

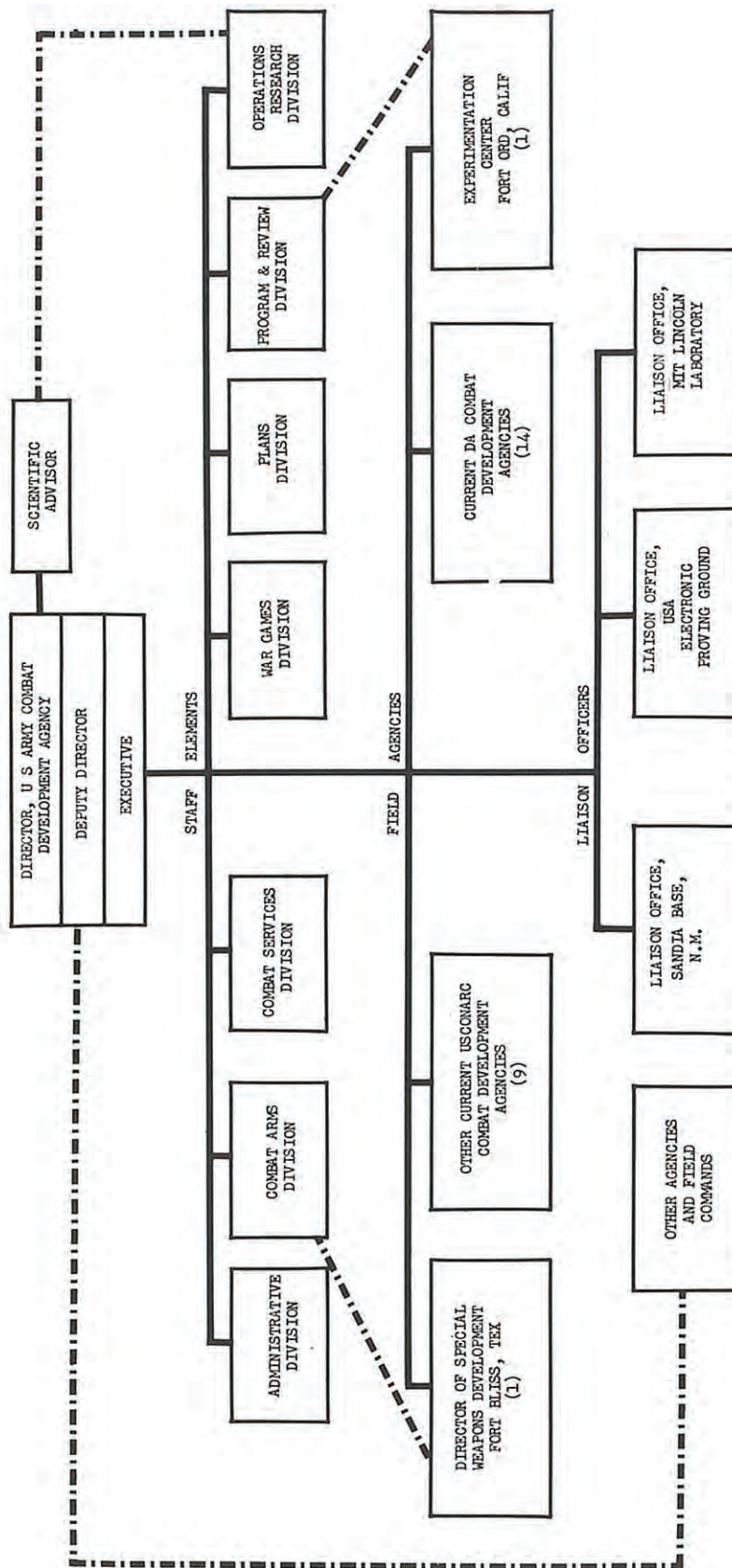
ANNEX A

BACKGROUND INFORMATION

This annex contains pertinent information on the origin and conduct of the study; identifies the personnel who participated in the study; and includes an itemization of the sources of information utilized in arriving at findings. In view of the comprehensive nature of research, study, and fact-finding, it is quite possible that mention of certain persons and documents has been omitted. If this is so, it is an unintentional oversight and is regretted.

The appendices of this annex are as follows:

- Appendix 1 - Terms of Reference
- Appendix 2 - Members of the Project Advisory Committee
- Appendix 3 - Members of the Study Group
- Appendix 4 - Bibliography
- Appendix 5 - Sources of Information



■■■ COORDINATION AND INFORMATION EXCHANGE
 () NUMBER OF AGENCIES

Figure 22. PROPOSED ORGANIZATION, U S ARMY COMBAT DEVELOPMENT AGENCY

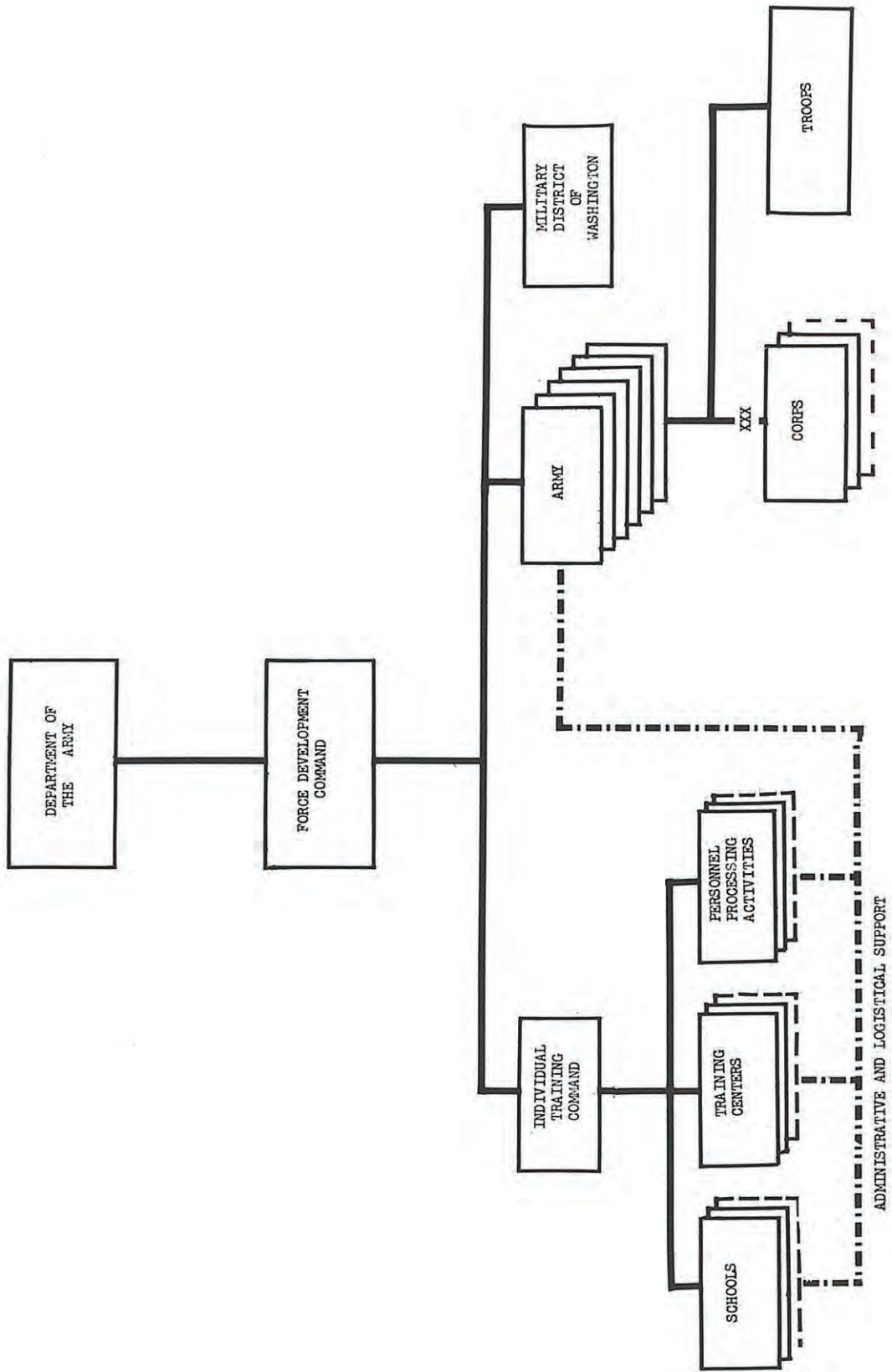


Figure 21. PROPOSED ORGANIZATION, U S ARMY FORCE DEVELOPMENT COMMAND

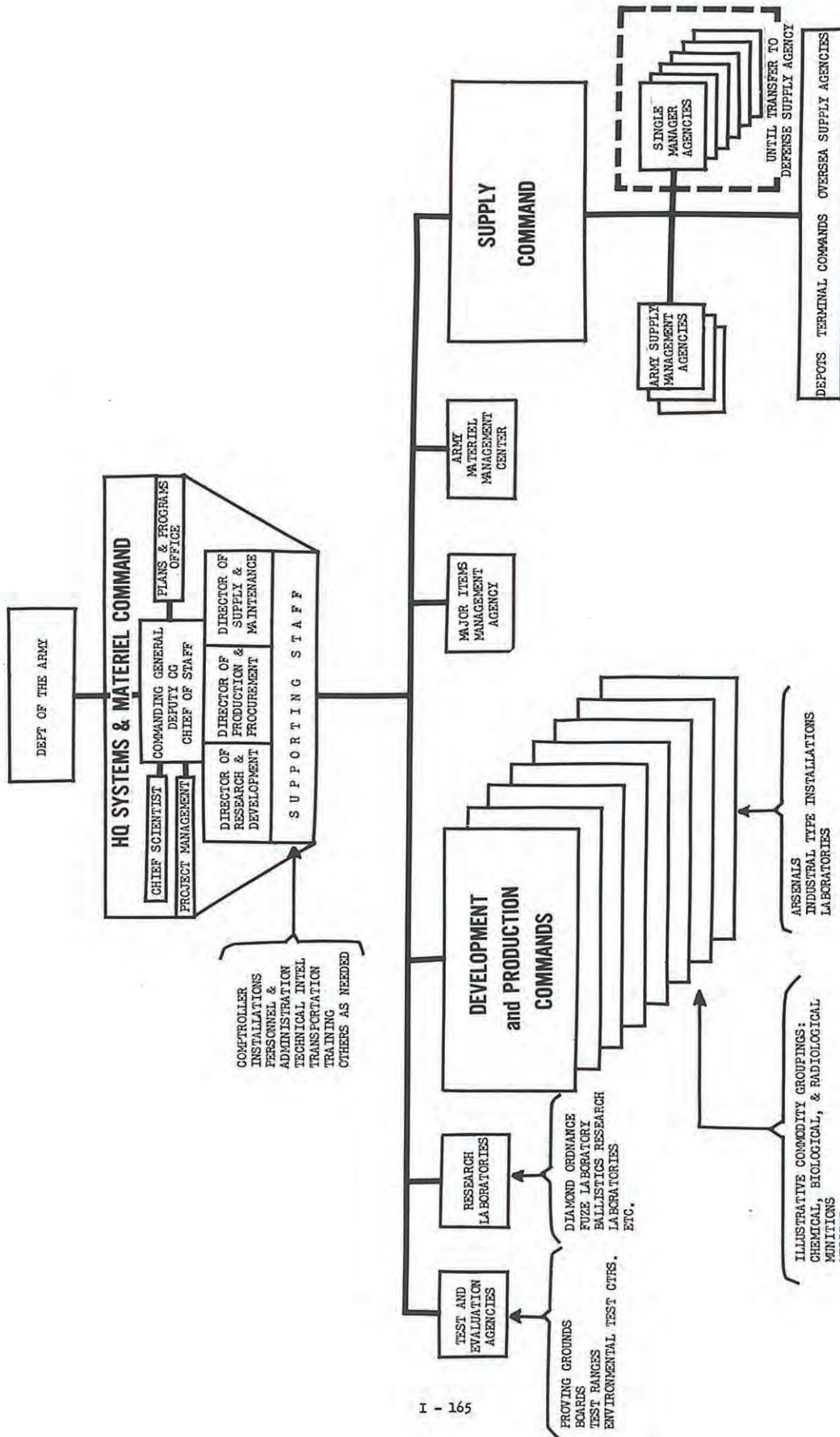
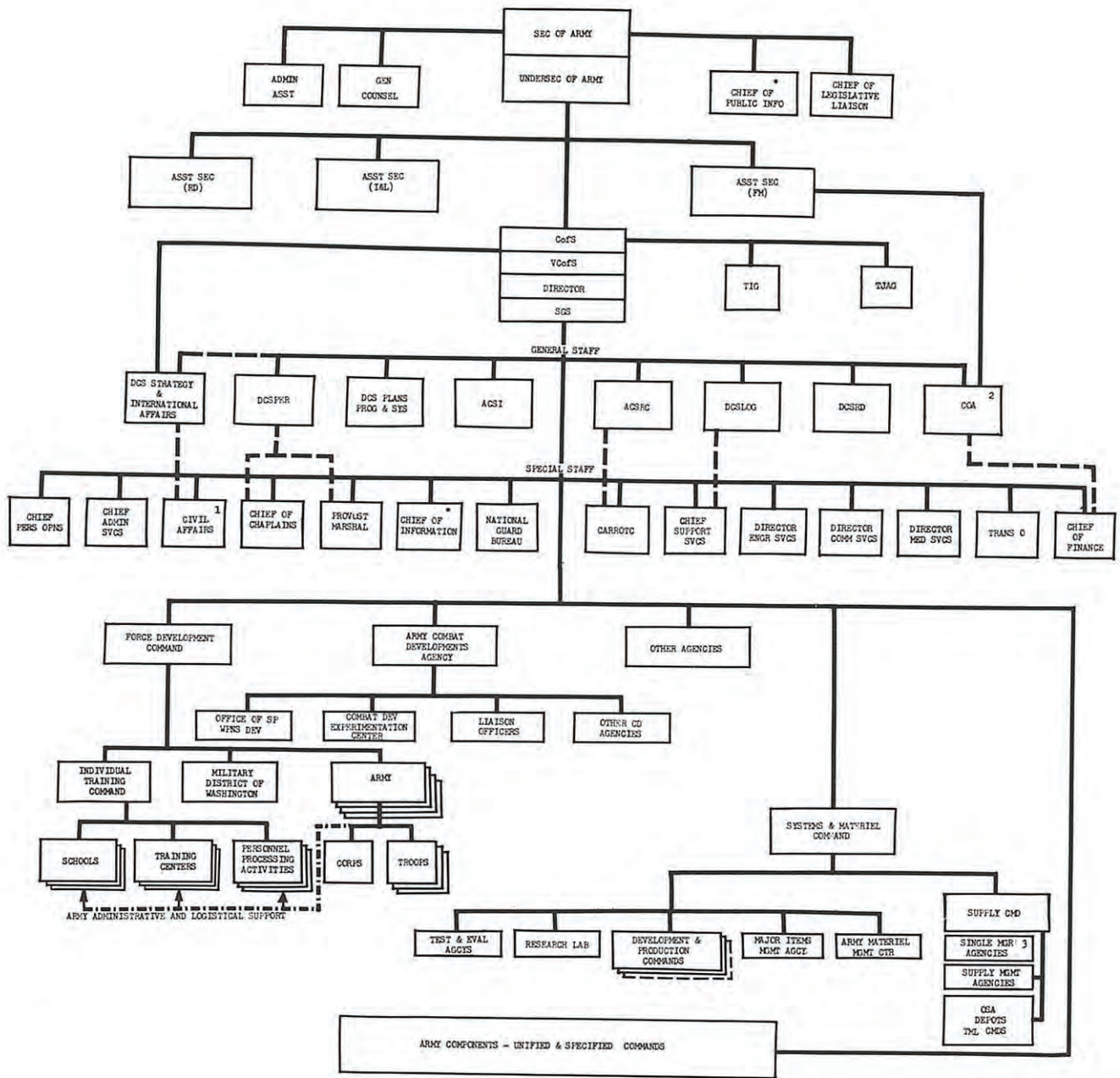


Figure 20. PROPOSED ORGANIZATION

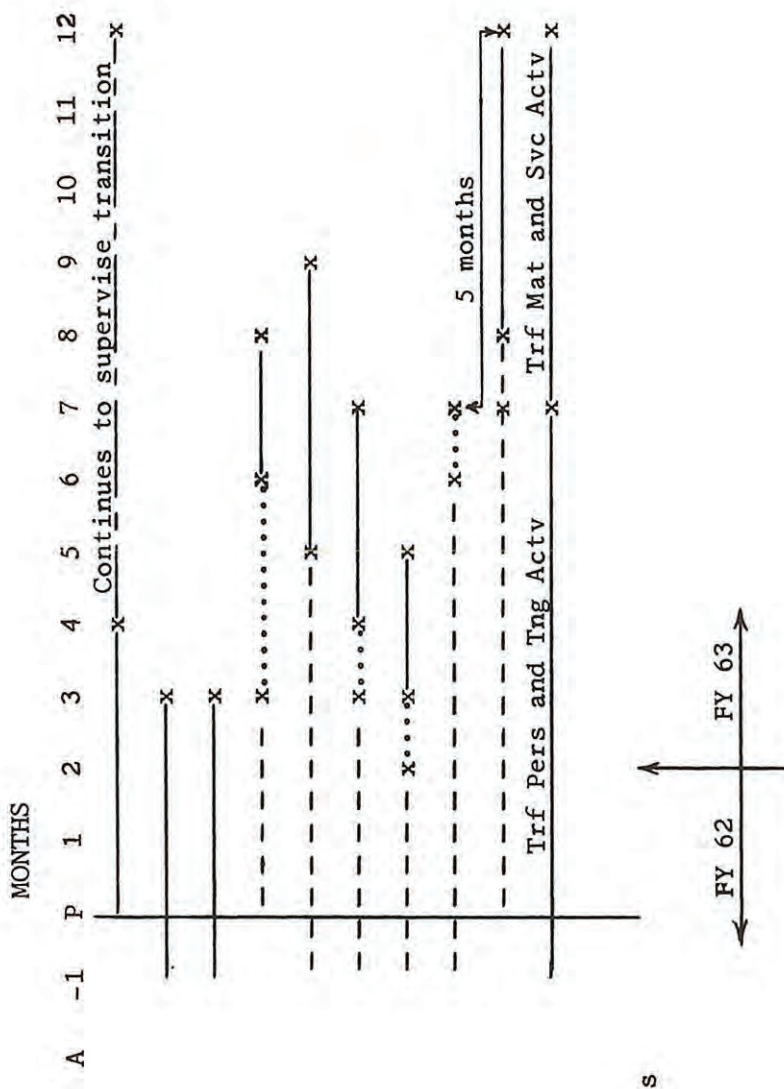
US ARMY SYSTEMS AND MATERIEL COMMAND

FOR OFFICIAL USE ONLY



* CHIEF OF PUBLIC INFORMATION ALSO SERVES AS CHIEF OF INFORMATION
¹ GENERAL STAFF AGENCY
² NO CHANGE CONTEMPLATED IN STATUS OF ARMY AUDIT AGENCY
³ UNTIL TRANSFER TO DEFENSE SUPPLY AGENCY

Figure 19. PROPOSED ORGANIZATION, DEPARTMENT OF THE ARMY



Director of the Army Staff

DCSS&IA

DCSPP&S

OPO

Force Development Command

Individual Training Command

Army Combat Development Agency

Headquarters, Second U S Army

Systems and Materiel Command

Technical and Administrative Services. Initiation of Headquarters, Department of the Army Operating Agencies

LEGEND:

A Date of approval by the Secretary of Defense

P Final date for initiation of planning

--- Planning at interim location

— Planning at ultimate location of proposed activity

..... Movement of activity from interim to ultimate location

CHART 1. CONCEPT FOR TRANSITION

and administrative services whose schools ITC will ultimately control -- for transfer to the ITC after movement to its new location. It has been suggested that Fort Chaffee might serve as a location for this headquarters, in which event it is estimated that the planning group could be moved to Fort Chaffee and be joined there by its augmentation in about five months. The headquarters could then be fully operational in another three months.

Although possible sites for the headquarters of the Second US Army, the Force Development Command, and the Individual Training Command have been mentioned in this report to indicate the nature of the problem, the responsibility for the actual locations and moves should be assigned to USCONARC and its successor, with final determination to be made in accordance with criteria established by Headquarters, Department of the Army. Such criteria should consider the possibility of collocating FDC and ITC. Operating Agencies, Headquarters, Department of the Army

Concurrently with the planning previously discussed, the chiefs of the technical and administrative services should plan for divesting themselves of those functions to be transferred to other commands and agencies, and for the formation of those Department of the Army operating agencies proposed in 1. c(6), above. The principal agencies to be activated will be those to be headed by the Director of Communications Services, the Director of Engineering Services, the Chief of Administrative Services, and the Chief of Support Services. To the extent possible, consideration should be given to locating these operating agencies, particularly the Communications Directorate, in the Pentagon in space made available by the transfer of other Army activities to field commands and agencies. It is estimated that planning for the establishment of these operating agencies can keep pace with the establishment of other commands and agencies, and that the operating agencies can be established as soon as other functions presently performed by the parent organizations are transferred to proposed activities such as the Office of Personnel Operations, the Force Development Command, the Individual Training Command, and the Systems and Materiel Command.

The concept for transition is shown graphically on Chart 1 on the following page.

Force Development Command (FDC)

Since USCONARC will be the organization around which the Force Development Command would be constituted, all planning necessary to effect the transition and to move the FDC from Fort Monroe should be carried out by USCONARC. For the planning phase, the latter should be augmented by representatives from the technical and administrative services, with considerable augmentation from these services after the Command is established in its new location. In order to locate the FDC headquarters more conveniently among its subordinate Armies, and to move it to an area less vulnerable than the Norfolk-Hampton Roads complex, several locations have been suggested. One suggestion would locate both the FDC and its subordinate Command (Individual Training Command, described below) in the Ozark region of western Arkansas. This location would provide maximum protection from a nuclear fall-out standpoint, because of its situation away from target complexes and could be constructed as a hardened site if deemed desirable. A second location suggested was Fort Riley, Kansas. The latter has the advantage of permanent construction which should be sufficiently large to house the FDC headquarters -- although present tenants would have to be relocated -- while construction would undoubtedly be required if use were made of a location in the Ozark region. It is estimated that approximately six months would be required either to complete the necessary planning and actions to establish the FDC at Fort Monroe or to move USCONARC to another location. In the latter case, at least four additional months would be required to establish the headquarters of FDC at a new location.

Individual Training Command (ITC)

Planning for the establishment of the Individual Training Command could be initiated at Fort Monroe at about the same time as planning for its parent headquarters, the Force Development Command. Only a small planning cadre should be formed for this purpose, to consist of representatives of the technical and administrative services and personnel available within USCONARC. This group should initiate planning for the ultimate operation of the ITC, assist in the selection of a location for the ITC, and select personnel - to include representation from the technical

planning group if he can be made available, otherwise it should be headed by his senior representative. Careful study as to the location of the Systems and Materiel Command indicates that it definitely should be in the Washington area, and that Fort Meade is probably the best location for this purpose. If such a selection is made, it will then be necessary to plan for the move of Headquarters, Second US Army and Third Armored Cavalry. Unless a suitable location can be found for this Army headquarters in a reasonable length of time, this factor could result in considerable delay in the activation of the Systems and Materiel Command.

The relocation site for Second Army could be tied in with the establishment of the Force Development Command, discussed below. In the event the Force Development Command, which is considered to be an alternate headquarters for the Department of the Army in case of a massive surprise attack, is moved out of the Norfolk-Hampton Roads complex, Fort Monroe could serve as a relocation site for Second Army. In this event, it is estimated that Headquarters, Second US Army could be established at Fort Monroe in about eight months if six months are allowed for the planning and move of the proposed Force Development Command.

In the event Fort Monroe is not available for this purpose, more time will be required for relocation of the Headquarters, Second US Army. In this case, it is recommended that consideration be given to relocating this headquarters at Indiantown Gap Military Reservation, Pennsylvania, until a suitable permanent location can be agreed upon. Indiantown Gap Military Reservation and New Cumberland General Depot have been mentioned as suitable permanent locations because of their access -- especially New Cumberland -- to rail, air, and highway transportation, and their relative proximity to Washington. The suggestion has also been made that the West Virginia area south of Pittsburgh be considered for this purpose. Assuming that any such solution involving an interim location for Headquarters, Second US Army will require a minimum of nine months after approval of this report, it is estimated that five additional months will be required to rehabilitate facilities at Fort Meade and establish the Systems and Materiel Command.

The other major change to be effected in the Army General Staff area involves the division of the present Office of the Deputy Chief of Staff for Military Operations into the Office of the Deputy Chief of Staff for Strategy and International Affairs and the Office of the Deputy Chief of Staff for Plans, Programs and Systems. Planning for this separation of duties should be possible of initiation soon after approval of this study, with the transition completed in about four months. Since planning for the Office of the Director of the Army Staff might be delayed until an individual can be selected to fill this position, it is possible that planning for the establishment of the Office of the Director might take a month longer.

Army Combat Development Agency (ARCDA)

Planning for the activation of the Army Combat Development Agency could be initiated as soon as a decision is made to create the agency. The agency itself could be activated in place at Fort Monroe, and the various combat development elements of USCONARC and the technical and administrative services transferred to it. The materiel development function would need to be transferred temporarily from USOONARC to the Office, Deputy Chief of Staff, Research and Development. The head of ARCDA could proceed to make such changes and consolidations within the units assigned to him as would best serve the purposes of the Agency. It is estimated that about six months of planning would be required before the Agency would be fully operational. During this time, plans should be developed for the ultimate transfer of the Agency to the Washington area, e.g., Fort Belvoir, the timing to depend upon various factors including the re-organization of USCONARC and availability of space.

Systems and Materiel Command (SMC)

The planning group for the headquarters of this Command should include representation from all the technical services, OCRD, and ODCSLOG. The group will require considerable strength -- on the order of fifty officers and key civilians -- and should be established at Fort Meade as soon as facilities can be made available. The commander designate should head the

these Department of the Army operating services, which were discussed in Section F, on pages I-56 and I-57.

Office of Personnel Operations (OPO)

The initial action proposed in undertaking a reorganization of the type outlined in this section would be to establish the Office of Personnel Operations. This agency is the key to any major action to achieve greater unity in the Department of the Army. Accordingly, the head of the agency would need to be selected with great care, as would other key personnel. The OPO could initiate operations by taking over personnel management and manpower offices of other agencies in place, but it cannot be fully effective until it is physically consolidated, with appropriate quarters and adequate data processing and communications support. The location should be in the Washington area, preferably in the Pentagon, and the office should be operating effectively before establishment of the major field commands is initiated.

If a planning and implementation group is established soon after a decision is made to establish OPO, three months would probably be required to initiate operation; an additional three months to prepare office space and effect the necessary moves to consolidate operations; plus two months to achieve a degree of operating effectiveness which would fully support the proposed major field commands.

Army General Staff

Coincident with the planning for OPO, plans could be initiated for the establishment of a Director of the Army Staff and for the changes proposed in the Army General Staff to strengthen planning and programming. As a practical matter, it is recognized that the capability to carry out these organizational changes will depend on the reallocation of three-star positions to fill certain recommended positions. The position of the Director of the Army Staff is one to which such rank should be assigned. In addition to the normal duties envisioned for this office -- as explained previously -- it is contemplated that the Director would direct and coordinate planning necessary to effect transition to the proposed organization.

by law (as an example, a proposal to discontinue the title of the Chief of Ordnance and transfer the functions of the Chief of Ordnance) are reported to Congress as prescribed by subsection 202(c) of the National Security Act of 1947, as amended (72 Stat. 514; 5 U.S.C. 171a(c)). In addition, it should be noted that any change considered by the Armed Services Committee of the Senate or House of Representatives to involve a "major combatant function" would be subject to a congressional veto, by either house (although it is believed that none of the planned changes involve combatant functions). Legislation would be required to override any such veto and accomplish the change involved.

Legislation will, in any event, be necessary to effect certain non-organizational changes; for example, those proposed to improve the Reserve Officers' Training Corps program. In addition, certain "clean-up" legislation, primarily repealing sections of Title 10, United States Code, will be desirable after the relative permanency of the changes effected has been established.

In discussing this transition, use will be made of names for various commands and agencies in the same manner as in preceding parts of this report. Such names were adopted as a method of designating the command or agency under discussion and every effort was made to have them as meaningful as possible. It is not intended that they be other than suggestions, and the final choice of names should be made upon the recommendation of the implementation groups and approval by the Secretary of the Army. In like manner, titles were adopted to describe certain individuals such as Chief, Administrative Services, Director of Engineering Services, Director of Communications Services, and Director of Medical Services, to indicate the change in the nature of the proposed responsibilities and duties from those pertaining at present to The Adjutant General, the Chief of Engineers, the Chief Signal Officer, and The Surgeon General, respectively. There is every reason to believe, however, that these latter four titles should be retained to designate the senior officers assigned to

2. Concept for Effecting Transition

Requirement for Planning Headquarters

This study envisions a broad and far-reaching reorganization of the entire CONUS Army structure. Implementation must be carefully planned and gradually phased if the Army's current operations are to be carried on effectively and its emergency reaction capability is to be maintained during the change-over.

An important consideration is the need to preserve the morale of Army personnel and avoid the loss of an unacceptable number of key civilian personnel. For this reason, it will be desirable to make a special effort to assure that people at all levels of the Army are provided with full opportunity to understand the nature and impact of the proposed actions and to realize that the reorganization will have its principal impact on headquarters organization and command relationships. There need be relatively little shifting of activities at major installations.

Upon approval of the study by the Secretary of Defense, concurrent action should be taken to obtain the necessary legislative authority to carry out the approved changes, and to constitute implementation groups to plan for the effectuation of these changes. These latter groups will find basic guidance in the approved study; additional guidance should be furnished them in the form of general timing, consistent with fiscal year funding programs, and specific requirements (e.g., the drafting of various Army Regulations, General Orders, Tables of Distribution, etc.). They should be authorized appropriate direct communications. The implementation groups should also be instructed to recommend the source of spaces required for new or augmented agencies. Appropriate assignments for such groups are outlined later in this section.

An additional group should investigate the legislative implications and identify changes to be reported to Congress and those which will require legislation. The principal recommendations can be accomplished solely by administrative action of the Secretary of Defense and without enacting legislation, provided recommendations changing functions established

c. That the Office, Secretary of Defense provide authorization and guidance to enable the Army to establish an integrated financial management system.

d. That financial management policies and practices be modified, as practical, to reduce the burden and improve the value of the system. In particular, that stock fund operations be financed on an effective revolving fund basis; that obligation limitations at the budget program level in the O&M,A appropriation be eliminated; and that excessively close controls on the PEMA and RDT&E appropriations and other funds for construction use be modified.

e. That the Army strengthen its capability for designing and evaluating organization, management systems, and management practices; that the Army make greater use of the techniques of systems management.

f. That special orientation training be provided individuals about to serve their initial tours at the Headquarters, Department of the Army and other major headquarters.

g. That consideration be given to the revised ROTC program discussed in the separate report identified as Part VII, "Reserve Components".

h. That procurement be simplified by increased delegations of authority and relaxation of detailed administrative controls.

i. That responsibility for final approval and publication of many technical non-policy documents be delegated to the major subordinate commands.

j. That the current functions of the technical committees be included within the Systems and Materiel Command, and that recommendations with respect to type classification be subject to approval by the Army General Staff.

k. That after reorganization action, the Comptroller of the Army, in conjunction with remainder of the Army Staff, review all recurring reports being received in Headquarters, Department of the Army to determine the essentiality of the reports, and needed improvements.

d. That the detailed operating functions being performed in the Army General Staff be delegated to subordinate headquarters to the maximum feasible extent, and the size of the Army General Staff be reduced accordingly.

e. That the Chief of Staff and Vice Chief of Staff be provided a principal assistant to serve as Director of the Army Staff.

f. That a separate Office, Deputy Chief of Staff for Strategy and International Affairs be formed to handle Army Staff matters pertaining to Joint Activities of unified and specified commands and operational matters of interest to the Joint Chiefs of Staff, the Assistant Secretary of Defense (ISA), and the Assistant Secretary of Defense (Special Operations).

g. That the Deputy Chief of Staff for Strategy and International Affairs report directly to the Chief of Staff and serve as the Army Operations Deputy to the Joint Chiefs of Staff.

h. That an Office of the Deputy Chief of Staff for Plans, Programs, and Systems be formed, primarily from elements of the Office of the Deputy Chief of Staff for Military Operations, to be responsible for basic Army planning, for coordinating Army programming, for improving consistency between planning and programming, for systems management on the Army Staff, and for certain other functions. That the present Office of the Deputy Chief of Staff for Military Operations be discontinued.

i. That the Chief of Research and Development be redesignated as the Deputy Chief of Staff for Research and Development.

(8) Policies, Practices, and Procedures

a. That the Army program be formulated in terms of mission oriented forces and essential support oriented activities, within guidelines provided by the Office, Secretary of Defense, and projected over five and ten-year periods; that a related subordinate analysis of significant weapon and equipment programs support the force and function projections.

b. That the budget be based on the costed program with a summary in the same format in addition to presentation by appropriations.

b. That functions of The Quartermaster General remaining after transfer of materiel responsibilities to the Systems and Materiel Command, training responsibilities to the Force Development Command, personnel management to the Office of Personnel Operations, and heraldry to the Office of Administrative Services, be absorbed by an Office of Support Services.

c. That responsibility for administration of National cemeteries be transferred from the Department of the Army to another Government agency.

d. That responsibilities of The Adjutant General remaining after transfer of personnel operations be assigned to an Office of Administrative Services.

e. That functions and personnel of the Office of the Chief of Military History and elements of the Office of The Quartermaster General concerned with heraldry be transferred to the Office of Administrative Services.

f. That an Office of Transportation provide special staff advice on transportation matters.

g. That the special staff offices of the Chief of Ordnance and Chief Chemical Officer be discontinued, and their remaining operating functions be absorbed by the Systems and Materiel Command, and the staff functions be provided by the Army General Staff or by the Systems and Materiel Command.

h. That the staff functions of special staff offices not mentioned remain essentially unchanged.

(7) Office, Secretary of the Army and Army General Staff

a. That the role of the General Counsel be clarified.

b. That consideration be given to transfer of the Defense Supply Service-Washington and the Defense Telephone Service-Washington to the General Services Administration.

c. That the role and functions of the Office of Analysis and Review in the Office, Under Secretary of the Army be clarified.

g. That consideration be given to transfer of administration of non-unit assigned members of the Army Reserve from the US Army Corps headquarters to the ZI Army headquarters.

h. That the ZI Armies be responsible for the necessary administrative, logistic, and troop unit support of service schools and other training activities supervised by the Individual Training Command.

(4) Combat Development

a. That an Army Combat Development Agency be formed to be responsible for developing organizational and operational objectives and concepts, for developing materiel objectives and qualitative requirements, for war gaming and field experimentation, for selected operations research studies, and for certain cost-effectiveness studies.

b. That combat development functions and personnel of USCONARC, the technical services, and other Department of the Army agencies be transferred to the Army Combat Development Agency.

(5) Military Personnel Management

a. That the Deputy Chief of Staff for Personnel be assigned Army General Staff responsibility for manpower and personnel management of all Army military and civilian personnel.

b. That military personnel operating functions be consolidated into a single Office of Personnel Operations, with the exception of those personnel functions of The Surgeon General, The Judge Advocate General and the Chief of Chaplains pertaining to officers.

c. That the Office of Personnel Operations be manned with personnel having backgrounds in various general and special fields of interest which would help to insure that adequate attention is given to the needs of scientific and technical personnel.

(6) Special Staff and Operating Agencies

a. That Army-wide services in the fields of personnel operations, communications services, engineering services, and medical services be provided by Department of the Army operating agencies; and that these agencies also provide special staff advice.

the basis of criteria established by and mutually acceptable to the Systems and Materiel Command and the Army General Staff.

d. That an effective research and development civilian career program be instituted within the Systems and Materiel Command.

(3) Training and Forces Development

a. That, with minor exceptions, operating functions and responsibilities in the areas of personnel induction and processing, individual training and education, forces readiness (reserve and Active Army), and area security be vested in a single field Command called herein the Force Development Command.

b. That USCONARC be reconstituted as the Force Development Command by assuming such of the above functions as are presently assigned to the technical and administrative services, and by being relieved of functions pertaining to combat development and materiel development.

c. That an Individual Training Command be organized, subordinate to the Force Development Command, to direct and control assigned Army Service Schools, Army Training Centers, and personnel processing activities.

d. That individual training conducted at the US Military Academy, the USMA Preparatory School, the US Army War College, the Army Security Agency, the Strategic Intelligence School, the Army Logistics Management Center, oversea schools, and courses of instruction of a non-military or professional medical nature not be consolidated in the Force Development Command but be assigned to other agencies, as appropriate.

e. That the geographic substructure of the US Army Corps (sectors and subsectors) be eliminated and that non-divisional units be organized in combat, combat support, or administrative service-type groups directly under the corps for command purposes.

f. That US Army Corps headquarters be augmented with technical and administrative staffs to supervise adequately the technical training and proficiency of Army Reserve units.

testing operations currently performed by USCONARC Test Boards.

3 A Major Items Management Agency to act as the national inventory control point for all principal and major secondary items.

4 The materiel research laboratories now operated by the technical services.

5 An integrated Supply Command to include Army single manager agencies (until their transfer to the Defense Supply Agency), national inventory control points (except for major items), the CONUS depot system including depot maintenance facilities, and the CONUS transportation terminals and oversea supply agencies. After establishment of the Defense Supply Agency, the Command would continue a certain cognizance over commodities assigned DSA to assure effective support for end items.

c. That officers be utilized within the Systems and Materiel Command without regard to branch, and specifically that combat arms officers be used to a considerable extent in testing activities.

d. That the Systems and Materiel Command be responsible for and provide the individual training and education peculiar to the CONUS wholesale logistic system.

(2) Research and Development

a. That research and development pertaining to materiel be conducted by the Systems and Materiel Command, and that the qualitative requirements for materiel be developed by the Army Combat Development Agency.

b. That research and development not pertaining to materiel continue to be conducted by the agency having primary interest, and specifically that the medical research and development program remain assigned to the Army Medical Service, and certain basic research and Army-wide contracts continue to be assigned the Army Research Office.

c. That the flow of scientific and technical information of research and development interest through the Systems and Materiel Command be subject to minimum review at intermediate command layers, on

the development-procurement-production area; for achieving a single supply system and for improving supply service; for more fully coordinating the control of individual and unit training and unit readiness; for providing improved guidance and service to reserve units; for advantageously adjusting the ROTC program to changing conditions; and for achieving more effective relationships with higher authority, and with industry and with the scientific world. It is the conclusion of the study that optimum achievement of these objectives requires changes in policies, procedures, and organization, and that the welfare of the Army would be furthered by such changes.

f. Summary of Recommendations

The recommendations of this study are listed below, in the following categories: Materiel Management; Research and Development; Training and Forces Development; Combat Development; Military Personnel Management; Special Staff and Operating Services; Office, Secretary of the Army and Army General Staff; Policies, Practices, and Procedures.

(1) Materiel Management

a. That operations pertaining to the development, testing, production, wholesale supply of materiel, and transportation services be initially consolidated within a single Systems and Materiel Command, with provision for a subsequent withdrawal of supply and distribution if further study indicates such a step to be desirable and practicable.

b. That the internal organization of the Systems and Materiel Command include the following specific features:

- 1 A series of separate subordinate commands for the development and production of materiel, organized by groups of commodities, and with procurement by these sub-commands centralized at commodity centers with inspection and contractor liaison being conducted by contracting officer representatives working out of consolidated regional offices.
- 2 Appropriate agencies to test and evaluate materiel, to include

increased by operating under the pattern described in this section. In this connection, it is noted that the concept includes the proposition that the Systems and Materiel Command would be located in the Washington area; Fort Meade is proposed, specifically. Further, it is anticipated that the Office, Secretary of Defense will progressively take on the role of providing positive guidance for an entire program, and correspondingly decrease the practice of delaying the authorization of parts of programs and fund requests.

With this understanding, the answer seems clear and definite that the Army should make the basic changes in its pattern which have been outlined above. This statement takes into account the need for a phased series of actions extending over a period of time, rather than immediate and concurrent actions affecting all areas.

The conclusion is based on no single reason, but upon the summation of many reasons. In general, the reasons are related to the Basic Considerations and to the series of conclusions resulting from the study, and particularly to the fact that effective performance of the missions assigned to the Department of the Army are vital to the welfare, and perhaps survival, of the United States. Performance should, therefore, be maintained at the highest practical level; it is not enough that it be generally good. Further, the pattern which has served the Army well in earlier days does not provide it with the desirable flexibility for future growth.

More specifically, there are substantial opportunities for providing the Army with better long-term guidance; for achieving greater unity of purpose and effort; for relating programs and resource utilization more directly to specific military capabilities; for better coordinating the various activities concerned in fielding new components; for decentralizing operations; for more flexibly controlling personnel assignments; for using more broadly and flexibly the specialized capabilities of personnel; for improving the environment of research and development; for strengthening the combat development sequence of activities; for better organizing

In answering the question, it is necessary to give consideration to the difficulties involved in making changes, to the fact that the present situation is a known factor and any proposed pattern necessarily involves uncertainties, and to the fact that there are inevitable costs in terms of learning time, turmoil, movement of people, preparation of new locations, and the like. There can be no doubt that the change to a new pattern involves costs, uncertainties, and hazards.

On the other hand, change cannot be rejected simply because it involves costs and hazards. All organizations must change as necessary to conform to the requirements of changing conditions. The question becomes one of how much change, at how much cost, and at what time. The question cannot be answered in terms of discrete quantities, by adding up weighted pros and cons. It involves a substantial number of intangibles and unknowns.

In the guidelines for the conduct of this study provided by the Office, Secretary of Defense, particular emphasis was placed on the need to consider the Defense environment. Specific attention is accorded this matter in Section A. At this point it is appropriate to give special consideration to the Defense environment as a factor bearing on the question of whether change is warranted. It is concluded that the Defense environment causes the principal uncertainties as to whether changes of the nature outlined in this study should be undertaken. Effective performance by the Army would be difficult, in any case, if authoritative guidance is provided primarily on a piecemeal basis through detailed partial review of Service proposals rather than on the basis of an integrated Defense program. In the light of the extensive time and effort involved in the development of successive justifications and submissions of itemized data, the question naturally arises as to whether greater decentralization of detailed direction and control would further prolong the process of securing program and fund authorizations.

While the answer to this question is difficult to anticipate precisely, it appears that the time and effort involved would not be materially

- Provides for appropriate military and civilian career programs to foster research and development;
- Provides for separate organizations to give emphasis to medical research and basic research;
- Provides, through the Systems and Materiel Command, authoritative control of, and single responsibility for, the Army's wholesale materiel function;
- Provides a simplified procurement structure designed to make relations with industry more effective and improve procurement operations.

23. Although changes in organization, functions, and procedures may be desirable, it is important that a high degree of stability and continuity in Army operations be maintained.

With respect to this Basic Consideration, the proposed pattern:

- Adheres to the traditional staff pattern of the Headquarters, Department of the Army;
- Requires relatively little disruption of field operating entities and activities;
- Causes major changes in relations of the chiefs of technical and administrative services to their branches, but does not eliminate traditional branch identities;
- Preserves the supervisory and administrative structure for the Active Army, Reserve components, and public and inter-departmental relations exemplified in the ZI Armies and US Army Corps;
- Requires major disruption and change in the functions, organization, and procedures of the technical and administrative services, with an attendant danger of loss in continuity, but to a lesser degree than the alternatives considered;
- Requires additional field headquarters facilities and an appreciable implementation period.

e. Is Change Warranted?

Even if it is determined that the pattern outlined above is preferable to the present one, the question stated in the caption of this part must still be answered.

19. There is a need for integration and coordination of effort in the timely development of new concepts of military operations and organization and in the establishment of long-range materiel objectives and qualitative materiel requirements, in close consonance with the development and testing of materiel and with the preparation and application of doctrine.

20. There is a need for an organizational setting within which the innovation process can flourish in support of Army interests, research and development can expeditiously provide superior materiel, the requisite creative and professional talent can be attracted, developed, and retained, and a world-wide competitively favorable scientific position can be maintained by the Army.

21. There is need for a producer logistics system of organization and management which will provide for a closely linked, orderly cycle from qualitative requirements through fielding and support; for accomplishment of this cycle in a minimum time span; for optimum efficiency in utilization of resources; and for effective and convenient support to using units.

22. There is need for organizational arrangements, policies, and practices which will encourage industry and the academic community to provide their fullest cooperation, assistance, and participation in developing and supporting combatant forces for land warfare.

With respect to Basic Considerations numbered 19, 20, 21 and 22, the proposed pattern:

- Integrates the combat development effort within the Army Combat Development Agency, an organization directly subordinate to Headquarters, Department of the Army;
- Provides means for the Army Combat Development Agency to coordinate with the Systems and Materiel Command on materiel development and testing, and with the Force Development Command and Army elements of unified commands on preparation and application of doctrine;
- Provides, through the Assistant Secretary of the Army (Research and Development), and through a separate General Staff section, continued emphasis on research and development activities;
- Provides, in the headquarters of the Systems and Materiel Command, a new focus of authority and leadership in research and development;

- Reduces the present coordination effort required to assure balance between requirements and assets of trained manpower.

15. It appears desirable to effect greater consolidation of the responsibility, control, and direction of individual and unit training in order to assure that the product of such training will be related directly and continuously to the requirements of the active and reserve elements of the Army.

16. There is a need for clearly identifiable staff or command responsibility at each echelon of Army organization charged with Reserve component activities; for clear lines of command authority from Active Army headquarters to US Army Reserve units; and for organizational arrangements which will facilitate effective logistical and administrative support of the Reserve components.

17. There is a need for continuing attention to the policies, practices, and procedures pertaining to force composition, personnel management, administration, training, and logistical support of the Army Reserve components, in the light of the greater dependence upon them apparent in the current Defense environment.

18. There is a need to revise the ROTC program to bring it into consonance with military requirements, academic pressures, an expanding student population, and the need to operate within limited resources.

With respect to Basic Considerations numbered 15, 16, 17 and 18, the proposed pattern:

- Consolidates under one command, the Force Development Command, responsibility for individual training and education, unit training, and area administration;
- Provides the Force Development Command with appropriate subordinate headquarters to execute its mission with respect to both active and Reserve components;
- Assures strong attention throughout the structure to adequate supervision and support of the Reserve components;
- Provides appropriate training capabilities within the Systems and Materiel Command for the wholesale materiel function and for support of certain instruction within the Force Development Command;
- Offers a revised ROTC program which would be in consonance with the requirements of the Army and the educational institutions sponsoring this program.

to the Chief of Staff, the Secretariat, and to higher authority;

- Provides an overall arrangement of functions and procedures in consonance with the principal missions of the Department of the Army;
- Affords a means for coordinated, positive direction and control of field operating activities.

13. There is a need to determine what pattern of organization and management of Army-wide services of a technical nature will provide the best balance between the desirability of independent status for the service, on the one hand, and the span of control of the Chief of Staff, on the other.

With respect to this Basic Consideration, the proposed pattern:

- Establishes the Directorates of Engineering Services, Communication Services, and Medical Services in the Headquarters, Department of the Army, without intermediate supervision;
- Consolidates certain support and administrative services within the Offices of the Chief of Support Services and the Chief of Administrative Services;
- Transfers to the Individual Training Command of the Force Development Command responsibility for operation of the personnel recruiting and personnel processing activities.

14. There is a need to utilize military personnel in accord with their capabilities, without unnecessarily being limited to branch designations; to provide broad and attractive career opportunities for Army military and civilian personnel; and to meet the requirements of field commands and other claimants for trained personnel in the most complete and timely manner practical.

With respect to this Basic Consideration, the proposed pattern:

- Provides for a more closely integrated personnel management system, including the establishment of the Office of Personnel Operations;
- Provides for more flexible assignment policies for military personnel in positions not requiring branch identification;
- Offers both a broad scope of career development and specialization opportunities for military and civilian personnel;

8. There is need for the Army to recognize the importance of continuously improving the administrative machinery and practices of command and management, as well as improving management skills of its key personnel assigned to non-tactical activities.

With respect to Basic Considerations numbered 6, 7 and 8, the proposed pattern:

- Emphasizes the role of the Comptroller of the Army in adapting the latest management techniques to the needs of the Department of the Army, to include the use of automated data systems;
- Suggests establishment of a short course of instruction in management for those individuals assigned to the Headquarters, Department of the Army and other major headquarters;
- Provides for optimum use of automated data processing in the Office of Personnel Operations.

9. There is need for effective relationships with higher authority.

10. There is need for the Army Staff to be organized to provide the highest degree of support to the Office, Secretary of the Army, and for that Office to avoid duplication of those functions assigned to the Army Staff.

11. There is need for a closely coordinated Army Staff to provide effective support to the Secretary and Chief of Staff in their respective roles as civilian and military heads of the Department of the Army, while at the same time providing effective support to the Chief of Staff in his role as a member of the Joint Chiefs of Staff.

12. There is need to divorce command responsibilities from Army General Staff agencies and to provide for decentralization of operations from the Headquarters, Department of the Army to field commands and agencies to the maximum extent practical.

With respect to Basic Considerations numbered 9, 10, 11 and 12, the proposed pattern:

- Divorces command-type and operational responsibilities from the Army General Staff and retains in the Headquarters, Department of the Army only those operating functions which do not lend themselves to decentralization;
- Provides a smaller, more cohesive, corporate body as a General Staff organization, under a Director, designed for responsiveness

- Establishes a separate General Staff section to devote primary interest to all phases of joint planning and programming;
- Establishes a Director of the Army Staff to improve the coordinated effort of the entire Army Staff;
- Transforms the Army General Staff into a smaller, more cohesive body, as free as possible from parochial or divisive influences;
- Suggests improved policies for relating program and budget decisions to missions and tasks.

5. For selected weapons systems, major items, or new organizations, there need to be supplemental provisions for project or systems management to be applied throughout the system cycle, including research, development, procurement, production, supply, distribution, training, deployment, use, and maintenance.

With respect to this Basic Consideration, the proposed pattern:

- Provides General Staff agencies within the Headquarters, Department of the Army to supervise each critical phase of the systems cycle, with overall coordination being provided by the Deputy Chief of Staff for Plans, Programs, and Systems;
- Provides, in the Systems and Materiel Command, an optimum climate for project management at any level of the organization;
- Through training of certain instructor-type personnel of the Force Development Command by the Systems and Materiel Command, affords a means for prompt and orderly assumption of the training mission by the Force Development Command for more complex materiel;
- Provides, in the Force Development Command, authoritative command and control of the training of individuals and units to man the weapons systems.

6. There is a need for methods of measuring performance in relation to goals and resources utilized, and for objective review and analysis designed to provide a basis for informed decisions regarding adjustments in programs and policies.

7. There is need to provide for automation of data processing and for related communications and display facilities in order that the Army may function more effectively.

be compared to a group of several related Basic Considerations, rather than to a single one.

1. The functions, organization, and procedures of the Department of the Army need to be suited to the requirements of varying conditions of cold, limited, or general war.

With respect to this Basic Consideration, the proposed pattern:

- Decentralizes vital operations to field commands or agencies to the maximum extent practical;
- Enhances control and direction by combining major elements of the primary mission of the Department of the Army into discrete functional areas, with minimum dispersion of responsibility;
- Offers a means to relate resources readily to missions and tasks;
- Affords flexibility in accommodating expansion or contraction in the size and task of the Army without causing major disruption of the structure;
- Does require, initially, additional field facilities for its major supervisory headquarters.

2. There is need for the Headquarters, Department of the Army to provide for clarity and continuity of Army objectives through: long-term anticipation of the future environment and requirements for military capabilities; related long-term planning; and corresponding long-term programs consonant with economic and technological capabilities and anticipated resource availability.

3. There is need for thorough integration of Army planning, programming, and budgeting, and for closer correlation of the short-range, mid-range, and long-range implications.

4. There is a need for Army program and budget decisions to be related directly to Army missions, tasks, and end products, to include equipment and weapons systems, and for separate staff interests to be subordinated to primary Army objectives.

With respect to Basic Considerations numbered 2, 3 and 4, the proposed pattern:

- Establishes a Deputy Chief of Staff for Plans, Programs, and Systems to integrate all phases of internal Army planning, programming, and broad systems management;

informed of agenda items and proposed committee meetings. The relations of the committee with these agencies should be basically the same as those of the present technical committees of the technical services. The Systems and Materiel Command should continue the practice of providing wide dissemination of the records of classification actions.

It is further concluded that actions of the proposed technical committee should be processed through the Commanding General of the Systems and Materiel Command to the Headquarters, Department of the Army, for approval.

Recurring Reports. A large number of recurring reports of an informational nature is being received in the Headquarters, Department of the Army. The essentiality of many of these reports, at least in their present form, is questionable. To conserve the limited time available to the Army Staff and the Secretariat, and to facilitate decision making, the reports should highlight changes or deviations from the "norm" and should include necessary interpretations and identification of causes for deviations. Reports should also state corrective action taken or, when appropriate, action proposed for the Headquarters, Department of the Army. It is concluded that if changes in organization and management practices are made as recommended in this report, a comprehensive review of all recurring reports should be made by the Army Staff under staff supervision of the Comptroller of the Army.

d. Relation of the Proposed Pattern to the Basic Considerations

In the preceding parts of this section significant features of the proposed pattern of organization and management of the Department of the Army were identified. It will be useful to evaluate the degree to which the proposed pattern is considered to satisfy the Basic Considerations which were presented in Section E. Although separate elements of the pattern were related to these Basic Considerations in the description of alternative patterns presented in Section F, the following discussion will treat the proposed pattern of organization and management primarily from the overall viewpoint. Where appropriate, the proposed pattern will

staff within his office.

Guidance Publications. A major characteristic of present Army organization and operation is the voluminous amount of guidance issued to the field by Headquarters, Department of the Army. Currently about 35,000 official Department of the Army publications exist, distributed through approximately 40 different media. Recent studies of this problem reveal a steady growth in volume over the past several years, mainly (about 85%) technical media which do not have broad policy implications.

It is believed that responsibility for final approval and publication of a majority of these technical, non-policy documents should be delegated to the major subordinate commands. It cannot be accurately forecast whether the total volume of guidance published throughout the Department of the Army could be reduced by this decentralization, principally because of the growing complexity of modern weapons and equipment. However, two beneficial results can be foreseen:

(1) Guidance from Headquarters, Department of the Army would be less, and would be confined more to overall broad policy statements with more impact, thus permitting greater freedom of action and initiative, and

(2) Guidance from subordinate headquarters would be more timely and useful for those with a need to know and follow this guidance.

Type Classification of Materiel. Type classification actions are currently processed by the technical committees of the technical services according to their logistic responsibilities in the AR 701 series. These technical committees also aid the monitorship and coordination of materiel development by publishing development schedules, by recording completed development phases, and by publishing frequently the status of every item under their cognizance.

It is concluded that the functions of these technical committees should be incorporated in a technical committee under the Systems and Materiel Command. The Chairman of the new technical committee should be the Director of Research and Development. Interested Army Staff and field agencies should, as at present, provide the membership of the committee and be

faculty participation in teaching certain subjects included in the ROTC curriculum. However, environmental factors are causing pressures for further change in the Army ROTC program. These factors include the rapidly expanding student population, which is bringing about increased requirements for ROTC facilities and instructors, particularly at colleges conducting a compulsory basic ROTC course; the increasing budgetary costs of the ROTC program; the continued objections on the part of some student bodies and faculties to the compulsory basic ROTC course; and the recently developed plans of the Air Force to abandon the basic course, the support of which they now share with the Army at some 60 colleges and universities.

The Study Group examined the several alternatives under consideration by the Army Staff and, based upon its evaluation, developed a proposed program which retains most of the time-tested virtues of the present Army ROTC program and incorporates good features of the alternative two and three year proposals under active consideration. The Study Group's proposal is presented in detail in the separate report, Part VII, dealing with the Reserve components and ROTC. It is concluded that this proposal should be given thorough consideration.

Procurement. The broad concept of proposed materiel procurement operations has been stated in the discussion of the Systems and Materiel Command. However, because of the interest of the Assistant Secretary of the Army (I&L) in procurement, and the responsibilities of his Office in the contractual process which have come about either as a result of statutes or administrative decision, the role played by his Office in this area was reviewed. This review indicated that simplification of procurement operations and reductions in the time required to place items under contract could be effected through increased delegations of authority to the operational level and relaxation of detailed administrative controls. Furthermore, it appears that fuller use could be made by the Office of the ASA (I&L) of the diverse and highly skilled capabilities existing in the Army Staff to keep better informed and insure that actions are handled on a more expeditious basis, thereby obviating the need of a large, duplicate

public or private agencies and regardless of the nature of the substantive operation, almost without exception highlight short falls in managerial aspects of the situation. The scope of managerial problems is continually growing, and the development and application of managerial techniques need to keep pace.

Management Training. There is a gap in the provision of training for officers and key civilians at the Headquarters, Department of the Army who serve in positions where the requirements are significantly different from those at lower echelons.

In recognition of new and emerging management systems and practices in the Army, a management school was established some seven years ago primarily for officers serving at the installation level. This school (the US Army Management School) has served its purpose well. Comparable training opportunities would be beneficial for those who are about to serve their initial tours at the Headquarters, Department of the Army and other major headquarters. The objectives of the proposed training would be to familiarize the newcomers with the organization, processes, and environment of the headquarters; to inform them of the kinds of demands which may be made on them; and to introduce an understanding of the attitudes which will be most conducive to the welfare of the Army. The course would be of relatively short duration. It would not attempt to be "educational" in the broad sense, but would address itself directly to preparing officers and key civilians to fit quickly into the headquarters environment.

The Reserve Officers' Training Corps Program. The Senior Division of the Army ROTC program has been of great value to the Reserve components and to the Active Army as a major source of junior officers. Additionally, the ROTC program as a whole has served other worthwhile national purposes by providing developmental and orientational opportunities for those students who participate in at least a part of the ROTC program but who do not receive commissions.

Recently, changes have been made in the Army ROTC program to accommodate the growing academic demands on student time and to increase

project, except in cases where there are only minor deviations from the approved levels of funding. More flexibility in the use of these funds would permit the operators to meet unforeseen conditions with minimized delay. The need for these restrictive controls should be re-evaluated.

Project or Systems Management. Further application of the techniques of project or systems management can add to the effectiveness of management and operation of certain areas of Army activities. These techniques are suitable for selected weapons systems and major items of equipment, for selected projects which involve several organizational areas of the Army, and for some segments of the Army program. When appropriate, the application of the techniques should include the more sophisticated mathematical and automated practices which have been developed in recent years. It is important, however, that the techniques employed be suited to the specific information and decision making requirements of the particular situation. Appropriate mention has been made of these techniques in earlier discussions, but the point warrants emphasis.

Organization Structure and Management Processes. The Army should substantially strengthen its capability for the design and evaluation of organization and management systems and practices; and should strengthen and expand the status of this function in the Department of the Army Headquarters and at subordinate levels. While this function is officially recognized in Army regulations and utilized in varying degrees, it has not been accorded the recognition which the best interests of the Army require, and accordingly, it has not been utilized as fully as the needs warrant. Also, similar capabilities required at all levels of the Army have not been developed to an appropriate degree.

While the machinery of management is not, in itself, sufficient to assure effective management and operation, it is one of the essential prerequisites, along with qualified personnel and appropriate incentives. With the increasing complexities resulting from the growth of technology, there is a constant need for devising improved organization and management systems and practices. Reports of studies of current problems, whether by

and program management. The Army has established the foundation for such a system, and has put major segments into operation. It is impossible, however, for the Army to adopt a complete and satisfactory system without the permission and assistance of the Office, Secretary of Defense.

There are certain current financial management policies and practices which should be examined critically to determine whether the benefits derived really justify the means used to realize them. With respect to supply operations, the following examples may be cited.

a. Restrictions on New Construction. Currently, Congress limits the use of the O&MA appropriation for new construction to projects costing under \$25,000. Projects over \$25,000 must be financed through MCA appropriations and are subject to critical line item reviews and approvals. These restrictions hamper the timely accomplishment of many mission-essential projects. The Army should propose that OSD seek to: (1) raise the limitation on use of O&MA funds for construction; and (2) obtain some relaxation of line item controls over projects financed under MCA appropriations. However, if such relaxations are granted, violations or evasions must be dealt with severely lest stricter controls result.

b. Stock Fund. Efforts should be intensified to have the OSD and the BOB eliminate the current restrictions on stock funds which prevent them from becoming true revolving funds.

c. Budget Program Limitations. Certain controls and policies relative to the administration and use of appropriated funds have a deleterious effect on logistic operations. The imposition by the Office, Secretary of Defense of obligation limitations at the budget program level in the O&M,A appropriation forces the accounting for inventories by budget programs. Elimination of these restrictions should be sought in order that the accounting and reporting of inventories can be improved and simplified.

d. Flexibility. The PEMA and RDT&E programming, budgeting, and funding procedures are characterized by the close controls exercised by the Army Staff, the Army Secretariat and the Office, Secretary of Defense. The main feature of these restraints is the approval of each item or

In brief, it is believed this program-budget concept would facilitate the selection of force plans on the basis of cost and effectiveness analysis; would focus the allocation of resources on mission-oriented end items and forces, rather than separately on research and development, operations and maintenance, and the like; and would force earlier determination of the elimination, continuation, or acceleration of end item development and procurement. The proposal does not differ substantially from the concepts outlined in "The Economics of Defense in the Nuclear Age," by Hitch and McKean. It does, however, differ significantly from the "program package" directive of 31 May 1961. The project initiated by the Office, Secretary of Defense on 15 September 1961 may well serve to solve this problem.

Budget Management. The foregoing subsection referred to methods for facilitating decision-making in the program and budget formulation process. The processes for preparation of the detailed budget, and for management of the program and budget, should be related to the mission-oriented program but need to be different in certain respects.

Primary responsibility for the budget should continue to be assigned to the Comptroller of the Army, who should also exercise primary authority in the Operation and Maintenance, Army appropriation area. This conclusion recognizes the program as being dominant, and emphasizes consideration of the appropriation as a whole in funding the program with respect to the competing requirements of commands and agencies. In this concept, the interests of the budget program directors would be subordinated to the allocation of funds to commands and other agencies in accord with guidelines of the program. The Office, Comptroller of the Army is the only agency suited to this total task, although it is recognized the Comptroller of the Army would continue to require the participation and assistance of budget program directors, individually and through the Budget Advisory Committee.

Financial Management. It is further concluded that the Army should have an integrated financial management system to support both budget

(c) Regardless of the degree to which the training, development, procurement, support, mobilization, and CONUS-security costs are distributed, they should be presented and considered in total in approximately the current classifications by organization and by function and activity.

(d) A subsidiary costing of selected significant major equipment programs and weapons systems should be provided. The costs should, of course, include research, development, procurement, and production. In addition, the related costs of fielding and operation such as training, transportation, facilities, maintenance, and operation should be included. The cost of each such system should be related, in turn, to the forces or other resources of which it will be a part. New organizational units might be costed and analyzed in the same manner.

(e) The program should be developed and presented within guidelines provided by the Office of the Secretary of Defense. These guidelines should include both a range of funds and strengths anticipated to be made available and a range of reasonably attainable objectives which might exceed anticipated resources.

This proposed approach would reveal the organization, strength, reliable costs and military characteristics of each actual or planned force or resource to be provided and maintained by the Army and would enable the Army Staff to evaluate properly the cost and effectiveness of military programs in relation to national security objectives. The employment of a like technique of program and budget formulation by other Services would enable the Office, Secretary of Defense staff to conduct cost and effectiveness studies of the composite force structure of both unified commands and support activities.

A consideration of the effectiveness and total costs of proposed military programs in conjunction with a supporting analysis of major equipment and weapons systems, both constrained by the level of anticipated resources, would force early evaluation of competing weapons and early decisions on elimination or acceleration of weapons development and procurement.

Program-Budget Concept. The Army program should be formulated in terms of mission-oriented forces and essential support-oriented activities, within guidelines provided on a timely basis by the Office, Secretary of Defense and projected over five-and ten-year periods. A related subordinate analysis of significant weapon and equipment programs should support the force and function projections. The budget would be based on the costed program, and would be presented in summary in the same format.

This type of program formulation and budget presentation is an absolute prerequisite to effective and efficient programming and utilization of resources and is fundamental to realizing greater unity of effort. This conclusion is believed to be in full harmony with the original concept upon which the Department of Defense program package system was based. However, the proposal made here differs in certain fundamental features from the initial "package" undertaking. The essentials of the proposed system are:

(a) The primary structure should reflect the major forces or resources to be provided and maintained by the Department of the Army. These consist principally of Army components of unified commands, unassigned units, specialized activities, and prepositioned resources. The primary structure should also reflect separately the training, development, procurement, support, mobilization, and CONUS-security activities and resources. These embrace almost all of the Department of the Army not assigned to unified commands. Sub-classifications should reflect appropriate information and should be in accord with the capability of the Department to furnish reliable and useful data.

(b) Costs associated with major forces and resources to be provided and maintained by the Department of the Army should include the costs directly associated with personnel, operations and maintenance, and facilities, plus the costs of identifiable major materiel. At a later date, as the capability of the system permits, directly relatable CONUS support costs should be reflected, but separately identified.

of systems management, automatic data processing systems and related applications, and a revised system of reports geared to providing data required for new processes of management, as they are developed. The Army Audit Agency would continue as an agency of the Comptroller.

Other General Staff Agencies. Remaining General Staff agencies would have essentially their present functions with the exception that command-like and detailed operating functions would be delegated to commands or to special staff agencies. The Deputy Chief of Staff for Personnel would delegate his operating responsibilities to the Office of Personnel Operations and would no longer be required to coordinate the many agencies now engaged in personnel management. The Deputy Chief of Staff for Logistics and the Deputy Chief of Staff for Research and Development would be relieved of the necessity to coordinate the activities of the seven technical services. The responsibilities of the Assistant Chief of Staff for Intelligence are not clear at this time, pending establishment of the Defense Intelligence Agency, but, as a general principle, his efforts would supplement those of the DIA. One area of concern is the adequacy of Ground Order of Battle, where the Army may have to retain an intelligence capability. The Assistant Chief of Staff for Reserve Components, with the development of the "One Army" philosophy, would shift his emphasis from a moderator role to a more active planning, policy guidance, and directive role with respect to the overall missions, functions, and activities of the Reserve components. Until the civil defense mission of the Headquarters, Department of the Army is clear, the Chief, Civil Affairs would remain a separate General Staff Agency under the general cognizance of the Deputy Chief of Staff for Strategy and International Affairs.

(8) Policies, Practices, and Procedures

The preceding sections dealt primarily with organizational matters. This section contains conclusions on certain general policies, practices, and procedures which are of overall significance to effective functioning of the Department of the Army. Because of the diversity of topics discussed, the subject groupings are more or less unrelated.

tion; and for systems management. In the field of systems management, this Office, with its overall grasp of Army operations, would determine what activities are appropriate for systems management, would select appropriate agencies to provide systems managers; would issue individual charters to systems managers which would vary depending upon the type of activity selected; and would monitor the progress of each system and make necessary adjustments to plans and programs. The Director of Army Aviation would remain with this Office, since the entire aviation program relates to systems management.

The Office of the Deputy Chief of Staff for Plans, Programs, and Systems would be formed from elements under the present Deputy Chief of Staff for Military Operations (Long Range Analysis Group, Directorate of Organization and Training, Directorate of Army Aviation, Directorate of Programs and Budget, Directorate of Combat Developments less the Materiel Development Division transferred to the Deputy Chief of Staff for Research and Development, and some Army planning elements from the Directorate of Strategic Plans and Policy). It would also include elements of the Office of the Deputy Chief of Staff for Personnel concerned with monitoring the Troop Program, a new systems directorate, and the Programs and Analysis Group less the congressional affairs element.

Comptroller of the Army. The Comptroller of the Army would retain his assigned functions of budgeting, accounting, review and analysis, auditing, management planning, and related activities. With respect to review and analysis and management planning, he would provide a service to the Staff and to the Army as a whole. Review and analysis would not be confined to pointing out past mistakes, but would extend to providing information during the execution phase so as to allow alteration and reprogramming to take place, and so that timely decisions on phase out of certain programs and systems could be accomplished effectively. Management planning would be strengthened by concentration on the development of innovations in management principles and procedural systems. Areas in which there is an urgent requirement include the techniques

element) would be transferred to the proposed Office of the Deputy Chief of Staff for Plans, Programs, and Systems.

Office, Deputy Chief of Staff for Strategy and International Affairs.

The Office, Deputy Chief of Staff for Strategy and International Affairs would provide the capability of the Army Staff to be responsive to joint activities of unified and specified commands and in relation to operational matters of interest to the Joint Chiefs of Staff, the Assistant Secretary of Defense (ISA), and the Assistant to the Secretary of Defense (Special Operations). To permit the remainder of the General Staff to focus attention on Army affairs, and on matters pertinent to the responsibilities of other elements at the Secretary of Defense level, this Office would have the capability of processing actions within Army policy without reference to the remainder of the General Staff. In other instances, coordination with elements of the General Staff would be required. The Deputy Chief of Staff for Strategy and International Affairs would serve as the Army Operations Deputy to the Joint Chiefs of Staff, and would report directly to the Chief of Staff. His office would be formed from elements of the present Office of the Deputy Chief of Staff for Military Operations (Joint Actions Control Office, Directorate of Operations, and most elements of the Directorate of Strategic Plans and Policy). To these elements would be added selected General Staff officers trained in personnel, intelligence, and logistic matters, familiar with joint activities.

Office, Deputy Chief of Staff for Plans, Programs, and Systems.

The Deputy Chief of Staff for Plans, Programs, and Systems would provide staff guidance and direction to the Army for the attainment of an orderly, sequential progression from planning to programming. He would be responsible for basic Army planning; for coordinating Army programming; for maintaining consistency between programming and planning; for combat developments (doctrine and concept); for Army organization, training, and CONUS Army (not joint) operations; for the Troop Program; for Army Avia-

authority to perform them, would be delegated to the field. Accordingly, command-like and operating functions would be removed from the General Staff, which could then devote more attention to planning, programming, policy making, and supervision of the overall effort. The size of the Staff would be reduced accordingly.

Salient details of the pattern selected are set forth below.

Office, Secretary of the Army. No major changes are proposed in the organization of the Office of the Secretary of the Army; however, certain minor modifications might be made in the interests of overall efficiency. The role of the General Counsel could be clarified to eliminate a degree of duplication with the efforts of The Judge Advocate General and the legal staffs of the technical services. The Defense Supply Service-Washington and the Defense Telephone Service - Washington, operating activities not contributing directly to accomplishment of the Secretary's role, might be transferred to the General Services Administration. Finally, the functions of the Office of Analysis and Review should be clarified to eliminate duplication between reviews by that office and reviews by the Assistant Secretaries and the Army General Staff.

Office, Chief of Staff. The Chief of Staff and the Vice Chief of Staff would be provided a principal staff assistant to serve as Director of the Army Staff. The Director of the Army Staff would act for the Chief and Vice Chief of Staff in directing the work of the Army Staff, and would have essentially the same role as the chief of staff of a major command. The Chief of Staff and the Vice Chief of Staff must devote a major portion of their time to duties in connection with the Joint Chiefs of Staff and to securing approval of programs and authorization of resources, and the Director is needed to provide continuous direction of the Staff.

The Management Office would be strengthened to enable it to review continuously the organization, functions, and procedures of the Army Staff; the functions of the Army General Staff Civilian Personnel Office would be transferred to the proposed Office of Personnel Operations; and the functions of the Programs and Analysis Group (less congressional affairs

proposed title for the head of this office, "Transportation Officer", is considered to reflect more accurately the changed scope of responsibilities as contrasted with those of the present Chief of Transportation.

Most of the functions of the Office of the Chief of Ordnance and of the Chief Chemical Officer could be more effectively performed in the proposed Systems and Materiel Command. The consolidation of functions previously discussed would leave insufficient residual responsibilities of the Chief of Ordnance to justify a special staff office. These residual staff responsibilities would be delegated to the Systems and Materiel Command, which can furnish required technical advice. Similarly, the majority of the functions currently performed by the Chief Chemical Officer would be delegated to the Systems and Materiel Command, where a subordinate command would be established to handle these functions. The remaining functions, primarily policy, planning, and programming in the chemical, biological, and radiological field, would be assumed by agencies of the General Staff. Ordnance and Chemical Corps Officers would be assigned to the General Staff to provide the experience required in these fields of knowledge.

The Adjutant General would lose his extensive personnel operations responsibilities to the Individual Training Command of the Force Development Command and to the Office of Personnel Operations. A new office of the Chief of Administrative Services would absorb his remaining responsibilities. In addition, functions and personnel of the Office of the Chief of Military History and elements of the Office of The Quartermaster General concerned with heraldry would be transferred to the Office of the Chief of Administrative Services.]

(7) Office, Secretary of the Army and Army General Staff

The pattern proposed for the Office of the Secretary of the Army and the Army General Staff is that shown on Figure 19, page I-163.

Because of the simplified subordinate command structure recommended in previous sections of this report, many detailed operations, and the

military construction, civil works, geodesy and mapping. In addition, he would provide special staff advice and supervision of repairs and utilities activities and real property management.

The Surgeon General, as Director of Medical Services, would provide substantially the same Army-wide medical services (including medical research and development and military personnel management of officers of the Army Medical Service) as the present Office of The Surgeon General.

Other Special Staff Sections. Under the proposed organization, the character of certain other special staff offices would be altered appreciably, either to be in accord with the proposed integration of materiel, personnel, and training functions or to improve efficiency. The remaining staff functions of The Quartermaster General would include recommending policies and procedures pertaining to clothing sales, commissary operations, food service, baking, mobile refrigeration, laundry and dry cleaning, and the like. There would remain, also, the planning responsibility for graves registration, a major wartime activity, and the administration of the National cemeteries, a civil function which could be transferred to another Government agency. The Quartermaster General now provides heraldic services to the Army and other Government agencies. Because this function is closely allied to military history, it would be transferred to the Chief of Administrative Services, who would have responsibility for military history. The proposed title, "Chief of Support Services", is considered to describe more accurately the remaining responsibilities previously performed by The Quartermaster General.

The staff and supervisory functions of the Chief of Transportation would be much reduced by the transfer of materiel, personnel management and training functions; by the pending transfer of the Military Traffic Management Agency to the Defense Supply Agency; and by the proposed transfer of responsibility for the terminal commands to the Systems and Materiel Command. Nevertheless, a special staff office for transportation would be provided to give essential, specialized transportation planning advice and assistance in support of strategic and contingency planning. The

(6) Special Staff and Operating Agencies

The special staff organization proposed for the Headquarters, Department of the Army, is that shown on Figure 19, page I-163. It is designed to reflect the changes in responsibilities of the chiefs of the technical and administrative services brought about by the proposed organizational arrangements for materiel management, research and development, training and force development, combat developments, and military personnel management previously described. It is emphasized that the proposed changes in responsibilities of the chiefs of technical and administrative services do not imply the elimination of any branch identities. Rather, these branches would have much the same status as the infantry, armor, and artillery branches.

The remaining activities of the technical and administrative services would be accomplished by Department of the Army operating agencies (which may also be special staff offices), by special staff offices, or by existing staff agencies as outlined below.

Operating Agencies. In addition to the Army Combat Development Agency discussed above in part c, (4), four major new Department of the Army operating agencies are proposed. These agencies would provide Army-wide services and special staff advice in the fields of personnel operations, communication services, engineering services, and medical services. The functions and activities of the Office of Personnel Operations were summarized in part c, (5). The significant features of the other three operating agencies will be indicated in the following paragraphs.

The Chief Signal Officer, as Director of Communications Services, would provide overall direction of long-haul command and control communications systems, the Alaska Communication System, the White House Army Signal Agency, and photographic and pictorial services, and would integrate Army communications with the Defense Communications System. In addition, he would provide special staff assistance in regard to tactical and strategic communications and command control matters.

The Chief of Engineers, as Director of Engineering Services, would provide Army-wide and inter-Departmental engineering services, to include

Career management for all officers, with certain exceptions, would be organized into five control groups as shown on the Chart. Officers of the Army Medical Service, The Judge Advocate General's Corps, and the Chaplains would continue to be managed by their appropriate staff sections, since inclusion of these functions within OPO would not increase flexibility in overall officer utilization. Four of the control groups would be organized to include certain branches grouped according to similarity of career patterns. Personnel management competence by branches would be retained within these groups. Colonels would be managed in a separate control group. This latter arrangement is designed to afford better utilization and development of these senior officers.

The Specialist Branch would monitor the assignments of all officers of the Specialist Programs (currently nine, such as Aviation and Logistics Officer Programs). Although assignment control would be retained by the control groups, this Specialist Branch would insure that specialists were properly assigned and managed. This Branch would maintain close liaison with General and Special Staff agencies to satisfy requirements for specialties, such as Research and Development, on a world-wide basis.

The consolidation of officer career management within OPO is designed to provide organizationally for improved officer utilization. It should increase assignment flexibility and improve equitable sharing of hardships and opportunities.

Distribution and Assignment Policies. To insure effective provision of qualified personnel wherever they are needed, the proposed personnel management system would make broad use of the special capabilities of military personnel of all branches. Many of the restrictions which limit the flexibility of assignments today would be lifted, particularly in those areas of assignment where branch identity is immaterial to the position requirements. Timely distribution of trained individuals, in the numbers and skills required, would be effectively synchronized through close coordination between the Office of Personnel Operations and the Individual Training Command.

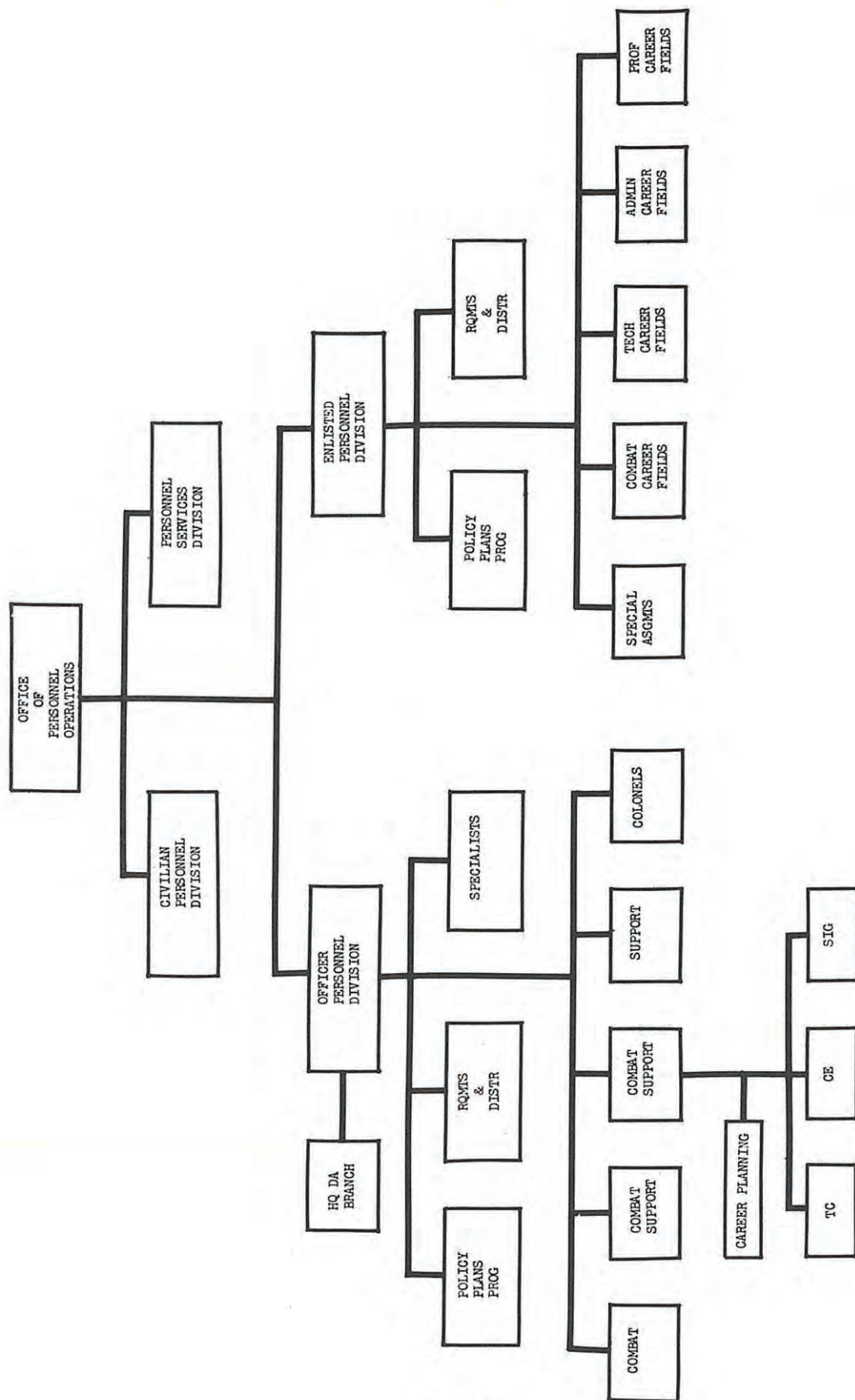


Figure 18. PROPOSED ORGANIZATION, OFFICE OF PERSONNEL OPERATIONS

and personnel processing operations would be the responsibility of the Individual Training Command of the Force Development Command.

Office of Personnel Operations. This special staff section would provide integrated control of Army-wide military personnel operations. This consolidated management of military personnel would promote improvement in personnel management, in personnel support for the Army elements of unified commands and other commands and agencies, and in the matching of personnel requirements with training capabilities. The Office of Personnel Operations would not only have within it a staff with wide-ranging competence (consisting principally of the now separate personnel management agencies dispersed throughout the Headquarters, Department of the Army) but would also have access to any necessary advice and assistance of other staff agencies within the Headquarters. In particular, the staff of OPO would include technical personnel qualified to handle the various technical specialists, and personnel qualified to manage properly personnel of the various career fields. The Office would make maximum use of automated data processing in order to increase its capabilities for prompt and accurate response in all types of personnel actions.

Figure 18 shows the most essential elements of the OPO organization, which would include officers of all branches, as would ODCSPER.

The Civilian Personnel Division would consolidate the services currently performed in support of world-wide civilian career management programs and provide personnel Service for civilian personnel assigned to the Headquarters, Department of the Army. The Personnel Services Division would handle activities which concern the morale of all personnel. The Enlisted Personnel Division would be responsible for enlisted personnel management to include world-wide assignment control and career planning and development.

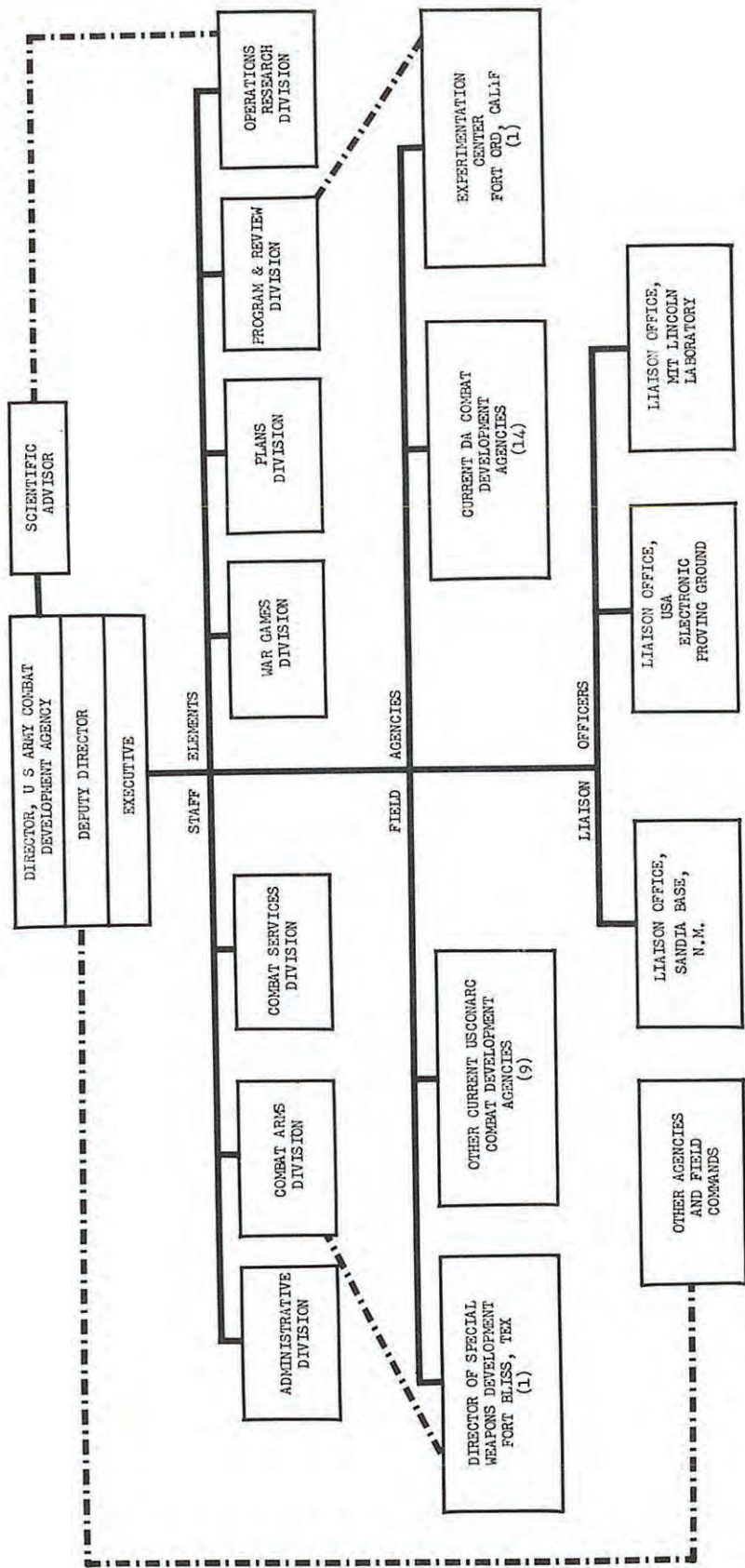
In the Officer Personnel Division, there would be provisions for performing the personnel functions for, and coordinating the assignment of, all officers in the Headquarters, Department of the Army. The present nominative system would be discontinued or substantially curtailed.

As indicated in Figure 17, it is planned that the new agency would comprise those combat development elements presently a part of USCONARC, and the fourteen present Department of the Army agencies. Direct communication on combat development matters would be authorized with the staff elements in the headquarters of the Army components of the five unified commands which are now associated with the combat development system. It is also expected that a close working relationship would be formed between ARQDA and the Research Analysis Corporation, perhaps to the extent of active participation by the latter with the Army Combat Development Agency.

(5) Military Personnel Management

The preferred pattern assigns General Staff responsibility for manpower management and personnel management of the Army (military and civilian, active and reserve) to a single General Staff agency, the Deputy Chief of Staff for Personnel. Operating responsibility for and control of military personnel management is consolidated into a special staff office, designated as the Office of Personnel Operations (OPO), in the Headquarters, Department of the Army (see Figure 19, page I-163, for pattern of the special staff). The salient features of the proposed military personnel management system are outlined below.

Realignment of Present Responsibilities. The Deputy Chief of Staff for Personnel (DCSPER) would assume General Staff responsibility for manpower management and personnel management, including specialized career fields. At the same time, the DCSPER would transfer operating-type activities, such as the Officers Assignment Directorate and the Personnel Actions Division, to the Office of Personnel Operations. The DCSPER and OPO would then be responsible for coordinating with General Staff agencies in their areas of personnel interest. Military personnel management and assignment responsibilities of the technical and administrative services would be transferred to the Office of Personnel Operations, except responsibilities of The Surgeon General, The Judge Advocate General, and the Chief of Chaplains for officers of their branches. Personnel recruiting



--- COORDINATION AND INFORMATION EXCHANGE
 () NUMBER OF AGENCIES

Figure 17. PROPOSED ORGANIZATION, U S ARMY COMBAT DEVELOPMENT AGENCY

the Corps for command purposes. Active Army advisor personnel in the Corps, together with those individuals assigned to the sector and sub-sector headquarters, could be utilized to augment the Corps headquarters staff and to provide USAR units with full time active duty personnel in an assigned status. The administration of non-unit assigned members of the Army Reserve could be transferred from the Corps headquarters to ZI Army headquarters. Finally, procedures would be established for coordination and liaison between the Corps and the state Adjutants General for matters pertaining to ground security, civil defense, and mobilization processes.

(4) Combat Developments

A well integrated, aggressive and authoritative agency is proposed to provide future concepts of warfare and field organizations, and to prepare qualitative materiel requirements (see Figure 17). The desirability of removing these activities from competition with the more urgent demands for production of trained individuals and units, and of providing direct access to principal users and all elements of the Army Staff, led to the conclusion that an independent agency was required. Such autonomy would also assist in maintaining the very vital and close contacts this agency will require with the Research Analysis Corporation (successor to The John Hopkins University's Operations Research Office), the Army Research Office, the Systems and Materiel Command, and similar agencies of the Navy and Air Force, and with private corporations. Close relations would, of course, be maintained with the Force Development Command.

The new agency thus created would have Army-wide responsibility for developing organizational and operational objectives and concepts, for developing materiel objectives and qualitative requirements, for war gaming and field experimentation, for selected operations research studies, and for certain cost effectiveness studies. Due to the forward looking nature of this organization, and its orientation toward the future requirements of the Army, the title Army Combat Development Agency (ARCD) is used for identification in this report.

ZI Armies and Military District of Washington. The ZI Armies and Military District of Washington would discharge area security responsibilities of the FDC. These responsibilities include support of the civil powers in emergencies or disasters, support of civil defense, defense of the Continental United States against ground attack, and certain area-wide administrative services. The ZI Armies would command and be responsible for the readiness of assigned units within their geographic area and for the support of other units such as those of USARADCOM. The characteristics of the present organization which facilitate the discharge of these geographic responsibilities would be preserved under the new organization.

The ZI Armies would also be responsible for the necessary administrative and logistical support and troop unit support of service schools and other training activities supervised by the Individual Training Command. Funds for both mission and support of these activities would flow through the ZI Army channels, but with the proviso that mission type funds would be expended in accord with approved operating program-budgets reviewed by the Individual Training Command.

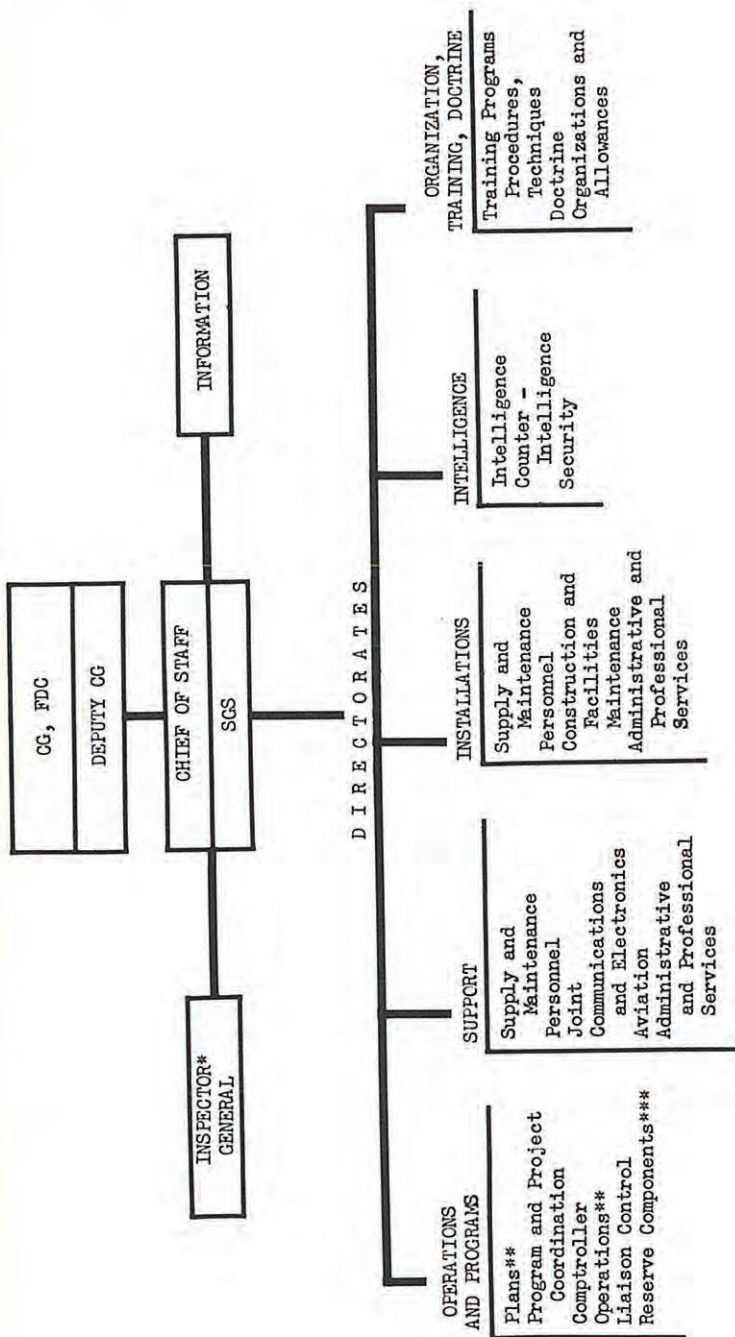
In addition, the ZI Armies would be responsible, as they now are, for the command of the US Army Corps charged with US Army Reserve and ROTC activities, for administrative assistance to, and training supervision of the Army National Guard, and for providing necessary facilities and assistance to Reserve component elements to meet their active duty training requirements. Additionally, the ZI Armies would be responsible for the management and administration of non-unit members of the Army Reserve.

US Army Corps (reserve). The US Army Corps headquarters would be augmented with technical and administrative staffs to provide them with the necessary degree of self-sufficiency in logistical and administrative matters to supervise more adequately the technical training and proficiency of Army Reserve units. The geographic structure (i.e., sectors and sub-sectors) of the Corps would be eliminated. Non-divisional units (detachments, companies, battalions) not now organized in Reserve general officer commands would be organized in branch or service type groups directly under

for preparing Tables of Organization and Equipment, training literature, and current doctrine, now integral missions of the Army Service Schools. The Individual Training Command would include personnel currently supervising training within the technical and administrative services to insure proper representation and balance.

Schools assigned to the Individual Training Command would be those intended to prepare individuals for service with the Army in the field and would not include such schools as the US Military Academy, the US Army War College, the Army Logistics Management Center, the Army Security Agency School, the Strategic Intelligence School, and those schools and courses of instruction which are predominately of a non-military or of a professional medical nature. A complete list of schools and courses to be transferred to the Individual Training Command, in addition to those now assigned to USCONARC, is presented below.

CBR Weapons Orientation Course, Dugway Proving Ground
Chaplain School, Fort Slocum
Chemical Corps School, Fort McClellan
Engineer School, Fort Belvoir
Finance School, Fort Harrison
Information School, Fort Slocum
Intelligence School, Fort Holabird
Medical Field Service School, Brooke Army Medical
Center, Fort Sam Houston
Ordnance School, Aberdeen Proving Ground
Ordnance School, Redstone Arsenal
Quartermaster School, Fort Lee
Signal School, Fort Monmouth
Southeast Signal School, Fort Gordon
The Adjutant General's School, Fort Harrison
The Judge Advocate General's School, Charlottesville, Va.
The Provost Marshal General's School, Fort Gordon
Transportation School, Fort Eustis



* Includes responsibility for readiness inspection of units and coordination of all inspections.
 ** Includes joint operations and planning.
 *** Represents CG or Deputy in Reserve component matters.

Figure 16. CONCEPT OF ORGANIZATION, HEADQUARTERS FORCE DEVELOPMENT COMMAND (FDC)

substantial opportunities to improve the efficiency and effectiveness of the overall training establishment. The responsiveness of the Army in providing ready forces to meet operational requirements would be enhanced, and the assurance of appropriate readiness status facilitated. Army components of unified and specified commands would have but one agency to deal with concerning the readiness status of readiness status or other qualities of units and individuals to be assigned.

A concept offered for the organization of the Force Development Command Headquarters is shown in Figure 16. Without attempting to dictate precisely how the Commanding General, Force Development Command will organize his Headquarters, it is emphasized that it should be organized and staffed to administer the additional technical training being assigned, and that this task requires technical knowledge and skills on the primary staff level. In order to provide proper command balance, it is recommended that the Commanding General and his Deputy have, between them, background experience in both the combat and support activities of the Army in the field.

The Force Development Command would have as subordinate commands the present six ZI Armies, the Military District of Washington, and an Individual Training Command. The ZI Armies and Military District of Washington would discharge essentially their present responsibilities. The Individual Training Command would control and direct the activities of Army Training Centers, assigned Army Service Schools, and personnel processing activities.

Individual Training Command (ITC). The Individual Training Command is needed to insure that proper emphasis is given to the newly assigned training of technical personnel, to achieve coherence of the training effort, and to provide proper emphasis on the major tasks of processing, training, and educating individuals. The ITC would control and direct the activities at the Army Training Centers and Army Service Schools, and personnel processing activities such as recruiting, induction and examining, reception, and separation centers. This Command would achieve an effective integration of individual training and education. It would be responsible

pertaining to materiel. When detailed working relationships have been adequately established, the proposed Systems and Materiel Command could readily be divided to provide a completely separate command for supply and distribution, if further study indicates such a step to be desirable and practicable.

(3) Training and Forces Development

The preferred pattern (Figure 21, page I-167) vests in a single command, called in this report the Force Development Command, the operating functions and responsibilities in the areas of personnel induction and processing, individual training and doctrine, force readiness of Reserve component and Active Army forces, and area security. Salient features of the pattern are discussed below.

Force Development Command (FDC). The Force Development Command would be given all responsibilities now assigned the US Continental Army Command except those pertaining to combat developments and materiel development, which would be transferred to the Army Combat Development Agency and the Systems and Materiel Command respectively. In addition, the FDC would have the training and readiness responsibilities now assigned technical and administrative services which relate to the Army in the field.

The proposed consolidation of training has many advantages and is a natural outgrowth of organizational and doctrinal trends in the direction of combining combat and combat support elements. The supply and maintenance organization of the new ROAD division combines skills of the several technical services. Efforts to extend this type of organization to the corps and field army levels have been approved in concept. Battlefield resupply by Transportation Corps aircraft and armored vehicles, the tasks of the Ordnance Warhead Support Detachments and Guided Missile Special Weapons Detachments, and the traditional combat roles of the Corps of Engineers and the Signal Corps all give evidence of the continuing trend toward blending of combat and combat support units, and the consequent need to integrate closely training and doctrine development. The consolidation of training and readiness responsibilities also offers

Director of Research and Development would assist in establishing policies to facilitate the flow of scientific and technical information by providing that such information be subjected to minimum review at the various command levels.

Assignment of service test responsibility to the Systems and Materiel Command would assure better coordination of the total testing process and a consequent saving of time. This testing would be accomplished by an agency not charged with the actual development and by personnel selected largely from the using branches of the Army.

As a result of conducting centralized procurement at the development and production command level, instead of utilizing dispersed procurement offices, research and development personnel could participate more actively in the placement of research and development contracts. They would provide the knowledge and experience needed to modify contract provisions and to interpret regulations so as to achieve greater flexibility and adaptability in RDT&E procurement.

The utilization of military personnel within the Systems and Materiel Command on a branch immaterial basis would afford an excellent opportunity to improve the research and development process. Personnel intimately acquainted with the field use of materiel could readily be placed in a position to influence directly the development of new items.

Possibility of Further Transition. Strictly from a research and development standpoint, it might be desirable to perform research, development, and selected production in a command which is not charged with the tasks of other production, supply, storage and distribution. There is, perhaps, some risk that these additional logistic activities could divert attention from the area of innovation. However, it is considered impracticable to divide the total responsibility for the materiel cycle at this time, in view of the extensive changes to the wholesale logistic system recommended in this report. During the critical period of transition from the present to the proposed organization, it is essential that a single commander control all of the wholesale logistic functions

for Research and Development. In like manner, the Army Research Office would formulate and supervise the basic research program, would contract directly with colleges, universities, and non-profit institutions for appropriate projects, and would assign other areas to the Systems and Materiel Command or other Army agencies.

Systems and Materiel Command. The concept of the Systems and Materiel Command includes certain features designed to facilitate effective research and development and to assist in reducing total development-production lead time. The proposed organization stresses command emphasis on the research-development-production functions by providing that the major elements concerned with these functions report to the Commanding General. The development and production commands would intimately relate development and production, to facilitate solution of the problems inherent in producing new equipment. The Director of Research and Development within Systems and Materiel Command would be in a position to provide authoritative staff direction and technical guidance to the Chiefs of Research and Development in the development and production commands, and to unify the total research and development effort. Certain laboratories and proving grounds would have no intermediate level of supervision between them and the Director.

The Director of Research and Development would also be in an excellent position to improve the overall environment of research and development, to supervise the execution of policies of the Assistant Secretary of the Army (R&D) and the Deputy Chief of Staff for Research and Development, to foster a favorable scientific environment, and to assist in improving relationships with the scientific community. An effective civilian career development program could and should be developed within the broad area of interest of the Command to provide opportunities for self-development, advancement, professional associations, and Army recognition. This opportunity is of the greatest importance, because the Army has valuable resources in the technicians, scientists, and engineers who conduct its research and development program. It must hold the good ones, develop them further, reward them, and attract others. It is expected that the