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STATEMENT BY SECRETARY OF THE ARMY ELVIS J. STAHR, JR.
AT PRESS BRIEFING
ON REORGANIZATION OF THE DEPARTMENT OF THE ARMY

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RC 3118Highlights of Changes Resulting from Project 39aBackground

An examination of all departmental headquarters was directed by Secretary McNamara about six months ago. The purposes were to decentralize major operating functions from headquarters to field commands, to accelerate and improve the decision-making process, to attain maximum efficiency in the use of personnel, and to apply resulting savings to combat and support commands. This examination was designated Project 39a.

In the case of the Army, OSD recognized that some of the principal objectives had already been accomplished in the major reorganization conducted under Project 80 -- operating functions had been decentralized, and in the process the departmental headquarters was reduced almost 20 percent in strength. As a consequence, Project 39a was basically a further examination of the residual Department of the Army headquarters, to ensure that remaining objectives were met.

This examination has been completed and submitted to Secretary Vance. He and the Chief of Staff now have the results under consideration, but all decisions have not been reached, nor have any recommendations yet been forwarded to OSD. Secretary Vance did make a series of broad decisions as the study progressed, in order to provide guidance for its

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further development. Some implementing actions have been taken on these decisions, and others are in prospect, which will affect the character of the departmental headquarters staff. In addition, certain general results can be anticipated because of the nature of the objectives established by Secretary McNamara.

This portion of the briefing will touch on four principal areas in which results are thus known or predictable.

Relationships Between the Army Secretariat and the Military Staff constitute the first such area.

A headquarters problem which has persisted over the years -- and one which has become particularly acute because of Secretary McNamara's preferred methods -- has been the manner in which the Service Secretary and his principal assistants should work with the military staff. This civilian leadership of the Army must be knowledgeable concerning major problems, participate in major decisions, and provide the principal connecting link between the Army as a military service and OSD. On the other hand, the Secretariat should not constitute a separate review level in every action, maintain a staff which duplicates the military staff, or infringe on the valid prerogatives of the Chief of Staff.

In evaluating this problem, Mr. Vance considered, and discussed with his principal assistants and the Chief of Staff, a range of alternative

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relationships. His objective was to devise 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 revisions, and provide for greater interchange of staff and Secretarial viewpoints during development of major staff actions. He decided that:

- He would concern 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, JCS, NSC, and the President.
- The Under Secretary would be kept fully informed on such matters to act in the Secretary's stead when required.
- In long-range and major problem areas, the Secretary or his principal civilian assistants could provide preliminary guidance to the staff and discuss the staff action during its development with the senior responsible official of the military staff. Any major matters and differing viewpoints would be presented to both the Chief of Staff and the Secretary.
- The Secretariat would be staffed only to that level necessary to maintain these relationships.

Only minor organizational changes are expected to result from these decisions, but the policy aspects have been published in a Department of the Army memorandum.

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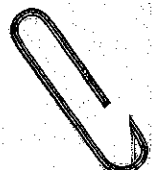
The Organization and Functions of the Office, Chief of Staff, was another area of decision.

One of the principal functions of the Office, Chief of Staff, is to direct and integrate the efforts of the Army staff. (Give briefly basic organization -- C/S, VCS, SGS, etc. -- if not covered earlier in briefing, or use organization chart to point out changes noted below.)

In carrying out this direction and integration function, the office must of course be responsive to the desires and methods of operation of the Secretary of Defense and Secretary of the Army. Changes which have occurred in the OCS as the result of both Project 80 and Project 39a can be attributed in large part to this factor.

The principal change stemming from Project 80 was the addition to the OCS of a Director of Army Programs. The functions of this Director and his office are basically to supervise and coordinate the Army Program System and related staff activities which must support and complement the CSD programing system adopted by Secretary McNamara.

In Project 39a, the major change was establishment of a Staff Action Control Office. The creation of this office is intended to improve coordination and assist in substantive review of major military staff actions, other than programing actions, in order to be most responsive to higher authority and in particular to the newly defined relationships between the Secretariat and the military staff earlier discussed.



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In addition, Project 39a reoriented the functions of an existing office within OCS -- that of the Director of Coordination and Analysis -- to meet Secretary Vance's desire that it 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 as to provide guidance, review, and analysis of similar studies produced by the staff and commands.

These basic changes in OCS organization have already been implemented, although the offices involved -- to include that of the Director of Army Programs -- are still adjusting to their new missions.

The Reorganization of the Office of the Deputy Chief of Staff for Military Operations into two Major Staff

Agencies will be the largest and most apparent change resulting from Project 39a.

Secretary Vance has already approved this change, but it will not be implemented until detailed planning has been completed. The basic reasons for making two major staff agencies out of the one which now exists were:

- To reduce the excessive span of staff responsibility of the present Deputy Chief of Staff for Military Operations, which now covers all joint and unilateral Army plans and operations, and

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- To devote greater emphasis and capability to unilateral Army force development planning, which is in fact the basis of the Department's current mission to organize, train, equip, and support combat-ready forces to be employed by unified commands.

As a result of this change (show on chart) there will be eight major elements of the general staff, rather than the seven agencies discussed earlier in the briefing. A Deputy Chief of Staff for Military Operations will continue to exist, and a new staff principal, probably to be designated the Assistant Chief of Staff for Force Development, will come into being. The planned division of responsibilities between these two is associated with concurrent action to simplify the present planning system. The new system will encompass two basic planning efforts -- strategic or joint planning which is closely associated with JCS plans and operations, and force development or Army planning which takes its guidance from and supports the former, and is then the basis for Army programing.

Over-all responsibilities of the two new agencies can be summarized as follows:

- The Deputy Chief of Staff for Military Operations will be principal advisor to the Chief of Staff on all joint affairs, and on the establishment of requirements for and utilization of combat ready forces.

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To carry out these responsibilities, he will have subordinate staff groupings concerned with such things as: strategic plans and policy; military operations; special warfare; and civil affairs.

- The Assistant Chief of Staff for Force Development will be principal advisor to the Chief of Staff on coordinated development of Army forces, to include combat doctrine, organization, and equipment. The existence of such a staff principal is even more important now that the efforts of three major commands (AMC, CDC, and CONARC) must be coordinated by the departmental headquarters. To carry out his responsibilities, the ACSFOR will have subordinate staff groupings concerned with such things as: force plans and programs; doctrine and training; weapons systems; CBR; and Army aviation.

Other Probable Effects of Project 39a can be predicted, although no decisions in these areas have been made.

The report submitted to Secretary Vance and the Chief of Staff contained other recommendations on which no action has yet been taken. However, it can be assumed from the nature of the objectives set by Secretary McNamara in this project that action will result in two general areas:

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- Such reductions in headquarters strength, as can be made without detracting from the accomplishment of essential headquarters functions. Because of the considerable reduction already achieved under Project 80, these additional changes will presumably be relatively minor.

- Changes in staff procedures designed to expedite the decision-making process. It can be anticipated that these will have an impact on the coordination process discussed earlier in the briefing.

This has been a brief presentation of the principal modifications in the headquarters staff picture that we now expect will result from Project 39a. Do you have any questions?