

# Problems of Defense Organization and Management

By MICHAEL B. DONLEY

**Congress is asking if strategy, management, and organizational trends are on track**

In February 1993 the Chairman of the Joint Chiefs of Staff (CJCS) completed a triennial report required by law on the roles, missions, and functions of the Armed Forces which contained 29 specific recommendations. But Congress expressed dissatisfaction with the report, finding that the "allocation of roles and missions among the Armed Forces may no longer be appropriate for the post-Cold War era," and that realignments may be essential for efficiency and effectiveness in light of lower defense budgets. The FY94 Defense Authorization Act therefore included a provision

for the creation of the Commission on Roles and Missions of the Armed Forces to review allocations of roles, missions, and functions, evaluate alternatives, and recommend change. This article looks at current issues of defense organization as well as relevant trends in defense management.

Agreeing on appropriate terms of reference is an important starting point for a discussion of defense organization and management. *Roles, missions, and functions* may be considered terms of art in that they have special significance in this context. They are

not necessarily well defined or consistently applied in the defense community, however, and their meaning can at times overlap. A degree of discrimination can nonetheless be achieved by synthesizing the usage found in CJCS reports, JCS Pub 1-02 (*Department of Defense Dictionary of Military and Associated Terms*), and Title 10 of the U.S. Code.

For the purpose of this review:

▼ Roles are the broad, enduring purposes for which organizations are established in law.

▼ Missions are broad tasks, combined with a description of purpose, indicating action to be taken; considered generally as integrating many activities around a common theme or purpose. (Missions are tasks assigned by the President or Secretary of Defense to combatant commanders.)

▼ *Functions* are powers, duties, and responsibilities; considered generally as intended activities.

Usually such definitions are helpful; but they are likely to fall short in distinguishing all the activities and relationships at issue among DOD components. The subjects and multiple levels of detail in the CJCS report show the difficulty in separating “roles, missions, and functions” from general challenges to defense organization and management. Previous debates on roles, missions, and functions have also been heavily laden with issues of strategy, plans, doctrine, and resource allocation. Just after World War II, for example, Secretary of Defense James Forrestal observed that “until the Joint Chiefs have completed their joint strategic plans, there is no solid foundation on which to base a meaningful assignment of roles and missions.”

The commission’s charter has reinforced this view. Among other things, it was tasked to:

▼ “review the types of military operations that may be required in the post-Cold War era,” taking into account “official strategic planning”

▼ “define broad mission areas and key support requirements for the U.S. military establishment as a whole”

▼ “develop a conceptual framework for organizational allocations” among the military departments and combatant commands.

In addition to reviewing terms of reference and the charter, historical and political contexts are also important. In the evolution of defense organization since 1947 the commission is perhaps the most significant congressional initiative since the Goldwater-Nichols DOD Reorganization Act to advance fundamental questions about *who* does *what* and *why*. And, in a strategic environment which is vastly different from that of the mid-1980s, with a budgetary squeeze, the congressional charge for a new look at roles, missions, and functions could serve many purposes. In a general sense Congress is asking if strategy, management, and organizational trends are on track and what must be done to get greater combat effectiveness and peacetime efficiency out of a smaller defense establishment. Such issues demand well-developed perspectives on DOD organizational structure and its components. Therefore, this article is concerned primarily with roles and functions.

### Organization and Management

DOD is a large, highly complex organization that is not easy to compare to other executive departments or private enterprises. It is a product of history (our own and that of other countries), technology, legislation, et al. The effectiveness of its components is often seemingly intertwined with the success or failure of individuals who lead them and vice versa. Nevertheless, the purpose and intent behind defense organization can be discerned in law and regulation, and its development traced over the course of the last five decades.

*Congressional Intent.* The purposes for creating a new military establishment are outlined in a “Declaration of Policy” in the National Security Act of 1947, as amended (50 U.S.C. 401):

*In enacting this legislation, it is the intent of Congress to provide . . . a Department of Defense, including the three military departments of the Army, the Navy (including naval aviation and the United States Marine Corps), and the Air Force under the direction, authority, and control of the Secretary of Defense; to provide that each military department shall be separately organized under its own secretary and shall function under the direction, authority, and control of the Secretary of Defense; to provide for their unified direction under civilian control of the Secretary of Defense but not to merge these departments or services; to provide for the establishment of unified or*

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U.S. Navy

*specified combatant commands and a clear and direct line of command to such commands; to eliminate unnecessary duplication in the Department of Defense, and particularly in the field of research and engineering by vesting its overall direction and control in the Secretary of Defense; to provide more effective, efficient, and economical administration in the Department of Defense; to provide for the unified strategic direction of the combatant forces, for their operation under unified command, and for their integration into an efficient team of land, naval, and air forces but not to establish a single Chief of Staff over the Armed Forces nor an overall Armed Forces general staff.*

The “Declaration of Policy” does not reflect everything that has been done to shape organization, though changes such as the Goldwater-Nichols Act were presented as “consistent with” and adding emphasis to its basic purpose. The declaration contains broad objectives for the establishment of DOD such as “unified direction” and “effective, efficient, and economical administration”; words and phrases found later throughout the statute (such as “under the authority, direction, and control of the Secretary of Defense”); and at least three prohibitions—not to merge the services and not to create a single “chief of staff” or “general staff.” It also reveals bureaucratic tensions that existed in 1947 and also later between central and decentralized au-

thority. Overall, however, the rambling nature of this declaration needs support by organizational structures and relationships established in law and regulation to clarify congressional intent.

*Making Sense of Various Elements.* Title 10 [chapter 2, 111(b)] organizes DOD into ten basic components:

- ▼ Office of the Secretary of Defense
- ▼ Joint Chiefs of Staff
- ▼ Joint Staff
- ▼ defense agencies
- ▼ DOD field activities
- ▼ Department of the Army
- ▼ Department of the Navy
- ▼ Department of the Air Force
- ▼ unified and specified combatant commands
- ▼ such other offices, agencies, activities, and commands as may be established or designated by law or by the President.

Yet a careful reading of the law and DOD Directive 5100.1 shows that these components are divided into three major elements:

1. *The roles and functions related to the unified authority, direction, and control of the Department*

*of Defense are vested in the Secretary of Defense, assisted by his staff (the Office of the Secretary of Defense) and the defense agencies and field activities which report to them.*

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Law and regulation are particularly clear in the ultimate authority and responsibility of the Secretary of Defense. He is charged with providing DOD components with guidance on national security objectives and policies for preparing programs and budgets, as well as policy guidance for the Chairman concerning contingency planning. The Secretary is in the chain of command and is responsible for the effective, efficient, and economical administration (including the assignment of defense agencies and field activities to his staff or CJCS); and all components—including military departments—are subject to his authority, direction, and control.

*2. The roles and functions of joint military advice, strategic planning, and the integration and direction of combatant forces are vested in the Joint Chiefs of Staff (headed by the Chairman), the Joint Staff, and the unified and specified combatant commands.*

CJCS responsibility for joint military components is very clear. He presides over JCS, controls the Joint Staff, and is assigned no less than 52 principal functions under DOD Directive 5100.1 which are independent of the corporate responsibility of the Joint Chiefs to provide military advice. At the direction of the Secretary (as authorized in law), CJCS functions within the chain of command, serves as spokesman for CINCs, and is responsible for their oversight. While he has no command authority, the Chairman may aptly be described as the day-to-day manager of the CINCs as well as the Secretary's "first phone call" on issues involving combatant commands.

*3. The roles and functions of organizing, training, and equipping forces are the responsibility of the military departments (that is, the Departments of the Army, Navy, and Air Force).*

The military departments are separately organized and administered under their respective secretaries, who are in the chain of command for purposes other than the opera-

tional direction of forces which are under CINCs. Subject to the authority, direction, and control of the Secretary of Defense, the common functions of these departments fall into four groups. *Organizing* includes recruiting, mobilization, and demobilization. *Training* includes doctrine, procedures, tactics and techniques, and support for joint training. *Equipping* includes research and development, supply, maintenance, and "construction, outfitting, and repair of equipment." The fourth function is the general *administration* of these activities including servicing forces; developing policies, programs, and budgets; carrying out construction, maintenance, and repair of buildings; and managing real property. Overall, through these functions, the role of each department is to prepare and maintain ready, mutually supporting forces (including Reserves) for assignment to combatant commands.

In sum, the purposes of defense organization as outlined in law and regulation, as well as the roles and functions of many DOD components, are best understood under three major elements:

- ▼ unified direction, authority, and control
- ▼ joint military advice and planning as well as integrated employment
- ▼ organization, training, and equipping administered generally on the basis of land, sea, and air forces.

While a good deal of congressional interest has focused on duplication among the services, higher level issues among three primary elements—the Office of the Secretary of Defense, joint military components, and military departments—are also important. Most DOD components and activities have roots in them, and basic issues of defense organization and management involve appropriately balancing them and the way that roles and functions intersect or overlap. Moreover, organizational and bureaucratic history can best be understood in the context of how these elements developed.

### Organizational History

The period from 1947 to 1960 was formative as the legitimacy of centralized control slowly increased. The management and oversight responsibilities of the Secretary developed in functional organizations beginning with the comptroller and expanding to

the general counsel, R&D, supply and logistics, personnel, health affairs, et al. The strengthening of joint military perspectives went beyond coordination among the Joint Chiefs in post-war theaters of occupation to a new system of unified and specified combatant commands. And statutory responsibilities for operational control of forces shifted from military departments and service secretaries to JCS, combatant commanders, and the Secretary. This period can be characterized as a struggle between central authorities and long-standing (previously autonomous) military departments.

The authority that the Secretary acquired in this formative period was asserted throughout the 1960s and early 1970s. Management processes (in particular, the planning, programming, and budgeting system and the Defense Systems Acquisition Review Council) shifted broad resource allocation responsibilities to OSD, and growth of defense agencies and field activities was initiated to promote efficiency in areas of common supply and support. Both of these trends further eroded the influence of the military departments. As a result of these trends and the Vietnam War, familiar interservice rivalries were less prominent than friction with OSD over the importance and quality of joint advice as well as the role of civilians in operational planning. Overall, this was an era of civil-military competition.

The 1970s and 1980s produced a progressive rebuilding of bridges between OSD and JCS in matters of strategy, policy, and resource allocation. It also saw growing joint influence in DOD management processes. The authority of the Secretary over DOD activities was reinforced, as was OSD staff control over defense agencies. The role of CJCS was strengthened by the assignment of numerous duties and responsibilities independent of the corporate JCS, and CINCs gained further control over their component forces. The influence of the military departments continued to decline in comparison to OSD and joint military components, but the responsibilities of civilian appointees in service headquarters were broadened. In sum, those organizations at the highest levels—OSD, CJCS, and CINCs—were substantially strengthened during this period.

The review conducted by the Commission on Roles and Missions of the Armed

Forces shares similarities with earlier debates. Interservice issues seem much the same, for example: how to separate Air Force and Army responsibilities for theater aerospace defense and ground support; how to distinguish between Army and Marine Corps contingency or expeditionary responsibilities; and how to properly allocate airpower responsibilities across the services. Each issue involves the assignment of responsibilities and forces among the military departments. As in 1948, this review occurs in a period of strategic reassessment and reductions in spending. But the context of these and other issues has been greatly changed by history and operational experience, technology, and organizational developments. A quick comparison will illustrate the magnitude of this change.

When Secretary Forrestal took the Joint Chiefs to Key West in March 1948 (seven months after passage of the National Security Act) the military departments were still the dominant players in what was then the National Military Establishment. The Secretary had little institutional stature, almost no staff, and only a rudimentary organizational plan for his office. The Joint Chiefs were seen as representatives of service interests; and the Joint Staff was weak and beholden to individual JCS members. A new outline command plan was less than 15 months old and JCS did not as yet have a chairman.

In contrast to Forrestal's situation in 1948, incremental changes have profoundly altered the balance of power (that is, the roles and functions) among DOD components. Today the Secretary has all the authority and standing that law can provide, a large staff, and 45 years of operational and management precedents that have weakened the independence of the military departments and strengthened joint military components and perspectives. JCS is headed by a powerful Chairman recognized under law as the principal military advisor who controls the Joint Staff, oversees a vital system of unified commands, and exercises increasing influence over the allocation of resources.

The extent to which the 1948–49 roles and missions debate was really a continuation of the 1946–47 debate over organization and post-war strategy, as Forrestal noted, deserves elaboration. The roles and

missions debate of the late 1940s, played out in bureaucratic struggles over the first DOD organizational directives, had much to do with contrasting perspectives of how the services would fight the Soviet Union. Each service jockeyed for position as the Nation's "primary force in being" by arguing the wisdom and feasibility of strategic bombing and carrier air, and by wrestling for control (and debating impacts) of new technologies. Eventually, these volatile arguments came down to a programmatic competition and to a false choice between weapon systems—the Air Force B-36 bomber and the proposed Navy "super carrier."

Strategy is an issue today. The collapse of the Soviet Union has caused a rethinking of defense requirements across the board, and despite the Base Force and the Bottom-Up Review the resulting adjustments may not yet be complete. But the process for deciding strategy is more joint than ever and is no longer dominated by the military departments. Likewise, the development of major new technologies and weapon systems is increasingly influenced by

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joint requirements and an acquisition process managed by OSD. Joint processes are emerging to develop strategic plans, define mission areas, identify essential tasks, and validate requirements. Thus, while there may be disagreement over the direction of a new military strategy, changes in structure and processes since 1948 leave little doubt that the Secretary and Chairman are responsible for deciding its content.

Moreover, if in 1948 the chain of logic (from strategy to roles and missions and programs) was strategic bombing to long-range nuclear delivery and the B-36, there as yet appears to be no compelling analogy in 1995. Congress invited the commission to establish such linkages if and where they seem warranted, but it is not clear that any simple alternatives have emerged to form the basis for radically new directions in strategy. And it is wholly unlikely in today's environment that such alternatives would gain support if developed around limited, one-dimensional, single-service capabilities. Cold War and

post-Cold War experience reveals the broad range of political-military circumstances and geographic locations to which the Nation may commit its forces in a variety of combinations. The strategic environment calls for flexibility, and doctrine for force employment emphasizes jointness. As underscored in Joint Pub 1, *Joint Warfare of the U.S. Armed Forces*:

*The nature of modern warfare demands that we fight as a team. This does not mean that all forces will be equally represented in each operation. Joint force commanders choose the capabilities they need from the air, land, sea, space, and special operations forces at their disposal. The resulting team provides joint force commanders the ability to apply overwhelming force from different dimensions and directions to shock, disrupt, and defeat opponents. Effectively integrated joint forces expose no weak points or seams to enemy action, while they rapidly and efficiently find and attack enemy weak points. Joint warfare is essential to victory.*

Changes in structure, process, and doctrine may explain why the definition of a mission as outlined in recent CJCS reports is a "task assigned to a CINC." This is a departure from 1948 when missions were assigned to military departments which had responsibility for operations, and given a weak joint system, competed for dominance in making strategy. Such changes underscore the major importance of roles and functions—the balance among OSD, joint military components, and the military departments—and the need for careful attention in current debates. In fact, many contemporary issues can be accurately framed within the context of this three-way relationship.

**Aligning Roles and Functions**

Where should the line be drawn between OSD and service responsibilities? Many longstanding problems are embedded in managing support functions common to all three departments, like medical, personnel, financial management, C<sup>4</sup>, base engineering, commissary, et al. In these areas a basic tension exists between the responsibility of the Secretary for "effective, efficient, and economical administration" of DOD and the intentional structure of "three military departments . . . separately organized." On issues of support or administration, OSD sees the military departments potentially doing business three different ways and thus seeks a better solution. As outlined in the conference report to

The Secretary accepting the report of the Commission on Roles and Missions of the Armed Forces on May 23, 1995.



DOD (R. D. Ward)

the Goldwater-Nichols Act, the law intends generally for the Secretary to have “sole and ultimate power within the Department of Defense on any matter on which the Secretary chooses to act,” giving him broad authority to reorganize DOD activities without changing statutory arrangements. Yet the practical problems of balancing the assignment of responsibilities among the DOD components must be addressed, involving careful distinctions among concepts such as policy review and oversight, management, resource allocation, administration, and program execution. These have been key problems in the reduction and streamlining of defense infrastructure.

During the early 1990s, as common support functions were consolidated, in part through the Defense Management Review, the roles of OSD and military departments became subject to confusion in areas such as contract management, financial management, medical programs, and personnel management. This oversight grew into hands-on program and resource management, with more authority migrating to OSD officials, and responsibilities for day-to-day

execution split between newly created defense agencies and further diminished military departments. As a result, the principle of maintaining authority and responsibility together within clear chains of command has been progressively and broadly compromised (a problem also common in defense acquisition). Moreover, the result could be the consolidation of support functions to the extent that combat and support forces would be separately administered in peacetime, and OSD-run agencies would be primary providers of support in war. There is little evidence that the implications of such an action have been thoughtfully considered.

It is also notable that the appropriate alignment of responsibilities for support functions is not limited to debate between the military services and OSD, as illustrated by the 1990–91 case of depot maintenance. In this instance, OSD determined that closer interservice coordination of the reduced depot workload would not yield sufficient savings and efficiency. The resulting proposal for a depot maintenance agency (under the then Assistant Secretary of Defense, Production and Logistics) so concerned the services that it was greeted by a counterproposal for a Unified Depot Mainte-

nance Command under CJCS. This classic roles and functions debate begs the question of whether depot maintenance is to be regarded, in relative terms, as a business/management activity or a function of combat support. It is, of course, a combination of both; but the issue of reducing depot maintenance capacity and apportioning management and operational responsibilities among OSD, joint military components, the military departments, and the private sector is unresolved.

How should responsibilities be divided between joint military components and the military departments? Two current issues offer examples. First is the division of responsibilities between these elements in the areas of operational planning and doctrine. While the joint military structure (in particular CJCS and CINCs) is responsible for preparing contingency plans, much of the competence and doctrinal expertise concerning employment of land, sea, and aerospace forces (generally, but not exclusively, from single-service perspectives) is found in the three military departments. The role of Headquarters, U.S. Air Force, in developing the CENTCOM air campaign plan in the Gulf War is a case in point. As joint agencies such as the Joint Warfighting Center are strengthened the question of appropriate divisions of labor with the departments will be

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more prominent. Likewise, the strengthened role of CJCS in resource allocation raises the issue of how much of the programming and budgeting assets in the military departments and OSD should be duplicated by the Joint Staff or combatant commands. It is not clear how the CJCS prerogative to develop alternative program and budget proposals (under section 153a, 4c) will be exercised.

How should roles and functions be divided between OSD and JCS? Since both law and DOD directives intend that JCS function as the “military staff” of the Secretary of Defense, he must apportion responsibilities between his staff and JCS. The recent debate surrounding the Joint Requirements Oversight Council (JROC) under the Vice Chair-

man is evidence that major issues are at stake concerning the balance of responsibilities between the military departments and JCS in developing requirements, programs, and budgets. And it raises questions on the respective roles of civilian and military staffs in providing advice on priorities to the Secretary, in particular on the role and function of JROC versus that of the Assistant Secretary for Strategy, Requirements, and Resources and the Director of Program Analysis and Evaluation. It also addresses the relationship between the council and the Defense Resources Board. While there is no doubt that the Secretary is responsible for strategy, policy, and unified direction of DOD, the structure and process for making decisions about resource allocation—although a matter best left to the Secretary’s discretion—also deserve careful consideration from a roles and functions perspective.

In addition to the above issues, which address the juncture of responsibilities among OSD, joint military components, and the military departments, there are unresolved issues *within* each. With respect to OSD and JCS, in particular, it can be argued that issues of internal functions and responsibilities should be handled at the discretion of their respective leaders. This is more difficult in the military departments, however, since Title 10 provides for both military and civilian staffs within the same departmental headquarters. The Goldwater-Nichols Act addressed some of those issues in 1986, but current (and contrasting) models for managing acquisition as well as financial and manpower affairs in the departments reveal that there is unfinished business and that a further rationalization of civilian and military responsibilities would lead to greater efficiencies.

Finally, beyond addressing roles and functions *among* and *within* the essential elements of DOD, there are questions about the status of “exceptional cases”—areas of law where Congress created unique relationships. Two examples worthy of special note are the Reserve components and special operations forces (SOF).

The Reserve components—which include the Army and Air National Guard—have a long heritage combining the tradition of state militias and citizen-soldiers with important national plans and assumptions about mobilization. A thorough review

of roles, missions, and functions should ask what the Nation needs from the Reserve components—basic questions that are long overdue. What should be their role in a post-Cold War strategy, within both the DOD management structure and the Federal-state relationship with regard to the Guard? Is current Total Force policy sufficient to define this role? Is there a way to depoliticize the Reserve components and to develop a modern management approach that could more efficiently meet Federal requirements for mobilization and state needs for augmented public safety and disaster relief? If we were starting with a clean slate in the late 20<sup>th</sup> century, would we establish Federal Reserves as well as multiple National Guards?

SOF administrative responsibilities are addressed differently under law than those of other combatant commands. Congress gave head of agency responsibilities to a CINC (for example, for programming, budgeting, and equipping), dividing authorities generally assigned elsewhere to the military departments. One must ask whether such an alignment and concentration of authority and resource allocation responsibility in a combatant commander is an exception to the general practice, should be adjusted, or could be used as a model for defense reorganization.

The evolution of defense organization combined with both a new strategic environment and resource constraints provide a rich menu of defense management issues. Thinking about DOD in terms of its three essential elements can provide a useful framework for discussion. A key issue is whether the underlying organizational structure remains clear or is being clouded by “exceptional cases” and a long series of piecemeal adjustments lacking coherence or vision.

The Commission on Roles and Missions of the Armed Forces can make a significant contribution by presenting its findings in ways that provide management principles that can be used by the Secretary and Congress to make recommendations or subsequently resolve roles, missions, and functions issues; clear a path for the DOD leadership to settle issues internally before Congress intervenes; and offer the Secretary and Chairman an agenda for the methodical review of defense organization and management.

Among the broad paths available for review, issues related to general roles and functions deserve special emphasis. Such points raise fundamental questions about the core responsibilities of OSD, joint military components, and the military departments; how management and command relationships between combatant forces and supporting infrastructure can be approached, balancing combat effectiveness and peacetime efficiency; and the state of civil-military relations. The House National Security Affairs Committee and the Senate Armed Services Committee as well as the Secretary and Chairman are responsible for shaping defense organization. If the DOD leadership does not attend to higher order issues, current trends may lead to a further blurring of roles and functions among the essential elements of DOD. Without a thoughtful assessment of the primary roles and functions outlined in Title 10 we may lose perspective on *who* is responsible for *what*, a true duplication and diffusion of effort may result, and the fundamental purposes of those organizations established in law may be easily forgotten. **JQ**