians) are vouchered by the Army and charged against the departmental headquarters strength. A pro-rata share of the civilian personnel in the headquarters element (44 civilian spaces) should be charged to the Air Force. The CORC agrees with this proposal. It is recommended for immediate implementation.

Reduction in hq strength:	44 civilian spaces
Annual savings:	39.6 man-years
	\$320,000
	(no net savings to DOD)

8. Eliminate Publications Sales Agency for GPO: The Adjutant General has indicated that a sales agency in his office acts for the Superintendent of Documents, U. S. Government Printing Office, to handle all requests for DA publications received by the Army. If this function were eliminated, there would be some delay in filling these requests, since they would have to be referred to the Government Printing Office for action. Elimination of the sales agency would require coordination with the Superintendent of Documents. It is recommended subject to such coordination.

Reduction in hq strength:	5 civilian spaces
Annual savings:	4.5 man-years
	\$36,000

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9. Mechanize Army Register Publication: Publication of the Army Register could be converted to a mechanized procedure, with a possible loss of some of the detail now published. This action would require coordination to determine feasibility and the essential content of the new publication. Mechanized processing would result in the elimination of 7 civilian personnel spaces, plus savings in printing costs now estimated at \$4,000 annually. This action is recommended, but will require time to coordinate and implement.

Reduction in hq strength: 7 civilian spaces
Annual savings: 6.3 man-years
\$51,000 (personnel costs)
\$ 4,000 (printing costs)
(by December 1963)

10. Transfer Defense Post Office. The Defense Post Office could be transferred from departmental headquarters strength accounting to an appropriate joint activities category of the DAAA. The same considerations apply as described above (Item 3) for the Defense Supply Service and Defense Telephone Service. The Adjutant General has indicated that no appreciable loss of efficiency or effectiveness would result. This action is recommended for immediate implementation.

Reduction in hq strength: 72 civilian spaces
Annual savings: 64.9 man-years
\$523,000
(no net savings to DOD)

11. Transfer Vehicle Survey Function, OCofT: The Chief of Transportation has said that surveys of administrative vehicle usage presently performed by his office could be transferred to USCONARC and AMC (1 officer and 3 civilian spaces to each command) as one means of attaining a 15 percent reduction in his agency. He feels that such decentralization would be less efficient, since two teams would be visiting each geographical area. This appears to be a detailed operating function which should not be performed by the departmental headquarters.

Although the CofT proposes that the 8 spaces accompany a transfer of this function, it is felt that the major commands can perform vehicle surveys within present resources. This action is recommended; it could be implemented within six months.

Reduction in hq strength: 2 military and 6 civilian spaces
Annual savings: 7.2 man-years
\$66,000
(by April 1963)

12. Reduce Technical Service Branch Functions. As discussed in some detail in Section IV, vestigial branch functions of the technical services have been retained in special staff agencies of the departmental headquarters which were intended to be decentralized to commands, or which could be handled in general rather than special staff agencies. Although a precise correlation of these functions with personnel requirements is difficult, it would seem that reductions totaling 80 spaces could be made: ODCSLOG-5; OSS-7; CofT-13; CBR Directorate of ODCSOPS-25; OCE-3; OCSigO-27. Since some of the functions involved are too important to be slighted during the Project 80 reorganization adjustment period, while others are related to planning and programing systems under revision, it would appear advisable to phase implementation of these reductions over about a six-month period. It is recommended that such phased reductions be undertaken.

Reduction in hq strength: 35 military and 45 civilian spaces
Annual savings: 72.1 man-years
\$726,000
(by April 1963)

Consolidation of Functions.

1. Consolidate ODCSPER and OPO. The DCSPER believes that a consolidation of OPO with his office would reduce layering in the headquarters and result in a saving of 150 personnel spaces. The Chief, OPO, does not agree with this proposal. Project 80 envisioned improved

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personnel management as a result of separating policy-making from operations, and by consolidation of the personnel functions formerly distributed among many DA staff agencies. The purpose of Project 80 was to strengthen personnel management, rather than to effect economies in this area. Since OPO has been organized for only three months, it would appear illogical to abandon the concept until it has been more thoroughly tested. The entire field of personnel management in the headquarters appears to require additional, detailed study. ODCSPER, OPO, and OTAG are major agencies with certain responsibilities for this function, and a large number of people are involved. During the Project 80 reorganization, various alternative distributions of functions were considered. The current differences of opinion suggest that further organizational improvements are possible. However, OPO should be permitted to absorb the major functions it has recently assumed from other agencies prior to embarking on a new, over-all organizational study. Therefore, no reduction is recommended at this time.

Reduction in hq strength
 which was considered : 50 military and 100 civilian spaces
 Annual savings: 135.1 man-years
 \$1,296,000

2. Special Review Function, ODCSPER: The DCSPER indicated that the Special Review Division of his office could be eliminated as part of a mandatory 15 percent reduction. This division, comprised of 10 individuals, handles all name cases that involve an exception to policy or special consideration. It appears the elimination of the division could be accomplished without impact on efficiency by consolidating the function in the policy divisions of ODCSPER which could take action on cases within their respective areas. This action is recommended for immediate implementation.

Reduction in hq strength: 6 military and 4 civilian spaces
 Annual savings: 9 man-years
 \$97,000

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3. Family Housing to OCE: There are 41 personnel in ODCSLOG and 2 in OCE directly involved in headquarters functions concerned with family housing. The Chief of Engineers and the DCSLOG concur that 5 spaces could be saved if this function were consolidated in a Family Housing Division within the OCE Directorate of Military Construction. This net savings would be possible as a result of closer working relationships with other OCE staff elements and direct access to OCE field activities. Although the family housing activity was established as the result of OSD instructions, and the Secretary of the Army (in December 1961) advised the Secretary of Defense that it would be centralized in ODCSLOG, it is considered that the proposed location in OCE is in full conformity with DOD instructions to establish the function at the departmental level. Immediate implementation is recommended.

Reduction in hq strength:	5 civilian spaces
Annual savings:	4.5 man-years
	\$36,000

4. Internal Consolidation, OCRD: The Chief of Research and Development has indicated that a staffing reduction and functional realignment for supervision of research and development within departmental headquarters should not be made until AMC is fully operational. However, he identified possible consolidations in the functional areas listed below to attain a 15 percent mandatory reduction in staffing:

- Supervision of missile, air defense (less NIKE ZEUS) and conventional artillery systems: combine the Missile and Air Defense Divisions.

- Supervision of NIKE ZEUS and space activities: combine the NIKE ZEUS Office and the Space Office.

- Supervision of RDT&E policy matters and PL-313 civilian personnel matters: reorganization of branches within the Policy Division.

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- Support for the Office of the Chief Scientist of the Army and Army Scientific Advisory Panel: require one officer and one secretary to provide the necessary support for both activities.

These consolidations would result in a saving of 37 personnel spaces. Once AMC is fully operational, it is felt that OCRD can reorganize to eliminate these spaces. This action is recommended, phased over a six-month period.

Reduction in hq strength: 15 military and 22 civilian spaces
Annual savings: 33.3 man-years
\$331,000
(by April 1963)

5. Staff Legal Offices to OTJAG. Based on a study of the headquarters staff legal function, it has been directed that the legal offices formerly assigned to the Chief of Transportation, Chief Signal Officer and Chief of Finance be consolidated in OTJAG. This consolidation will result in an over-all saving of 2 civilian spaces. The action is being implemented.

Reduction in hq strength: 2 civilian spaces
Annual savings: 1.8 man-years
\$15,000

6. Officer and Enlisted Records in OTAG. The Adjutant General has indicated that a saving would result if the service unit for officer records and the service unit for enlisted records were consolidated within OTAG. There are about 200 personnel authorized in each of the service units; a reduction of supervisory personnel would double the span of control (from a ratio of 1:8 to 1:16). The reduced level of supervision could be offset by providing additional quality control measures with no appreciable disruptive impact on effectiveness or efficiency. The net saving after the reorganization is completed (1 Jan 63) would amount to 20 spaces. Recommend implementation by the date indicated:

Reduction in hq strength: 1 military and 19 civilian spaces
Annual savings: 18.0 man-years
\$149,000
(by 1 Jan 63)

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7. Staff Planning Improvements. As indicated in Section I, certain adjustments are contemplated in planning activities within the headquarters. In considering these adjustments, it was estimated that a reduction of approximately 30 personnel in staff agencies outside of ODCSOPS could be made as the result of the fewer number of Army plans to be reviewed and more selective participation in the review of Joint contingency plans. It should be emphasized that this is a preliminary estimate and that any actual reductions should be deferred until a new planning system is in effect. Recommend implementation in phase with application of a new planning system.

Reduction in hq strength: 18 military and 12 civilian spaces
Annual savings: 27.0 man-years
\$292,000
(by December 1963)

Decentralization of Functions.

1. Staff Communications Division, Office, Chief of Staff.
As one means of reducing the strength of the headquarters to attain a 15 percent mandatory strength reduction, it was proposed that the Staff Communications Division, OCS, be transferred to the Military District of Washington. An alternative would be to consider it as a field activity of the Army staff, not chargeable to departmental headquarters strength. The mission of this division is to exercise command control over messages transmitted through Army communication facilities, and to perform allied services for the Army staff and other elements of DOD. Although neither of the arrangements suggested above would create serious operating problems, the communications facility can be most responsive if it remains as an integral element of OCS. No absolute saving in personnel would result from adoption of either alternative; however, headquarters strength could be reduced by 150 spaces. This action is not recommended.

Reduction in hq strength
which was considered : 136 military and 14 civilian spaces
Annual savings: None

2. Transfers to Field Agencies from ODCSLOG: As one means to achieve a reduction of 15 percent in his agency, DCSLOG has identified four tasks which could be transferred to AMC and an existing field activity.

The tasks for possible transfer to AMC are:

- Supervision over logistic ADP systems (1 space).
- Determination of production readiness (2 spaces).
- Supervision over industrial facilities utilization (3 spaces).

In addition, supervision over development and analysis of logistic management systems (1 space) could be transferred to the DCSLOG Data Processing Agency.

Although the DCSLOG considers that the capabilities of his office and responsiveness to requests from higher headquarters would be reduced by these transfers, it is felt that they would not have any real adverse effect after AMC has become fully operational. Further, AMC should be able to assume the additional tasks without increase in strength. Thus, there could be a net saving of six spaces. Recommend implementation within six months.

Reduction in hq strength:	1 military and 6 civilian spaces
Annual savings:	5.4 man-years
	\$48,000
	(by April 1963)

3. Field Activity for Sub-Sahara African Affairs: The DCSOPS and the DCSLOG both suggested that a field activity be created in the Washington area to accomplish assigned responsibilities with regard to Sub-Sahara African affairs, as one means to attain a mandatory 15 percent strength reduction. Consolidation of these functions in one activity would improve over-all direction and supervision through centralization and would reduce the division of responsibility. The newly-created activity would, in effect, perform in the same manner

as a specified command for Sub-Sahara Africa. It was pointed out, however, that physical relocation out of the Pentagon could reduce responsiveness to DOD requirements and complicate DA staff coordination. The personnel presently performing these functions include 12 civilians and 7 military (9 in DCSLOG and 10 in DCSOPS). The proposed action would reduce the strength of the headquarters, but no absolute savings would result. In fact, additional personnel might be required to provide administrative services in the new location. This action is not recommended.

Reduction in hq strength
which was considered : 7 military and 12 civilian spaces
Annual savings: None

4. Area Analysis Function from OCE: The Chief of Engineers has indicated that the Area Analysis Division in his office could be transferred to the Area Analysis Intelligence Agency of the Army Map Service, as a means of reducing the departmental strength by 13 spaces. No absolute savings would result. OCE envisions no adverse impact resulting from transfer of the Area Analysis Division, although it may not be as desirable as the present arrangement. Recommend implementation.

Reduction in hq strength: 3 military and 10 civilian spaces
Annual savings: None

5. Transfers to Field Agencies from TSG: The Surgeon General has identified certain administrative, supply, and medical statistical functions which could be decentralized to existing medical field activities. He made no comment to indicate that these functional transfers would adversely affect his over-all operations. No absolute saving would result, but it would reduce the departmental authorization by 69 spaces. Recommend implementation.

Reduction in hq strength: 1 military and 68 civilian spaces
Annual savings: None

6. Transfers to Field Agencies from CofT: As one means of attaining a 15 percent reduction, the Chief of Transportation has identified two functions for decentralization to existing field agencies. This functional delegation can be accomplished with no appreciable decrease in headquarters efficiency or effectiveness. The functions or spaces to be decentralized are:

- Transfer one civilian space to AMC for the development of documentation and marking procedures and the regulations related thereto.

- Transfer six civilian spaces from the Transportability Branch to the Transportation Engineering Field Agency at Fort Eustis, Virginia, since the functions performed are compatible with the operational functions of that agency.

Recommend implementation.

Reduction in hq strength: 7 civilian spaces
Annual savings: None

7. Cemeterial Function from OSS to Field Agency. The cemeterial function assigned to the Office of Support Services could be decentralized to the National Cemetery System. The personnel involved would then be accounted for as a field activity of the DAAA. This cemeterial function is classified under civil functions of the Army and is chargeable to the Cemeterial Expenses, Army (CEDA), appropriation. Although the Project 80 study concluded that it would be desirable to transfer the cemeterial function to another governmental department, this was not included as a recommendation. No change would be necessary in the supervision of this function, but the spaces involved should be eliminated from consideration as a part of the departmental headquarters strength. This action is recommended for immediate implementation.

Reduction in hq strength: 2 military and 128 civilian spaces
Annual savings: None

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8. PCS Orders Decentralized: The responsibility for issuing CONUS PCS orders could be decentralized to CONUS commands, just as it has already been delegated to major overseas commands. It is probable that no increase in personnel at subordinate command level would be necessary, since these headquarters are now publishing extracts of orders for all personnel concerned. This delegation to the field is not considered to have any adverse implications at departmental headquarters; however, since the proposal has not been coordinated with the major commanders, its implementation should be delayed until the impact has been determined. The savings within OTAG would amount to 27 civilian spaces and approximately \$250,000 in annual printing costs. The earliest date for implementation has been estimated as the end of the third quarter, FY 1963. Recommend implementation at that time.

Reduction in hq strength: 27 civilian spaces
Annual savings: 24.3 man-years
\$196,000 (personnel costs)
\$250,000 (printing costs)
(by April 1963)

9. Stock Management, DA Publications, Decentralized. The Adjutant General has proposed that the determination of stock requirements for DA publications and blank forms be decentralized to existing AG Publications Centers. No adverse impact on headquarters operations will result. Transfer of 37 civilian spaces to existing field activities would be involved. This can be accomplished by the first quarter, FY 1964. Recommend implementation by that time.

Reduction in hq strength: 37 civilian spaces
Annual savings: None

10. Transfers to Field Agencies from TAG. The Adjutant General has also indicated that certain other functions could be transferred to existing field agencies, as a means of reducing the strength of the headquarters. These functions can be accomplished equally well as field activities, and no adverse impact on the efficiency of headquarters operations is contemplated. The functions and spaces to be transferred are:

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- DA Administrative Area Section, Personnel Records Branch, to the U. S. Army Data Services and Administrative Systems Command. (10 spaces -- 1 military, 9 civilian)

- U. S. Army Records Center Liaison Unit to U. S. Army Records Center, St. Louis, Missouri. (8 civilian spaces)

- Retirement statistical function to the U. S. Army Data Services and Administrative Systems Command. (3 civilian spaces)

Recommend phased implementation of these transfers.

Reduction in hq strength: 1 military and 20 civilian spaces
Annual savings: None

11. Redesignate the Army Library as a Field Activity:

It has been suggested that the Army Library could be designated as a field activity and assigned to MDW. This library is presently an organic part of TAGO. Its function -- to provide library service for the departmental headquarters -- requires that it be located in the Pentagon and remain completely responsive to the needs of the using agencies. Since there would be no actual economy involved in making the library a field activity, it does not appear desirable to risk any reduction in responsiveness solely for the purpose of reducing the size of the headquarters by 42 spaces. This action is not recommended.

Reduction in hq strength
which was considered: 42 civilian spaces
Annual savings: None

12. JAG Independent Judiciary: The Judge Advocate General has recommended that all independent judiciary functions now performed in his office be transferred to the U. S. Army Field Judiciary, an existing field activity. This will result in a transfer of 57 departmental spaces. The transfer would have no adverse effect on performance; to the contrary, it would have the desirable effect of creating a more independent atmosphere for these judicial functions. No absolute savings will result. This action is being taken.

Reduction in hq strength: 39 military and 18 civilian spaces
Annual savings: None

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13. Personnel Procurement to USCONARC. Project 80 did not clearly delineate which aspects of personnel procurement would be retained at this headquarters, and which functions would be delegated to USCONARC. There was no agreement between the DA headquarters and USCONARC, and the problem was not resolved prior to the activation of OPO. An agreement was made between the Chief, OPO, and the Chief of the USCONARC Planning Group that the problem should be held in abeyance and resolved after activation. Both OPO and USCONARC are apparently staffed to accomplish overlapping functions in this area. ODCSPER and the OTAG are also involved. As an additional complication the Offices of TJAG, TSG, and the Chief of Chaplains have responsibility for assignment and career management of officer personnel of their branches. This includes officer procurement. One view holds that departmental headquarters must direct most of the procurement effort through USCONARC and subordinate commands and installations, thus it may be desirable to delegate the actual operation of the CONUS procurement system to USCONARC. If all personnel procurement operations were delegated to Headquarters, USCONARC, it is estimated that perhaps 60 personnel spaces could be eliminated from the staff agencies of the departmental headquarters. Recommend a study be made of the personnel procurement function, with a view toward avoiding any existing overlap, and decentralizing maximum operating functions to Headquarters USCONARC.

Reduction in hq strength:	20 military and 40 civilian spaces
Annual savings:	54.1 man-years
	\$518,000
	(by April 1963)

14. Redesignate OCMH: Solely as a means to reduce the size of the headquarters, it has been suggested that the Office of the Chief of Military History could be redesignated as a field activity of the Army. This would effect no absolute savings in personnel; however, the strength of the headquarters would be reduced by 77 personnel spaces. Although the functions of the OCMH do not contribute directly to the mission of the headquarters, it is considered essential that OCMH be physically located within the Washington area in order to have direct access to all staff agencies. Thus, no relocation of the office appears to be feasible

and, since no actual savings would result, the only advantage of this course of action is a reduction in the size of the departmental headquarters. This action is not recommended.

Reduction in hq strength
 which was considered: 11 military and 66 civilian spaces
 Annual savings: None

Summary of Recommended Actions

The foregoing analysis covers the major proposals which were examined, to include some which were not considered worthwhile, or which would require further study. Recommended actions (and those already decided upon) are summarized below, arranged in the same categories, and cross-referenced with the paragraph numbers and short titles used above. It must be remembered that some of the savings indicated would be deferred to a later date.

<u>Paragraph Number and Short Title</u>	<u>Red. in Hq Str</u>	<u>ANNUAL SAVINGS</u>	
		<u>Man-Years</u>	<u>Dollars (thou.)</u>
<u>Elimination or Reduction of Functions</u>			
1. Reduce OSA Staffing	40	36.0	344
2. Transfer Explosive Safety Board, OSA	12*	10.8*	91*
3. Transfer Defense Service Agencies, OSA	288*	259.5*	2,092*
4. Phased Reduction, Civilian Pers Div, OCS	30	27.0	218
5. Phased Reduction, ODCSLOG	21	18.9	173
6. Intelligence Functions to DIA	131*	118.0*	1,213*
7. NGB Overhead to USAF	44*	39.6*	320*

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<u>Paragraph Number and Short Title</u>	<u>Red. in Hq Str</u>	<u>ANNUAL SAVINGS</u>	
		<u>Man- Years</u>	<u>Dollars (thou.)</u>
8. Eliminate Publications Sales Agency for GPO	5	4.5	36
9. Mechanize Army Register Publication	7	6.3	55
10. Transfer Defense Post Office	72*	64.9*	523*
11. Transfer Vehicle Survey Function, OCofT	8	7.2	66
12. Reduce Technical Service Branch Functions	80	72.1	726
<hr/>			
SUBTOTAL, savings in DA hq	738	664.8	\$5,857
net savings to DOD (Excludes items marked with *)	191	172.0	\$1,614
 <u>Consolidation of Functions</u>			
2. Special Review Function, ODCSPER	10	9.0	97
3. Family Housing to OCE	5	4.5	36
4. Internal Consolidation, OCRD	37	33.3	331
5. Staff Legal Offices to OTJAG	2	1.8	15
6. Officer and Enlisted Records in OTAG	20	18.0	149
7. Staff Planning Improvements	30	27.0	292
<hr/>			
SUBTOTAL, savings in DA hq	104	93.6	\$920
net savings to DOD	104	93.6	\$920

<u>Paragraph Number and Short Title</u>	<u>Red. in Hq Str</u>	<u>ANNUAL SAVINGS</u>	
		<u>Man- Years</u>	<u>Dollars (thou.)</u>
<u>Decentralization of Functions</u>			
2. Transfers to Field Agencies from ODCSLOG	7	5.4	48
4. Area Analysis Function from OCE	13	none	
5. Transfers to Field Agencies from TSG	69	none	
6. Transfers to Field Agencies from CofT	7	none	
7. Cemeterial Function from OSS to Field Agency	130	none	
8. PCS Orders Decentralized	27	24.3	446
9. Stock Management, DA Publications, Decentralized	37	none	
10. Transfers to Field Agencies from TAG	21	none	
12. JAG Independent Judiciary	57	none	
13. Personnel Procurement to USCONARC	60	54.1	518
<hr/>			
SUBTOTAL, savings in DA hq	428	83.8	\$1,012
net savings to DOD	93	83.8	\$1,012
<hr/>			
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TOTAL, savings in DA hq	1,270	842.2	\$7,789
net savings to DOD	388	349.4	\$3,546

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Summation

A total reduction in headquarters strength of 1,270 spaces would be achieved, by 1 January 1964, if all of the actions recommended above were implemented. When added to the 2,554-space reduction already attained under Project 80, this would represent an over-all reduction of 28 percent below the pre-Project 80 headquarters strength of 13,697. The annual savings in headquarters expenditures would be \$7,800,000.

In addition, these actions would result in savings of 388 personnel spaces and \$3,500,000 annually to the Department of Defense as a whole. This 388-space reduction for the Department of Defense as a whole would be true savings representing about 3-1/2 percent of the post-Project 80 departmental headquarters strength.

In order to reach a 30 percent reduction, which was specified as a measurement criterion in OSD guidelines, elimination of an additional 285 spaces from the departmental headquarters strength would be required. This could be done in several ways:

1. By application of an arbitrary reduction, averaging about 3 percent across the residual staff. It would seem that such an arbitrary reduction should be applied first to those agencies which found this the only feasible way to cut. The magnitude of this arbitrary reduction is such that it might be absorbed, without significant impact, through the actions to simplify internal organization and procedures discussed in earlier sections of this report. These would also constitute true savings to the Department of Defense as a whole, and would raise the level of such savings to over 6 percent of the post-Project 80 departmental headquarters strength.

2. By implementation of some of those actions described in the foregoing analysis which were not recommended. The total includes an additional 438 spaces.

3. By some other expedient actions, such as designating OPO a field operating activity. This would reduce the headquarters strength by more than 1,500 spaces but would represent no true savings. This action was considered during the Project 80 examination but rejected on the basis that OPO had to be a part of the headquarters itself for most effective operation.

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HEADQUARTERS STRENGTH ANNEX

1 July 1960 - 30 June 1961

During this period, the Department of the Army headquarters was reduced by 1,067 civilian positions because of dollar limitations contained in PL 86-601, and 172 military spaces to comply with a DOD directive to reduce the military staff by 5 percent.

Some of these reductions were made by completing the consolidation and decentralization of certain functions which had been begun earlier and by eliminating non-essential positions, as follows:

1. The manually-accomplished fiscal and accounting functions of the Defense Supply Service, Office, Secretary of the Army, were transferred to the Finance and Accounting Office, Washington, D. C., for mechanized processing.
2. A physical consolidation of intelligence activities of the technical services was made. Elements of the staff agencies concerned were relocated to Arlington Hall Station, Washington, D. C.
3. Consolidation of the Data Processing Branch and the Computer Service Center of The Adjutant General's Office was started.
4. The delegation of technical service inspector general activities to field agencies throughout the Continental United States was completed.
5. Command historical functions of the technical services were transferred to field agencies of those services.
6. Preparation of certain medical statistics in the Office of The Surgeon General, command accounting statistics in the Office of the Chief of Transportation, and personnel statistics in the Office of the Chief Signal Officer were delegated to field agencies of those services.

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7. Various field and departmental activities of the Personnel Research Group and Systems Development Group, The Adjutant General's Office, were consolidated into one field command.

8. Delegation of responsibility for selected maintenance activities from ODCSLOG to the U. S. Army Maintenance Board, Fort Knox, Kentucky, was completed.

9. Activities dealing with cataloguing, accelerated item reduction and financial inventory accounting for oversea commands were transferred from ODCSLOG to the U. S. Army Overseas Supply Agency.

10. Manpower surveys resulted in personnel savings by eliminating certain non-essential supervisory and clerical positions, and consolidating various offices.

11. In addition to the functional changes listed above, it was necessary to abolish 172 military and 624 civilian positions to attain the directed reduction in force. The duties normally assigned to these positions were distributed among the remaining staff.

During the same period, staffing increases were limited. However, additional positions were established to accomplish the following:

1. The Contract Compliance function in the Office of the Assistant Secretary of the Army (I&L).

2. Residual functions dealing with the Regular Army Augmentation Act.

3. Coordination of the savings program function with the Treasury Department.

4. The Field Recruiting function, which accompanied the transfer of the Boards of United States Civil Service Examiner in the Military District of Washington and the Office of the Chief of Staff, to the Office of the Secretary of the Army.

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5. Assumption by the National Guard Bureau of responsibility for all reports on aircraft assigned to the Air National Guard.

The efficiency and effectiveness of the headquarters was lowered by the net reduction in force of 8.1 percent because of the turbulence attendant to the civilian staffing reduction with its resultant "bumping" process as employees sought new positions, and the assumption of additional duties by the residual staff. No effect on the decision-making process within the headquarters was noted.

A recapitulation of the number of military and civilian positions eliminated or added within the headquarters, the civilian/military grade brackets from which reductions were made, and the estimated man-years and dollar savings in headquarters expenditures resulting therefrom is shown below:

Net Reductions

	Strengths		
	Mil	Civ	Total
Strength, 1 Jul 60	3346	11908	15254
Reductions during Period	-192	-1081	-1273
Increases during Period	+20	+14	+34
Net Reduction	-172	-1067	-1239
Strength, 30 Jun 61	3174	10841	14015

Grade Brackets Reduced

Professional (Officers, GS-11 and above)	140	213	353
Clerical (Enlisted, GS-10 and below)	32	854	886
Total	172	1067	1239

Estimated Annual Savings in Man-Years
and Personnel Expenditures

Man-Years	155	961	1116
Personnel expenditures (in millions of dollars)	\$1.7	\$6.7	\$8.4

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1 July 1961 - 31 May 1962

The Defense Supply and Defense Intelligence Agencies were formed during this period with an attendant transfer of functions and personnel from the Army staff. Actions in connection with the Army build-up, special warfare, Strike Command, civil defense, family housing, fair employment policy, reorganization of the Army (Project 80), and increased operational requirements in Southeast Asia created an additional workload within the headquarters. Nevertheless, the Army staff was reduced in size during this period. Specifically:

1. The general supply, supply requirements financial management, programing and legal functions of the Office of The Quartermaster General were transferred to the Defense Supply Agency.
2. The intelligence reconnaissance function was transferred from OACSI to DIA, as were certain other personnel spaces not specifically related to functions.
3. Pro-rata transfers of spaces from the Army staff to augment DOD and JCS were made.
4. The decentralization of data processing from The Adjutant General's Office to the field, begun in 1961, was completed.

There were no increases authorized in the departmental headquarters agencies during this period, even though various staff agencies requested a total of 323 additional spaces to handle the expansion in existing functions and the assumption of additional functions. Personnel were shifted and priorities adjusted within the staff to meet the emphasis placed by the Secretary of the Army and the Chief of Staff on minimum staffing. Despite the net reduction of 2.3 percent, the efficiency and effectiveness of the headquarters was maintained through paid and unpaid overtime and authorization of temporary overstrengths in a few instances. No effect on the decision-making process was noted.

A recapitulation of the number of military and civilian positions reduced, the civilian/military grade brackets from which reductions were made, and the estimated man-year and dollar savings in headquarters expenditures are as follows:

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Net Reductions

	<u>Strengths</u>		
	<u>Mil</u>	<u>Civ</u>	<u>Total</u>
Strength, 1 Jul 61	3174	10841	14015
Reductions during Period	-34	-284	-318
Increases during Period	0	0	0
Net Reductions	-34	-284	-318
Strength, 31 May 62	3130	10567	13697

Grade Brackets Reduced

Professional (Officers, GS-11 and above)	40	86	126
Clerical (Enlisted, GS-10 and below)	4	188	192
Total	44	274	318

Estimated Annual Savings in Man -
Years and Personnel Expenditures

Man-Years	40	246	286
Personnel expenditures (in millions of dollars)	\$.5	\$1.9	\$2.4

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