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THE UNDER SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

RESEARCH AND ENGINEERING

2 OCT 1978

MEMORANDUM FOR EXECUTIVE SECRETARIAT, DEFENSE ORGANIZATION STUDY

SUBJECT: Comments on the Ignatius Report

In addition to the comments furnished by ASD (C^3I) 1 September 1978, the following observations on the Ignatius report are for your consideration:

1. Role of the Under Secretary for Policy, the Assistant Secretary for Program Analysis and Evaluation, and the Assistant Secretary Comptroller. The discussions on pages 56-57 and 59-62 fail to come to grips with the following Key issue. These organizations are in essence "staff" organizations who should aid SecDef in developing policy guidance and monitoring the Department's response to that guidance. However, the actual roles played by PA&E in the POM, the Comptroller on the budget, and potentially USD(P) in setting requirements exceed those of staff advisors. They actually play a line manager's role by having responsibility for the preparation of annual operating programs. This has at least two detrimental effects: (1) the line managers (USDR&E and ASD/MRA&L) who are responsible for program execution do not have clear authority in the program preparation phases; and (2) the staff managers are auditing their own work, since they prepare the guidance and the plan and check the plan against the guidance.

   Additional clarification of the staff responsibilities of USD(P), ASD(C) and ASD(PA&E) is needed, and emphasis should be placed on each organization focusing attention on its own area of expertise. Right now, the staff organizations appear to be spending a disproportionate share of time on "line" activities, and guidance tends to suffer as a result.

   One solution would be to have the USD(P) develop the overall guidance for all DoD activities. This responsibility would include preparation of the Consolidated Guidance. The ASD(PA&E) should be responsible for establishing guidance on preparation of the POM, and he should be responsible for assessing the adequacy of the program. However, the USD(R&E) and the ASD(MRA&L) should be responsible for developing the program to respond to the

guidance. The ASD(C) should be responsible for establishing budget preparation guidance and assessing the affordability of the program.

In carrying out their respective responsibilities, the various OSD offices should work to eliminate the problems cited in the report (pages 24-28), particularly the one regarding detailed management.

2. Role of the DSARC. We agree with the recommendation that the DSARC should address the ability of candidate system(s) to satisfy primary (and secondary) mission needs. Clearly this would take place for the first time at Milestone I when specific system design solutions are available. We also endorse the need for the DSARC to expand its focus to assess the value of candidate system(s) in connection with other planned or operating systems designed to meet the same mission needs. Although the report does not carry the process further, it also seems appropriate that subsequently, once a DSARC recommendation and SecDef decision is made, the same issues ought not be reopened during the next POM/Budget cycle unless significant changes have occurred. Such a reduction of unnecessary additional reviews is consistent with other findings addressed in the report.

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