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Briefing Report to the Chairman,
Subcommittee on Investigations,
Committee on Armed Services, House of
Representatives

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DEFENSE
REORGANIZATION

DEFENSE REORGANIZATION
AND EFFORTS TO
STREAMLINE THE SERVICE
COMMAND

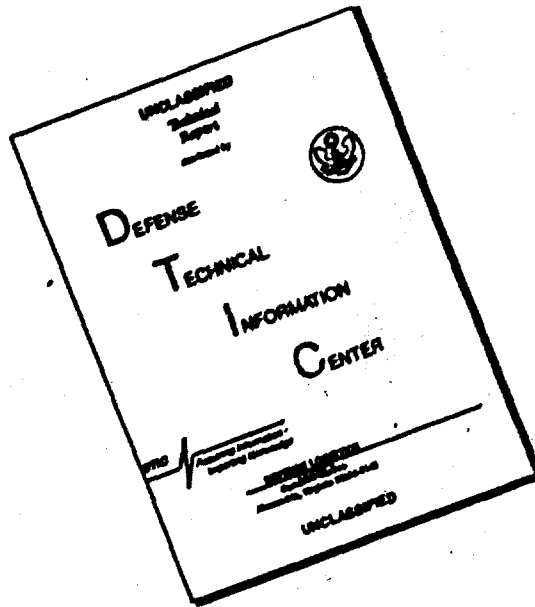


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National Security and
International Affairs Division

B-240714

November 21, 1990

The Honorable Nicholas Mavroules
Chairman, Subcommittee on Investigations
Committee on Armed Services
House of Representatives

Dear Mr. Chairman:

As you requested, we reviewed the implementation of recommendations concerning the U.S. Space Command contained in a February 1988 Department of Defense (DOD) task force report entitled Review of Unified and Specified Command Headquarters, commonly referred to as the Vander Schaaf Report. The report recommended, among other things, eliminating all three command service component headquarters for space operations. Specifically, you asked that we assess the progress that had been made in eliminating the separate Army, Navy, and Air Force component command headquarters and in creating a single integrated U.S. Space Command headquarters. You also expressed interest in any other actions taken by the U.S. Space Command that would affect the organizational relationships between itself and its components. We briefed members of your staff on the results of our efforts. This letter provides additional details on the matters we discussed.



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Results in Brief

Our review showed that:

- The Secretary of Defense did not accept the task force's recommendation to eliminate the service component headquarters. Instead, he directed the U.S. Space Command and its component headquarters to eliminate 110 positions rather than the 341 positions recommended in the task force report.
- Despite the elimination of positions directed by the Secretary of Defense, the Command and the Army component headquarters have increased their staffing levels since the task force issued its report. These increases were due primarily to planned growth, the establishment of new organizations within the Army component command, and additional responsibilities assumed by the Command.

Background

The U.S. Space Command, headquartered at Peterson Air Force Base, Colorado, was established on September 23, 1985, as a unified command¹ to consolidate assets having to do with U.S. activities in space. The Command is responsible for providing an integrated warning and assessment of missile and space-related attacks on the continental United States. The Command has responsibilities in both space operations and aerospace defense. The Commander of the U.S. Space Command also serves as the Commander of the North American Air Defense Command (NORAD)—a binational command responsible for the aerospace defense of Canada and the United States.

The U.S. Space Command has three service components: the Air Force Space Command, at Peterson Air Force Base, Colorado; the Naval Space Command, at Dahlgren, Virginia; and the Army Space Command at Colorado Springs, Colorado. The Air Force and Navy Space Commands were established as major component commands, before the task force review, in 1982 and 1983, respectively. However, the Army Space Agency was not converted to a major component command until April 1988, and at that time its name was changed to the Army Space Command.

In a memorandum dated December 14, 1987, the Secretary of Defense directed that DOD Deputy Inspector General Vander Schaaf review the unified and specified command headquarters. The primary objective of the review was to identify ways to reduce staffing levels and overhead costs, giving particular attention to overlapping responsibilities, duplication of functions, and excessive organizational layering. The task force issued its report in February 1988.

The task force identified 2,391 positions associated with the U.S. Space Command and its major component headquarters. It recommended transferring 1,445 positions from the component command headquarters to the Command headquarters and eliminating 1,758 positions at the major component headquarters. Additional reductions were to result from reducing the staffing standards for watch stander positions,² which would entail eliminating 28 positions from the Command's combat operations staff.

¹Unified commands are composed of forces from two or more services.

²Watch standers are crew positions for staffing command and control center functions such as missile warning, space surveillance, space control, and space defense.

Recommendation to Eliminate Component Commands Was Not Accepted by the Secretary of Defense

The Secretary of Defense did not agree to transfer the 1,445 positions or to eliminate the positions that the task force recommended. Instead, the Secretary directed, in September 1988, that the U.S. Space Command and its component headquarters reduce their staffs by a total of 110 positions. The Secretary indicated that he was persuaded by a compelling case made by senior military leadership that the service components of the unified commands needed to be retained. Therefore, he rejected most of the proposed reductions associated with that recommendation.

U.S. Space Command officials agreed with the Secretary's decision to retain the service component headquarters, citing the lack of any benefit in altering the current organizational structure. From a legal, operational, and resource management perspective, Command officials saw no advantages in disestablishing the component headquarters. They said that the components were essential for effectively distributing the Commander's span of control, which allows the Command to focus on its primary mission.

In addition, the Command did not accept the task force's recommendation to reduce the staffing standards for watch standers. Command officials said that the standards for watch stander shifts are based on a traditional concept that works well, and they saw no benefit in changing the standards.

Table 1 shows the U.S. Space Command and its major components headquarters' authorized staffing baseline used by the task force, the changes recommended by the task force, and the changes that were directed by the Secretary of Defense.

Table 1: U.S. Space Command and Its Major Components Headquarters' Baseline Staff Levels, Proposed Task Force Changes, and DOD-Directed Changes

	Baseline staff levels	Proposed task force changes	DOD-directed staff changes
U.S. Space Command			
Headquarters	291	+1,445	-8
Combat operations	342	-28	-3
Subtotal	633	+1,417	-11^a
Major components headquarters			
Army Space Command	42	-42	-2
Naval Space Command	103	-103	-3
Air Force Space Command			
Command headquarters	709	-709	-94
Combat operations	904	-904	0
Subtotal	1,758	-1,758	-99
Total	2,391	-341	-110

^aDirected reduction to U.S. Space Command/NORAD was 11. Reductions of 3 positions taken in NORAD, with remaining 8 taken at U.S. Space Command.

The Command and the Army Component Headquarters Have Experienced Growth Despite DOD-Directed Cuts

The Command has experienced some growth since the task force issued its report. Command officials said increases resulted primarily from three factors: planned growth of the General Defense Intelligence Program, growth resulting from the normal budgeting process and validated by a Joint Chiefs of Staff staffing survey, and growth as a result of transferring Special Security Office responsibilities from the Air Force component to the U.S. Space Command.

Staff levels at the Army component headquarters have also grown during this period. Command officials cited the transfer of Defense Satellite Communication System elements from the Information Systems Command to the Army component as the primary reason for the increase. In addition, staff levels increased as new functions were transferred from other commands, and as the Army Space Agency was converted to a component command.

The Naval component headquarters has not seen any change in staffing during this period, and Command officials do not expect any change in the future. They said growth has been limited by a congressional mandate that capped staffing levels at the Naval component before the task force issued its report.

Staffing levels at the Air Force component headquarters declined significantly from 1988 to 1991. Command officials attributed the decrease to

the transfer of certain functions and missions from the Air Force component headquarters to its subordinate space wings. Although the component headquarters reduced its staffing levels substantially, increases in staffing levels at the subordinate space wings have resulted in a net increase in the total staff of the Air Force component.

Table 2 shows authorized staffing levels for the U.S. Space Command and its major components headquarters since the task force issued its report.

Table 2: U.S. Space Command and Its Major Components Headquarters' Staff Authorizations

	Fiscal year				Change 1988-91
	1988	1989	1990	1991	
U.S. Space Command					
Headquarters	288	306	307	315	+27
Combat operations	340	351	365	378	+38
Subtotal	628	657	672	693	+65
Major components headquarters					
Army Space Command	42	46	61	105	+63
Naval Space Command	97	97	97	97	+0
Air Force Space Command					
Headquarters	709	719	720	694	-15
Combat operations	904	497	423	366	-538
Subtotal	1,752	1,359	1,301	1,262	-490
Total	2,380	2,016	1,973	1,955	-425

Command officials, anticipating further staffing changes in future years, said that they expect the services to make staffing cuts at the component levels. However, they said that it was too early to determine the extent of the cuts. In addition, the Joint Chiefs of Staff may reduce staffing by as much as 15 percent at the unified command headquarters levels. Initiatives stemming from the Defense Management Report,³ could also reduce staff levels at the Command and its components.

Scope and Methodology

We conducted our review primarily at the U.S. Space Command's headquarters at Peterson Air Force Base, Colorado. We discussed implementation of the task force's report with Command officials and obtained documents related to changes in authorized staff levels and other aspects of the task force's recommendations. We conducted our review

³The Defense Management Report was issued in July 1989 and identified a number of initiatives to substantially improve defense management.

from July through September 1990 in accordance with generally accepted government auditing standards.

We did not obtain written agency comments, but we discussed this report with U.S. Space Command officials as well as representatives of the Office of the Secretary of Defense, and have included their comments where appropriate.

Unless you announce its contents earlier, we plan no further distribution of this report until 30 days from the date of this letter. At that time, we will send copies to the Chairmen, House Committees on Armed Services, Appropriations, and Government Operations and the Senate Committees on Armed Services, Appropriations, and Governmental Affairs; the Secretary of Defense; the Director, Office of Management and Budget; and other interested parties. We will make copies available to others upon request.

Please contact me at (202) 275-3990 if you or your staff have any questions concerning this briefing report. Other major contributors to this briefing report are listed in appendix I.

Sincerely yours,



Paul L. Jones
Director,
Defense Force Management Issues

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