



DEPARTMENT OF THE ARMY
WASHINGTON DC 20310-0200

JUL 31 2012

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Army Headquarters Transformation

1. Reference Memorandum, Secretary of the Army and Chief of Staff of the Army, 26 Jul 12, subject: Army Headquarters Transformation.
2. In the referenced memorandum, the Secretary and Chief of Staff directed the Under Secretary of the Army and Vice Chief of Staff of the Army, together with the Principal Officials of Headquarters, Department of the Army (HQDA), to review HQDA outputs, processes and organizations with the goal of reducing the workload of HQDA and its field operating agencies (FOAs) to approximately two-thirds of 1 October 2010 levels by the end of fiscal year 2018. This review will be a challenging, yet critical, mission for all to ensure that we are better postured to support Army 2020 while setting conditions to address future fiscal constraints.
3. Our vision is a leaner HQDA characterized by agility and effectiveness in managing issues across the strategic horizon while retaining a responsive decision-making capability to support emergent demands—all while accomplishing statutory responsibilities. Key elements in achieving this vision will be the assignment of authorities to the lowest and most effective level possible and the elimination of nonessential functions.
4. In a period of diminishing resources, the Army must meet affordability challenges through innovative approaches that result in improved processes and streamlined procedures that reduce the work performed in HQDA. Operational work may be reduced by realignment to an appropriate subordinate command, which allows more focus on staff work that must be conducted at the headquarters level. It is understood that some workload is externally generated, and our effort must include potential ways to reduce those requirements.
5. The review shall identify and analyze:
 - a. Growth in the roles, missions and functions, and associated funding and staff levels (civilians, military and contractors), within HQDA and its FOAs since 2003.
 - b. Options to eliminate unnecessary redundancies or reduce the scope of the mission within the Secretariat and the Army Staff and between HQDA and subordinate organizations.

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c. Externally driven functions or tasks that should be recommended for elimination or amended to reduce workload. Proposals regarding these functions or tasks would include recommendations for engagement with organizations that drive such workload.

d. Functions or tasks that can be eliminated or reduced in scope.

e. Non-enduring, overseas contingency operations-funded work that will be eliminated as these operations are reduced.

f. Operational workload that can be accomplished, effectively and efficiently, outside of HQDA and its FOAs.

6. In support of our efforts to lead this review, we have directed LTG Grisoli to stand up an integrated process team (IPT). This IPT will initially consist of representatives from the Office of the Administrative Assistant to the Secretary of the Army, Office of the Director of the Army Staff, U.S. Army Manpower Analysis Agency, Institutional Army Transformation Commission and Office of Business Transformation and will function for the duration required to execute tasks specified and implied in this memorandum. In addition, each HQDA Principal Official will appoint a flag officer and COL/GS-15 level leader to represent him/her in this challenging endeavor. The 150-day timeline is aggressive because our goal is to inform Program Objective Memorandum 15-19 with our initial proposals. This review will also include recommendations for follow-on reviews as we progress in our planning toward Army 2020.

a. We plan to initiate the IPT with a kick-off meeting to explain the concept, set expectations for deliverables and analysis, and respond to questions.

b. The initial 30 days will focus on a data call to set the baseline for identifying the roles, missions, functions, authorities and associated manpower across HQDA. Within the first 60 days, the IPT will work closely with all stakeholder representatives and a select "Red Team" to develop proposals for the focused review of specific areas in which it might be possible to achieve significant reduction, elimination and/or realignment of workload.

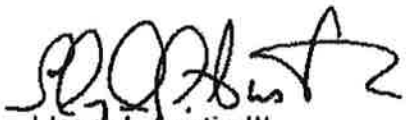
c. At the conclusion of our review, we will approve a select set of proposals to be developed further into transformation initiatives. HQDA Principal Official representatives will coordinate with the IPT for final guidance in the development of such proposals and initiatives in collaboration with stakeholders across HQDA and subordinate commands. We expect to develop courses of action to achieve changes in processes, functions and/or organizations that will reduce the workload of HQDA. Proposals and initiatives will be widely staffed and should include sufficient fidelity to inform a decision, including projected costs, risks, feasibility, required policy changes, statutory issues, strategic communication challenges and implementation timeline.

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d. Proposals will be briefed to us between 120 and 150 days from the date of the referenced memorandum. After our approval, proposals will be presented to the SA and CSA for decision. Your proposals are the beginning of the HQDA transformation effort and are expected to lead to ideas for subsequent reviews and transformation analysis.

e. HQDA Principal Officials will be charged with implementing approved proposals in Program Objective Memorandum 15-19 and with developing plans to achieve goals within established milestones.

7. This period of uncertainty and our constrained fiscal environment demand that we approach this critical task with a sense of urgency. We must get this right for our Army. Specific tasks and milestones will be detailed in a follow-on tasking document from the Director of the Army Staff. Our point of contact is BG Karen Dyson, Director, Business Operations, Office of Business Transformation, (703) 614-5245 or karen.e.dyson.mil@mail.mil.



Lloyd J. Austin III
General, United States Army
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Joseph W. Westphal
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