

USACE 2012

FUTURE CORPORATE AND HQ  
DESIGN STUDY

APPENDIX F: ALTERNATIVE  
ANALYSIS

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## Appendix F

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## Section I – Introduction to Alternatives

Before developing alternatives to meet the objectives of this study, the ENCORE Team conducted interviews and/or received written comments from internal and external customers, partners, and stakeholders. This effort included HQUSACE functional proponents, members of the Corps' senior leadership (General Officers and Senior Executive Service cadre), USACE emerging leaders, and current Corps of Engineer employees (see Appendices B for functional proponent responses and Appendix C for synopses of interviews and surveys). After considering the input received and other applicable and available data and information, the ENCORE Team developed seven alternative structural relationships and related organizational alignments. Subsequent sections of this appendix discuss these alternatives, including the no-action alternative.

## SECTION II – Discussion of Evaluation Criteria

1. A set of evaluation criteria was developed to determine the “best fit” in achieving the goals and objectives of this study. Each alternative was positioned on a continuum ranging from *hinders achieving the objective* to *enhances achievement of the ideal future in 2012*. The following comments define each criterion used in the evaluation.

a. Criterion 1: The alternative supports accomplishment of Corps missions. This criterion indicates whether the alternative will successfully achieve the following subordinate objectives that are requisite to excellence in accomplishing the Corps' primary mission areas:

- The alternative fully supports the Corps corporate business process, i.e., the Project Management Business Process (PMBP).
- The alternative facilitates the use of standard automated tools and systems in meeting mission requirements.
- The alternative supports the “One Headquarters” concept and the primary HQUSACE and MSC functions identified in the Phase 1 report, USACE 2012 Future Corporate and HQ Design Study.
  - The primary functions of HQUSACE are Command and Control, Program Management, National Interface and Strategy, and Development of Policy and Guidance.
  - The primary functions of MSCs are Command and Control, Regional Interface, Program Management, and Quality Assurance.
- The alternative enhances the ability of each MSC to operate in a regional environment, i.e., Regional Business Center concept.
- The alternative enhances the relevance of the Corps of Engineers to the Administration.
- The alternative enhances the relevance of the Corps of Engineers to the Department of

Army and assures that the Corps' focus will support modern Army Transformation Plans, e.g., Transformation of Installation Management.

- The alternative assures that the Corps supports customer success.
- The alternative enhances vertical and horizontal integration both internal and external to the Corps.

b. Criterion 2: The alternative moves the Corps toward attaining the Ideal future state in year 2012.

- The alternative aligns with the "Seven-S Model": Strategy, Style, Skills, Structure, Systems, Shared Values, and Stakeholder Values.
- The alternative organizes the Corps for success as a Learning Organization.
- The alternative assures that the attributes of the Corps are simple, consistent, responsive, flexible, and adaptable.

c. Criterion 3: The alternative is strategically desirable.

- The alternative achieves co-production with customers and partners.
- The alternative aligns with established USACE communication principles.
- The alternative leverages technology.
- The alternative enhances performance measurement in support of the President's Management Agenda and the Government Performance Results Act.
- The alternative maintains the Corps' core competencies.

d. Criterion 4: The alternative is affordable and reduces costs.

- The alternative is affordable in the short-term.
- The alternative produces long-term cost reductions.

e. Criterion 5: The alternative can be implemented.

- The alternative is acceptable.
- The alternative considers lessons learned from past reorganization studies (see Appendix F, Implementation Considerations)

## SECTION III - Study Alternatives

### Alternative 1 Maintain Status Quo

#### 1. General Overview of Conceptual Design

a. Historically, the organizational design of the US Army Corps of Engineers (the Corps) has centered on a hierarchical structure paralleling the typical military command structure. Until the last decade, the organizational design supported and often was the impetus to continue a “stovepipe” operating structure with all elements present at each level of the organization, i.e., Headquarters (HQ), Major Subordinate Commands (MSC), and Districts.

b. In today’s environment, the Corps faces a changing environment, as does the rest of the Federal government and private industry. The greatest impetus for change comes from:

- Advances in technology fostering change and information sharing.
- Decrease in the supply of human capital in the Federal government.
- Decrease in available financial resources.
- Increase in the global focus on collaborating, not only with those who share the costs of projects or provide the resources, but also with stakeholders and the public.

c. We can no longer look at each District and MSC office as a separate fiefdom. The scarcity of resources we face precludes our ability to maintain all capabilities at all levels. We must change to meet today’s environment while maintaining our alliance with the Department of the Army (DA) to meet DA needs and requirements.

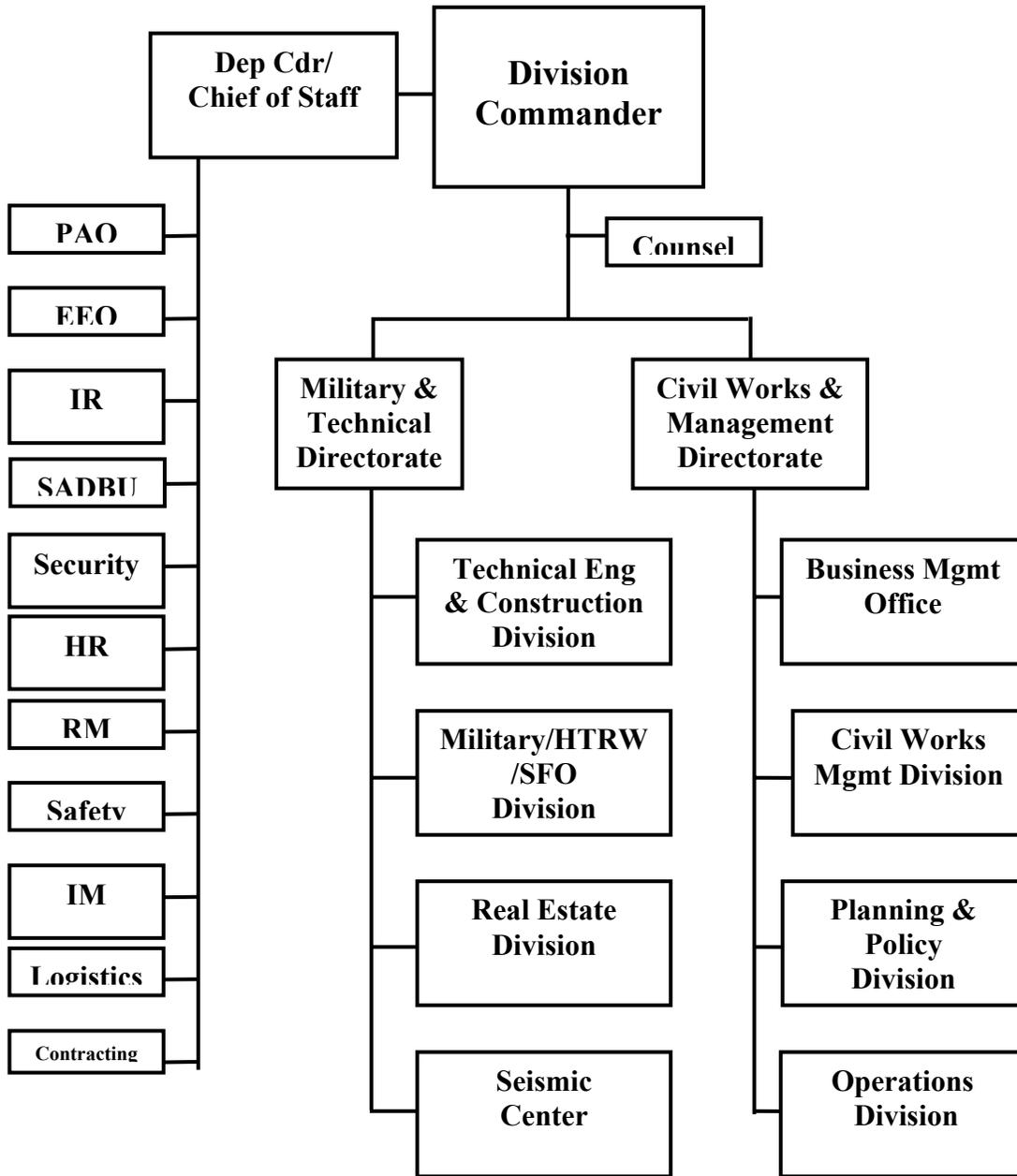
d. For this alternative, the structures of the HQ and MSCs would not undergo major change. The HQ would continue to include the Executive Office, a Chief of Staff, four major mission directorates (Civil Works, Military Programs, Research and Development, and Real Estate), three mission support directorates (Human Resources, Information Management, Resource Management), and eleven separate.

e. The eight MSCs would continue in their present organizational structure and only adopt minor, incremental change. The MSC organizational structure will generally consist of two mission directorates with SES managers: the Civil Works and Management Directorate and the Military and Technical Directorate. The MSC Administrative and Advisory (A&A) support offices will mirror those of the HQ. Each MSC began FY03 with an average allocation of 90.6 authorized full time equivalents (FTE). Under the *Status Quo* alternative, there would be no major changes to the structure, missions, roles, or functions of either the HQ or the MSCs. By the year 2012, available Executive Development and Management (ED&M) funds will determine manpower levels for the HQ and the MSCs.



Exhibit F-1b  
Alternative 1 - Maintain Status Quo

MSC Structure



### 3. **Mission, Roles, and Functions Analysis.**

a. The missions assigned to USACE include:

(1) The management and execution of engineering, construction, and real estate programs for the Departments of Army and Air Force.

The management and execution of installation support programs on a reimbursable basis for Army installations.

(2) The planning, programming, managing, and execution of civil works programs.

(3) The performance of research and development in systems, specialized equipment, procedures, and techniques relevant to engineer support of combat operations.

(4) The maintenance of the capability to mobilize in response to national security emergencies, domestic emergencies, and emergency water planning programs.

(5) The development of technology; the design and construction of facilities and structures in support of Army space initiatives.

(6) The management and execution of Hazardous, Toxic, Radioactive Waste (HTRW) clean-up programs for the Department of Defense (DoD), the Army, other Federal agencies (e.g., Environmental Protection Agency, Department of Energy, etc.), as required or requested.

(7) The management and execution of the Interagency and International Services program providing services to other Federal agencies, other nations, etc.

(8) The management and execution of the Army's Defense Environmental Remediation Program (DERP); serve as DoD's executive agent for the Formerly Used Defense Sites (FUDS) program.

(9) The execution of the real property and utilization programs associated with the Army Base Realignment and Closure (BRAC) program.

(10) The supervision and coordination of engineering services and construction activities associated with security assistance programs and projects.

b. USACE is comprised of the command headquarters (HQ); 8 Major Subordinate Commands (Divisions); and 41 districts, centers, and laboratories. The primary roles of the HQ are command and control, policy development, program management, and national interface. The MSCs are regional in nature and operate as Regional Business Centers to perform the following functions: command and control, regional interface, program management, and quality assurance. Districts are the operating arms of the MSCs. Each district performs one or more of the following functions as appropriate to its workload: construction, engineering, operations and maintenance, planning, project and program management, and real estate.

c. Specific functions and responsibilities of each office are discussed in the following paragraphs.

(1) **Civil Works.** To direct, manage and supervise the execution of civil works (CW) programs, including program development, project management, planning, design, engineering, construction, and operations and maintenance of Corps projects. To conduct regulatory activities and R&D functions in support of this program. To provide engineering, management and technical support to non-defense Federal agencies, as requested.

(2) **Corporate Information.** To provide the strategy, policy, guidance, and leadership for managing information resources and information technology within USACE.

(3) **Counsel.** To provide legal services in support of USACE activities and to exercise professional supervision over legal services provided by USACE attorneys.

(4) **Equal Employment Opportunity (EEO).** To manage and direct the EEO Program for the Commander, USACE.

(5) **History.** To research, document, analyze, interpret, and preserve the history of USACE in fulfilling its missions in combat engineering, military construction, water resources development, work for others, and emergency and contingency operations.

(6) **Human Resources.** To provide policy guidance and staff supervision of the USACE military and civilian personnel programs.

(7) **Inspector General.** To determine the state of discipline, efficiency, economy, morale, training and readiness throughout USACE while providing the Commander an objective and impartial assessment of the operational and administrative effectiveness of the command.

(8) **Logistics.** To provide policy guidance and staff management for all USACE logistic plans, programs, functions, processes, practices, and services. To provide staff responsibility for overall coordination of the major logistics disciplines: supply, maintenance, readiness, materiel, transportation, travel, and facility management (real property excluding civil works projects).

(9) **Military Programs.** To provide engineering, construction, and environmental management services for the Army, Air Force, assigned U.S. Government agencies and foreign governments.

(10) **Principal Assistant Responsible for Contracting (PARC).** To oversee and administer the contracting function for USACE and to assure compliance with Federal, DoD, and Army procurement policies and procedures.

(11) **Public Affairs.** To engage in the strategic management of communications between USACE and its constituencies. To plan, execute, and evaluate a comprehensive program that engages USACE in a dialogue with external and internal audiences about USACE activities, policies, capabilities, and accomplishments.

(12) **Real Estate.** To establish, manage, execute, and provide direction, oversight and administration of all Department of the Army (DA) real estate policies; and procedures and execution of the acquisition, management and disposal of real property under the control of DA, the Department of the Air Force, and other Federal agencies, as requested. To provide program management, guidance, direction and execution as the DoD Executive Agent for the Recruiting Facilities Program, the Homeowners Assistance Program (HAP), and the Defense National Relocation Program.

(13) **Research and Development (R&D).** To direct the Corps research and development effort for military and Civil Works programs by providing executive direction and oversight in the development, integration, execution, and implementation of R&D activities.

(14) **Resource Management.** To provide policy and command oversight of resources to include: planning integration, independent analysis of program accomplishment, resource use and availability, disciplined systems for budgeting and budget execution, finance and accounting policy and services, manpower management and force structure systems, management analysis, organizational policy, management support, and productivity improvement programs.

(15) **Safety and Occupational Health.** To provide policy, programs, and technical services related to safety and occupational health matters in support of worldwide USACE missions.

(16) **Small and Disadvantaged Business Utilization (SADBU).** To provide the training and counseling for helping small businesses succeed and to ensure a broad base of capable suppliers to support the Army's mission and participate in its industrial base.

c. Under the direction and supervision of the Secretary of the Army and through the Assistant Secretary of the Army (Civil Works), the USACE Commander is responsible for investigating, developing, and maintaining the Nation's water and related environmental resources; constructing and operating projects for navigation, flood control, major drainage, shore and beach restoration and protection, hurricane flood protection, related hydroelectric power development, water supply, water quality control, fish and wildlife conservation and enhancement, and outdoor recreation; responding to emergency relief activities directed by other Federal agencies; administering laws for the protection and preservation of navigable waters; and emergency flood control and shore protection.

(1) **Commander.** To manage and execute engineering, construction, and real estate programs for the Departments of Army and Air Force, other Federal agencies, and foreign governments, as assigned; to supervise research and development in support of these programs; to manage and execute Army installation support programs; to manage and execute Civil Works programs; to develop and maintain the capability to mobilize in response to national security emergencies, domestic emergencies, and emergency water planning programs; and to support Army space initiatives.

(1) **Deputy Commander.** To serve as principal assistant and advisor to the Commander, USACE by supervising and coordinating the overall activities of the USACE. By delegation from the Commander, the Deputy Commander has final authority on both the military and civil works responsibilities of the Commander.

(2) **Chief of Staff.** To serve as principal assistant and advisor to the USACE Commander and Deputy Commander. Performs overall coordination and management of the operation and administration of the command HQ. Directs and monitors the HQ staff in carrying out decisions, plans, or other final actions emanating from the Commander or Deputy Commander. Performs final review, coordination, and clearance of internal and external staff actions involving policy, mission, or operations of USACE requiring resolution by the Commander and Deputy Commander. Exercises final review and approval authority and supervision of staff actions and activities as delegated by the Commander. Takes final action for the Commander on recommendations of investigative boards and committees.

(3) **Commander's Staff Group.** To serve as the principal coordinator for managing the Commander's time and energy in support of the strategic aims of the organization as outlined in the USACE Vision and Campaign Plan. Plans and coordinates the Commander's trips, events, and activities. Prepares speeches, presentations, and articles in support of the Commander. Facilitates communications between the staff and the Commander. Monitors all HQ actions for consistency with the Vision and strategic goals. Identifies and communicates new initiatives from the Commander and generally fosters synergy between the executive group and all Corps elements toward making the Campaign Plan a reality.

(4) **Secretary of the General Staff.** To direct and coordinate administrative support for the Commander, Deputy Commander, and the Chief of Staff. Manages executive staff actions for the command. Provides technical and administrative assistance to the HQ staff. Supports the Chief of Staff in the disposition of all staff actions assigned to the command group. Provides protocol support to the Commander and HQ staff.

(5) **Deputy Chief of Staff for Support.** To serve as assistant and advisor to the Commander, Deputy Commander, and Chief of Staff. Responsible for the administrative management of the HQ including operating budget preparation and execution, staff-proposed policies, and evaluation of impacts for staff proposals. Oversees affirmative action plan development and grievance processes arising within the HQ staff. Interprets, implements, formulates, and evaluates administrative policies and procedures relative to the direction, operation and management of HQ staff and field operating activities. Chairs the Advisory Council and oversees administration of the HQ-Union labor agreement.

(6) **Chief of Engineers (Pentagon).** To advise, assist and execute the Title 10 Army Staff (ARSTAF) responsibilities of the Chief of Engineers for military engineering, topography, crisis response, the Planning Programming Budgeting Execution System process, and the DoD Executive Agent functions.

(7) **Internal Review .** To provide the Commander and staff with the professional capability for the performance of command and control related internal audits and to interface with the Defense Contract Audit Agency concerning the performance of civil works and military contract

audits. To execute the Command Internal Review and Audit Liaison and Compliance Program and to administer the Command state and local government single audit act program.

(8) **Deputy Chief of Staff for Operations.** Serves as the focal point for USACE command and control of civil and military contingency operations. Leads in the development of command contingency doctrine and military readiness plans and programs. Serves as the manager of command law enforcement and intelligence.

#### 4. 7 – S Assessment.

a. Shared Values. This alternative assumes that the overarching operating concepts in 2012 will continue to be the Project Management Business Process (PMBP) and USACE as a Learning Organization. The shared culture of the organization will continue to support PMBP principles as they evolve. This will be evidenced by HQ's continuing commitment to resourcing cross-functional civil works MSC support teams and the automated information system supporting PMBP. The MSCs will continue to operate as Regional Business Centers. The continued decline in resources will challenge the ability of the MSCs and the HQ to adequately resource these corporate processes.

b. Stakeholder Values. The needs of the Nation will become more pressing in a profoundly changing political, social, and economic climate. Stakeholders will continue to demand solutions and services that are responsive to their needs, timely, cost effective and reflecting integrity. With imbalances in skills resulting from a bow-wave of retirements, meeting the needs of the Administration, partners, customers, and stakeholders will increasingly challenge the organization. However, retirements will enable the organization to seize opportunities to restructure to better meet mission requirements. The MSCs will need to aggressively monitor and leverage human capital on a regional basis to deliver quality projects. Stakeholder frustrations will endure if USACE fails to leverage technical expertise and perform quality assurance. HQ engagement with national level stakeholders will continue to increase.

c. Strategy. The HQ and MSCs will need to modify business processes to keep abreast of commitments. The success of USACE will be dependent upon the ability of HQ and MSCs to back each other up across command boundaries. For instance, quality assurance (QA) processes will require changes as the workforce ages and retires; MSCs will need to modify QA procedures by working cooperatively, e.g., intra-MS, to get the job done. The HQ will continue to rely on MSCs to assist in national issue resolution and vertical project delivery teams will become increasingly critical to USACE project success.

d. Systems. The USACE will require automated tools to support the PMBP and the Regional Business Center concept of operations. Funding constraints will negatively affect the ability to operate, maintain, and modernize information management systems, e.g., P2. The USACE will be required to devote funds to systems that have interoperability with DoD and other Federal agencies, and enterprise-wide systems. This will force the Command to make difficult decisions about automated information systems (AIS). The USACE will continue to look at AIS through the following prism: Is it mission critical? Should it be disconnected immediately? Is it worthy of the investment of scarce resources?

e. Skills. By 2012, the HQ and MSCs will need to acquire new skills. The paramount role of the smaller HQ will be relationship building --- HQ team members will require training and interpersonal skills to accomplish this effectively. In the MSCs, Quality Assurance and Program Management will be the dominant roles requiring individuals capable of networking throughout the organization as “institutional knowledge” declines. Both HQ and the MSCs will need individuals capable of leveraging technology to the maximum extent possible and, at the same time, able to engage effectively with the various stakeholders. The USACE will also continue to need a highly educated and professional workforce. In this environment, employee development funds will be extremely constrained making the return on the training investment more critical than ever.

f. Style. Steadily declining resources, the aging workforce, loss of institutional knowledge, increasing project complexity, and rapidly evolving technology will make an extremely challenging backdrop for the leadership of the organization. The HQ and MSC leaders will be more actively engaged in strategic planning, while acting more as a corporate body.

g. Structure. See paragraphs 1 and 2.

5. **Rationale for Design**. The organizational structure described herein exists today. The hierarchical design is primarily based on the traditional military concept of command and control – command headquarters, major subordinate commands (MSCs), and field offices (Districts). Often referred to as a “Commanders’ Organization,” the current organizational structure consists of a series of subordinate command levels, each headed by a military commander, ultimately accountable to the USACE Commander. Executive direction and policy guidance is developed by the HQ and issued to the MSCs for implementation. The MSCs, in turn, review directives and provide any necessary supplementing guidance to Districts for action. The MSCs perform oversight for all Districts in their region. Conversely, operational issues generated at the District level are oftentimes submitted to the MSC and, ultimately, the HQ for sequential or concurrent review and decision. While this process worked well in the past when resources were not constrained, it fails to support adequately the USACE corporate business process (PMBP) or the Learning Organization concept. The current USACE concept of operations places more emphasis on individual functions in a stovepipe environment rather than the multi-discipline product delivery teams envisioned by the PMBP. Multiple, iterative reviews are not the cornerstone of an empowered, learning organization.

6. **Resources**. In terms of funding, ED&M funds will continue to decline and will not keep pace with inflation. Salaries and associated overhead costs will increase over time. The HQ and MSCs will have increasing constraints on hiring as labor dollars saved from hiring lags are used to support essential expenses such as travel, training, supplies and equipment. Manpower resources will continue to decline. The need for HQ and the MSCs to work more cooperatively across command boundaries will increase travel and teleconferencing costs.

Positions in HQUSACE and the MSCs are funded with ED&M and reimbursable funds. The ED&M funding is comprised of “General Expense” (GE) funds to support the civil missions and “Operations and Maintenance, Army” (OMA) funds to support the military mission. Exhibit F-1c displays the number of FY 02 authorized Full Time Equivalent (FTE) positions. The average salary cost per FTE is \$102,600 at the HQ level and \$94,300 in the MSCs.

**Exhibit F-1c**  
**Alternative 1 - Maintain Status Quo**  
**FY 02 FTE Authorizations**

<b>Organization Element</b>	<b>FY 02 FTEs (#)</b>
<b>HQUSACE, Washington DC</b>	
Chief of Staff	52
Office of Chief Counsel	31
Corporate Information	56
Civil Works	221
Equal Employment Opportunity	5
History	10
Human resources	33
Inspector General	14
Internal Review	9
Logistics	16
Military Programs	94
Public Affairs	11
PARC	17
Research and Development	10
Real Estate	43
Resource Management	64
SADBU	4
Safety	8
HQUSACE WASH DC Total	698
<b>Major Subordinate Commands</b>	
Lakes and Rivers Division	93
Mississippi Valley Division	84
North Atlantic Division	98
Northwestern Division	95
Pacific Ocean Division	75
South Atlantic Division	96
South Pacific Division	93
Southwestern Division	93
MSC Total	727
<b>Total</b>	<b>1,425</b>
<b>Field Operating Agencies:</b>	
Humphreys Engineer Center Support Activity	126
Engineering Research and Development Center	2
Institute for Water Resources	25
USACE Finance Center	30
FOA Total	183

## 7. Evaluation Against Criteria.

### a. **Alternative 1 partially supports accomplishment of Corps missions.**

- Supports core business processes and systems (Command and Control, Program Management, National/Regional Interface, Strategic Planning, Policy and Quality Assurance). Except for Command and Control, Corps missions are sub-optimized due to declining resources and resulting inefficiencies.
- Supports the Regional Business Center concept in principle but not with sufficient resources at the MSC level to maximize results.
- Does not support “One-Headquarters” concept as hierarchical structure continuously works against this concept.
- Supports the Administration and the Army; perceptions will remain unchanged.
- Does not maximize support to customers’ success.
- Supports vertical and horizontal integration in principle but subordinates team environment to stovepipe environment.

b. **The alternative does not move the Corps towards attaining the ideal future state in the year 2012.** Change is incremental. It does not promote the attributes of a “Learning Organization” and does not achieve an organizational end state that is simple, responsive, flexible, and adaptable due to the hierarchical culture and stovepipe structure. It does achieve consistency.

### c. **The alternative is not strategically desirable.**

- It does not seek to achieve a co-production environment with customers and partners. It is increasingly less able to deliver customer-tailored support.
- It only partial aligns with the USACE PMBP and Communication Principles.
- It produces inefficiencies and less than strategic leveraging of technology.
- It spreads core competencies dangerously thin as the workforce ages and retires; exacerbated by the associated decreasing resources impacting recruitment and employee development.
- It hinders adaptability.

### d. **The alternative is not currently affordable** and will be less so in 2012.

e. **Implementable.** Preserving the status quo will hamper leadership’s ability to adopt long term cost savings and cost avoidance options.

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## **Alternative 2**

### **Operations/Support Alternative Design**

#### **1. General Overview of Conceptual Design.**

a. In the past several years, the US Army Corps of Engineers (USACE) has made significant strides in adopting the Project Management Business Process (PMBP) as its corporate business process, and the Learning Organization philosophy as part of its culture. It has also had success incorporating both into its culture, systems, and operations to some degree, while maintaining a functional alignment along mission areas. This alternative puts the organizational structure into place to foster the Project Management Business Process and the Learning Organization concept. In addition, there has been an historical division between Military Programs and Civil Works that has hindered corporateness in HQUSACE and created a barrier inhibiting effective, learning interaction between personnel working in the two major program areas. This alternative eliminates the barrier by reorganizing along business process lines as opposed to program funding sources. Seven tenets fundamentally define the precepts of the PMBP. First, and foremost among these, is “one project, one team, one project manager”. The Learning Organization philosophy requires that the organization systematically capture and use lessons learned. Both of these concepts are incorporated into this alternative.

b. The analysis relies on two basic assumptions:

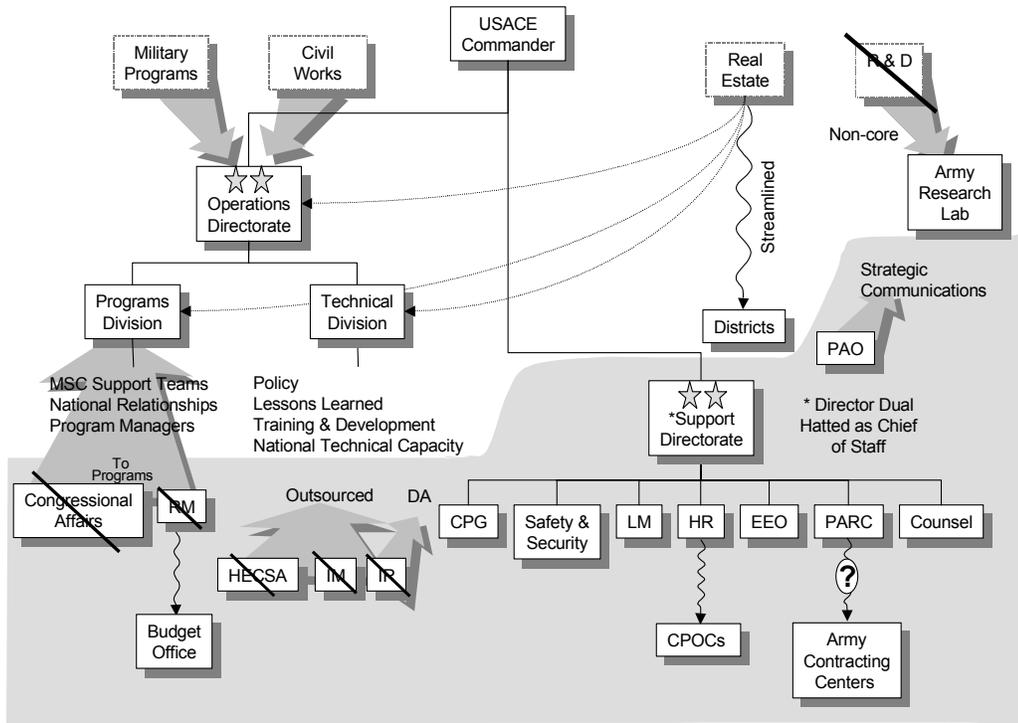
(1) The corporate business process of USACE in the year 2012 will be the Project Management Business Process (PMBP).

(2) The USACE will be a Learning Organization.

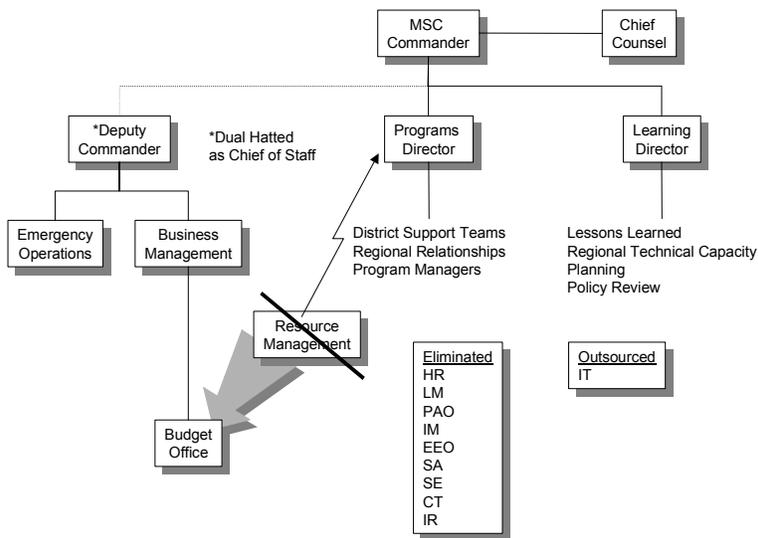
**2. Diagram of Structure and Relationships Organization for HQ and MSC HQ.** Exhibits F-2a and F-2b provide the structural alignment of the HQUSACE and MSC offices in 2012.

**3. Mission, Roles and Function Analysis:** In 2002-2003, there are four basic mission areas within the U.S. Army Corps of Engineers (USACE): Civil Works, Military Programs, Real Estate, and Research and Development. The organization is structured along these mission lines. This is a “stovepipe” approach relying on mission funding and mission expertise. These stovepipes enjoy autonomy and frequently operate in a vacuum relative to other elements of the corporation. They share equal standing in the decision making process and possess enough independence to operate without having to coordinate with other elements. This approach does not foster the “one project, one team, one project manager” philosophy. Nor does it foster the learning that is the hallmark of the Learning Organization. This alternative approaches the problem of designing the ideal HQUSACE/MS 2012 from an analysis of how missions in these four areas ought to be accomplished, and how the areas ought to interact. The analysis then addresses the support staff and how support functions should be provided. The starting point for the analysis is the organization as it exists today (2002-2003).

## Exhibit F-2a Operations/Support Alternative Design - HQUSACE



## Exhibit F-2b Operations/Support Alternative Design - Major Subordinate Commands



a. **Military Programs and Civil Works.** Extrapolating the concept to USACE 2012, there should be a combining of existing the Civil Works and Military Programs Directorates into a single Operations Directorate responsible for:

- Maintaining relationships at the Washington and international level.
- Headquarters level program management.
- Policy development, review, and guidance in a Learning Organization including the communication of lessons learned.

The vision is that after combining the existing directorates under a single Director at the Major General level, the organization would be subdivided into two elements, one focused on Program Management (a Programs Division) and one focused on policy and learning (a Technical Division). A byproduct of this combination will be the integration of program management activities and a reduction in the separation along program lines that divided the way USACE approaches corporate initiatives.

The Programs Division would be further subdivided into teams that (1) support MSCs for program execution and (2) focus on customers and relationships. The program execution element would be in the form of MSC Support Teams comprised of matrixed team members from HQUSACE elements focused on enabling the MSCs to operate as Regional Business Centers in the execution of their missions. The other element would focus on customer relations and funds management in the traditional Programs Management sense, organized on program lines (e.g., Civil Works, MILCON, O&M, Environmental, etc.). Real Estate would become a Program to be managed like other programs. Leadership of program managers would come from SES-level employees with full responsibility for establishing and maintaining relationships within their program areas. Customers at the HQUSACE level include the MSCs, Congress, Federal departmental agencies (e.g., Interior, Homeland Security, Departments of Army and Air Force, etc), special interest groups, and others. The SES-level Program Managers would act as “Account Managers” for the various constituencies. And, for the first time, programs would be managed in a single location facilitating communication and learning, as opposed to individual autonomous fiefdoms operating independently.

The Technical Division would include a lessons learned repository, technical training and leadership development component, policy development, and national technical skills repository. It is envisioned that actual policy review will be done at only one level in the future, and that would be at the MSC level. The role of HQUSACE in policy review will be to first develop the requisite policy, promulgate it through the MSCs to the Districts, and periodically check MSCs to ensure they have the required systems in place to ensure compliance. The Technical Division would include a Program Manager (PM) for Research and Development activities to interact with research organizations on shortcomings in existing technology and required new technology. This PM would act as the champion for required technology in the construction engineering, and environmental technology arena.

An offshoot of combining the Military and Civil Works Directorates into a single Operations Directorate will be the integration of activities, consistency, and improved teamwork throughout the organization. Reporting and checking will be minimized. Automated data management

systems, available to all USACE personnel and external customers, will be the source of all recurring reports. This will eliminate the need for layering and duplication of functions at each level of the organization, especially for purposes of consolidating and transmitting information.

b. **Real Estate.** The real estate function in USACE 2012 will be integrated into the Programs and Technical Divisions. Decision-making on real estate matters will be delegated to the lowest level in USACE, the District. Whatever specialized technical expertise is required will be located in the Technical Directorate. The MSCs and HQUSACE will have no review responsibility except for policy compliance on an exception basis, and the review will occur at HQUSACE. There is still a responsibility to act as the realtor for the Army and the Air Force, but this will be concentrated in the Programs Division, with matrixed support from the Learning Division and Support Staff. A senior level SES Program Manager will act as the Account Manager for Army and Air Force Real Estate Programs. The PM will also act as functional area champion for the real estate function throughout the command. Coordination with the Army staff (ARSTAF) and Air Force staff (AIRSTAF) will happen through the Programs Management Section where they will be treated as a customer for the delivery of projects and services. This will streamline execution, enhance timeliness of product delivery and increase customer satisfaction.

Real Estate expertise in acquisition, disposal, and appraisal would be treated as any other technical capability. Whatever level of expertise is needed to promulgate policy would remain in the Technical Division at HQUSACE. The actual practitioners would be located in a reduced number of Districts with a Real Estate mission. As with all other programs and support, the MSC Support Teams in HQUSACE would integrate activities through the District Support Teams at the MSCs: *One-Stop Shopping*. There would be no real estate presence at the MSC with the possible exception of a real estate generalist to serve as a member of all District Support Teams.

c. **Research and Development (R&D).** Serious consideration must be given to divesting USACE of its R&D mission. Research and Development is not a core mission of the USACE. The Engineering Research and Development Center (ERDC) and the R&D component grew out of a model promulgated in the 1950s and 1960s which called for major corporations to have their own research and development arm for the development of new products and services. An analysis is required to determine if the same level of support could be better provided by integrating what is now the USACE ERDC into the Army Research Laboratory (ARL) and relying more on ARL and academia for the development of new products and services in response to requirements generated in the organization. Quite possibly the Army as well as USACE might realize economies if ARL and ERDC were combined. What must remain is the same level of support to USACE in the support provided to the water resource programs, integrated into USACE activities by a Programs Manager in the Technical Division of HQUSACE.

Most of the actual work done by ERDC is on a reimbursable basis. While ERDC and the HQUSACE R&D component may not be serious consumers of Executive Development and Management (ED&M) resources, it is evident that there is a compelling argument to be made for the manner in which R&D Programs are funded on a reimbursable basis. Consumers of ERDC

services are internal and external to USACE. It seems that an opportunity exists to streamline the R&D process and realize some economies by combining ERDC with ARL into a more synergistic organization with a symbiotic relationship. The ultimate question to be answered is: “Is the Army and the Nation best served by having the USACE R&D function separate from its mainstream research laboratories?”

d. **Support Staff.** The analysis will address the following elements of the support staff: Office of Chief Counsel (OC); Resource Management (RM); Logistics Management (LM); Humphreys Engineer Center Support Activity (HECSA); Information Management (IM); Safety (SA); Security and Law Enforcement (S&LE); Contracting (PARC); Commander’s Planning Group (CPG); Public Affairs (PA); Internal Review and Audit (IR); Office of Congressional Affairs (CA); Human Resources (HR); and Equal Employment Opportunity (EEO). The Inspector General (IG) is considered personal staff to the Commander and is not addressed as it is assumed the Corps will retain an IG Office.

The Support Staff will be organized under a Chief of Staff/Support Director who will have equivalent status to the Operations Division Director at the Major General level.

In general, support staff functions will be powered up to HQUSACE with elimination of as many functions as practical at the MSC level. The MSCs will rely on assigned Districts for their support services and there will generally be a direct line from HQUSACE to the Districts for support functions. Requirements will be outsourced to private contractors wherever it is most practical and cost effective to do so.

(1) **Chief Counsel.** The Counsel function will be revamped to eliminate repetitive reviews of legal matters with conflicting opinions through the organization. Expertise on operational questions will be concentrated at the operational level (District). The USACE Office of Chief Counsel will focus on the promulgation of legal policy and assuring that District Counsels are providing sound legal advice to Commanders and Contracting Officers. If an Office of Counsel is maintained at the regional level, it will be an extension of the policy capability grounded at HQUSACE and functioning in an advisory capacity to the Commander. The MSC Counsel will not duplicate nor check policy interpretations with a Headquarters “expert” nor act as a reviewer of District determinations or decisions. This will significantly reduce the number of attorneys on staff at HQUSACE.

(2) **Commanders Planning Group (CPG).** The CPG will act as the repository and focal point for strategic planning initiatives. It is important to make the distinction that strategic planning itself would occur by the senior leadership throughout the organization. The CPG would facilitate and assist in strategic planning to enable the process. The personnel who comprise the CPG would possess unique skills and be trained in facilitation and strategic planning so they can promote that expertise throughout USACE senior leadership.

(3) **Contracting (PARC).** Careful consideration must be given to how the PARC Office should exist in a centralized Army Contracting Center (ACC) environment. The ACC offices are being established in 2003. They will provide support to Army installations across a large region. The USACE should leverage the availability of the Army’s centralized contracting offices to eliminate duplication and obtain needed support services, e.g., contracting for normal support type goods and services. The USACE PARC will concentrate only on policy development of

core contracting initiatives unique to USACE, e.g., design and construction services. It is expected that the size of the PARC Office would dramatically decrease as a result of this redirection.

(4) **Corporate Information/Information Management (IM).** The IM organization will cease to exist. Information Technology (IT) is an enabler. The rate of change for IT hardware and software is exponential. It is impractical to maintain a staff of proficient experts when there is a turnaround in technology every 2 to 3 years. Required technical support will be outsourced and IT will be integrated into all that USACE does as an organization. The Director of Support/Chief of Staff will retain an advisor on information technology initiatives and requirements in the Executive Office. Needs will be integrated through the IT provider.

(5) **Human Resources (HR).** The creation of regional Civilian Personnel Operating Centers (CPOCs) has eliminated much of the need for direct support from internal HR offices. A presence is still needed at HQUSACE to interact at the Policy (Washington) level, champion unique personnel requirements, and provide the latest guidance to the field, but the line of coordination and action will be more direct going directly from the HQUSACE HR Office to the District level Civilian Personnel Advisory Centers (CPACs). The HQUSACE will establish liaison positions with each of the CPOCs servicing the Corps.

(6) **Humphreys Engineer Center Support Activity (HECSA).** The majority of HECSA as an organization should be eliminated and the support provided should be outsourced or moved to other similar elements within HQUSACE.

(7) **Internal Review and Audit.** The internal review and auditing functions will be centralized at Department of the Army (DA). The USACE will acquire needed auditing and review services from DA or by outsourcing. (Note: While this consolidation is currently on hold, it is envisioned that it will ultimately occur.)

(8) **Logistics Management, Safety, Security, and Equal Employment Opportunity.** These functions will continue to exist at the HQUSACE level for policy determination, management of outsourced support activities, and interaction with higher headquarters counterparts (DA). However, there will be a more direct line to the operational level (Districts) with the elimination of corresponding offices at the MSC level.

(9) **Office of Congressional Affairs.** The Office of Congressional Affairs will be eliminated. It is redundant and adds little value to Program or Project Management. The Programs Division will have primary responsibility for customer relations and interface. The U.S. Congress is a major customer and focusing congressional affairs in the Programs Division is consistent with the PMBP and streamlines communications and support to the field (Districts).

(10) **Public Affairs.** The role of public affairs will change such that strategic communications are emphasized and integrated into all business activities. A strategic communications advisor with minimal staff will constitute a repository for strategic communication initiatives and learning throughout USACE, while the actual implementation of strategic communication principles will be embedded in the operational elements of the organization. The emphasis will shift from Public Affairs Specialists as a stovepipe to strategic communications as an umbrella concept embedded in all Corps activities.

(11) **Resource Management.** The Resource Management organization will cease to exist and the operational aspects of the RM function will be integrated into programs management.

All funds management associated with the delivery of projects will happen in one location (the Programs Management Section of the Programs Division). The operating budget and finance and accounting functions will be relocated to a new Budget Office. The Budget Office will only focus on the funding necessary to sustain the non-project operations of the organization. All other “policing” activities of the current RM organization would remain in the Budget Office (manpower, management analysis, force structure, oversight of the Finance Center, etc.). The Programs Division will manage all project-funded activities. The Chief of the Budget Office will retain responsibility for interface with RM offices in higher headquarters (DA) and other agencies.

e. **Major Subordinate Commands.** In the year 2012, the four functional responsibilities of the MSC Headquarters remain valid (Program Management, Regional Interface, Command and Control, and Quality Assurance). However, the offices will be streamlined to concentrate on the single most important mission of the MSC Office: The operation of the Regional Business Center. Programs Management really entails a regional “fight”. The MSC Headquarters is the focal point for leveraging resources from across the region. This operational characteristic will drive the MSC organization and must be melded with the concept that the MSC is an extension of HQUSACE for streamlining business processes. The MSCs will operate in accordance with the PMBP and will be organized to promote the concept of USACE as a Learning Organization.

(1) **Operational Offices.** There will still be two SES-led Directorates in the USACE 2012 MSC Headquarters Offices. The responsibilities of the two Directorates will be revised such that one Directorate is focused out of the organization toward relationships (Regional Interface and Program Management, i.e., a Programs Directorate). The second Technical Directorate will be focused into the organization, emphasizing the tenets of the Learning Organization (Quality Assurance).

(a) **Programs Directorate.** The Programs Directorate will be organized around Team Leaders of District Support Teams with matrixed representation from across the MSC Office. There will also be a component of this Directorate that performs the functions of Programs Management with a focus on customer relations with resource providers.

The current concept of Military Programs Management and the need to maintain such a presence in the MSC Office is not required. The current system of three-tiered “management” of military construction programs was historically driven by a need to facilitate information exchange. In reality, there is virtually no “management” done at the MSC level (or the HQUSACE level for that matter), and automated information management systems are eliminating the need for multiple layers to consolidate and forward information. Programming decisions are made in the Pentagon and passed through HQUSACE to the District through the MSC. Since “management” actually entails nothing more than the movement of funds to support award of new projects or the completion of design and construction projects, it should be possible to “manage” the programs being executed in the 20 Districts and two Centers with Military Construction responsibilities directly from HQUSACE, eliminating the pass-through function now performed at the MSC level, streamlining the process and eliminating delays. The MSC Commander could then concentrate on regional relationships with military customers and oversight of execution

being measured by customer satisfaction with quality projects (versus fiscal “burn rates”). There would be no Military Programs element at the MSC Office.

Careful consideration should be given to the validity of the current composition of MSC Offices (i.e., number and location). It may be possible to further consolidate regional management responsibilities by reducing the number of MSC offices and increasing the number of Districts within certain regions (e.g., the Northwestern Division is responsible for an extremely large geographic area and is really split into two nodal areas of activity at either extreme). Perhaps a recombination and elimination of a MSC office could produce a more efficient Regional Business Center operation.

(b) **Technical Directorate.** The Technical Directorate will have primary responsibility for managing a reoriented Quality Assurance function. The focus will be on lessons learned and communication across the region and throughout USACE to ensure the highest quality projects are delivered to our customers. The emphasis will shift from technical review of plans and specifications to the communication of lessons learned and management of regional technical capability.

Reviews for policy compliance will occur in this Directorate, and will not be duplicated at HQUSACE. There will not be any technical review, as there will not be any technical capability at the MSC. This is an important distinction. The MSC will focus on programmatic management and will ensure the adequacy of regional technical capability that will reside in the Districts. As resources further constrain the size and capabilities of Districts, this Directorate will have primary responsibility for organizing and managing regional capability centers, which contain specialized technical capability for use across the region.

The Water Management function will be eliminated at the regional level and responsibility will be vested in one of the region’s Districts (note that Water Management positions in the MSCs are presently funded by the Districts. The regulatory function will shift to this Directorate but responsibility will be wholly vested in the Districts with policy review occurring at either the MSC or HQUSACE, but not both. Hydropower, Navigation, Recreation, Construction, and Engineering will disappear as entities being replaced by regional expertise at expanded to provide the necessary policy review without further HQUSACE review.

Real Estate would cease to exist as an entity at the MSC level. The number of Districts with real estate capability would also decrease to a minimal level, and the real estate function would be fully integrated into project delivery teams in the Districts (matrixed from one District to another). The policy line would flow directly from HQUSACE to a streamlined number of Districts with a Real Estate function.

The one area that would be retained at the MSC would be the Emergency Operations Center. Emergency operations are clearly a regional fight and success is measured by integrating regional resources throughout USACE. The emergency operations assets currently residing at the District offices will be minimized to a small cadre of core staff for purposes of liaison. The actual emergency operations response force comes from the technical and support staff resident in the Districts. This becomes a “Command and Control” function versus technical function as

much of the technical support is outsourced except for core engineering skills that may be needed as the emergency dictates. The Deputy MSC Commander would oversee the Emergency Operations activity.

(2) **Support Staff.** The manner in which support is provided will undergo a wholesale revision. The following support offices at the MSC level will be eliminated: Human Resources, Logistics, Public Affairs, Information Management, Equal Employment Opportunity, Safety, Security and Law Enforcement, Contracting, and Internal Review. Their present role is to act as a pass-through office for the transfer of information. By making a more direct line of communications between HQUSACE and the respective District counterparts, we will eliminate an unnecessary layer in the process. The MSC Commander will designate a District to provide needed functional support for the MSC Office. The Information Management function will be outsourced.

(a) **Resource Management.** As with HQUSACE, the Directorate of Resource Management will be eliminated and replaced with a Budget Office responsible for tracking the MSC command operating budget and fulfilling finance and accounting and “policing” functions. Traditional resource management functions will be absorbed into the Programs and Business Management Divisions. The Programs Directorate would be responsible for all project related funding issues. The Business Management Division would be responsible for all management and analysis functions. The Regional Management Board will oversee regional budget management and individual District budgets, in much the same manner as today.

(b) **Office of Counsel.** The need for a MSC Counsel needs to be carefully considered. If there is to be a MSC Counsel, their role needs to be as an advisor to the Commander, without any review of policy related questions. The HQUSACE would promulgate the policy and Districts would implement. A second role for the MSC Counsel could be to serve as a labor relations advisor to the Commander. Making these distinctions should result in deconflicting decisions and facilitating execution.

(c) **Business Management Division.** The Business Management Division, which is now located in the Civil Works and Management Directorate, will become part of the MSC Support Staff and will be supervised by the MSC Deputy Commander. The Business Management Division will oversee and manage the operations of the Regional Business Center in much the same way as a G-3 or Operations Office in a military organization. It will have two components: an Operations Section and a Strategic Planning Section. The Operations Section will manage the various forums used to operate the Regional Business Center such as the Regional Management Board, the Program Review Board, the Command Council, Regional Civil Works and Military Construction Conferences, etc. The Strategic Planning Section will act as a repository for ongoing regional interface initiatives including the development of a Regional Civil Works Plan, Customer Satisfaction Surveys, interface with regional groups and other regional agencies (not necessarily acting as the POC for those relationships but ensuring that there are successful working relationships in place), conducting the Leadership Development Program and coordinating other leadership training initiatives, technical capability, training requirements and programs, etc.

#### 4. 7-S Assessment.

a. Shared Values. The implementation of the Operations/Support model will allow the shared values of the PMBP corporate business process and the philosophy of the learning organization model to be realized, primarily through enhanced communications. By focusing on the learning organization at the Washington level, there will be leadership on learning and the sharing of information throughout the entire organization. The streamlining proposed in this model would facilitate the communication of values across the organization, eliminating structural barriers so that each element can learn from their contemporaries to enhance performance and improve responsiveness.

b. Stakeholder Values. With one element of the major organizational structure focusing on external stakeholders and getting the mission accomplished, and one element focusing on continual learning and development of our internal workforce, we can better serve both. Senior level program managers aligned with customers will focus on relationships, understanding customers' value systems, and ensuring that they are communicated and integrated into Corps supporting activities. Our customers' values will be integrated with our values. Within the Regional Business Centers, the regional staffs can leverage resources across the region to better execute the mission. The MSC Commander will be freed to focus on relationships and understanding the needs and values of regional stakeholders.

c. Strategy. All elements in this model are focused on one of the two major elements: internal or external. This strategy will allow for the Washington level of the organization to focus on the relationships needed to execute the mission and the Regional Business Center. Strategic planning is a function of senior leadership. By eliminating barriers to communication, senior leaders will be more able to interact and improve communication on strategic issues. By keeping the review of policy at the regional level, implementation is closer to the actual production of the project, leaving little room for misconceptions by the District or sponsor's staff. Senior leaders at the HQUSACE and MSC levels can then concentrate on future directions and strategic matters.

d. Systems. This model streamlines processes and systems allowing for learning and improving the way work is accomplished. Technology and information systems, including P2, will allow for "flattening" much of the organization that was previously in place for command and control. Partners will have easier access to information on their projects. Customers will be able to get current information. Lessons learned will be communicated across the organization enabling implementation and improvement of both quality and delivery.

e. Skills. Skills within the organization will be greatly enhanced with the focus from the top on the learning organization. There will be effective communication of learning events to improve overall project delivery. The Corps will focus in on its "core" skills to assure world-class expertise in these skills. We no longer will try to be all things to all people, relying instead on the private sector for non-core skills, and concentrating our expertise where it supports our core missions: water resources development and military construction. From the partner/customer's execution perspective, the ability to leverage inside and outside resources will be enhanced.

f. Style. Decentralized responsibility to the execution level (the District) will be the dominant style of the new organization. Elimination of duplication and redundancy will improve performance. The consolidation of staffs can be viewed as empowering teams and allowing for single focus response time. It is anticipated that with empowerment will come greater work satisfaction and a more responsive attitude to meet others needs.

g. Structure. The structure is reduced and streamlined. Layers with overlapping responsibilities for checking or collecting data will be eliminated. This will enhance the PMBP and the learning organization focus. Inwardly focused stovepipes will shift to an emphasis on the customers and on quality.

**5. Rationale for Design.** The alternative is based on the principles embodied in the Project Management Business Process and the Learning Organization.

a. Command and Control will be addressed by the integrated directorate at the headquarters and regional levels. With the command and control for some functional areas being raised to the Washington level, the need for an intermediate step is eliminated.

b. Programs Management at all levels will be more effective because it will be focused on the external elements of the partner/customer and the relationships necessary to provide quality products.

c. National/regional interface becomes much more focused with this alternative. Strategic planning focused at the Washington level allows the senior leadership involved in the process to be mindful of the relationships with the Administration, Congress, partners, and customers and respond in a flexible, adaptive manner to change the organization.

d. Policy development at the Washington level allows policy to reflect the desires of the Administration. Policy review at the regional level allows for the application of policy at the next lowest level, which means that the inherently governmental elements and the needs of the local sponsor can be addressed early in the process.

e. Quality assurance will be executed at the regional level. Technical capability will be addressed by regional capability centers.

**6. Evaluation against criteria.**

a. **Supports Accomplishment of Missions - enhances**

- Supports Core Business Processes and Systems (Command and Control, Program, Management, National/Regional Interface, Strategic Planning, Policy and Quality Assurance) – exceeds criteria
- Supports Regional Business Center Concept – exceeds criteria
- Supports “one headquarters” concept – meets criteria
- Relevance to the Army – meets criteria
- Critical to customer success – meets criteria

- Enhances vertical and horizontal integration – exceeds criteria

**b. Moves Toward Ideal Future - enhances**

- Aligns with all 7-S – meets criteria
- Learning Organization – exceeds criteria
- Achieves desired organizational attributes (Simple, consistent, responsive, flexible and adaptable) – exceeds criteria

**c. Strategic Desirability - enhances**

- Achieves co-production with customers and partners - enhances
- Aligns with USACE Communication Principles - enhances
- Leverages technology - enhances
- Enhances performance measurement - enhances
- Maintains core competencies - enhances
- Enhances adaptability - enhances

**d. Improves affordability/reduces costs - enhances**

e. **Implementable – inhibits** (will receive a lot of resistance because it breaks the traditional separation of Military Programs and Civil Works, classic argument being that they are unique and very much different)

- Acceptability – neutral (internally will meet resistance, externally will probably be embraced and accepted as real, positive change that will improve the organization)

## **Alternative 3**

### **Army Relevance with District Focus**

#### **1. General Overview of Conceptual Design.**

a. The role of the Headquarters in this alternative is to create the conditions for success in the Districts by building and nurturing national relationships, providing strategic direction and corporate policy, having direct interface with the Army, and obtaining resources. Nearly 100 percent of the Headquarters efforts will be focused on political and strategic relationships in the Nation's capitol. The goal is that when something needs to be done, USACE listens to our customers' desires and then delivers on time and within budget. This organizational structure seeks to make the best use of the talents and experience of its senior military and civilian leaders. The functions are divided into four basic groupings led by two Major Generals, the senior SES, and a Colonel as the Chief of Staff. The role of the Major Subordinate Commands (MSC) is to create the conditions for success at the Districts through regional interface, resource leveling, command and control, District assistance by exception, and supervision of corporate centers of support and technical excellence. Their administrative support would be purchased regionally from their Districts. The Districts would have increased authority and responsibility focusing on project execution and selectively performing specialized functions regionally or nationally, as needed.

b. The basic features of the organization are:

(1) The USACE Commander (Lieutenant General) whose primary duty is political interface with the Administration, the Congress, and special interest groups. Staff reporting directly to the Commander will be at a minimum to provide the Commander with as much latitude as possible.

(2) A Deputy Commander (Major General) located at the HQ and responsible for the overall operations of USACE. The offices of Counsel, Budget, and Internal Review and the Engineer Inspector General will report to the Deputy Commander.

(3) Programs Management Directorate (PMD), led by an SES, with the responsibility to direct and oversee the Civil Works (CW) and Military (MP) programs. Although under one directorate, CW and MP programmers would remain in separate sections. To promote success in the Districts, a vital feature of the PMD are the five-person District Support Teams (DST) funded with Executive Development and Management (ED&M) resources. Each DST will focus on its supported District to shepherd actions through the HQ; nurture relationships with congressional staffers; and, as the integrator at HQ, coordinate, staff, and help resolve issues that exceed the District's capabilities.

(4) A Major General at the Office of the Chief of Engineers in the Pentagon to create and nurture strategic relationships within the Army and Department of Defense staffs.

(5) A Major General leading the Operations Directorate and responsible for Contingency Operations, the USACE Operations Center, Homeland Security, Real Estate, Strategic Corporate

Information (SCI), Engineering Research and Development Center, Research and Development, and the 249<sup>th</sup> Engineer Battalion.

(6) The Chief of Staff leads the Support Directorate and manages the inner workings of USACE, its daily operations, and oversight of Equal Employment Opportunity, Public Affairs, Command Planning Group, Humphreys Engineer Center Support Activity, and the command staff.

(7) The MSC offices will focus on removing regional roadblocks that interfere with District mission execution. The MSCs will abolish all positions whose primary function is data gathering, packaging, and resending. The MSCs are also home for centers of support and technical expertise that have a corporate-wide focus. This alternative puts assets with a primarily internal focus in the field.

(8) The District is empowered with the authority and responsibility to accomplish the majority of its mission with only minimal supervision from HQ. With its direct link to HQ through the DST, issues can be easily raised to the required authority for resolution.

**2. Diagram of Structure and Relationships/Organization for Headquarters and Major Subordinate Command headquarters.** Alternative 3 incorporate the concepts and recommendations discussed in paragraph 3. See Exhibits F-3a and F-3b.

**3. Mission, Roles, and Functions Analysis.** The following paragraphs describe the recommended changes in organizational design at the HQ and MSC levels.

**a. Counsel**

Recommendation. Structure change at HQ. Counsel now reports to the Deputy Commanding General (DCG). At the MSC, a small office is retained to advise the MSC Commander and work regional issues that exceed the capabilities of any one District. Legal actions will only be reviewed at one level, either division or HQ, depending upon the complexity and the implications of the issue.

Basis for Recommendation. Legal counsel needs to be included at the start of any action but actions do not need multiple reviews.

**b. Resource Management**

Recommendation. Some structure change at both HQ and Division.

Basis for Recommendation. Resource Management will be renamed the Budget Office, will become smaller at HQUSACE, track funding, and report to the DCG. At the MSC level, additional assets will be required in the RM offices.

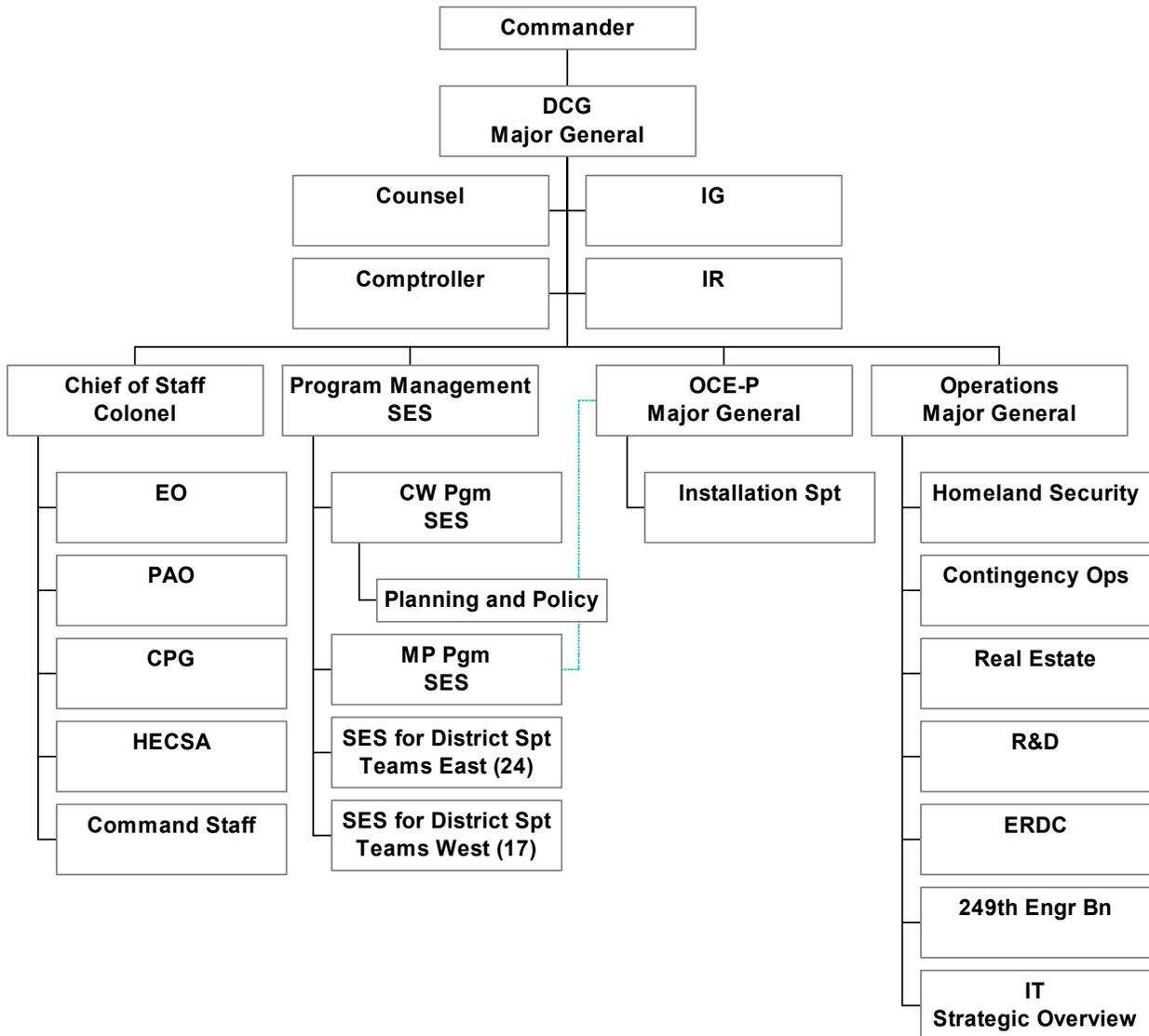
**c. Principal Assistance Responsible for Contracting (PARC)**

Recommendation. This function will become one of the Centers of Support Excellence (CSX) located at a MSC office and supervised by the MSC Commander. This will eliminate the Director of Contracting (DOC) from the MSC structure.

Basis for Recommendation. The HQ retains the authority for most actions not delegated to the Districts. The MSC DOC often functions in a review and forwarding capacity.

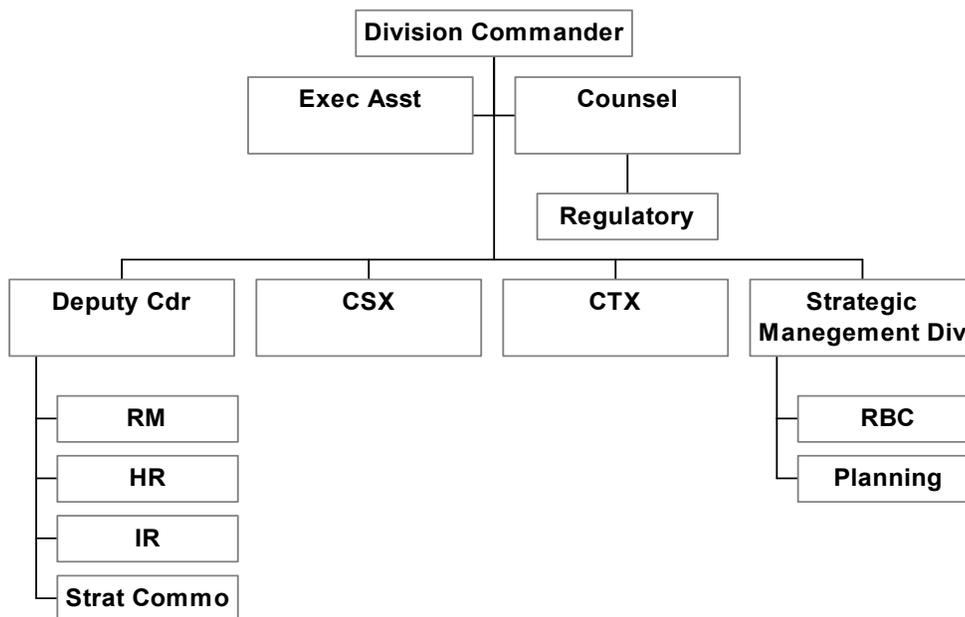
**Exhibit F-3a**  
**Alternative 3 - Army Relevance with District Focus**

**Headquarters Office, Washington, D.C.**



**Exhibit F-3b**  
**Alternative 3 - Army Relevance with District Focus**

**Major Subordinate Command Offices**



**d. Corporate Information (CI)**

Recommendation. Some structure change at HQ. The CI strategic oversight role will become part of the Operations Directorate at HQ with two regional CI Oversight CSXs. Information Management (IM) will be eliminated from the MSC structure. Operational needs will be outsourced.

Basis for Recommendation. All CI operational requirements of the Corps should be outsourced. The HQ CI staff is responsible for the strategic direction and integration of Corps systems and the resource programming associated with this effort.

**e. Human Resources (HR)**

Recommendation. Human Resources will become another CSX at a MSC location. The HR at the MSC would be staffed at minimal levels.

Basis for Recommendation. The majority of HR is internally focused so they should be located in the field. The MSC needs an HR advisor to assist in recruiting and hiring of an ever-more mobile workforce.

**f. Logistics**

Recommendation. Logistics will also be placed in a CSX and eliminated at the MSCs.

Basis for Recommendation. The MSCs will buy what services it needs from a District and refer to the CSX for specific guidance that is uniform across USACE.

**g. Strategic Communications**

Recommendation. Public Affairs (PA), renamed Strategic Communications (SC), will report to the Chief of Staff. The PA Office at the MSC will be a one-person office.

Basis for Recommendation. Commanders need on-site advice.

**h. Small and Disadvantaged Business Utilization (SADBU)**

Recommendation. The SADBU function will become a CSX and eliminated at the MSC level.

Basis for Recommendation. The SADBU mission is at the District. At the MSC and HQ, the SADBU reports the Districts' progress.

**i. History**

Recommendation. History will also become a CSX responsible for writing the history of the Corps. There will be no separate history offices at the MSC.

Basis for Recommendation. In accordance with Army policy, each unit is required to maintain its unit history.

**j. Chief's Staff**

Recommendation. No structure change.

**k. Command Planning Group (CPG)**

Recommendation: No structure change.

**l. Internal Review**

Recommendation. Internal Review reports to the DCG in HQ and remains in the MSC as an office of one.

Basis for Recommendation. Commanders at all levels need the capability to provide independent assessments.

**m. Equal Employment Opportunity (EEO)**

Recommendation. The EEO reports to the Chief of Staff and will be eliminated at the MSCs.

Basis for Recommendation. The MSC receives EEO policy from HQUSACE and its operational needs from a supporting District.

**n. Secretary of the General's Staff (SGS)**

Recommendation. No structure change.

**o. Inspector General (IG)**

Recommendation. No structure change.

**p. Chaplain**

Recommendation. No structure change.

**q. Humphreys Engineer Center Support Activity (HECSA)**

Recommendation. Structure changes are necessary to reflect more closely the support costs experienced in the MSC and Districts offices.

Basis for Recommendation. The HECSA must review functions they currently perform that can be done by either other elements of the Corps (e.g., Millington Finance and Accounting Center, etc.) or a MSC Regional Support Center.

**r. District Support Teams (DST)**

Recommendation. Stand-up a new organization at HQ consisting of 41 DSTs and dedicated to ensuring the success of each District. The leader of each DST will be rated by the supported District Commander.

Basis for Recommendation. Under the Program Management Division, the 41 DSTs will be divided into two teams, East and West, and an SES will have oversight of each, This will provide the additional emphasis and “horsepower” needed. These teams will provide a direct link from the District to Congress and the Administration to identify problems early by keeping our customers abreast of our progress. The DSTs will have a personal and continuous relationship with all staffers associated with their District.

**s. CW and MP Programs Management Directorate (PMD)**

Recommendation: Formed under the PMD as a separate offices to manage their respective programs.

Basis for Recommendation: This alternative places both CW and MP under one senior leader to minimize duplication and improve coordination and relationships between our two main business lines. The DSTs are also part of the PMD bringing all program issues under one directorate. District Commanders and Project Managers will have a single point of contact at HQ to address project issues that Districts cannot resolve.

**t. Engineering and Construction (E&C)**

Recommendation: Three E&C offices will be established as Centers for Technical Excellence (CTX). Along with CTXs for Environmental & Regulatory and Operations, each MSC will host

a CTX. The E&C CTX will have regional and national perspectives and provide technical assistance across the Corps.

Basis for Recommendation: The Corps needs its best engineers away from the distractions of the “beltway” and in the field practicing engineering daily while mentoring and inspiring young engineers. These experts will aid in the transfer of lessons learned by senior engineers through decades of practice.

**u. Environmental and Regulatory (E&R)**

Recommendation: Two CTXs will be established at two MSCs (see E&C CTX discussion above).

Basis for Recommendation: Environmental is a natural marriage with the regulatory function and will become of greater importance to the Corps as our Nation continues its efforts to restore and protect the environment.

**v. Research and Development (R & D)**

Recommendation: The R&D will become part of Contingency Operations.

Basis for Recommendation: This supports provides a resource that can support all mission areas.

**w. Interagency and International Services Division**

Recommendation: Eliminate. This will become a mission of everyone located in HQUSACE.

Basis for Recommendation: The senior leaders will concentrate on developing interagency relationships, both regionally and nationally. Only as directed by the Administration will the Corps undertake international contacts and then it will be through our PMD supported by a CTX.

**x. Real Estate Division (RE)**

Recommendation: The RE function will be placed in the Contingency Operations Directorate. There will be no change in mission or structure.

Basis for Recommendation: The RE is an authorized mission for the Corps.

**y. Regulatory Division (RegD)**

Recommendation: The regulatory function will be combined with environmental and become part of a CTX.

**z. Installation Division (ID)**

Recommendation: The ID will become part of the Office of the Chief of Engineers in the Pentagon (OCE-P).

Basis for Recommendation: The Corps needs a single office to interface with the new DA IMA organization. Under the Major General leading the OCE-P, ID will have a direct connection to the Army.

**aa. Contingency Operations (CO)**

Recommendation: Water management is an operational concern and will become a mission for a number of Districts. Contingency Operations, lead by a Major General, will have oversight of homeland security, contingencies, the UOC, Real Estate, R&D, ERDC and CI strategic overview.

Basis for Recommendation: This alternative aligns these missions with a closer connection to the Army.

**bb. Homeland Security (HS)**

Recommendation: The HS program is responsible for coordinating and integrating planning in support of the security for our projects. The HS interfaces with the new Department of Homeland Security and should be part of Contingency Operations.

Basis for Recommendation: Centralizes support for security and support operations.

**cc. G3 / Contingency Operations Division (ContOps)**

Recommendation: This organization will become part of the CO and run the UOC.

Basis for Recommendation: Centralizes operational support for all USACE contingency operations for unity of command and strategic oversight.

**dd. Civil Works Operations**

Recommendation: Civil Works Operations will become two CTXs.

Basis for Recommendation: As explained for the other CTX.

**ee. Division HQ**

**(1) Executive Assistant**

Recommendation: Provides the essential political continuity from Commander to Commander and supervises front office staff.

Basis for Recommendation: Performs vital bridging functions and supervises the Commander's administrative staff.

**(2) Counsel**

Recommendation: Provides legal advice to the Commander; small staff handles District issues. There should be only one level of legal review. The Regulatory review function should report to the Office of Counsel

Basis for Recommendation: Assist the commander in the decision making process.

### **(3) Resource Management (RM)**

Recommendation: The RM will be responsible for formulating and executing the operating budget; monitoring budget execution; and performing finance, accounting, and manpower functions. The RM should report to the Chief of Staff.

Basis for Recommendation: The MSCs will track program execution regionally and need the tools to accomplish this. In addition, the office will provide budget oversight.

### **(4) Internal Review**

Recommendation: Performs required investigations.

Basis for Recommendation: Assist the Commander in the decision making process.

### **(5) Human Resources**

Recommendation: Assists in recruiting, hiring, and workforce development as our workers become mobile, changing jobs more frequently.

Basis for Recommendation: Assists the Commander in the decision making process.

### **(6) Business Management Office (Strategic Management Division)**

Recommendation: Acts as the integrator across the region to help level work and resources. Planning in the division will become part of the Strategic Management Division.

Basis for Recommendation: Need an integrated regional plan.

### **(7) Strategic Communications (previously Public Affairs)**

Recommendation: Assist the Commander in strategic communication.

Basis for Recommendation: Assist the Commander to foster strategic messages and relationships.

## **4. 7-S Assessment.**

a. Shared Values. The organization now concentrates HQ efforts on its strategic missions while creating the conditions for success at the Districts. Empowerment is now a reality with the Districts having the authority and responsibility to execute their missions. In addition, the CTXs will have the critical mass necessary to mentor and train young professions, pass along lessons learned, and explore new ways of solving customers problems

b. Stakeholder Values. By actively engaging our national stakeholders early and often in the entire project delivery process, the Corps will be more attuned to customers desires. We will also hear their solutions to problems while there is still time and money available. With the direct connection from the PM (the one doing the work) to the customer (the one paying for the work), responsiveness can only improve.

c. Strategy. The motivation for the PMD and the mission of every senior leader in HQUSACE is strategic engagement of all stakeholders. With the DST support mandate and co-location in HQUSACE, no action will languish or be overlooked. The CPG will be the right size to provide the strategic perspective.

d. Systems. The direct connection from PM to HQ will streamline processes. Eliminating all review layers will make us more responsive and quicker to adapt to changing conditions. Using PMBP as our corporate management process, we will empower the project manager.

e. Skills. The CTXs will be fertile environments for growing and maintaining our competence in our technical areas of expertise. Our experts will be practicing their art in the field staying current with developments and technologies.

f. Style. A different approach to leadership is needed. Looking at what we did in the past will no longer be the mission of the leadership. The MSCs and HQ will concentrate on regional and national relationships and will assist the Districts by creating conditions for success. We have great people at the Districts who only need the resources and the authority to exceed customers' expectations. Intervention by the MSC and HQ will be by exception.

g. Structure. This organization is designed to streamline processes but ensure that necessary management controls are in place. It strives to create an organization that is first effective (do the right things) and then efficient (the best way). Technical competence is greatly enhanced by our CTXs not just in engineering disciplines but in all sciences we employ. Coordination and collaboration between the PM and the HQ will be the constant mission of the DSTs. It recognizes the need to position our best and brightest as close to the projects as possible. It also recognizes the need to position the "center of gravity" in the Districts while using resources regionally.

## 5. **Rationale for Design.**

a. After reading stakeholders' interviews, a number of problems became apparent and this alternative sought to address these problems and provide a solution:

(1) USACE HQ and MSCs reflect how funding is received from Congress and not how to provide seamless support to the Districts.

(2) Congress is not consulted earlier enough when problems develop.

(3) No real presence in the Pentagon. The assumption that if we do a great job everyone will appreciate our role in national defense has not proven to be true.

(4) Span of control is too large within the HQUSACE staff.

(5) Not passing along the technical knowledge gained from experience.

(6) Staff sections with a 51% focus on congressional and DoD interface should be the only ones physically located in DC. All others with a primarily internal focus should be at the MSCs where they can make the greatest contribution.

b. Using these issues as a guide to design the new structure, we now have the following:

(1) Funding comes through one integrated Program Management Directorate while providing the Districts with a single point of contact in the HQ to more directly address concerns.

(2) The District Support Teams will confer regularly with the congressional staffs, which will get Congress more involved in our processes.

(3) With a Major General at OCE-P, the Corps will have real presence in the Pentagon. Through the more active participation of this General Officer and working with the other Major General in charge of contingency operations, we will be better positioned to support Army needs.

(4) Smaller span of control within the DC HQ staff will foster the ability of senior leaders to devote more time to strategic endeavors.

(5) The CTXs guarantee that the technical knowledge gained from experience is shared and passed on to the next generation of USACE team members.

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## **Alternative 4**

### **Corporate and Regional Business Model**

#### **1. General Overview of Conceptual Design.**

a. The role of the Headquarters in this model is to provide strategic direction and corporate policy, obtain resources, run the USACE Operations Center and build national relationships. This organization emphasizes the alignment of our key missions in a functional manner. The functions are divided into two basic groups, each headed by a Major General. The role of the Divisions is to provide a regionally centric command and control hub that focuses on program execution, resource allocation, and regional interface. Administrative support primarily would be purchased regionally from assigned Districts. The Districts would become a resource provider and selectively perform specialized functions either regionally or nationally.

b. The basic features of the organization is a Chief of Engineers (Lieutenant General) with a Deputy (Major General) whose primary focus is the Pentagon. The Deputy would be physically located in the Office of the Chief of Engineers in the Pentagon providing the necessary engineer presence and horsepower. The remainder of the Headquarters is divided into two major functional areas with a Major General responsible for Programs Management and a Major General responsible for Support, the latter serving in a dual-hat position as the Chief of Staff. This organization has eight Divisions primarily responsible for regional program execution, regional interface, and quality assurance. By operating the Divisions regionally and the HQ nationally, the watershed basis of operating should be enhanced.

c. The Program Management Directorate is composed of three Divisions: Mission Technical Experts, Mission Planning and Programming, and Operations. The Mission Technical Expert Division primarily is responsible for maintaining a workforce with world-class technical skills. It is also responsible for providing national interface to ensure we build and maintain strong relationships. The Mission Planning and Programming Division is responsible for synchronizing all planning and programming efforts required as a part of the Federal Budget Process. This directorate will work with the Division Support cells to ensure a coordinated effort throughout all USACE programs. Operations will focus our Homeland Security and the Federal Emergency Management Agency (FEMA) mission; the program execution of our Operations and Maintenance, Military Construction, Environmental, and Real Estate missions; and provide a focal point for Emergency operations.

d. The Chief of Staff/Support Directorate is composed of three Divisions: Division Support Cell Division, Command Group Support, and the Mission Enabler Support Staff. Support at the Headquarters is task organized. One Senior Executive Service (SES) member from each Division will head each Division Support Cell located in Washington, D.C. In addition to providing a conduit for support of all Headquarters to the Division, they are responsible for preparing the Division's planning and programming documents. The Humphreys Engineer Center Support Activity also works for the Chief of Staff and provides operational support to the Headquarters.

e. The eight Major Subordinate Commands (MSC) will emphasize the Regional Business Center (RBC) as the new center of gravity for execution. This will provide the MSC Commander adequate resources to accomplish this mission. The consolidation of MSC support efforts should yield Full Time Equivalent (FTE) savings that can be used to purchase services from the Districts and provide additional FTEs to support the Regional Business Center operations.

**2. Diagram of Structure and Relationships / Organization for HQ and Division HQ.** Exhibits D-4a and D-4b provide the organization alignment for the Washington, D.C. Headquarters and MSC Commands, respectively. These alignments incorporate the concepts and recommendations discussed in paragraph 3.

**3. Mission, Roles, and Functions Analysis.** The following paragraphs describe the recommended changes in organizational design at the HQ and MSC levels. A process review is necessary for most functions before implementation to maximize savings.

**a. Deputy Chief of Staff for Support**

**(1) Mission Enabler Support Staff Directorate**

**(a) Office of the Chief Counsel**

Recommendation. Structure change at HQ. Maintain a senior counsel at MSC to advise the Commander. The MSC Counsel will not be in the review process.

Basis for Recommendation The majority of the MSC Counsel workload appears to be pass-through in nature. The MSCs will use District Counsel, as necessary.

**(b) Resource Management Division (RM)**

Recommendation. Some structure change at both HQ and Division.

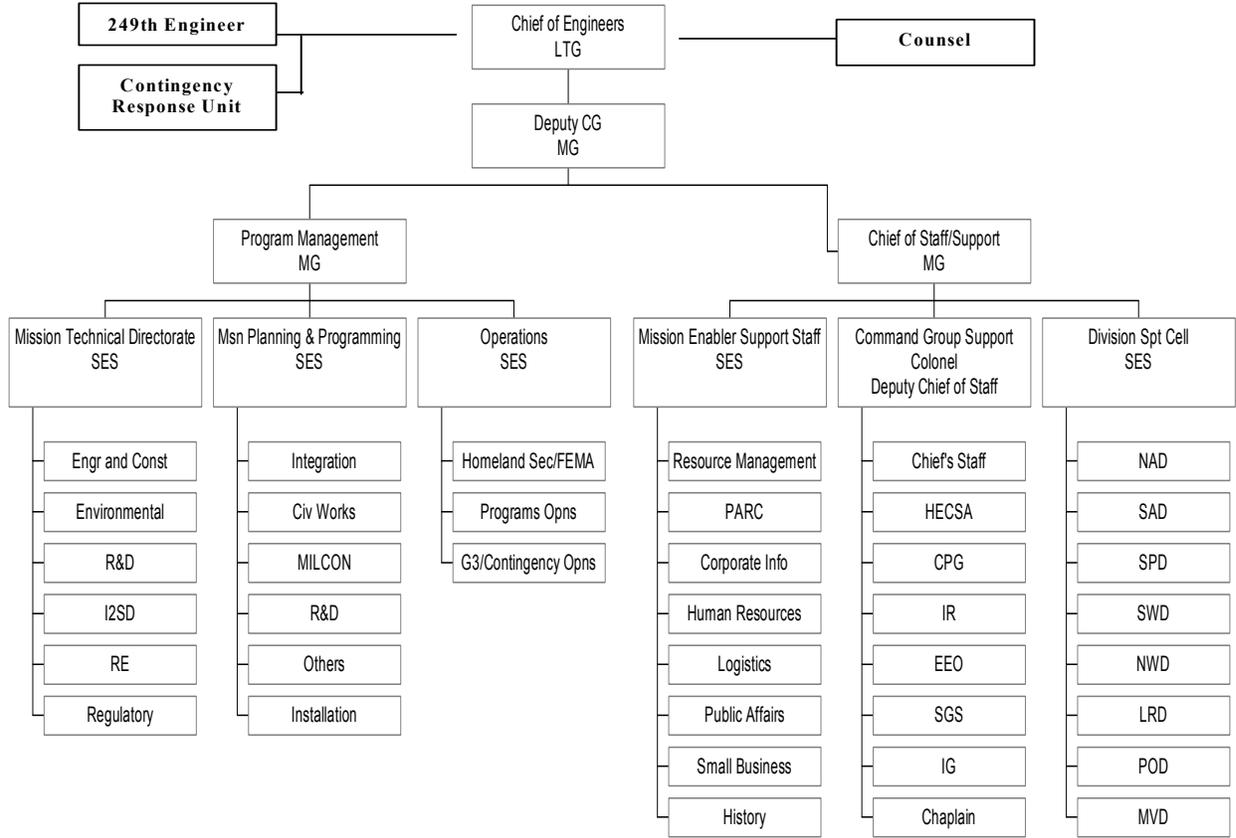
Basis for Recommendation. The primary Resource Management functions at the HQ and MSC need to be Budget, Finance & Accounting, Business Practices, and Manpower Management. The HQ RM will have a national focus and the MSC RM will have a regional focus. Close coordination and collaboration will be required since Budget will retain the responsibility for the preparation of budget schedules.

**(c) Principal Assistant Responsible for Contracting (PARC)**

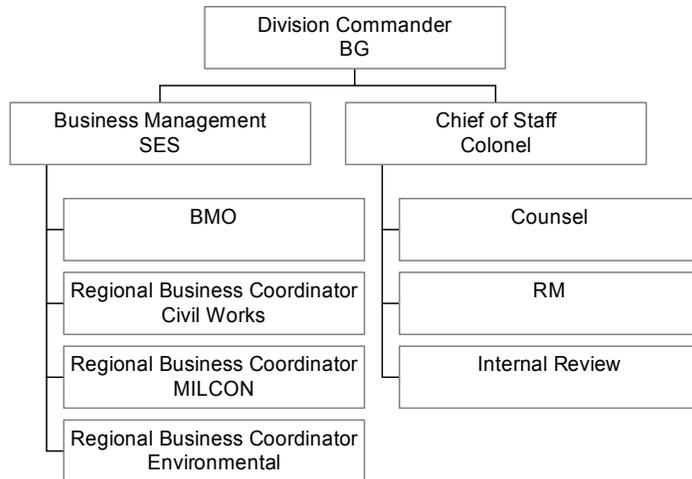
Recommendation. No structure change at HQ. Eliminate the Director of Contracting (DOC) position from the MSC structure.

Basis for Recommendation. The HQ retains the authority for most actions not delegated to the District level. The Division DOC often functions in a review and forwarding capacity.

**Exhibit D-4a**  
**Corporate and Regional Business Model**  
**HQUSACE Washington Office**



**Exhibit D-4b**  
**Corporate and Regional Business Model**  
**HQUSACE – Regional Office**



**(d) Corporate Information Division (CI)**

Recommendation. Some structure change at HQ. Eliminate CI from the MSC structure

Basis for Recommendation. All CI operational requirements of the Corps should be outsourced. The HQ CI staff is responsible for the strategic direction and integration of Corps systems and the resource programming associated with this effort. The MSC daily operations and procurement needs are supported by a Regional Support Center.

**(e) Human Resources Division (HR)**

Recommendation. No structure change at HQ. Eliminate HR at the MSC.

Basis for Recommendation. The MSC should form a Regional Support Center and use resources from HR savings to buy services from the Regional Support Center.

**(f) Logistics Management**

Recommendation. No structure change at HQ. Eliminate Logistics at the MSC.

Basis for Recommendation. The MSC should form a Regional Support Center and use resources from Logistics savings to buy services from the Regional Support Center.

**(g) Public Affairs**

Recommendation. No structure change at HQ. Eliminate Public Affairs at the MSC.

Basis for Recommendation. Division should form a Regional Support Center and use resources from PAO FTE to buy services from the Regional Support Center.

**(h) Small and Disadvantage Business Utilization (SADBU)**

Recommendation. Structure change at HQ. Eliminate SADBU at the MSC.

Basis for Recommendation. The majority of the SADBU workload appears to be pass-through in nature.

**(i) History**

Recommendation. No structure change at HQ.

Basis for Recommendation. In accordance with Army policy, each unit is required to maintain its unit history.

**(1) Command Group Support Directorate**

**(a) Chief's Staff**

Recommendation. No structure change.

Basis for Recommendation. Staff sized to provide appropriate support to meet Chief's requirements.

**(b) Command Planning Group**

Recommendation: Structure changes are recommended at the HQ level.

Under the leadership of a GS-15, align the following organizational functions reporting to the Deputy Chief of Staff (DCS) for Support: Strategic Planning and Programs and Strategic Communications (Relationship Management).

Basis for Recommendation: Responsible for the management of the Corps' strategic planning process. This will provide a focal point for all key steps in the strategic planning process.

**(c) Internal Review**

Recommendation. No structure change.

Basis for Recommendation. Commanders at all levels need the capability to provide an independent assessment.

**(d) Equal Employment Opportunity**

Recommendation. No structure change at HQ. Eliminate EEO at Division.

Basis for Recommendation. Division should form a Regional Support Center and use resources from EEO savings to buy services from the Regional Support Center.

**(e) Inspector General**

Recommendation. No structure change.

Basis for Recommendation. This function is currently located only at HQ.

**(f) Chaplain**

Recommendation. No structure change.

Basis for Recommendation. This function is currently located only at HQ.

**(g) Humphreys Engineer Center Support Activity (HECSA)**

Recommendation. No structure change.

Basis for Recommendation. HECSA provides the HQ and the National Capitol Region USACE elements the same services as the support staff at a District. Additionally, they perform numerous nation-wide missions, e.g., oversee three nuclear power plants, USACE Publication

Warehouse. It is currently staffed at less than 15% of supported population. As the size of the Headquarters is decreased, HECSA will continue to decrease proportionally, however a review to determine if anything can be outsourced may provide some additional savings.

### **(3) Division Support Cell Directorate**

Recommendation. Stand-up new organization with assets from the MSCs under the Division Support Cell Directorate. One of the Division Cells SES will be dual-hatted to perform the administrative mission.

Basis for Recommendation. Stand up new cell headed by one of the SES members currently assigned to a MSC. The FTE will come from the MSCs assets not needed to perform their Regional Business Program execution mission. This cell will be responsible for providing programming information from MSC to Planning and Programming Directorate. This cell will also be responsible to provide liaison functions between the HQ and MSCs.

#### **b. Deputy Chief of Staff for Programs Management**

##### **(1) Mission Technical Directorate (MTD)**

Recommendation: This directorate provides the technical experts to interface with national technical organizations and other technical staff within Federal agency headquarters. The MTD writes policy on standards in the technical areas. The MTD is the proponent (education and career development) for each of the technical disciplines and the knowledge of where the “best in the Corps” resides.

Basis for Recommendation: Currently the functional managers provide the technical experts and serves as the proponent for the technical staff, in addition to the planning and programming of their function. Consequently, the technical proponent function is short-changed. This change in structure will ensure a solid technical foundation in the Corps in the future. As industry evolves, the Corps must maintain technical experts and maintain relationships with professional associations.

##### **(a) Engineering and Construction Division (E&C)**

Recommendation: Same as 3b(1).

Basis for Recommendation: The E&C supports the technical side of the planning and construction mission in water resource projects and military construction.

##### **(b) Environmental Division (EnvD)**

Recommendation: Same as in 3b(1).

Basis for Recommendation: The Corps should continue to compete for environmental program work. The EnvD will represent all aspects of the environmental program.

##### **(c) R & D Technical Division (R&D Tech)**

Recommendation: Same as in 3b(1) Recommendation.

Basis for Recommendation: R&D should continue to compete for R&D work. This support provides a resource that supports other mission areas.

**(d) Interagency and International Services Division**

Recommendation: This office responds to requests for assistance in technical areas where the Corps has experience.

Basis for Recommendation: Continue to interface with other nations and agencies on a technical basis. Once programs are established, they are handed off to the Planning and Programming Directorate.

**(e) Real Estate Division (RE)**

Recommendation: Same as in 3b(1).

Basis for Recommendation: Real Estate is an assigned mission for the Corps.

**(f) Regulatory Division (RegD)**

Recommendation: Same as in 3b(1).

Basis for Recommendation: Regulatory is an assigned mission for the Corps.

**(2) Mission Planning and Programming Directorate (PPD)**

Recommendation: The PPD provides the planning and programming actions for Corps programs. This becomes the single interface with Congress, the Army, and the Air Force to obtain funds on all programs.

Basis for Recommendation: Programming is currently accomplished functionally so there is little strategic planning across all the programs and functions. This allows one Directorate to plan strategically and to interface with customers, partners, stakeholders, and the Administration.

**(a) Integration Division (ID)**

Recommendation: The ID provides the integration action for all programs.

Basis for Recommendation: The ID allows for a strategic look at all programs in support of planning.

**(b) Civil Works Division (CW)**

Recommendation: The CW executes planning and programming for all water resource projects and Real Estate.

Basis for Recommendation: The CW is a major assigned mission for the Corps.

**(c) Military Construction Division (MP)**

Recommendation: The MP executes the Army and Air Force's military construction program.

Basis for Recommendation: The MP is a major assigned mission for the Corps.

**(d) R & D Division (R&D)**

Recommendation: The R&D executes the planning and programming for all R&D activities.

Basis for Recommendation: This mission supports the Civil Works and Military Programs missions of the Corps as well as Army R&D needs, especially in cold regions R&D areas.

**(e) Other Appropriations**

Recommendation: This office tracks congressional funding and provides programming for OMA and FUDS and other appropriations that the Corps receives.

Basis for Recommendation: The Corps must be aware of congressional actions that effect Corps programs.

**(f) Installation Division (ISD)**

Recommendation: The ISD coordinates with the Department of Army in support of installations. The ISD integrates all installation support.

Basis for Recommendation: The Corps must have a single office to interface with the new DA IMA organization.

**(4) Operations Directorate (Ops)**

Recommendation: Daily operations (water management, contingency operations and safety and security) are managed in Ops. Ops provides the strategic direction and corporate policy for all operations across the Corps. It operates the USACE Operations Center (UOC) and all contingency operations (both military and civil).

Basis for Recommendation: Ops centralizes the daily operations. Currently the Directorate of Civil Works is responsible for civil disasters while the Directorate of Military Programs is responsible for military actions. The Deputy Chief of Staff for Operations and the UOC attempt to support both operations while reporting to neither. Under this structure, all contingencies are managed by a single organization .

**(a) Homeland Security Division (HS)**

Recommendation: The HS coordinates and integrates planning in support of the security of Corps projects. The HS interfaces with the new Department of Homeland Security.

Basis for Recommendation: Centralizes support for security operations.

**(b) Programs Operations Division (ProOps)**

Recommendation: The ProOps provides strategic oversight in water management activities, environmental programs, and regulatory programs.

Basis for Recommendation: Centralizes support to current operations.

**(c) G3/Contingency Operations Division (ContOps)**

Recommendation: The ContOps provides the planning cell for support to all contingency operations. ContOps interfaces with the Department of Defense (DoD) and prepares Operations Orders for current missions. The ContOps runs the UOC.

Basis for Recommendation: Centralizes operational support for all USACE contingency operations for unity of command and strategic oversight.

**c. MSC Headquarters**

**(1) Chief of Staff**

**(a) Command Group**

Recommendation: Provides support to the MSC Commander.

Basis for Recommendation: Administrative staff is necessary to support the Commander.

**(b) Counsel**

Recommendation: Provides legal advice to the Commander.

Basis for Recommendation: Assist the Commander in the decision making process.

**(c) Resource Management**

**Recommendation:** Formulates and executes the MSC Command Operating Budget. Monitors budget execution and provides reports to MSC staff. Performs finance and accounting and manpower functions.

**Basis for Recommendation:** The MSCs will track program execution regionally and needs the tools to accomplish this. In addition, the office will manage the MSC Command Operating Budget.

**(d) Internal Review**

Recommendation: Performs required investigations.

Basis for Recommendation: Assist the Commander in decision making process.

**(2) Business Management Office**

**(a) Business Management**

Recommendation: Integrates the regional Business Coordinators across the Regional Business Center.

Basis for Recommendation: Need an integrated regional plan.

**(b) Business Coordinator - Civil Works**

Recommendation: Provides regional management over execution and resource allocation. Provides interface with regional customers and stakeholders.

Basis for Recommendation: Functional oversight across the region.

**(c) Business Coordinator - Military Construction**

Recommendation: Provides regional management over execution and resource allocation. Provides interface with regional customers and stakeholders.

Basis for Recommendation: Functional oversight across the region.

**(d) Business Coordinator – Environmental**

Recommendation: Provides regional management over execution and resource allocation. Provides interface with regional customers and stakeholders.

Basis for Recommendation: Functional oversight across the region.

**4. 7-S Assessment.**

a. Shared Values. The organization is designed to emphasize our shared values of teamwork and collaborative public service, integrity, stakeholder-focused customer success, and empowerment. To be successful, all elements of the Corps must operate together. The Corps requires accountability and stakeholder focus at all levels to achieve customer success. This requires empowered leadership of our employees.

b. Stakeholder Values. By positioning the work closer to the stakeholder, our ability to react to their needs is enhanced and provides flexibility. By reducing our overhead costs, we become less costly which is in everyone's best interests. By focusing on the quality of our technical workforce, we are able to provide a better product. By focusing regionally on our business capabilities, we are able to provide a quality product on time and within budget. The MSC Support Cells ensure better integration for stakeholders at HQ.

c. Strategy. The strategic planning cell located within the Command Group Support Directorate will improve the overall coordination and synchronization of the HQ's strategic planning efforts. The strategic planning cell is responsible for facilitation of USACE strategic planning efforts and the validation of compliance during the programming integration process. The USACE strategic planning team will be comprised of representatives from the MSC

Commanders and the HQ mission and support staff directorates. The consolidation of the planning and programming into one Directorate will ensure the integration of our programs and improve our ability to successfully discuss with both OMB and congressional representatives the synergy this coordinated plan provides to satisfy their needs.

d. Systems. By streamlining our processes and leveraging technology, we will reduce our cost of doing business but not jeopardize our ability to manage operations. This will improve the teaming approach and facilitate integration across all business lines. Using PMBP as our corporate process, we will empower the project manager. The P2 automated information system will enable the program manager to input information once and allow the MSC to monitor execution and the Headquarters to review information for planning and programming management activities thereby eliminating data calls. This plan eliminates unnecessary layering and enhances our ability to empower our workforce.

e. Skills. The Technical Directorate is able to focus its attention on maintaining an outstanding technical workforce and recognizing where our experts reside. Holding the technical experts accountable to maintain a highly qualified technical workforce will assist in providing coordinated training opportunities across the Corps. Additionally, providing national leadership in relationship building with professionals in key technology fields will allow the Corps to remain at the leading edge of technological advances. The Support Directorate will also be required to manage career programs to ensure we have the highest quality experts available to provide support at all levels.

f. Style. Different leadership styles are required at all levels to accomplish our mission. This organization allows each level to perform their mission without unnecessary oversight. This will require we empower our workforce and hold them accountable for results. While organized functionally, we will promote teaming. This organization focuses on strategic leadership in the headquarters, Operational leadership at the Divisions, and tactical leadership at the Districts. Embedded in each of these styles of leadership is the requirement to create subordinates who are able to manage the resources they are provided to accomplish the mission.

g. Structure. This organization is designed to streamline processes but ensure that necessary management controls are in place. It strives to create an organization that is first effective (do the right things) and then efficient (the best way). It recognizes the need for corporateness in our mission areas, while not sacrificing our technical expertise. It encourages coordination and collaboration between the Program Management and Support Directorates. It recognizes the need to position the work center as close to the customer as possible. It recognizes the need to position the center of gravity at the MSC and use resources regionally to provide the best products and the lowest price without compromising quality.

## **5. Rationale for Design.**

a. The primary functions of HQUSACE are Command and Control, Program Management, National Interface and Strategy, and Development of Policy and Guidance. This alternative meets or enhances these functions, specifically:

(1) Command and Control. Alternative 4 fully supports the concept of each MSC being an extension of the Headquarters office in Washington, D.C. The focus of the Headquarters is national management of the program with an emphasis on planning and program management. It bridges the information gap with embedded Division support cells at the Headquarters to assist with the strategic planning and programming functions,. However, it relies on the MSCs to manage their programs regionally using District assets as Centers of Expertise, when appropriate.

(2) Program Management. This alternative places the planning and programming function closest to the customer. All programming efforts will be accomplished in the Headquarters as a collaborative effort of the Division Support Cells and the Planning and Programming Directorate. The Divisions will provide regionally centric command and control hubs that focus on program execution and resource allocation.

(3) National Interface. Alternative 4 provides focal points for national interface. By combining all programming and planning efforts into a single organization, the Corps will be better able to align priorities with those of the Administration, Department of Army, and Department of Defense. The Technical Directorate will ensure the Corps builds and maintains relationships with key stakeholders at the national level.

(4) Strategic Planning. This alternative centralizes the overall strategic planning effort in the Command Planning Group under the Chief of Staff. The CPG will provide the framework necessary to provide a continuous strategic planning process that will include all key members of the HQ and MSC Commanders. This organizational alignment will assure synergy in the development of strategic plans and initiatives.

(5) Development of Policy and Guidance. This alternative acknowledges that technical experts at the headquarters should develop policy and guidance. As a tenet of the Learning Organization, the Corps emphasizes the maxim, “Less is More”, and minimizes the amount of policy and guidance to allow the entrepreneurial spirit to blossom at the MSCs within acceptable risk management criteria.

b. The primary functions of MSCs are Command and Control, Program Management, Regional Interface, and Quality Assurance. This alternative meets or enhances these functions, specifically:

(1) Command and Control. Alternative 4 fully supports the concept of each MSC being an extension of the Headquarters office in Washington, D.C. It provides the MSC Commanders the resources needed to operate a Regional Business Center. It encourages the MSC to maximize its technical capabilities through the creation of Centers of Expertise.

(2) Program Management. This alternative provides the MSC Commander a mechanism to provide input for programming through the Division Support Cells, but not to the distraction of program execution. The MSC will focus on managing the Regional Business Center and assuring that programs are managed in accordance with the policies and guidance provided by higher echelon.

(3) Regional Interface. This alternative will assure regional liaison with customers, partners, stakeholders, and communication media. Closely related to the Program Management functions,

this also provides each MSC with a cadre of knowledgeable experts to conduct regional interface responsibilities including strategic communications with customers, partners, stakeholders, and communication media.

(4) Quality Assurance. This alternative provides the MSC Commander the resources to conduct Quality Assurance through the regional business process. Through the continual review of the regional program and appropriate performance metrics, the MSC will build-in quality. The PMBP concept provides the basic QA process managed using either a Project or Program Management Plan that includes specific Quality Objectives and performance measurement criteria. Using Command Inspections, each MSC Commander will be able to validate the quality of their program execution process.

6. **Evaluation against Criteria.** The following criteria were considered in the development of Alternative 4.

a. **The alternative supports accomplishment of Corps missions.**

(1) Supports Core Business Processes and Systems (Command and Control, Program Management, National/Regional Interface, Strategic Planning, Policy and Quality Assurance)

(2) Supports RBC Concept

(3) Supports “One-Headquarters” Concept

(4) Relevance to the Army

(5) Critical to Customer Success

(6) Enhances Vertical and Horizontal Integration

b. **The alternative moves the Corps toward attaining the Ideal future state in year 2012.**

(1) Aligns with all Seven-S Model elements.

(2) Learning Organization

(3) Achieves Desired Organizational Attributes (Simple, Consistent, Responsive, Flexible and Adaptable)

c. **The alternative is strategically desirable.**

(1) Achieves Co-production with Customers and Partners

(2) Aligns with USACE Communication Principles

(3) Leverages Technology

(4) Enhances Performance Measurement

(5) Maintains Core Competencies

(6) Enhance Adaptability.

d. **The alternative is affordable and reduces costs.** The alternative is affordable and produces long-term cost reductions.

e. **Implementable.** The alternative is acceptable.



## **Alternative 5**

### **Dynamic Headquarters with Regional Support Teams**

#### **1. General Overview of Conceptual Design.**

a. Alternative 5 provides a robust structure for the HQ Washington Office with downsizing of current Major Subordinate Command (MSC) offices throughout the Corps. This alternative is based on the following assumptions:

- (1) That the Corps will continue as a vital part of the U.S. Army
- (2) That the Corps will continue to execute the water resources development mission for the Nation, including operations and maintenance of existing and future-constructed facilities.
- (3) That the Corps will continue as the executive agent for Army and Air Force Military Construction (MILCON).
- (4) That the Corps will continue to provide installation support on a reimbursable basis and that the Corps will become more cost effective and provide more timely services.
- (5) That the Corps will participate in the Transformation of Installation Management.
- (6) That the Corps will maintain its core competencies in support of the President's Management Agenda.
- (7) That the Corps' Washington office will focus on policy, program development, national interface, and resource integration and prioritization.
- (8) That the MSC will focus on regional production and quality assurance under the Regional Business Center concept.
- (9) That the Program Management Business Process (PMBP) is the corporate business process and will be utilized consistently throughout the Corps.

b. Alternative 5 provides for the development of Regional Support Teams (RST) focused on the execution of programs for major Corps mission areas including Civil Works, Military Construction, Installation Support, Environmental, and Interagency and International Programs. Each Division will have an RST led by an SES Director of Regional Support and comprised of subject and program area experts to support the work within the specific Division. Each RST will:

- (1) Provide a single point of contact both internal and external to the Corps.
- (2) Establish and maintain relationships at the national level.
- (3) Integrate mission areas including resources and program requirements.

(4) Work with the MSCs to develop priorities and resolve issues.

(5) Conduct all policy reviews except for pre-authorization planning documents where responsibility will be assigned to the Office of Water Policy Review. The RSTs will serve as advocates for processing all reviews.

(6) Know their region

(7) Work with all USACE team members creating a teaming environment, both vertical and horizontal.

(8) Provide flexibility in using resources to manage programs.

c. Of paramount importance and associated with the RSTs is the establishment of an Executive Advisory Committee (EAC) comprised of members of the Senior Executive Service (SES). The RST – EAC concept is discussed in detail in paragraphs 2 and 3.c. Alternative 5 also creates a robust strategic planning group bringing together all current HQUSACE assets into one synergistic unit focused on strategic issues including business evaluation, performance measurement, strategic initiatives, strategic communication, and strategic processes including advances in communications technology. The strategic planning function is discussed in detail in paragraph 3.d.

d. Alternative 5 considers the views and recommendations of USACE team members, functional proponents, and emerging and senior leaders; non-Federal and Federal customers, partners, and stakeholders including the Departments of Army, Air Force, and Defense; members of the U.S. Congress, their staffs, and various congressional committee members; and others who responded to the study's survey questionnaire or who were interviewed. The basic tenets of Alternative 5 are based on each MSC functioning as an extension of the Washington, D.C., Headquarters Office. Under this organizational alignment, the Headquarters (HQ) of the Corps will be:

(1) Positioned to develop collaborative partnerships with the U.S. Congress, Department of Army, Department of Defense, and other Federal agencies.

(2) Positioned to focus on policy and program development.

(3) Positioned to concentrate on regional issues related to production/co-production.

(4) Positioned to effectively and efficiently utilize available resources.

(5) Positioned to be flexible and adaptive, capable of meeting the Nation's needs today and the challenges of tomorrow.

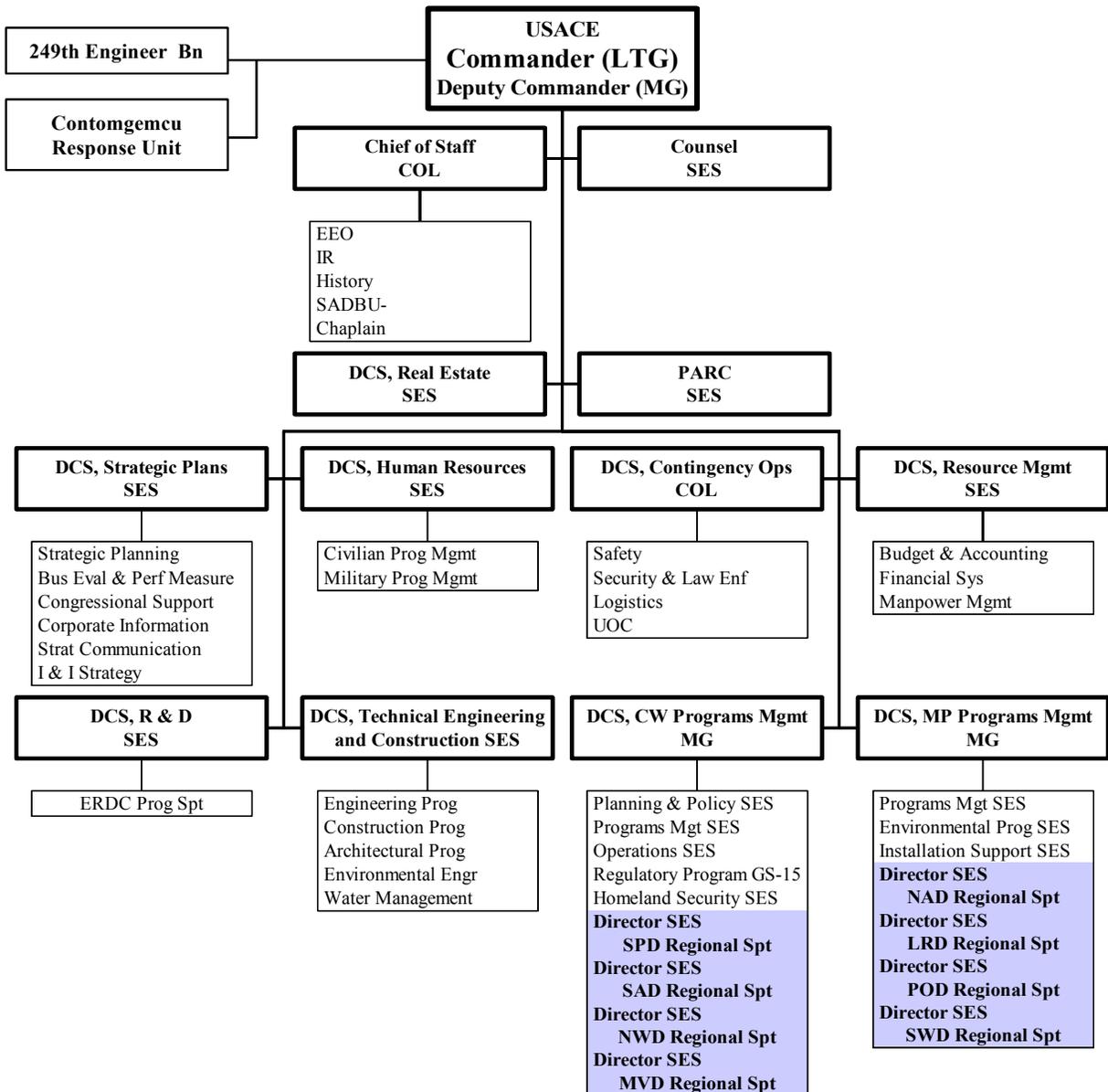
e. Additionally, Alternative 5 assures that all operational functions are conducted below the Headquarters level, i.e., at the District level.

**2. Diagram of Structure and Relationships / Organization for HQ and MSC HQ.** Exhibits F-5a and F-5b provide the organization alignment for the Washington, D.C. Headquarters

(hereafter referred to as the HQ Washington Office) and MSC offices (hereafter referred to as the HQ Regional Offices), respectively. These alignments incorporate the concepts and recommendations discussed in paragraph 3.

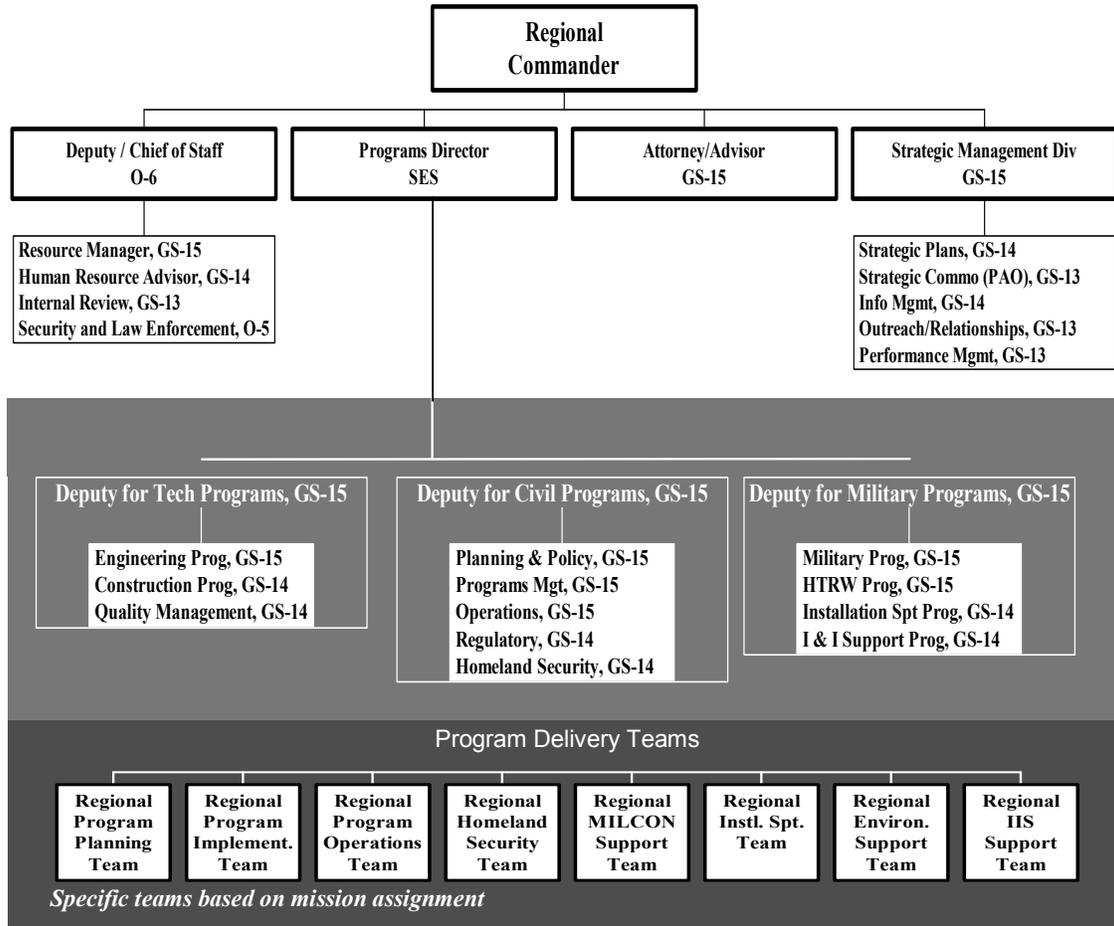
**Exhibit F-5a  
Alternative 5 - Dynamic Headquarters with Regional Support Teams**

## HQUSACE – Washington Office



**Exhibit F-5b  
Alternative 5 - Dynamic Headquarters with Regional Support Teams**

## HQUSACE – Regional Office



a. The HQ Washington Office structure shown in Exhibit F-5a will take on a more robust, dynamic approach to program development while aligning functionally with the traditional Army structural model. Of significance is the incorporation of Regional Support Teams (RST). The RSTs will bring together Program Management functions for all major mission areas to capitalize on the similarity in program management processes and to foster synergy, flexibility, and adaptability among team members and between teams. Members of the SES will lead the RSTs with resourcing of these positions based on the transfer of authorization from the MSC to the HQ level. The HQ Program Director to whom the SES reports will rate the SES with the Division Commander serving as the Intermediate Rater and the USACE Commander as the Senior Rater.

b. The HQ Washington Office structure will include technical Deputy Chiefs of Staff for Planning (SES) and Technical Engineering and Construction (SES) as well as Civil Works Programs Management (MG) and Military Programs Management (MG). The structure also provides for a single Strategic Plans (SES) element to lead all strategic efforts both internally (horizontally and vertically) and externally with the Departments of Army and Defense, Office of Management and Budget, other Federal agencies, etc.

c. The structure of the HQ Regional Office depicted in Exhibit F-5b represents a powered-down approach to regional management. Senior civilians at the GS-15 level will carry the primary responsibility for regional resource leveling and program execution, all reporting to one Director of Programs (SES). The current Military and Technical Directorate will be significantly reduced in authorized strength and will focus on quality assurance in lieu of technical expertise with technical expertise being provided by lead Districts within each regional center. This reduces the MSC SES cadre by one-half as one position will be transferred to the HQ Washington Office to lead the RSTs. The Administrative and Advisory staff functions will be reduced with some support functions being completely divested from the organizational structure. These support services, where continued execution is required, would be provided by lead Districts, the HQ Washington Office, and/or under contract. Further recommendations are provided in paragraph 3.

**3. Mission, Roles, and Functions Analysis.** The following paragraphs describe the recommended changes in organizational design at the HQ and MSC levels. The organization of discussion is by “function” which should not be construed as a specific organizational element. As an example, Performance Measurement is included as a function although there is no similar organizational element within the HQ Washington or Regional Offices.

**a. Business Management Function.**

Recommendation.

*HQ Regional Office.*

- That the future role of the Business Management Office (BMO) should focus on the Corps’ strategic environment and associated mission requirements.
- That the BMOs should align with a HQ element (see Command Planning / Strategic Planning Function in paragraph 3.d.) while maintaining a Regional Business Center focus at the MSC level. That the recommended responsibilities for the BMO should include strategic planning, strategic communications (see Public Affairs/Communication Function in paragraph 3.t.), Corporate Information, Knowledge Management, Strategic Outreach, Strategic Relationships, Performance Measurement.(paragraph 3.s.), and Campaign Plans.
- That the BMO will facilitate the strategic planning process.
- That the name of the BMO should be changed to the Strategic Management Office.

Basis for Recommendation. The BMO function is located only at the MSC level. The size, complexity, and responsibilities of the BMO throughout the Corps differ significantly. Examples

of the differences include some BMOs being responsible for Information Management while others with the full breadth of developing and managing the Interagency and International Services function.

- b. **Chaplain Function, HQ – Washington Office.** No changes are recommended.
- c. **Civil Works Functions including Programs, Planning and Policy, and Operations.**

#### Recommendations.

##### HQ Washington Office

- That the basic concept of the MSC Support Teams should be recast. The resources currently required and the varying degrees of success do not produce the most cost-effective alignment of resources.
- That the restructuring plan should include Regional Support Teams, each led by an SES with a designated staff for civil works mission areas drawn from Programs, Planning, Operations, Engineering Divisions, and others, as required. This concept is similar to the initiative of the Director of Military Programs to develop Program Support Teams (see para 3.r.). The Regional Support Team Civil Works elements would be integrated with similar elements from Military Programs, Installation Support, Environmental and HTRW, and Interagency and International Services. This will provide a single team to support the breadth of the regional mission. Establishing regional teams will produce a cadre of flexible, adaptable assets who are knowledgeable in diverse missions in a region. Leaders will be able to synthesize the needs and culture of all stakeholders, partners, and customers into a comprehensive and cohesive unit approach. This will also greatly enhance the learning organization objectives of the Corps as team members involved in different mission areas will learn from one another.
- That the SES Regional Support Team Directors (SES) will form an **Executive Advisory Committee (EAC)**.
  - That the EAC will be responsible for program priorities, resource leveling, and advising the USACE Commanding General (CG).
  - That the EAC will be responsible for institutionalizing a lessons learned system in the Corps and fostering the learning organization concept.
  - That a Charter will be approved by the CG to guide the EAC.
  - That the EAC will include the Deputy Chiefs of Staff (DCS) for Planning and Policy, Technical Engineering and Construction, Research and Development, and Strategic Plans.
  - That the EAC recommendations, as approved by the Commanding General or the EAC when delegated, would be provided to the HQ Deputy Chief of Staff for Civil Works Programs management and/or other appropriate Deputy Chiefs of Staff.
  - That this organizational alignment will support the Regional Business Center concept and the Project Management Business Process, would eliminate HQ redundancies, and would assure similar levels of support within each business process, product line, and for each RBC.

- That the dynamic alignment will reduce the DCS staff from which the team members are realigned and that the reduction will be proportionate to the level required to meet the structure required to support mission requirements.

Note: The above discussion of Regional Support Teams is included in the Civil Works section for Alternative 5 but this team concept embraces all programs including Military Programs, Installation Support, Environmental and HTRW, and Interagency and International Support.

*HQ Regional Office.*

- That the HQ Regional Office staffs should focus on liaison between Districts and HQ.
- That Civil Works Regional Teams should be established for Project Planning, Project Implementation, Project Operations, and Homeland Security.
- That recurring requirements, e.g., Planning reports, Project / Program Fact Sheets, O&M Priorities, project agreements, annual budget reports, etc., will be developed in a virtual, automated system.
- That civil works reviews will occur in the HQ Washington Office, executed by the appropriate Regional Support Team (currently both MSC and HQ conduct reviews) except where delegated to the District Commander.
- That this restructuring will result in a reduction of MSC FTEs in Planning and Policy, Programs, and Operations Divisions (for Operations Division, see discussions of Homeland Security and Regulatory Functions).

Basis for Recommendation. The question Alternative 5 sought to answer is whether we are utilizing our scarce resources and have the most efficient and effective structure at the least cost with redundancies eliminated. Alternative 5 seeks to provide an organizational structure that will achieve the following objectives:

- Foster the full integration of the USACE Project Management Business Process (PMBP) throughout the Corps including each Regional Business Center (RBC).
- Support the RBC on technical, policy, national/regional interface, and professional expertise.
- Assure that the Corps is a learning organization.
- Develop processes to improve the delivery of quality products.
- Support the Quality Management Program.
- Meet customer commitments.
- Involve team members throughout life cycle project management.
- Meet administrative priorities.

The current HQ structure contains redundancies, especially with the formation of MSC Support Teams that often act as conduits for information. The current MSC structure also contains redundancies when the structure includes District Support Teams or Area Managers as well as Appropriation Managers. Additionally, redundancies exist between HQ and MSCs as both develop policy and/or policy implementation plans, both review planning and program

documents, both develop program priorities, etc. At times, these redundancies come into conflict as differing views develop. This conflict is time consuming, inefficiently utilizes our scarce resources, and does not foster favorable impressions either inside or external to the Corps.

Current HQ alignment in Programs includes Area Branch Chiefs for the western, central, and eastern areas of the United States. Each Branch Chief has a staff of program managers and analysts to assist in program development, management, and tracking. Each Branch Chief is also assigned responsibility for managing a specific mission area, e.g., General Investigations, Construction General, and Operations and Maintenance, etc. The Planning function also is arranged along area lines while the Policy function is aligned programmatically to encompass the entire breadth of the Civil Works Program. The Operations function is aligned along mission lines of operations, e.g., regulatory, emergency management, navigation, and natural resources, etc. In addition to the above, HQ recently formed MSC Support Teams bringing together representative of Programs, Planning, Operations, and Engineering to provide a single point of contact for each MSC office. The MSC Support Teams have met with varying degrees of success.

At the MSC level, the above-identified functions are assigned to the SES Directors of Civil Works and Management and are generally aligned with the authorized FY 00 MSC organization structure. There appears to be consistency in approach within all but the Programs arena. Some MSCs focus on a regional support approach using regional Appropriation Managers while others focus on a District support approach with designated Area Managers, or a combination of Appropriation and Area Managers. The one major difference in approach is that some MSCs have formalized the District Support Team concept with representatives from major functional areas assigned to teams with primary team members sitting together with significant amounts of autonomy and responsibility. Alternative 5 is based on the hypothesis that the District Support Teams do not provide a regional focus and do not integrate regional needs and priorities. Rather, they maintain the individual fiefdom concept with a parochial bias stemming from the assignment of District proponents at the MSC level.

The recommended alignment in combination with the strategic planning alignment discussed in paragraph 3.d. will greatly enhance strategic planning within the Corps' civil works function.

**d. Command Planning / Strategic Planning Function.**

Recommendation: Structure changes are recommended in both the HQ Washington and Regional Offices.

*HQ Washington Office.*

- That under the leadership of an SES, the following organizational functions should be aligned under the DCS for Strategic Plans: Strategic Planning, Strategic Programs, Congressional Support Programs, Corporate Information, Strategic Communication, and Interagency and International Planning.

*HQ Regional Office.*

- That the following functions should be aligned under the leadership of the Chief, Strategic Management Division (GS-15), reporting directly to the MSC Commander: Strategic Planning, Strategic Communication, Information Management, Strategic Outreach, Relationship Management, and Performance Measurement.

Basis for Recommendation. The Command Planning function is currently located only at HQ with Strategic Planning occurring in the Command Planning Group and other offices throughout the HQ Washington Office. At the HQ regional level, the Business Management Offices are involved in strategic planning with little to no alignment (structural or informational) with any HQ strategic planning initiatives. The structure for strategic planning in an organization must include a number of diverse functions as strategic plans are not developed or implemented in isolation. Teams responsible for development of strategy should be visible with this responsibility assigned as their major responsibility. They must truly operate as a team to preclude situations where many strategies are being developed in isolation and often with widely divergent focus. As a minimum, the following functional areas should be closely aligned and involved in the strategic planning function: Strategic Planning, Strategic Programs, Congressional Programs, Corporate Information, Strategic Communication, International and Interagency Support Strategic Planning, Relationships Management, and Performance Measurement.

This recommendation is not in accord with the ideal future envisioned by the functional proponent. It should also be noted that the functional alignment of assets into this one office recognize that the office will facilitate strategic planning. Actual strategy development and direction is vested in the USACE cadre of General Officers and Senior Executives.

**e. Congressional Support Function.**

Recommendation. Structure change is recommended in the HQ Washington Office. This function does not currently exist in HQ Regional Offices.

*HQ Washington Office.*

- That the Congressional Support function should be relocated into the office of the DCS for Strategic Plans with the continued excellent horizontal and vertical teaming that has occurred in the past.

Basis for Recommendation. This function primarily supports the USACE Civil Works program with the team working closely with both the Commanding General, the Civil Works Planning and Programs Teams, the Congress, Office of Management and Budget, and others. This function should remain a HQ function supported by field offices, as required.

**f. Contracting Function.**

Recommendation. Structure changes are recommended in both the HQ Washington and Regional Offices.

*HQ Washington Office.*

- That delegation of authority for contract execution should be maximized to the greatest extent possible at the District level.
- That the PARC office should be expanded to include Regional Contracting Specialists responsible for supporting two regions each and for coordinating program requirements and approvals within the HQ Washington Office.

*HQ Regional Office.*

- That the office of the Director of Contracting (DOC) should be eliminated from the HQ Regional Offices.

Basis for Recommendation. The current functional alignment includes the Office of the PARC (SES) in the HQ Washington Office and the DOC (GS-14) in the HQ Regional Offices. The HQ Washington Office retains authority for most actions not delegated to the District level. The HQ Regional DOC often functions in a review and forwarding, or pass-through, capacity. Also to be noted is that the Engineering Federal Acquisition Regulation requires an Acquisition Strategy Board (ASB) in each Regional Business Center but does not require that the ASB include the DOC as member or chair.

**g. Corporate Information/Information Management (CI/IM) Function.**

Recommendation. Structure changes are recommended in both the HQ Washington and Regional Offices.

*HQ Washington Office.*

- That the Corporate Information (SES) function should move under the DCS for Strategic Plans.
- That CI evaluate the ability to contract-out daily operating requirements.
- That the Processing Centers in Vicksburg, MS and Portland, OR should be moved under a single administrator located at the site of one of the two existing Word Processing Centers to assure central coordination and to foster system similarity. The Director of the processing centers would report directly to the CI Chief.

*HQ Regional Office.*

- That strategic Information Management responsibility should be assigned to the Strategic Management Office under a lead GS-14.
- That daily operations and procurement needs for the HQ Regional Office should be supported by a lead District within each MSC.

Basis for Recommendation. Technological changes have been rampant in the past 20 years and moved the world from the industrial age to the technological age. The Corps' current structure is based on the industrial age where information management was a service and not integral to the development of corporate strategy. As we enter the new technological era, we must focus on using technology to efficiently, effectively, and economically support corporate business processes. Separate and distinct local information systems are too costly and do not provide the

corporate information necessary to support the corporate decision-making process. As resources continue to decline, corporate decision-making will become of greater importance as each year passes. Although the Corps strategic direction and associated planning for requirements should be developed and executed by USACE resources, operational requirements generally can be provided via contract in consonance with the objectives of the President's Management Agenda.

This recommendation is in accord with the ideal future envisioned by the functional proponent who sees a dramatic increase in out-sourcing of information management / technology requirements. Alternative 5 does differ from the functional proponent's ideal future as the functional proponent sees this function as integral to Project Management. While Alternative 5 agrees that CI/IM is an integral part of the PMBP, it assumes this support function can be outsourced. The primary future function of CI should be in the development of corporate strategies. Alternative 5 recommends that the CI function be moved under the DCS for Strategic Plans.

#### **h. Counsel Function.**

Recommendation. As with many other functions, a change in culture incorporating a regional concept should be implemented to meet today's legal requirements. No structure change in the HQ Washington Office is recommended.

##### *HQ Regional Office.*

- That a core cadre of MSC Counsel should be maintained to advise the MSC Commander and meet specific requirements.
- That specific project requirements, whether local or regional in nature, should be assigned to District Counsel Offices.
- That the requirement for HQ Regional Offices to review legal documents from Districts before submitting to HQ Washington Office of Counsel should be eliminated with the caveat that notification requirements are maintained to keep HQ Regional Office Counsels situationally informed.

Basis for Recommendation. The roles and responsibilities of HQ Regional Offices of Counsel appear to vary significantly. It is recognized that a senior attorney should be required in the HQ Regional Office to advise the Regional Commander. At question is whether HQ Regional Offices of Counsel should be specifically involved with legal actions that cross District and/or MSC boundaries or whether lead Districts should be assigned responsibility for regional issues. Many regional issues are forwarded to HQ for final resolution. The argument against the concept of a District taking on regional responsibilities has been that District Counsel, as well as other District team members, generally retain a more insular District view based on their spheres of knowledge and influence.

Reference CECW-ZA memorandum, 11 Jan 01, subject: Role of the USACE Division Counsel.

#### **i. Engineering Research and Development Support Function.**

Recommendation. No structure change is recommended.

Basis for Recommendation. The Engineering Research and Development Center (ERDC) currently reports to the HQ Director of Research and Development. This organizational alignment was established in 2000 to assure integration and synergy between all R&D programs.

This recommendation appears to be in accord with the ideal future envisioned by the functional proponent.

**j. Equal Employment Opportunity (EEO) Function.**

Recommendation. Although this function is required at each organizational level, it should be supported through regional offices with oversight vested in the HQ Washington Office. Structural change is only recommended in the HQ Regional Offices.

*HQ – Regional Office.*

- That three regional offices should be established, e.g., East, Central, and West, under a “lead District” concept.
- That the regional offices should be resourced by District and MSC team members on a reimbursable basis using overhead funds.
- That EEO Specialist positions should be eliminated in the HQ Regional Offices.

Basis for Recommendation.

- The recommended regional concept should include a complaint resolution center; automated data retrieval support, and complaint processing capabilities. A regional focus will allow for consistency in implementing EEO processes and programs. The HQ Washington Office should provide policy and functional oversight to the regional centers. The HQ Washington Office would monitor compliance, assure program quality, advise the USACE Commander, and provide policy and guidance to all USACE EEO offices.

**k. History Function.**

Recommendation. Structural reductions in the HQ Washington Office are recommended with an increase in contracted services to support responsibilities.

*HQ Washington Office.*

- That the authorized strength of the HQ History Office should be reduced.
- That the Director of Corporate Information should immediately conduct a Functional Area Assessment (FAA) to assure that all tasks assigned to the History Office are required in today’s technological environment.
- That a large portion of today’s history documentation should be conducted by contract.

*HQ Regional Office.*

- That the annual history report should be assigned to the Strategic Management Office.
- That oral histories should be conducted under one contract throughout the Corps.

Basis for Recommendation. In accordance with Army policy, each unit is required to maintain its unit history. Most, if not all, HQ Regional Offices do not employ Historians but assign responsibilities to write the annual history to various offices. An annual history is required to learn from our accomplishments as well as endeavors that were less than successful. However, with the advent of today's technological advances, much that was done in the past using the "stubby pencil" can now be automated and recorded quickly for posterity. There are a plethora of contractors available to assist in development of current history and archival of past history. Once fully automated and archived, costs associated with developing and maintaining the Corps' history should be dramatically reduced producing significant resource savings

This recommendation is not in accordance with the ideal future envisioned by the functional proponent, which includes development and staffing of a Corps history museum, internal development of an integrated history system, a robust field history program, etc. Alternative 5 proposes that most of our historical requirements can and should be documented under contract with oral histories being obtained from only the most senior USACE team members, i.e., General Officers and Senior Executives.

#### **I. Homeland Security Function.**

Recommendation. Structure changes are needed in both the HQ Washington and Regional Offices.

##### *HQ Washington Office.*

- That HQ should continue plans to establish a Homeland Security (HS) Office (SES) assuring that all programs are brought under the HS umbrella.

##### *HQ Regional Office.*

- That each HQ Regional Office should establish a HS unit led by a Program Manager (GS-14) reporting to the Deputy for Civil Programs.
- That responsibilities should emulate the HQ Washington Office of Homeland Security. All assets should be moved to this office including Risk Assessment Methodology for Dams (RAM-D) program, Anti-Terrorism/Force Protection (AT/FP) program, Critical Project Security Program (CPSP), and Emergency Operations and Administrative Facilities program management as well as Emergency Operations (EO). The most significant cultural shift will be moving EO from Operations Division but this is not seen as a barrier to success.

Basis for Recommendation. Currently, Homeland Security (HS) functions are assigned and executed in a number of organizational elements in the HQ Washington and Regional Offices. With the changes that have occurred in the security requirements of the Nation since "9-11", it is prudent for the Corps to establish responsible offices for Homeland Security in the HQ Washington and Regional Offices. The HQ Washington Office is currently undertaking this change in organizational structure by hiring a term-SES and realigning security functions under one leader to include the RAM-D, AT/FP, CPSP, and Emergency Operations. At the MSC level, responsibilities for HS Programs are assigned to different functional elements. Using one MSC

as an example, the RAM-D program was managed by the Military and Technical Directorate with the program being turned over to the Civil Works Management Division for Program Management of CPSP projects. In this same MSC, the security provisions for USACE administrative facilities are the responsibility of the Director of Logistics (DOL), a one-person office. The MSC Security Officer is included on the team. In other MSCs, CPSP execution is assigned often to the Civil Works Operations Division. There are no known plans at the MSC level to develop a consolidated Homeland Security approach.

**m. Human Resources (HR) Function.**

Recommendation. Structure change is recommended in the HQ Regional Offices only. Further evaluation is recommended.

*HQ Regional Office.*

- That support is required in the HQ Regional Offices as an advisor to the Commander.
- That the HQ Director of Human Resources immediately conduct a Functional Area Assessment (FAA) of the MSC Directorate of Human Resources (DHR) Offices. The FAA should identify responsibilities and tasks that are correctly assigned to the DHR and those that should be supported by the Civilian Personnel Advisory Center (CPAC) and Civilian Personnel Operating Center (CPOC).
- That subsequent to completion of the FAA, specific and consistent FTE authorizations should be allocated and approved for each HQ Regional Office.

Basis for Recommendation. With the implementation of the Army-wide regionalization of civilian personnel responsibilities, a change in culture was required. However, many remnants of the old ways of doing business still exist. In the HQ Washington Office, the HR staff is fully engaged in developing USACE policy to support Department of Army (DA), Department of Defense (DoD), and Office of Personnel Management (OPM) policy and guidance; processing SES applications, training, performance standards, etc.; developing standard position descriptions; and assuring that systems are in place to take care of USACE team members in accordance with the Commanding General's vision statement. However, at the MSC level, there is still a tendency to revert to using the DHR as the personal personnel advisor to the Commander for functions transferred to the CPAC/CPOC structure. Examples include sending classification actions to the DHR for review, processing the annual training plan, processing incentive awards, etc. Many of these former Technical Service Office responsibilities formerly processed by personnel clerks are now the responsibility of GS-11s through GS-13s. Consistency of staffing levels should be applied.

This recommendation is in accord with the ideal future envisioned by the functional proponent. The HQ assets may be deployed regionally or at lead MSCs or Districts but the net impact on ED&M resources will be unchanged from the above analysis,

**n. Interagency and International Services (IIS) Function.**

Recommendation. Structure change in the HQ Washington and Regional Offices is needed.

*HQ Washington Office.*

- That IIS strategic planning responsibilities should be moved from the IIS Division to the DCS for Strategic Plans.
- That a cell for program development should be retained in the Military Programs (GS-15 lead) and Civil Works Directorates, as required.
- That a formalized horizontal integration team should be established to assure a consistent program approach with the team being led by the DCS, Strategic Plans.
- That the SES position in IIS should be eliminated to support the recommended HQ Washington Office structure, DCS for Strategic Plans.

*HQ Regional Office.*

- That the IIS strategic planning and development responsibilities should be relocated to the Strategic Management Office (formerly Business Management Office).
- That regional program management should be assigned to the Director of Military Programs and supported with GE funds.

Basis for Recommendation. In its current HQ configuration, this office is led by an SES and includes three distinct areas: External Affairs (GS-15 lead), Strategy and Analysis (GS-15 lead), and Strategy Implementation (GS-15 lead). Before 2000, this entire function was lead by a GS-15. At the MSC level, the FY 00 approved organizational alignment assigned responsibility to the Military and Technical Director under the Military / HTRW / Support for Others Division.

o. **Inspector General Function.** No changes are recommended in the HQ Washington and Regional Offices. This recommendation is in accord with the ideal future envisioned by the functional proponent

p. **Internal Review (IR) Function.**

Recommendation. No structure change is recommended in the HQ Washington and Regional Offices.

Basis for Recommendation. The unit assigned responsibility for the IR function represents the Commander's "honest broker" at all levels. Significant debate has ensued as to whether this function is needed in the HQ Regional Offices. This alternative maintains the current staffing level in the HQ Washington Office and support authorized in the HQ Regional Offices to support Quality Assurance, the Chief Financial Officer's Act responsibilities, and to advise the Commanders through audits, surveys and investigations of compliance with financial statutes, policy, and higher echelon guidance.

This recommendation is not in accord with the ideal future envisioned by the functional proponent who sees a growth in the IR strength resulting from more integral involvement in proactive efforts in "Enterprise Risk Management".

q. **Logistics Function.**

Recommendation. No specific changes are recommended in the HQ Washington Office although the conduct of an FAA is recommended. It is further recommended that the HQ Regional Offices should be abolished.

*HQ Washington Office.*

- That the HQ Director of Resource Management should immediately conduct a FAA of the Logistics Office to validate responsibilities and tasks correctly assigned to the Director of Logistics (DOL) and those that should be supported by contract or eliminated.
- That the FAA should identify requirements to support the HQ Regional Offices by the HQ Washington Office and/or a lead District thus negating the requirement for a DOL in each HQ Regional Office.

*HQ Regional Office.*

- That the MSC DOL office should be abolished and that requirements should be supported either by a lead District or by the HQ Washington Office based on the results of the above-recommended FAA.

Basis for Recommendation. Most of the actual HQ Regional Office logistics support is provided by a lead District through a Memorandum of Agreement (MOA). The MSC Director of Logistics (DOL) is involved in Homeland Security (see Homeland Security Function above), transmitting logistics policy and guidance to MSC and District offices, and working leasing costs and relocation of MSC headquarters offices, when required. The Homeland Security responsibilities under this alternative would be transferred to the Homeland Security Program Manager,

This recommendation is not in accord with the ideal future envisioned by the functional proponent who envisions the logistics function becoming more integrated with the project delivery mission function rather than a support function to the project delivery process.

**r. Military Construction, Installation Support, Environmental and HTRW Functions.**

Recommendation. Structure changes in the HQ Washington and Regional Offices are recommended.

*HQ Washington Office.*

- That the Director of Military Programs (Major General) should continue to develop the regional team / program team initiative recently announced.
- That the above team concept should be integrated with the MSC Regional Support Team concept bringing oversight of all regional business under the leadership of one SES for each MSC.
- That the Management Support Office staffing level should be reduced.

*HQ Regional Office.*

- That the above concept be augmented with Regional Support Teams for Military Programs, Installation Support, Civil Works, and Interagency/International Activities (including HTRW and Environmental support), as required for each MSC and as discussed in paragraph 3.c.
- That the size of the MSC Regional Support Teams will differ significantly based on the existence and/or size of the various mission programs.

Basis for Recommendation. Not unlike the Civil Works Functions discussed above, the Military Support functions also require significant vertical and horizontal communication and teaming. The program objectives specified for Civil Works equally apply to the Military functions. Of note is the recent announcement by the Director of Military Programs of an initiative to focus on program development including the development of regional support teams that will be in consonance with the recommendations provided above for the Civil Works functions.

**s. Performance Measurement Function.**

Recommendation. Assign Performance Measurement in the HQ Washington and Regional Offices to the DCS for Strategic Plans and Strategic Management Offices, respectively. These offices would then be responsible for developing vertical and horizontal teams to build a system of leading performance indicators to assist in guiding the strategic direction of the Corps.

Basis for Recommendation. Currently, Performance Measurement is conducted throughout the organizations with differing levels of rigor, often based on lagging indicators, and with varying degrees of understanding or incorporation of strategic goals.

**t. Public Affairs/Communication Function.**

Recommendation. Structure changes in the HQ Washington and Regional Offices are recommended.

*HQ Washington Office.*

- That the Public Affairs Office (GS-15 lead) should be moved under the DCS for Strategic Plans.
- That Public Affairs should transition to a strategic communication mode.

*HQ – Regional Office.*

- That the Public Affairs Office (GS-13 lead) should be moved under the Strategic Management Office.
- That Public Affairs should transition to a strategic communication mode. In this environment, the lead strategic communicators (e.g., former PAO staff) should focus on relationship building, communication plans, and assisting the Commander with specific communication strategies.

Basis for Recommendation. All too often, the Corps continues to operate in an environment of clipping news articles to meet our public affairs and communication requirements. While the

communication changes made in recent years are noteworthy, this function has changed dramatically and can be an impetus to cultural change. The Corps has a dramatic need to communicate strategically as evidenced by events over the last several years. A cadre of strategic communicators can help focus on the “good work” the Corps does as well as help create and execute strategic communication plans to help ameliorate the bad press of the past.

The structural recommendation above does not appear to be in accord with the ideal future envisioned by the functional proponent who appears to see the PAO function remaining as a stand-alone organization. However, the focus and strategy of this proposal and the functional proponent’s vision appear to be synonymous.

**u. Real Estate (RE) Function.**

Recommendation. No structure change is recommended in the HQ Washington Office. Further evaluation in the HQ Regional Office is needed.

*HQ Regional Office.*

- That the HQ Regional Office responsibilities should be assigned to Districts in all areas where they can be delegated or to the HQ Washington Office where they cannot be delegated.
- That the Corps should establish a Center of Expertise (CX) for Recruiting Leases to assure mission effectiveness thereby increasing efficiencies and cost savings as well as quality management.

Basis for Recommendation. A recent HQ FAA validated all HQ Washington Office real estate activities. The missions and functions at the HQ Regional Offices, based on the missions and functions statements of each MSC, appear to differ dramatically. Often the MSC serves as a pass-through to the HQ Washington Office to obtain approval for District actions. The MSC staffs appear to spend less and less time in the office and increasingly more time in conferences and training. The relocation of functions to Districts, HQ, and a new CX would reduce the strain on ED&M resources and improve the timely delivery of real estate products to customers, especially in support of the Army Recruiting Station Program.

This recommendation is not in accord with the ideal future envisioned by the functional proponent who envisions the establishment of lead districts in each MSC and the integration of all RE automated systems, e.g., REMIS, into the Corps of Engineers Financial Management System (CEFMS). Alternative 5 suggests that establishment of lead Districts would not produce efficiencies as it would just move an office from one organizational element to another. Additionally, all work should be managed through the PMBP automated system, i.e., P2, and, thus, the REMIS system should be incorporated into P2, not CEFMS.

**v. Regulatory Program Function.**

Recommendation. Changes in both the HQ Washington and Regional Offices are recommended.

*HQ Washington Office.*

- That the program (GS-15 lead) should be moved from under the Chief of Operations to report directly to the DCS for Civil Works Programs Management.

*HQ Regional Office.*

- That the program (GS-14 lead) should be moved from under the Chief of Operations to report directly to the Deputy for Civil Works Programs.

Basis for Recommendation. The Corps' Regulatory Program is one brought under scrutiny often because of the time required to issue permits. In the 1970s when this program "took off", organizationally assigning the program under Operations Divisions seemed reasonable. However, as the program has grown and become more visible, a higher significance with reduced layering through organizational alignment is recommended.

w. **Research and Development Function.** No change is recommended (see discussion in paragraph 3.i.).

x. **Resource Management Function.**

Recommendation. Structural change is recommended in the HQ Washington and Regional Offices.

*HQ Washington Office.*

- That resource requirements associated with the Business Evaluation and Performance Measurement function should be moved under the DCS for Strategic Plans.

*HQ Regional Office.*

- That resource requirements associated with Performance Measurement (GS-12) function should be moved to the Strategic Management Office.
- That the variation in size of RM offices should be validated.
- That the HQ Director of Resource Management should immediately conduct a Functional Area Assessment to determine the responsibilities that should be executed at the HQ Regional Office and determine appropriate staffing levels.

Basis for Recommendation. The Resource Management (RM) functions at HQ were reorganized in 1998 bringing all specific RM functions under the Director of Resource Management. At the HQ Regional Office level, there has been no specific RM realignment.

y. **Small and Disadvantaged Business Utilization (SADBU) Function.**

Recommendation. Structural change is recommended in the HQ Washington Office. Abolishment in the HQ Regional Offices is recommended.

*HQ Washington Office.*

- That the HQ Washington Office should become more robust (GS-15 lead) providing advice, guidance, and training to all command levels as well as compilation of data from Districts for upward reporting. A minimal staffing increase of FTEs is recommended.

*HQ Regional Office.*

- That the MSC SADBUs should be abolished.

Basis for Recommendation. The HQ staff disseminates policy and guidance and provides reports to higher echelon. However, the MSC staffs spend the majority of their time in training (to receive Acquisition Corps certification or to train District staff) and in the compilation of data for forwarding to HQ. The HQ Washington Office should be increased with FTE authorizations garnered from current HQ Regional Office authorizations; resources not required would be banked to meet other ED&M requirements.

**z. Safety and Occupational Health (SOH) Function.**

Recommendation. Structure change in the HQ Washington and Regional Offices is recommended. Abolishment in the HQ Regional Offices is recommended.

*HQ Washington Office.*

- That the HQ office (GS-15 lead) becomes more robust providing advice, guidance, and training to all command levels as well as compilation of data from Districts for upward reporting. The HQ Washington Office should be increased and resourced from current HQ Regional Office FTE authorizations garnered from current HQ Regional Office authorizations; resources not required would be banked to meet other ED&M requirements.

*HQ Regional Office.*

- That the MSC SOH offices should be abolished.

Basis for Recommendation. The HQ staff disseminates policy and guidance and provides reports to higher echelon. The MSC staff redistributes policy and guidance to the District level and compiles data for HQ. It should be noted that the investigations of accidents are the responsibility of Districts. As the MSC focus for all activities should be on policy and guidance, MSC SOH officers should not be visiting project sites and making specific safety recommendations on a by-project basis.

**aa. Security and Law Enforcement (S&LE) Function.**

Recommendation. No structure change in the HQ Washington Office (LTC lead) is recommended. However, it is recommended that efforts continue to obtain military Provost Marshal billets for HQ Regional Offices.

Basis for Recommendation. The S&LE function carries a double-edged sword with it today. While the Army has revoked the authorization of military S&LE billets for Corps MSC offices,

the events of 11 Sep 01 have increased security requirements dramatically. In past decades, S&LE officers at the District level focused primarily on the physical security of District and MSC team members. Today a greater understanding of physical security requirements is paramount to the Homeland Security Function.

This recommendation is not in accord with the ideal future envisioned by the functional proponent who sees a change in the function to Intelligence and Security with an increase in staff size at all levels. Alternative 5 considers that the “Intelligence” function should be supported through the Department of Army and a close relationship/synergy should be established between the DA and USACE security elements.

**bb. Technical Engineering and Construction (TE&C) Function.**

Recommendations. Structure changes are recommended in both the HQ Washington and Regional Offices.

*HQ Washington Office.*

- That the TE&C function should be realigned under a Deputy Chief of Staff for Technical Engineering and Construction (SES).
- That this realignment will place critical core functions at a strategic level with direct access to the USACE Commander.

*HQ – Regional Office.*

- That the DCS for TE&C should immediately conduct Functional Area Assessments (FAA) of HQ Regional Office requirements. The objective of the FAAs should be to align regional resources at the District level. The exception would be a small cadre of liaison team members to meet the requirements associated with the concept of the HQ Regional Office as an extension of the HQ Washington Office. The T&EC is primarily charged with implementation of the Regional Quality Management Program (GS-15 lead).

Basis for Recommendation. As TE&C functions are core competencies of USACE, providing the necessary expertise at the appropriate levels is paramount to our success. Keeping in mind that the function of the HQ Regional Office is to provide policy and guidance and to act as an extension of the HQ Washington Office, it is important to strategically determine the level of expertise needed to provide the requisite engineering expertise to retain a viable engineering program and our core competencies.

Currently, TE&C support to USACE is assigned under the SES Chief of Engineering and Construction Division, Directorate of Civil Works. The program incorporates TE&C for all programs, e.g., Civil Works, Military, Environmental, etc., and was previously assigned under the Director of Military Programs. The MSCs are in the process of developing registries of District functional experts to meet regional requirements. These “regional experts” are supported by generic position descriptions (generally one-grade higher than their peers) developed in early 2001 by the HQ Directorate of Human Resources. The regional utilization of

technical experts will preclude the need for duplication of technical expertise in the HQ Regional Office except as required for execution of the Regional Quality Management Program.

cc. **Water Management (WM) Function.**

Recommendations.

*HQ Washington Office.*

- That the DCS for TE&C should establish a water management team (GS-15 lead) to assure that the same rules are applied throughout the Nation.

*HQ Regional Office.*

- That the Corps' change to a regional focus should result in the Corps no longer using the argument that a lead District cannot be an honest broker for a system that crosses District boundaries. We must change the culture and remove HQ Regional Offices from an operational mode in managing water resources. Recommend that all WM operational functions be moved to lead Districts with minimum support personnel being assigned to the HQ Regional Office Deputy for Civil Programs and funded with ED&M resources.

Basis for Recommendation. There is no specific office assigned responsibility for water management in the HQ Washington Office.

**4. 7-S Assessment.**

a. Shared Values. Alternative 5 incorporates the shared values needed to support the Regional Business Center concept and the Project Management Business Process (PMBP) as the corporate business process. Implementing this organization structure to incorporate these shared values will motivate a change in culture throughout the HQ Washington and Regional Offices. This cultural change should trickle down to Corps Districts as operating procedures change. It is further suggested that this change will be welcome by District team members who are aware of the delays and duplications of functions.

b. Stakeholder Values. As discussed above under Organizational Design, several initiatives in Alternative 5 are based on the need to meet customer commitments, develop strategic communications with stakeholders at all levels, and deliver projects on time and at a reasonable cost. Aligning our structure and corporate business process, i.e., PMBP, will systematically engage and align Corps' activities with the needs and requirements of our stakeholders.

c. Strategy. A basic tenet of Alternative 5 is that the future of the Corps is dependent upon a strategic environment focused on engaging today's stakeholders with tomorrow's plans. This Alternative aligns the structure using an organizational model similar to the recent Army Transformation of Installation Management (TIM). This system mobilizes today's resources and those expected in future years toward meeting mission requirements while removing redundancies. Of strategic significance is that not all functions will reside at the HQ Regional Office level as is the case under the TIM model. It will be essential that the Corps develops

strategies and processes to assure that Regional Commanders have the resources needed and yet are not held responsible for those functions that do not reside within their Command.

d. Systems. Alternative 5 is designed with cognizance that the PMBP is our corporate business process and employed in a RBC environment. It also realizes that corporate information must be developed strategically to support the business systems utilized to achieve mission goals and objectives.

e. Skills. Alternative 5 fosters the learning organization concept and recognizes the requisite need for professional skills to include the ability, knowledge, understanding, and judgment of individuals and teams to accomplish multiple tasks. This alternative is designed to incorporate Functional Area Assessments in areas where the validity of functional expertise and/or requirements are in doubt.

f. Style. The leadership style incorporated in Alternative 5 flattens the supervisory ratio at the HQ Regional Office. This increases the necessity for subject matter experts to employ their individual talents, values, knowledge, judgment, and attitudes to lead some while interacting with others. The “style” of Alternative 5 can best be characterized as “empowerment of teams” in the HQ Washington and Regional Offices.

g. Structure. The structure of Alternative 5 links like functions but not necessarily in a stovepipe environment. It promotes both horizontal and vertical communications to organize and perform mission requirements.

## 5. **Rationale for Design.**

a. The primary functions of the HQ Washington Office are Command and Control, Program Management, National Interface and Strategy, and Development of Policy and Guidance. This alternative meets or enhances these functions, specifically:

(1) Command and Control. Alternative 5 fully supports the concept of each HQ Regional Office being an extension of the Headquarters office in Washington, D.C. The HQ Regional Office will facilitate the ability of the USACE Commander to exercise his “command and control” responsibilities over a large, diverse organization structure comprised of the headquarters office, 8 MSCs, 41 District offices, 7 labs, and numerous Centers of Expertise. The breadth, scope, and diversity of the USACE program are too extensive to facilitate the conduct of Command and Control from the Washington level alone.

(2) Program Management. This alternative achieves dynamic centers of knowledge while providing an adaptive, facile structure. It specifically provides a core cadre of regionally-focused leaders to advise the USACE Commander in programmatic and performance areas while guiding the HQ Regional Offices and their Districts to assure that USACE accomplishes its mission in accordance with the Chief’s vision. Of especial note is the establishment of the Executive Advisory Committee (EAC) that will be a senior executive team chartered to work together to solve problems and to develop regional and national priorities for the USACE Commander. The EAC will level the playing field across USACE mission areas to assure the Corps meets or exceeds customer commitments providing the Nation with world-class

engineering services.

(3) National Interface. Alternative 5 provides a “center of mass” to align Corps priorities with those of the Administration and the Departments of Army and Defense. It provides a robust senior executive cadre in the HQ Washington Office to focus on relationships and to coordinate with the Congress, Office of Management and Budget, Federal agency headquarters, and other Washington-level offices.

(4) Strategic Planning. This alternative eliminates the fragmentation of strategic planning initiatives by providing a framework to bring all strategic planning elements of the HQ Washington Office into one structural element. This organizational alignment will assure synergy and integration (hence synte-gration) in the development and execution of strategic plans and initiatives.

(5) Development of Policy and Guidance. This alternative acknowledges that policy and guidance should be developed at only one hierarchical level, i.e., the HQ Washington Office, and that implementing regulations at subordinate organizational levels are neither necessary nor affordable in today’s resource environment. This organization concept will promote the “One Corps” philosophy of the USACE Commander.

b. The primary functions of HQ Regional Offices are Command and Control, Program Management, Regional Interface, and Quality Assurance. This alternative meets or enhances these functions, specifically:

(1) Command and Control. Alternative 5 fully supports the concept that each Major Subordinate Command is an extension of the HQ Washington Office. It facilitates the ability of the USACE Commander to exercise his “command and control” responsibilities over a large, diverse organization structure through subordinate regional Commanders. The Regional Commanders will be responsible for command and control of assigned Districts, labs, and/or Centers of Expertise, as appropriate.

(2) Program Management. Alternative 5 extends the HQ Washington Office “centers of knowledge” into the HQ Regional Offices rather than current operations which have each “center of knowledge” operating separately and singularly in a stovepipe environment. The HQ Regional Office will focus on managing the regional business center, leveling resources to meet regional needs, and managing programs regionally and in accordance within the policies and guidance provided by higher echelon. To improve program management, the HQ Regional Office will implement performance measurement activities in support of the HQ Washington Office’s strategic corporate goals and objectives.

(3) Regional Interface. Closely related to the Program Management functions, this alternative also provides each HQ Regional Office with a cadre of knowledgeable experts to conduct regional interface responsibilities including strategic communications with customers, partners, stakeholders, and communication media.

(4) Quality Assurance. While this alternative does not provide a specific Quality Assurance (QA) organization element, it is based on the hypothesis that a Quality Management Team will

be established under the Deputy for Technical Programs. It is also based on the premise that Quality Management (QM) must be integrated throughout all USACE activities as QM is not a stand-alone function. The PMBP provides the basic QA process by requiring all activities to be managed using either a Project or Program Management Plan that includes specific Quality Objectives and performance measurement criteria. Alternative 5 also incorporates Command Staff Inspections (CSI) as a responsibility assigned to each HQ Regional Office Commander as an extension of the HQ Washington Office. The need for the HQ Washington Office to conduct CSIs is negated when the HQ Regional Office truly becomes an extension of the Washington Office.

**6. Evaluation against Criteria.** The following criteria were considered in the development of Alternative 5:

**a. Alternative 5 supports accomplishment of Corps missions.**

(1) Alternative 5 structures the MSCs to serve as an extension of the HQ Washington Office and, thereby, enhances the capability of the USACE Commander to meet his Command and Control responsibilities. This alternative is designed around two compatible principles: (1) that the PMBP is the Corps' corporate business process and (2) that each HQ Regional Office will operate regionally under the Regional Business Center (RBC) concept.

(2) At the core of Alternative 5 is the Program Management Business Process (PMBP) and the associated automated information system referred to as P2. The full implementation of the PMBP and P2 will allow the HQ Washington and Regional Offices to work together as one team and will negate the requirement for pass-through of data, information, fact sheets, directives, policy and guidance, etc. This alternative recognizes that the fewer the times data and information are "touched", the greater the Corps' economic value as our products will become less costly. Program Management is enhanced under Alternative 5 as the alternative recognizes that the functions and process of managing programs are transportable between mission areas. Therefore, the program development teams are augmented by HQ Regional Support Teams (RST) comprised of team members drawn from all Corps mission areas within a region. The teams are each led by an SES. The eight RST Directors also form the Executive Advisory Committee who will serve a number of strategic functions including advising the USACE Commander on issues that cross-cut mission areas, applying lessons learned between and among mission areas, cross-leveling resources to meet priority requirements, and assisting the Commander in developing strategic goals and objectives for the Corps. All of the above will assure that the Corps is relevant in the 21<sup>st</sup> Century and is focused on the success of the partner, whether the Administration or the smallest local project sponsor or stakeholder. We will focus on relationships and bringing others into the team as full and respected partners.

(3) Alternative 5 will enhance both national and regional interface through the integral involvement of RST Directors. This is especially important from a Civil Works standpoint. No longer will HQ and Regional GO and SES develop uncoordinated congressional visit schedules. Each RST Director will serve as the Executive Liaison with the Congresspersons elected from their assigned region. This will greatly enhance relationship building as well as, and perhaps

even more importantly, provide each congressional member with a single point of contact on concerns and issues.

(4) Alternative 5 greatly improves strategic planning within the Corps, an activity that is of paramount importance for all activities to be positioned to meet present and future needs of customers, stakeholders, and partners. This will hold true for Civil Works as well as with the Departments of Army, Air Force, and Defense; other Federal agency headquarters; environmental and other interest groups; and many others. This alternative brings all strategic planning under the purview of one SES leader serving as the Deputy Chief of Staff for Strategic Plans. Under this DCS office, a capable staff of strategic planners from a number of different teams will work in concert with matrixed teams to work on strategic issues within the command. This will assure that all strategic planning efforts are in concert with one another and in accordance with the CG's vision of the Corps.

(5) Alternative 5 also establishes the structure of the HQ Washington and Regional Offices to champion Quality Management (QM) throughout the production of all work within the Corps. This alternative establishes the HQ Regional Office Directors of Technical Engineering and Construction as the QM proponent throughout the assigned region. The proponent will be responsible for developing and executing quality programs developed in concert with the HQ Washington Office. The QM program will include Command Staff Inspections (CSI), Quality Assistance Visits, oversight of the Independent Technical Review program, and other similar programs that may be deployed. The HQ Washington Office will be relieved from the conduct of CSIs with the Washington and Regional Offices truly working as "one". The rule here is that one usually does not conduct a CSI of oneself!

(6) Alternative 5 supports the "One-Headquarters" concept not only in name but also in actuality. The alternative will strategically focus the workforce and others on the change in the Corps as all HQ Regional Office (Division offices) will be referred to as HQ Regional Offices. With the associated change in structure, the name change will not be a hollow change but serve as an ever-present reminder that we are operating in a new environment. It must be said at this point that this does not negate the duties and responsibilities of the HQ Regional Office Commanders' roles and responsibilities but strategically aligns the name with the business process and regional concept.

**b. Alternative 5 moves the Corps toward the Ideal future state in year 2012.**

(1) Alternative 5 aligns with all elements of the Seven-S Model as discussed in paragraph 4. It promotes the Corps of Engineers as a Learning Organization as discussed in paragraphs 3.a., 3.c., 4.d., and 6.b.

(2) Alternative 5's organizational attributes are simple as there is a functional structural alignment for HQ Washington and Regional Offices although not all structural elements located at the Washington level are found in the Regional Offices. The organizational missions, processes, and systems will be consistent throughout the HQ Regional Offices whether or not all types of work are present. As an example, no longer will the structure of the Mississippi Valley

Division (MVD) differ due to the MVD not being assigned a military mission --- only the number of matrixed teams will differ.

(3) Alternative 5 will greatly enhance responsiveness to the customer, stakeholder, Congressperson, and the public as the HQ Washington Office Regional Support Teams led by an SES will be charged with relationship building, an objective that requires responsiveness.

(4) Alternative 5 will also provide a flexible and adaptable HQ organizational structure as discussed in relationship to the RST concept in paragraph 3.c.

**c. Alternative 5 is strategically desirable.**

(1) Alternative 5 achieves co-production with customers and partners by integrating them fully into the project teams (see paragraph 6.c.).

(2) Alternative 5 fosters strategic communication and relationship building. Moving the Public Affairs Offices under the HQ Washington Office's DCS for Strategic Plans and into Strategic Management in the HQ Regional Offices will foster the implementation of the Corps strategic communication processes and procedures under the PMBP. Establishment of the RSTs will implement the relationship-building portion of the strategic communication objectives.

(3) Alternative 5 will greatly enhance performance measurement within the Corps as discussed in paragraph 3.s. Resources involved with performance measurement will be realigned into the offices of the DCS for Strategic Plans in the HQ Washington Office and the Strategic Plans Division in the HQ Regional Offices.

(4) Alternative 5 continues to leverage technology by maintaining the current structure of the Engineering Research and Development Center. The structure associated with Alternative 5 maintains the core competencies in the HQ Washington Office and relies on core competencies of technical experts under a program of establishing technical experts across each Regional Business Center.

**d. The alternative is affordable and reduces costs.**

(1) Alternative 5, as with any initiative, will have associated start-up costs. Implementation of this alternative is recommended to begin 1 Oct 03 with an immediate hiring freeze to begin upon approval of this alternative. This will establish a "bank" to fund costs for Permanent Change of Station, Voluntary Separation Incentive Pay, and other expenditures that will be required. As some functions must be resourced, recommend that the USACE Commander charter a Steering Committee for Filling Positions comprised of GO and SES at the HQ level to recommend approval of recruitment actions. With implementation completion occurring approximately 24 months after start-up, the savings put in the "bank" between 1 Feb 03 and 30 Nov 04 should pay for all costs resulting in, perhaps, even a net savings. Specific cost details can only be speculated at this time.

(2) Alternative 5 yields a significant reduction in the HQ Regional Office staff and a

realignment of functions at HQ resulting in a net long-term gain as indicated in paragraph 6. The alternative produces long-term cost reductions

(3) Alternative 5, as with any alternative for change, will face immediate rejection as we change our culture and our team members initially fear “what will happen to me?”. However, Alternative 5 positively meets the recurrent issues heard during personal surveys and through questionnaires receive (see Appendix B). It is the right thing to do so it will be incumbent for the Corps leadership to take care of its people. That is said not to mean to assure they have a job in the future structure, but that all avenues are taken to help them through whatever transition they face, whether to a new job at the same location, a move to a new location, or departure from the Corps. We must assure that retraining programs exist where needed and practicable, that counselors are available at all times to discuss issues from personnel policies to transportation associated with PCS to termination of appointment. Appendix H provides implementation considerations including lessons learned from previous reorganization/restructuring efforts. We must learn from the past and incorporate lessons learned into support systems **to truly take care of all Corps team members.**

**e. The alternative can be implemented.**

(1) Alternative 5 should be acceptable based on the breadth of its achievements in meeting Corps objectives and the vision statement of the Chief of Engineers. There are several levels of acceptance that we must consider and focus on as we move toward this ideal future:

(a) For all team members, as stated above, any change will meet resistance, and it will be incumbent upon all managers and supervisors to help their team members fully understand the challenges that the Corps faces in the future.

(b) For political delegations at all levels of government, Alternative 5 should be acceptable with its focus on becoming more responsive and cost effective. Of especial importance at the Washington level should be the emphasis on Quality Management throughout the Corps.

(c) For others working with the Corps, whether as stakeholders, cost-sharing partners, or at any other level, we should continue to embrace input and keep all informed to assure that unwarranted roadblocks do not impede this initiative to streamline the Corps.

(2) It is also important to note that this study has been conducted in an open environment seeking input from internal and external stakeholders interested in the development and execution of products. This open environment should go a long way to attaining acceptability of the selected alternative.

(3) To assure acceptability to the degree possible, Alternative 5 has considered all lessons learned as described in Appendix H, Implementation Considerations.

(4) As with any cultural change in the workplace, there is an undefined element of risk. To assure that risk is minimized, it is recommended that all Commanders and supervisors at the HQ Washington and Regional Offices receive in-depth training in two areas: (1) the procedural impacts of implementing this structural change and (2) impacts and options for affected team

members. The recommended format of this training would dovetail the training format currently being used to support implementation of the Project Management Business Process.

## **Alternative 6**

### **National-Regional Alignment**

#### **1. General Overview of Conceptual Design.**

a. Alternative 6 is an integrated structural alignment that considers the assumptions, hypothesis, research, discussions, and determinations made during the “USACE 2012” study process. As with other alternatives, the basic tenets of this option consider the HQUSACE Washington Office and the MSC Regional Offices as a single entity operating corporately and providing the strategic direction to enable the Districts to meet mission requirements. This alternative is based on the following assumptions:

(1) That the HQUSACE Washington Office will be structured under three major directorates reporting to the USACE Commander: Directorate of Civil Works, Directorate of Military Programs, and Directorate of Support Integration.

(2) That each Major Subordinate Command (MSC), i.e., Division Office, will serve as an extension of the HQUSACE Washington office. Functions will not be duplicated.

(3) That each MSC will focus on regional production under the Regional Business Center concept.

(4) That the Washington office will focus on program development, national interface, resource integration and prioritization, and enabling the Districts in the delivery of products, e.g., studies and projects.

(5) That the Project Management Business Process (PMBP) is the corporate business process and will be utilized consistently throughout the Corps.

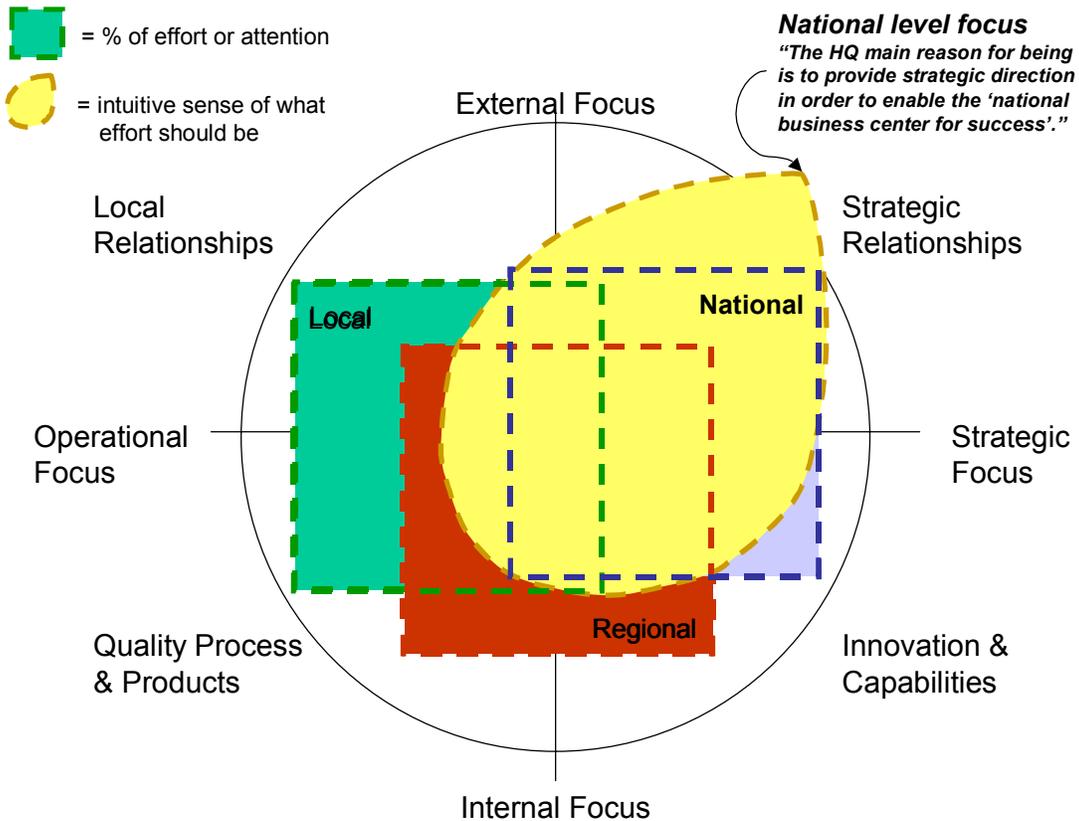
(6) That organization structure will foster the creation of teams with common goals and purposes.

(7) That organizational relationships will ensure a culture that facilitates integration across functional lines

b. In developing Alternative 6, the study team realized that it was relatively easy to incorporate assumptions, criteria, qualities and desired characteristics into a supporting structure once the purpose of the organization was clear. A model was developed (based on work previously accomplished by the Strategic Management Board to differentiate between the purpose and focus of the three major organizational levels of the Corps -- local, regional and national. Using an x / y axis, the team plotted major focus efforts, from operational to strategic (x-axis) and from internal to external (y-axis). The focus of the quadrants were described as “local relationships” (upper left), “strategic relationships” (upper right), “innovations and capabilities” (lower right) and “quality process and products” (lower left). Based on team member experience and understanding of work focus and using “percentage of effort or

attention” as plotting points, the study team diagrammed the three organizational levels. The boxes in Exhibit F-6a represent the different focus and relationships of the three levels. Finally, the team felt that the angular plotting of the diagrams did not adequately indicate the true nature of what should be the national level focus. Therefore, they replotted the national level using a more elliptical approach and considering the need for greater emphasis on strategic relationships (the yellow “egg-like” figure in Exhibit F-6a). This led to the national focus statement that, ***“The HQ main reason for being is to provide strategic direction in order to enable to the ‘national business center’ for success.”*** From this discussion, the HQUSACE portion of this alternative was more fully developed. The team recognizes that Exhibit F-6a is subjective. However, it provides a means to develop a shared understanding and is presented here to give insight into the logic of this Alternative.

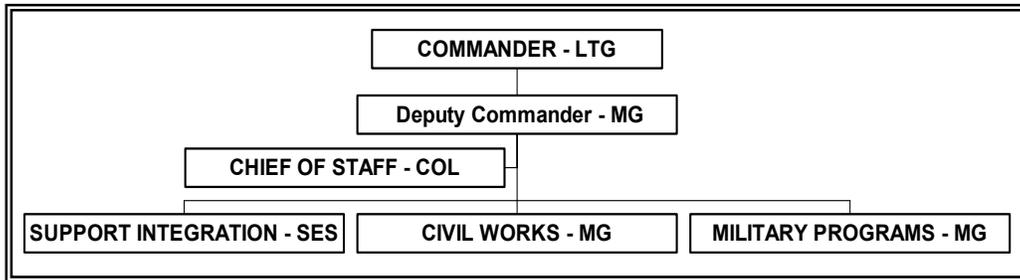
**Exhibit F-6a  
Future Main Focus of USACE Organizational Levels - 2012**



c. The major organizational elements of Alternative 6 include the following:

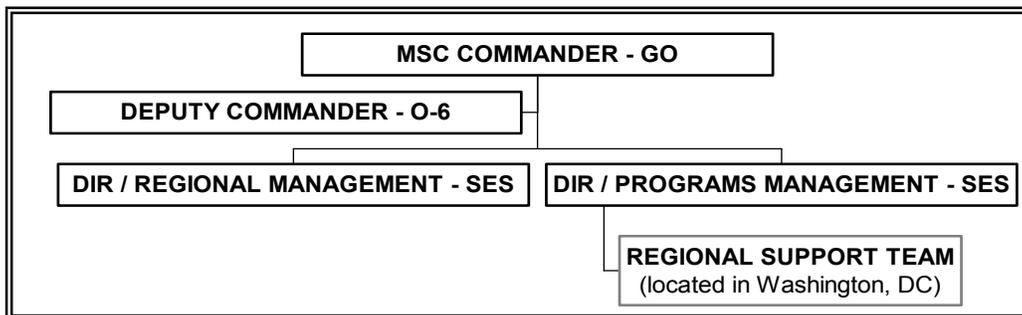
### Major Organizational Elements

#### HQ Washington Office



### Major Organizational Elements

#### HQ Regional Offices



d. Alternative 6 provides that each MSC will be represented by a Regional Support Team (RST) located in Washington, D.C. The team will vertically and horizontally integrate with Technical Experts and Program Managers in the HQ Washington Office, Regional Offices, and throughout the Regional Business Center. Team members from major mission areas and technical functions will be assigned to the RSTs and will report to the MSC Director of Programs Management (SES) located at the MSC home station. Each RST member will be rated by the home organization, intermediate rated by an appropriate USACE functional proponent, and senior rated by the MSC Commander. Each RST will:

(1) Serve as the MSC Commander's team at the Washington level.

(2) Integrate all product lines in the region into one team thereby providing organizational flexibility and adaptability.

(3) Working with the HQ Washington Office, establish and maintain relationships at the national level.

(4) Integrate mission areas including resources and program requirements.

(5) Conduct all policy reviews except for pre-authorization planning documents where responsibility will be assigned to the Office of Water Policy Review. The RSTs will serve as advocates for processing all reviews.

(6) Work with vertical and horizontal teams to develop priorities and resolve project-specific and/or regional program issues.

(7) Work with all USACE team members creating a teaming environment, both vertically and horizontally.

e. Alternative 6 considers the views and recommendations of USACE team members, functional proponents, and emerging and senior leaders; non-Federal and Federal customers, partners, and stakeholders including the Departments of Army, Air Force, and Defense; members of the U.S. Congress, their staffs, and various congressional committee members; and others who responded to the study's survey questionnaire or who were interviewed.

f. Under this organizational alignment, the Headquarters (HQ) of the Corps will be:

(1) Positioned to develop collaborative partnerships with the U.S. Congress, Departments of Army and Air Force, Department of Defense, and other Federal agencies.

(2) Positioned to focus on policy and program development.

(3) Positioned to concentrate on national program and project issues.

(4) Positioned to be flexible and adaptable in meeting the needs of the Nation during peace and during times of war.

g. Alternative 6 assures that all operational functions are conducted below the Headquarters level, i.e., at the District level.

**2. Diagram of Structure and Relationships / Organization for HQ and MSC HQ.** Exhibits F-6b and F-6c provide the organization alignment for the Washington, D.C. Headquarters (hereafter referred to as the HQ Washington Office) and the MSC offices (hereafter referred to as the HQ Regional Offices), respectively. These alignments incorporate the recommendations discussed in more detail in paragraph 3.

a. The HQ Washington Office structure (Exhibit F-6b) is aligned into three major directorates: Civil Works, Military Programs, and Support Integration. Civil Works and Military Programs will be led by a Army Major General. The Support Integration Directorate will be led by a Senior Executive (SES). The following major realignments are recommended in

the Civil Works and Military Programs Directorates to foster the integration of and ability to meet mission needs.

(1) Align the following divisions in the Civil Works Directorate: Planning and Policy, Programs Management, Project Operations, and Environmental. Align the Institute for Water Resources (IWR), currently established as a Field Operating Agency, with the Civil Works Directorate. Each Division will be led by a member of the Senior Executive Service (SES). The two major changes in this structure are (1) the realignment of the Environmental Division from Military Programs and the subsequent combining of Civil Works environmental work with reimbursable environmental programs and (2) moving the IWR under the HQ Washington Offices Table of Distribution and Allowances (TDA).

(2) Align the following divisions in the Military Programs Directorate: Military Construction (including major military construction currently assigned as Programs Management Division and reimbursable installation support currently assigned as Installation Support Division), Engineering and Construction, Real Estate, and Research and Development. The latter three Divisions support execution of both military and civil works projects but are more closely aligned with vertical construction and infrastructure (Military Programs).

(3) Position the following divisions and offices in the Support Integration Directorate: Resource Management, Human Resources, Corporate Information, Principal Assistant Responsible for Contracting (PARC), Strategic Planning, and Corporate Communications (formerly Public Affairs Office). All but the latter will be led by an SES with Corporate Communication being managed by a General Schedule (GS)-15 supervisory Public Affairs Specialist.

(4) The last major element of the HQ Washington Office will be the general support offices led by the HQUSACE Chief of Staff and including Safety, Logistics, Chaplain, History, Equal Employment Opportunity, Internal Review, and Small and Disadvantaged Business (SADBU). Additionally, the Humphreys Engineer Center Support Activity (HECSA, a Field Operating Agency), will report to the Chief of Staff.

b. The HQ Regional Office structure (Exhibit F-6c) is focused on two primary areas: Programs Management and Regional Programs with both Directorates being led by an SES. The structure includes a senior Counsel serving as an advisor to the Commander and a support element reporting to the Deputy Commander and including Human Resources, Internal Review, Strategic Communication, and Emergency Operations (including Security and Law Enforcement). Most of the support functions will be either obtained from supporting Districts under a Memorandum of Agreement (MOA) or outsourced to other government agencies or private industry.

(1) In the Programs Management Directorate, it is anticipated that 50 to 60 percent of the staff will be assigned to the Regional Support Team (RST) located in Washington, D.C. Team members in the HQ Regional Office will be assigned to the Programs Development Division focused on programming activities required to support all regional mission areas assigned within the Regional Business Center.

(2) The Regional Management Directorate will focus on operating the Regional Business Center (RBC) and include two Divisions: Regional Capability focused on the learning organization concept and Regional Direction focused on operating the RBC.

3. **Mission, Roles, and Functions Analysis.** The following paragraphs describe the recommended changes in organizational design at the HQ Washington Office and the HQ Regional Office.

- a. **Office of the Commander/Deputy Commander.** No changes are recommended.
- b. **Office of the Chief Counsel.**

Recommendation. As with many other functions, a change in culture incorporating a regional concept should be implemented to meet today's legal requirements. An increase in staff in the HQ Washington Office is recommended with a more than offsetting decrease in staff in the HQ Regional Offices.

*HQ Washington Office*

- That additional authorizations should be allocated to the Office of the Chief Counsel. These positions would come from staff reductions currently authorized at the MSC level.

*HQ Regional Office*

- That the HQ Regional Office should be authorized a senior Counsel to advise the MSC Commander and a Regulatory Specialist reporting to the MSC Counsel. The Regulatory Specialist would be reassigned from the MSC Operations Division.
- That the requirement for HQ Regional Offices to review legal documents submitted to HQ Washington Office of Chief Counsel would be eliminated.

Basis for Recommendation. The roles and responsibilities of HQ Regional Offices of Counsel appear to vary significantly. While a senior attorney are needed in HQ Regional Offices to advise the Commander, the HQ Regional Offices of Counsel should not be involved in legal actions even when crossing District and/or MSC boundaries. Regional issues should be worked by either lead District Counsel or by the HQ Washington Office counsel. Additionally, the Regulatory Specialist and Counsel remaining in the HQ Regional Office will work together to advise the MSC Commander on all actions where authority is vested in the MSC Commander.

- c. **Homeland Security.**

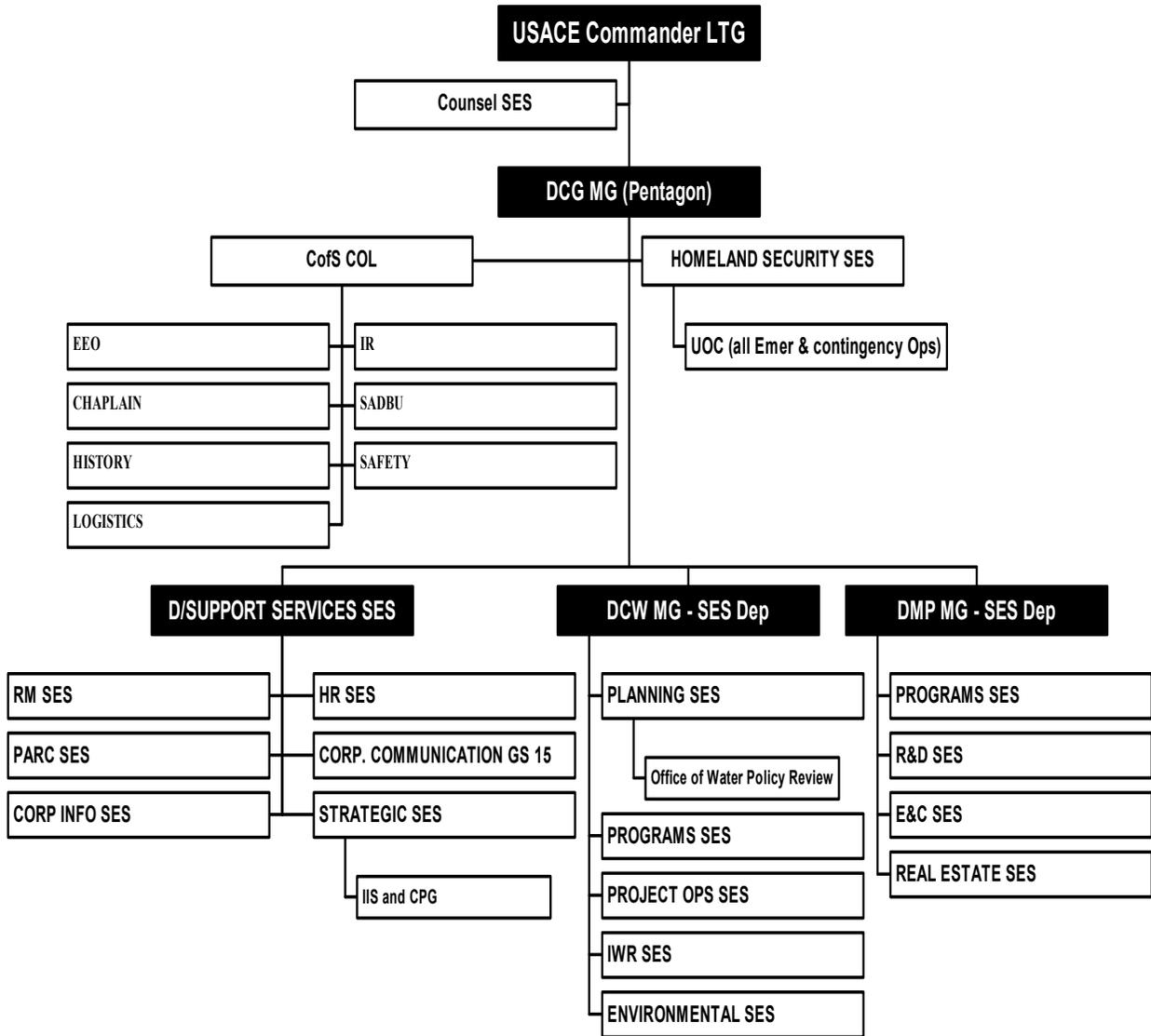
Recommendation. Structure changes are needed in both the HQ Washington and Regional Offices.

*HQ Washington Office*

- That HQ should continue plans to establish a Homeland Security (HS) Office (SES) assuring that all programs are brought under the HS umbrella.

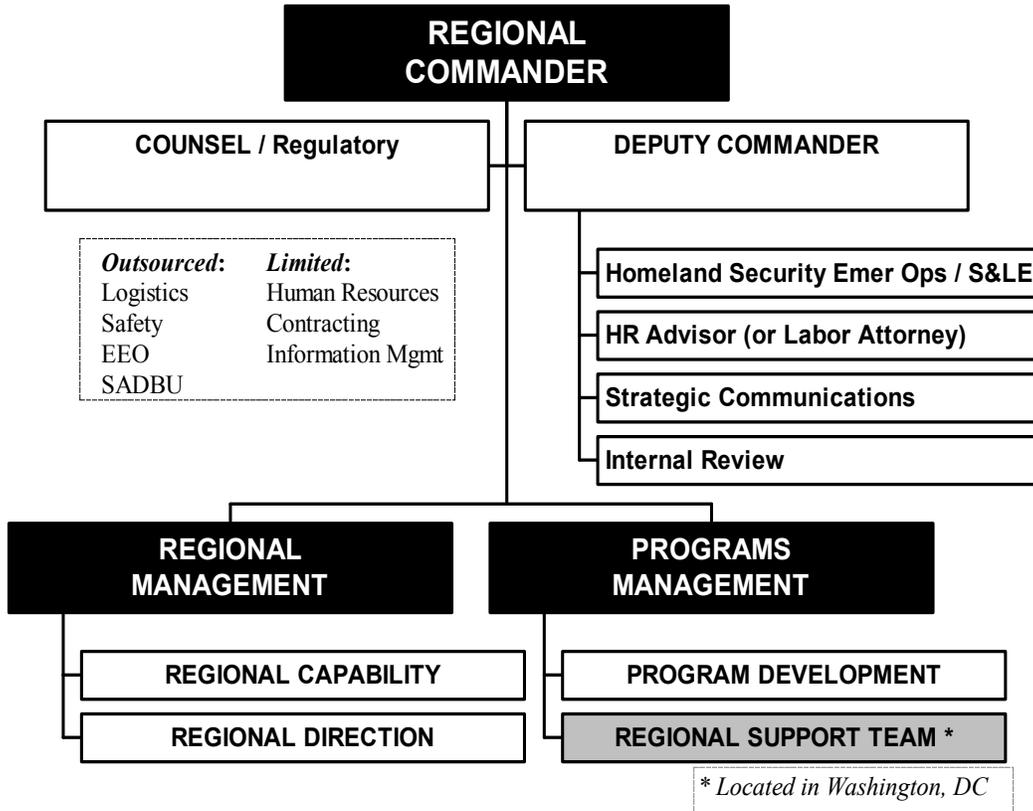
**Exhibit F-6B  
Alternative 6**

**HQ Washington Office**



**Exhibit F-6C  
Alternative 6**

**HQ Regional Office**



- That the HS should include Security and Law Enforcement team members and responsibilities.
- That the HS will report directly to the USACE Deputy Commander.

*HQ Regional Office*

- That each HQ Regional Office should maintain an Emergency Operations Center (EOC) reporting to the Deputy Commander and including the Security and Law Enforcement function.

Basis for Recommendation. Currently, Homeland Security (HS) functions are assigned and executed in a number of organizational elements in the HQ Washington and Regional Offices. That the HS should include the USACE Operations Center responsible for all contingency (military) and emergency (civil) operations.

With the changes that have occurred in the security requirements of the Nation since “9-11”, it is prudent for the Corps to establish responsible offices for Homeland Security in the HQ Washington and operate EOCs in HQ Regional Offices. The HQ Washington Office is currently undertaking this change in organizational structure by hiring a term-SES and realigning security functions under one leader. This will include the Risk Assessment Methodology for Dams (RAM-D) program, Anti-Terrorism/Force Protection (AT/FP) program, Critical Project Security Program (CPSP), and Emergency Operations. At the MSC level, responsibilities for HS Programs are assigned to different functional elements. Using one MSC as an example, the RAM-D program was managed by the Military and Technical Directorate with the program being turned over to the Civil Works Management Division for Program Management of CPSP projects. In this same MSC, the security provisions for USACE administrative facilities are the responsibility of the Director of Logistics (DOL), a one-person office. The MSC Security Officer is included on the team. In other MSCs, CPSP execution is assigned often to the Civil Works Operations Division. There are no known plans at the MSC level to develop a consolidated Homeland Security approach.

**d. Security and Law Enforcement (S&LE).**

Recommendation. See above recommendation (paragraph 3.c).

This recommendation is not in accord with the ideal future envisioned by the functional proponent who sees a change in the function to Intelligence and Security with an increase in staff size at all levels. Alternative 6 considers that the “Intelligence” function should be supported through the Department of Army and a close relationship / synergy should be established between the DA and USACE security elements.

**e. Office of the Chief of Staff.**

(1) **Chaplain**, HQ – Washington Office. No changes are recommended.

(2) **Equal Employment Opportunity (EEO).**

Recommendation. Although this function is required at each organizational level, it should be supported through regional offices with oversight vested in the HQ Washington Office. Structural change is only recommended in the HQ Regional Offices.

*HQ – Regional Office.*

- That all EEO positions should be abolished.

Basis for Recommendation. The HQ Washington Office has a small staff who report to the USACE Deputy Commander. Each HQ Regional Office also has a small staff who advise the MSC Commander.

A regional focus will allow for consistency in implementing EEO processes and programs. The HQ Washington Office should provide policy and functional oversight to the regional centers. The HQ Washington Office would monitor compliance, assure program quality, advise the USACE Commander, and provide policy and guidance to all USACE EEO offices.

**(3) History.**

Recommendation. This office is only located in the HQ Washington Office. Recommend the conduct of a Functional Area Assessment (with validation) to determine if savings can be gained.

Basis for Recommendation. In accordance with Army policy, each unit is required to maintain its unit history. Most, if not all, HQ Regional Offices do not employ Historians but assign responsibilities to write the annual history to various offices. An annual history is required to learn from our accomplishments as well as endeavors that were less than successful. However, with the advent of today's technological advances, much that was done in the past using the "stubby pencil" can now be automated and recorded quickly for posterity.

This recommendation is not in accordance with the ideal future envisioned by the functional proponent, which includes development and staffing of a Corps history museum, internal development of an integrated history system, a robust field history program, etc. Alternative 6 proposes that most of our historical requirements can and should be documented under contract with oral histories being obtained from only the most senior USACE team members, i.e., General Officers and Senior Executives.

**(4) Inspector General.** This function is only located in the HQ Washington Office. No changes are recommended. This recommendation is in accord with the ideal future envisioned by the functional proponent

**(5) Internal Review (IR).**

Recommendation. No structure changes are recommended in the HQ Washington or Regional Offices.

Basis for Recommendation. The unit assigned responsibility for the IR function represents the Commander's "honest broker" at all levels. While significant debate has ensued as to whether this function is needed in the HQ Regional Offices, this alternative maintains the current staffing level in the HQ Washington Office with minimal staffing authorized in the HQ Regional Offices. The HQ Regional Offices would support Quality Assurance, advise the Commanders through audits, surveys and investigations of compliance with financial statutes, policy, and higher echelon guidance.

This recommendation is not in accord with the ideal future envisioned by the functional proponent who sees a growth in the IR strength from integral involvement in proactive efforts in "Enterprise Risk Management".

**(6) Logistics.**

Recommendation. No specific changes are recommended in the HQ Washington Office although the conduct of an FAA is recommended. It is further recommended that the HQ Regional Offices should be abolished.

*HQ Washington Office.*

- That the HQ Director of Resource Management should immediately conduct a FAA of the Logistics Office to validate responsibilities and tasks correctly assigned to the Director of Logistics (DOL) and those that should be supported by contract or eliminated.
- That the FAA should identify requirements to support the HQ Regional Offices by the HQ Washington Office and/or a lead District thus negating the requirement for a DOL in each HQ Regional Office.

*HQ Regional Office.*

- That the MSC DOL office should be abolished and that requirements should be supported either by a lead District or by the HQ Washington Office based on the results of the above-recommended FAA.

Basis for Recommendation. Most of the actual HQ Regional Office logistics support is provided by a lead District through a Memorandum of Agreement (MOA). The MSC Director of Logistics (DOL) is involved in Homeland Security (see Homeland Security Function above), transmitting logistics policy and guidance to MSC and District offices, and working leasing costs and relocation of MSC headquarters offices, when required. The Homeland Security responsibilities under this alternative would be transferred to the Homeland Security Program Manager,

This recommendation is not in accord with the ideal future envisioned by the functional proponent who envisions the logistics function becoming more integrated with the project delivery mission function rather than a support function to the project delivery process

**(7) Small and Disadvantaged Business Utilization (SADBU).**

Recommendation. Structural change is recommended in the HQ Washington Office.

*HQ Washington Office.*

- That the HQ Washington Office should become more robust providing advice, guidance, and training to all command levels as well as compilation of data from Districts for upward reporting.

*HQ Regional Office.*

- That the MSC SADBU offices should be abolished.

Basis for Recommendation. While the HQ staff disseminates policy and guidance and provides reports to higher echelon, the MSC staffs spend the majority of their time in training activities and compiling data to forward to HQ. A minimal increase in the HQ Washington Office should be more than offset by the abolishment of offices in the HQ Regional Office.

**(8) Safety and Occupational Health (SOH).**

Recommendation. Structure changes in the HQ Washington and Regional Offices are recommended. The conduct of a Functional Area Assessment (with validation) is also recommended.

*HQ Washington Office.*

- That the HQ Washington Office become more robust providing advice, guidance, and training to all command levels as well as compilation of data from Districts for upward reporting. The HQ Washington Office should be minimally increased with FTEs resourced from current HQ Regional Office authorizations.

*HQ Regional Office.*

- That the MSC SOH offices should be abolished.

Basis for Recommendation. The HQ staff disseminates policy and guidance and provides reports to higher echelon. Most of the MSC staffs efforts are centered on the redistribution of policy and guidance to the District level and compiling data for HQ. As the MSC focus for all activities should be on policy and guidance, MSC SOH offices should not visit project sites nor make specific safety recommendations on a by-project basis.

**f. Civil Works Directorate and MSC Civil Works Programs Functions.**

Recommendations.

*HQ – Washington Office.*

- That Regional Support Teams (RST) should be established at the MSC level with duty station in the HQ Washington Office (see paragraph 2.). This RST alignment will produce a cadre of flexible, adaptable assets knowledgeable in diverse missions in a region with leaders able to integrate the needs and culture of all stakeholders, partners, and customers into a comprehensive and cohesive unit approach. The RSTs will free HQ Washington Office assets to focus on national program development, national interface, resource integration and prioritization, and enabling the Districts in the delivery of products, e.g., studies and projects. Establishing the RSTs allows for the refocusing of the Civil Works Directorate on national issues.
- That the Engineering and Construction Division should be relocated from the Civil Works Directorate to the Military Programs Directorate.

*HQ – Regional Office.*

- That the HQ Regional Office will focus on traditional program development (resourcing) activities with the RSTs located in Washington, DC focusing on Program and Project-specific Management activities.
- That all civil works policy reviews will be conducted by the RSTs with vertical and horizontal communication, as required. To the extent practical, delegations will be provided to the lowest level, e.g., District or Center.

Basis for Recommendation. Alternative 6 seeks to provide an organizational structure that will achieve the following objectives:

- Foster the full integration of the USACE Project Management Business Process (PMBP) throughout the Corps including each Regional Business Center (RBC).
- Support the RBC on technical, policy, national/regional interface, and professional expertise.
- Assure that the Corps is responsive.
- Assure that the Corps is a learning organization.
- Develop processes to improve the delivery of quality products.
- Meet customer commitments.
- Meet administrative priorities.

Currently, redundancies exist between HQ and MSC's. For all documents going from the District level to HQUSACE (and passing through the MSC Regional Office), both the MSC and HQUSACE offices conduct policy and/or legal reviews. Additionally, both echelons develop policy and/or policy implementation plans, review planning and programming documents, develop program priorities, review reprogramming requests, etc. At times, these redundancies produce inefficiencies as differing views cause process delays.

The alignment of Environmental Division from the Military Programs Directorate to the Civil Works Directorate will bring together two programs that are closely related into one element of the organization structure. The work, legal authorities, work components, etc. are closely related and the combination of assets would produce a tremendous amount of synergy as well as increase the flexibility and adaptability of the Corps.

### **(1) Planning and Policy Division**

Recommendations. Structure changes are recommended for the HQ Washington Office.

*HQ Washington Office.*

- That an Office of Water Policy Review (OWPR) should be established in the Planning and Policy Division with primary responsibility for, reviewing pre-authorization planning reports. The OWPR will align with the RSTs during the review of policy issues. The RSTs will serve as the advocates for processing of all reviews.
- That the congressional support function currently assigned outside of the Civil Works Directorate should be combined with the Legislative Management Branch in Planning and Policy Division. This function primarily supports the USACE Civil Works program and should remain a HQ function.
- That savings generated through establishing RSTs will be partially offset by establishing the OWPR.

### **(2) Civil Programs Division**

Recommendations. No structure changes are recommended but a Functional Area Assessment

*HQ Washington Office.*

- That a Functional Area Assessment should be conducted (and validated) to determine appropriate staffing level.

- That savings of FTEs from current staffing level will be gained by reducing redundancies between the HQ Washington and Regional Offices with the establishment of RSTs located in Washington, D.C.

### **(3) Project Operations Division**

#### Recommendations.

##### *HQ Washington Office.*

- That a Functional Area Assessment should be conducted (and validated) to determine appropriate staffing level.
- That savings from current staffing level will be gained by reducing redundancies between the HQ Washington and Regional Offices with the establishment of RSTs and location in Washington, D.C.

### **(4) Environmental Division.**

#### Recommendations.

##### *HQ Washington Office.*

- That the Environmental Division should be relocated from the Military Programs Directorate to the Civil Works Directorate with the mission being expanded to integrate all environmental-related work (appropriated or reimbursable).
- That a change in the existing structure integrates the current appropriated work conducted in the Planning and Policy Division with the reimbursable work executed by the Environmental Division in Military Programs. A negligible net change in ED&M FTEs is anticipated. The moving of FTEs from the Planning and Policy Division or other division in the Civil Works Directorate to the Environmental Division has not been evaluated and should be the result of a validated Functional Area Assessment.

### **(5) Institute for Water Resources (IWR).**

#### Recommendations.

That a Functional Area Assessment (with validation) be conducted to determine appropriate ED&M staffing levels for the Institute for Water Resources. Ideally, this organization should be comprised of world-class water policy experts supporting the strategic functions of the Headquarters. In recent years, the focus of IWR has shifted to reimbursable work and less on forward-looking water policy issues. Resource implications are currently unknown. As with recommendations for other offices included in Alternative 6, it is recommended that a FAA should be conducted and validated to determine the appropriate number of ED&M-funded FTEs for the IWR.

#### **g. Military Programs Directorate.**

##### **(1) Military Construction.**

Recommendation. Structure changes in the HQ Washington and Regional Offices are recommended.

*HQ Washington Office.*

- That the Military Programs Directorate (CEMP) be realigned as follow:
  - Combine the Programs Management and Installation Support Divisions into the Military Programs Division.
  - Realign the Real Estate Directorate into CEMP as the Real Estate Division.
  - Realign the Research and Development Directorate into CEMP as the Research and Development Division.
  - Realign the Engineering and Construction Division from Civil Works Directorate to the Military Programs Directorate.
  - That the Management Support Office FTE strength should be evaluated.

*HQ Regional Office.*

- That the Military Programs/Hazardous, Toxic, and Radioactive Waste (HTRW)/Support For Others Division in the Military and Technical Directorate be abolished with one or two team members assigned to the Regional Support Team stationed in the Washington, D.C. area. The number of team members to be dependent on the size, complexity, and risk associated with the programs of the HQ Regional Office.

Basis for Recommendation. Not unlike the Civil Works Functions discussed above, the Military Program functions also require vertical and horizontal communication and teaming. The above alignment in the HQ Washington Office will assist in integrating diverse yet related programs by bringing all together under the Director of Military Programs. In the HQ Regional Office, minimal programming and direct regional customer contact is required negating the need for a structural framework to service regional customers, partners, and stakeholders. The latter responsibilities, when required, would be performed by the RSTs or Districts.

**(2) Engineering and Construction (E&C).**

Recommendations. Structure changes are recommended in both the HQ Washington and Regional Offices. It is further recommended that the HQ Washington Office conduct a Functional Area Assessment (with validation) to determine the extent of savings can be gained.

*HQ Washington Office.*

- That the E&C functions transferred from Civil Works to Military Programs will also result in a reduced in number of authorized FTEs and assure a small cadre of world class expertise at the Washington level where there is a significant need in core mission areas. Future expertise will focus on locating Corps technical experts in District offices with the HQ Washington Office responsible to maintaining inventory and calling upon the cadre of technical experts when required.

*HQ – Regional Office.*

- That technical experts will be located at District offices. The HQ Regional Office, operating through the Regional Business Center, will call upon technical experts to support regional requirements.

Basis for Recommendation. As E&C functions are core competencies of USACE, providing the necessary expertise at the appropriate levels is paramount to our success. Keeping in mind that the function of the HQ Regional Office is to provide policy and guidance and to act as an extension of the HQ Washington Office, it is important to strategically determine the level of expertise needed to provide the requisite engineering expertise to retain a viable engineering program and our core competencies.

Currently, the HQ Regional Office staffs include varying disciplines. The MSCs are in the process of developing registries of District functional experts to meet regional requirements. These “regional experts” are supported by generic position descriptions (generally one-grade higher than their peers) developed in early 2001 by the HQ Directorate of Human Resources. The regional utilization of technical experts will preclude the need for duplication of technical expertise in the HQ Washington and Regional Offices.

### (3) **Real Estate (RE).**

Recommendation. Structure changes are recommended in both the HQ Washington and Regional Offices. It is further recommended that the HQ Washington Office conduct a Functional Area Assessment (with validation) to determine the extent of savings can be gained.

#### *HQ Washington Office.*

- That the Real Estate Directorate should be realigned under the Military Programs Directorate as the Real Estate Division.

#### *HQ Regional Office.*

- That the HQ Regional Office responsibilities should be assigned to Districts in all areas where they can be delegated or to the HQ Washington Office where they cannot be delegated.

Basis for Recommendation. Often the HQ Regional Offices serve as a pass-through to the HQ Washington Office to obtain approval for District actions. The relocation of functions to Districts and/or HQ would reduce the strain on ED&M resources and improve the timely delivery of real estate products to customers.

This recommendation is not in accord with the ideal future envisioned by the functional proponent who supports the establishment of lead districts in each MSC and the integration of all RE automated systems, e.g., REMIS, into the Corps of Engineers Financial Management System (CEFMS).

### (4) **Research and Development.**

Recommendation. This function is only located in the HQ Washington Office.

*HQ Washington Office.*

- That the Research and Development Directorate should be realigned under the Military Programs Directorate as the Research and Development Division.

Basis for Recommendation. The Engineering Research and Development Center (ERDC) currently reports to the HQ Director of Research and Development. This organizational alignment was established in 2000 to assure integration and synergy between all R&D programs.

This recommendation appears to be in accord with the ideal future envisioned by the functional proponent.

**h. Support Integration Directorate.**

Recommendation. Structure changes are recommended in both the HQ Washington and Regional Offices.

*HQ Washington Office*

- That the USACE Commander establish the Support Integration Directorate under the lead of a Senior Executive Service member. This position will be resourced by the abolishment of the SES position currently assigned as Chief of the Interagency and International Services Division located in the Military Programs Directorate.
- That the Support Integration Directorate should be aligned as follows: Resource Management, Human Resources, Corporate Information, PARC, Strategic Planning, and Corporate Communications (formerly Public Affairs).

*HQ Regional Office*

- That the Regional Programs Directorate should be established under the lead of an SES and include two divisions: Regional Capability and Regional Direction.

**i. Strategic Planning.**

Recommendation. Structure changes are recommended in both the HQ Washington and Regional Offices.

*HQ Washington Office.*

- That all strategic facilitation functions should be aligned under the leadership of an SES.

*HQ Regional Office.*

- That the Regional Management Directorate should be responsible for implementation of strategic programs.

Basis for Recommendation. The Command Planning function is currently located only at HQ with Strategic Planning occurring in the Command Planning Group and other offices throughout the HQ Washington Office. At the HQ regional level, the Business Management Offices are involved in strategic planning with little structural alignment with HQ strategic planning initiatives. The recommended alignments at the HQ Washington and Regional Offices would provide for facilitation of strategic issues and related programs.

This recommendation is not in accord with the ideal future envisioned by the functional proponent.

**(1) Principal Assistant Responsible for Contracting (PARC).**

Recommendation. Structure changes are recommended in both the HQ Washington and Regional Offices. Recommend the conduct of a Functional Area Assessment (with validation) to determine if savings can be gained.

*HQ Washington Office.*

- That delegation of authority for contract execution should be maximized to the greatest extent possible at the District level.
- That the PARC office should be expanded, subject to conduct of a Functional Area Assessment, to include Regional Contracting Specialists responsible for supporting one or more regions each and for coordinating program requirements and approvals within the HQ Washington Office.

*HQ Regional Office.*

- That the office of the Director of Contracting (DOC) should be eliminated from the HQ Regional Offices.

Basis for Recommendation. The current functional alignment includes the Office of the PARC (SES) in the HQ Washington Office and the DOC (GS-14) in the HQ Regional Offices. The HQ Washington Office retains authority for most actions not delegated to the District level. The HQ Regional DOC often functions in a review and forwarding, or pass-through, capacity. Also to be noted is that the Engineering Federal Acquisition Regulation requires an Acquisition Strategy Board (ASB) in each Regional Business Center but does not require that the ASB include the DOC as member or chair.

**(2) Corporate Information/Information Management (CI/IM).**

Recommendation. Structure changes are recommended in both the HQ Washington and Regional Offices.

*HQ Washington Office.*

- That the Corporate Information function should move into the Support Integration Directorate.

- That all daily operating requirements should be contracted leaving only a small cell responsible for development of corporate information strategy.

*HQ Regional Office.*

- That all Information Management requirements should be obtained through District Support or contracting-out.

Basis for Recommendation. The Corps' current structure is based on the industrial age where information management was a service and not integral to the development of corporate strategy. As we enter the new technological era, we must focus on using technology to efficiently, effectively, and economically support corporate business processes. Although the Corps strategic direction and associated planning for requirements should be developed and executed by USACE resources, operational requirements should be provided via contract in consonance with the objectives of the President's Management Agenda.

This recommendation is in accord with the ideal future envisioned by the functional proponent who sees a dramatic increase in out-sourcing of information management / technology requirements.

### **(3) Resource Management.**

Recommendation. Structural change is recommended in the HQ Regional Offices only. Recommend the conduct of a Functional Area Assessment (with validation) to determine if savings can be gained in the HQ Washington Office.

*HQ Regional Office.*

- That all Resource Management requirements should be obtained through a lead District(s) within the HQ Regional Office.

Basis for Recommendation. The HQ Regional Office RM service can be contracted out to lead Districts within each Regional Business Center. However, a few Resource Advisors should remain on staff in the HQ Regional Offices with responsibilities focused on managing the resources of the RBC and enabling mission execution in the Districts.

### **(4) Human Resources (HR).**

Recommendation. Structure change is recommended in the HQ Regional Offices only. Recommend the conduct of a Functional Area Assessment (with validation) to determine if savings can be gained in the HQ Washington Office.

*HQ Regional Office.*

- That HR Advisors are required in the HQ Regional Offices as advisors to the Commander.

Basis for Recommendation. With the implementation of the Army-wide regionalization of civilian personnel responsibilities, a change in culture was required. However, many remnants

of the old ways of doing business still exist. In the HQ Washington Office, the HR staff should be engaged in developing USACE policy to implement higher echelon policy and guidance and to oversee implementation of specific HR programs within USACE. However, at the MSC level, there is still a tendency to revert to using the DHR as the personal personnel advisor to the Commander for functions transferred to the CPAC/CPOC structure. Therefore, one Personnel Specialist position should remain on staff in the HQ Regional Offices with the primary purpose being to serve as the Commander's Human Resources Advisor.

This recommendation is in accord with the ideal future envisioned by the functional proponent. The HQ assets may be deployed regionally, at lead MSCs, or Districts but the net impact on ED&M resources will be unchanged from the above analysis.

#### **(5) Interagency and International Services (IIS).**

Recommendation. Structure change in the HQ Washington and Regional Offices is needed.

##### *HQ Washington Office.*

- That IIS strategic planning responsibilities should be moved from the IIS Division to the Support Integration Directorate.
- That resources required for Programs Management responsibilities should be assigned within the authorized FTE ceilings in the Civil Works and Military Programs Directorates.
- That the SES position in IIS should be abolished with the authorization used to support the recommended Director of the Support Integration Directorate.

##### *HQ Regional Office.*

- That the IIS strategic planning and development responsibilities should be integrated into the Regional Management Directorate and focused on regional strategic relationships.
- That the RSTs will be responsible for the resolution of specific program issues.

Basis for Recommendation. In its current HQ configuration, this office is led by an SES and includes three distinct areas: External Affairs, Strategy and Analysis, and Strategy Implementation. The alignment of strategic responsibilities should be under the Support Integration Directorate with implementation assigned to the mission directorates most closely aligned with type of study or construction. Contacts with customers should be at the District level except when involving strategic issues assigned to the HQ Washington Office.

#### **(6) Corporate Communication.**

Recommendation. Structure changes in the HQ Washington and Regional Offices are recommended.

##### *HQ Washington Office.*

- That the Public Affairs Office should be moved under the Support Integration Directorate.
- That Public Affairs should transition to a strategic communication mode while maintaining its public affairs functions as proscribed by Department of Army.

*HQ – Regional Office.*

- That the Public Affairs Office should be minimally staffed.
- That Public Affairs should transition to a strategic communication mode. In this environment, the lead strategic communicators should focus on relationship building, communication plans, and assisting the Commander with specific communication strategies.

Basis for Recommendation. This function has changed in recent years with the Corps now having a dramatic need to communicate strategically as evidenced by events over the last several years. A cadre of strategic communicators can help focus on the “good work” the Corps does as well as help create and execute strategic communication plans.

The structural recommendation above does not appear to be in accord with the ideal future envisioned by the functional proponent who appears to see the PAO function remaining as a stand-alone organization. However, the focus and strategy of this proposal and the functional proponent’s vision appear to be synonymous.

j. **Business Management Office (BMO).**

Recommendation. Structural change is recommended at the HQ Regional Office where this office is located.

*HQ - Regional Office.*

- That the future role of the Business Management Office (BMO) should focus on operating the Regional Business Center, implementing Corps strategic initiatives, developing capacity to meet mission requirements, and developing the capable workforce.
- That the office currently referred to as the BMO be changed to Regional Management Directorate to more accurately reflect assigned responsibilities including support for the Regional Management Board, Division Command Council, and similar corporate entities.

Basis for Recommendation. The BMO function is only located at the MSC level. The size, complexity, and responsibilities of the Business Management Offices (BMO) throughout the Corps differ significantly. Examples of the differences include some BMOs being responsible for Information Management while others with the full breadth of developing and managing the Interagency and International Services function. Under the Regional Business Center concept, there is an existing need to assure the enabling of District offices to execute their missions. This includes assuring capacity in the areas needed and building a capable workforce for the future.

k. **Water Management and Fish Management.**

Recommendations. Change is recommended in the HQ Regional Office only.

*HQ Regional Office.*

- That all operational programs should be assigned to the District level. Where programs cross District boundaries, a lead District will be assigned to manage the program with execution of work conducted in the District with assigned Area of Responsibility (AOR), unless other agreement is reached between all Districts..

Basis for Recommendation. There is no specific office assigned responsibility for water management in the HQ Washington Office.

**4. 7-S Assessment.**

a. Shared Values. Alternative 6 incorporates the shared values needed to support the Regional Business Center concept and the Project Management Business Process (PMBP) as the corporate business process. Implementing this organization structure to incorporate these shared values will motivate a change in culture throughout the HQ Washington and Regional Offices. Developing shared cultural values and common goals and objectives will permeate throughout the entire USACE organization as operating procedures change. As this alternative incorporates many comments and ideas provided from USACE team members during the survey, the change should be welcome throughout the Corps.

b. Stakeholder Values. As discussed above under Organizational Design, several initiatives in Alternative 6 are based on the need to meet customer commitments, develop strategic communications with stakeholders at all levels, and deliver projects on time and at a reasonable cost. Using the PMBP and aligning our structure around the corporate business process will systematically engage and align Corps' activities with the needs and requirements of our stakeholders. Incorporating Regional Support Teams in the HQ Washington Office who are members of the HQ Regional Teams will greatly enhance our value to our customers as horizontal and vertical communication are greatly enhanced providing a more responsive Corps of Engineers.

c. Strategy. Alternative 6 stresses the importance of strategic involvement throughout the HQ Washington and Regional Offices with a strategic planning cell established to facilitate all efforts throughout USACE. The strategic environment captured through this alternative is focused on engaging today's stakeholders with tomorrow's plans. It also focuses the HQ Regional Offices on developing capability and capacity at the levels necessary to meet today's mission needs and tomorrow's challenges. At all levels of the Corps, this alternative removes redundancies. Of strategic significance is that not all functions will reside in the HQ Regional Offices and that technical expertise will be placed in Districts offices. The technical capability will become an asset to meet regional and national requirements. During implementation of this alternative, it will be essential that the Corps develops strategies and processes to assure that Regional Office Commanders have the resources needed and yet are not held responsible for those functions that do not reside within their Command.

d. Systems. Alternative 6 is based on the Project Management Business Process (PMBP) serving as the corporate business process into the foreseeable future. It also realizes that corporate information must be developed strategically to support the business processes utilized to achieve mission goals and objectives but that most automated systems can and should be obtained through outsourcing.

e. Skills. Alternative 6 also recognizes the requisite need for professional skills to include the ability, knowledge, understanding, and judgment of individuals and teams to accomplish multiple tasks. This alternative is designed to incorporate Functional Area Assessments (FAA) in areas where the validity of functional expertise and/or requirements are in doubt. Each FAA conducted must be validated by a team external to the organization conducting the FAA to assure that only mission essential tasks are executed without redundancy at other organizational levels.

f. Style. While the leadership style incorporated in Alternative 6 maintains a hierarchical structure, it establishes a cadre of top executives to assure better integration of missions and functions. They will serve as a core advisory team to the USACE Commander, and incorporate the “Learning Organization” concept as a primary focus of USACE. This alternative truly enhances vertical communications with the development of Regional Support Teams at the HQ Regional Office level with duty station collocated with the HQ Washington Office. The “style” of Alternative 6 can best be characterized as “a learning, empowered organization”.

g. Structure. The structure of Alternative 6 integrates like functions and missions, eliminates the stovepipe environment, and focuses on vertical and horizontal teaming and communications.

## 5. **Rationale for Design.**

a. The primary functions of the HQ Washington Office are Command and Control, Program Management, National Interface and Strategy, and Development of Policy and Guidance. This alternative meets or enhances these functions, specifically:

(1) Command and Control. Essential to any flexible, responsive organization is centralized control with decentralized execution. The fundamental issue is always “how much control is enough?” Alternative 6 supports the concept of a top management team functioning more as “advisors” to the Commander than as controlling directors. It also assures that each Major Subordinate Command is an integrated extension of the Headquarters office in Washington, D.C. This will facilitate the ability of the USACE Commander to exercise his “command and control” responsibilities over a large, diverse organizational structure comprised of the headquarters office, 8 MSCs, 41 District offices, 7 labs, and numerous Centers of Expertise. The breadth, scope, and diversity of the USACE programs are too extensive to facilitate the conduct of Command and Control from the Washington level alone. Maximizing decentralized authority to the District level to the greatest degree possible will support the ability of Districts to execute programs with greater effectiveness in an innovative and nurturing environment.

(2) Program Management. This alternative achieves robust centers of knowledge through providing resources necessary to implement fully the Regional Business Center concept. The

HQ Washington Office is focused on is on relationships, programmatic functions and resources, and national policies and strategies. The purpose of the HQ Washington/Regional Office complex in tracking execution is only from the perspective of identifying problem areas and applying appropriate resources while providing a flexible, adaptive structure. This alternative specifically provides a core cadre of regionally-focused leaders to advise the USACE Commander in programmatic and performance areas while guiding the HQ Regional Offices and their Districts to assure that USACE accomplishes its mission in accordance with the Chief's vision. The HQ Regional Offices are the connectivity that holds things together. This fosters efficient and effective District operations. In many respects, the MSC gives flexibility in a Learning Organization environment - it provides the structure to look across multiple organizations and relationships to gather great ideas. Under Alternative 6, the HQ Regional Offices bridge the gap between executors (i.e., Districts) and policy and programmers (i.e., HQ Washington Office).

(3) National Interface. Alternative 6 provides a “center of mass” to align Corps priorities with those of the Administration and the Departments of Army and Defense. It provides a robust senior executive cadre in the HQ Washington Office to focus on relationships and to coordinate with the Congress, Office of Management and Budget, Federal agency headquarters, and other Washington-level offices.

(4) Strategic Planning. This alternative eliminates the fragmentation of strategic planning initiatives by providing a framework to facilitate all strategic planning in the HQ Washington Office into one structural element. This organizational alignment will assure synergy and integration in the development and execution of strategic plans and initiatives.

(5) Development of Policy and Guidance. Alternative 6 support the development of policy and guidance at only one hierarchical level, i.e., the HQ Washington Office, and that implementing regulations at subordinate organizational levels are neither necessary nor affordable in today's resource environment. This organization concept will promote the “One Corps” philosophy of the USACE Commander.

b. The primary functions of the HQ Regional Offices are Command and Control, Program Management, Regional Interface, and Quality Assurance. This alternative meets or enhances these functions, specifically:

(1) Command and Control. Alternative 6 fully supports the concept that each Major Subordinate Command is an extension of the HQ Washington Office. It facilitates the ability of the USACE Commander to exercise his “command and control” (C2) responsibilities over a large, diverse organization structure through subordinate Commanders responsible for command and control of assigned Districts, labs, and/or Centers of Expertise. To effect C2, it provides a regional management framework for the HQ Regional Office that is focused on the regional environment instead of project and program-specific work.

(2) Program Management. Alternative 6 extends the HQ Washington Office “centers of knowledge” into the HQ Regional Offices through the Regional Support Team (RST) concept. With all RSTs collocated with the HQ Washington Office, a learning environment throughout

USACE will be developed rather than current operations which foster many centers of knowledge operating in relative isolation. The HQ Regional Office will focus on managing the regional business center, leveling resources to meet regional needs, assuring capacity and capability, and managing regionally in accordance within the policies and guidance provided by higher echelon.

(3) Regional Interface. Closely related to the Program Management functions, this alternative also provides each HQ Regional Office with a cadre of knowledgeable experts to conduct regional interface responsibilities including strategic communications with customers, partners, stakeholders, and communication media. It facilitates the development of regional interface in the HQ Regional Offices through the establishment of a Regional Management Directorate focused on creating an environment for regional success.

(4) Quality Assurance. Integral to Program Management under Alternative 6 is the formation of a Regional Management Directorate responsible for assuring that quality objectives are integral to all work.

**6. Evaluation against Criteria.** The following criteria were considered in the development of Alternative 6:

**a. Alternative 6 supports accomplishment of Corps missions.**

(1) Alternative 6 structures the MSCs to serve as an extension of the HQ Washington Office and thereby enhance the capability of the USACE Commander to meet his Command and Control responsibilities. This alternative is designed around two compatible principles: (1) that the PMBP is the Corps corporate business process and (2) that each HQ Regional Office will operate regionally under the Regional Business Center (RBC) concept.

(2) At the core of Alternative 6 is the Program Management Business Process (PMBP) and the associated automated information system (P2). The full implementation of the PMBP and P2 will allow the Washington and Regional Offices to work together as "one-team" eliminating duplications of effort. The alternative will negate the requirement for the pass-through in the HQ Regional Offices of data, information, fact sheets, directives, policy and guidance, etc. This alternative recognizes that the fewer the times data and information are "touched", the greater the Corps' economic value as our products will become less costly. Program Management is enhanced under Alternative 6 through the establishment of HQ Regional Support Teams (RST) comprised of team members drawn from all Corps mission areas within a region and collocated with the HQ Washington Office. The HQ Regional Office structure in combination with the RSTs will foster the application of lessons learned between and among mission areas, cross-level resources to meet priority requirements, and assist the Commander in developing strategic goals and objectives for the Corps. All of the above will assure that the Corps is relevant in the 21<sup>st</sup> Century and is focused on the success of the partner, whether the Administration or the smallest local project sponsor or stakeholder. We will focus on relationships and bringing others into the team as full and respected partners.

(3) Alternative 6 greatly improves strategic planning within the Corps, an activity that is of paramount importance for all activities to be positioned to meet present and future needs of customers, stakeholders, partners and the Administration. This alternative brings all strategic planning under the facilitation of one organizational element under the Support Integration Directorate. Under this structure, a capable staff of strategic planners will form a nucleus to facilitate the integration of strategic issues throughout the command. This will assure that all strategic planning efforts are in concert with one another and in accordance with the CG's vision of the Corps.

(4) Alternative 6 also establishes the structure of the HQ Washington and Regional Offices to champion Quality Management (QM) throughout the production of all work Alternative 6 supports the "One-Headquarters" concept not only in name but also in actuality.

**b. Alternative 6 moves the Corps toward attaining the Ideal future state in year 2012.**

(1) Alternative 6 aligns with all elements of the Seven-S Model as discussed in paragraph 4. It promotes the Corps of Engineers as a Learning Organization.

(2) Alternative 6 will ensure that organizational missions, processes, and systems will be consistent throughout the HQ Regional Offices. As an example, no longer will the structure of the Mississippi Valley Division (MVD) differ as the MVD is not assigned a military mission.

(3) Alternative 6 will greatly enhance responsiveness to the customer, stakeholder, Congressperson, and the public as the Regional Support Teams of the HQ Regional Offices will be charged with relationship building, an objective that requires responsiveness.

(4) Alternative 6 will also provide a flexible and adaptable HQ organizational structure as previously discussed in relationship to the RST concept.

**c. Alternative 6 is strategically desirable.**

(1) Alternative 6 achieves co-production with customers and partners by integrating them fully into the project teams.

(2) Alternative 6 fosters strategic communication and relationship building. Moving the Public Affairs Offices into the Support Integration Directorate in the HQ Washington Office will foster the implementation of the Corps strategic communication processes and procedures under the PMBP. Establishment of the RSTs will implement the relationship-building portion of the strategic communication objectives.

(3) Alternative 6 continues to leverage technology by maintaining the current structure of the Engineering Research and Development Center (see paragraph 3.i.).

**d. The alternative is affordable and reduces costs.**

(1) Alternative 6, as with any initiative, will have associated start-up costs. Implementation is recommended to begin 1 Oct 03 with an immediate hiring freeze to begin establishing a “bank” to fund costs for Permanent Change of Station, Voluntary Separation Incentive Pay, and other expenditures that will be required. As some functions that must be resourced, recommend that the USACE Commander charter a steering committee comprised of GOs and SESs at the HQ level to recommend approval of recruitment actions. With implementation completion occurring approximately 14 months after start-up, the savings put in the “bank” between 1 Feb 03 and 30 Nov 04 should pay for all costs resulting in, perhaps, even a net savings. Specific cost details can only be speculated at this time.

(2) Alternative 6 yields a significant reduction in the HQ Washington and Regional Offices resulting in net long-term gains as previously discussed. The alternative produces long-term cost reductions.

(3) Alternative 6, as with any alternative for change, will face immediate rejection, as team members will initially fear this change and question, “What will happen to me?” However, Alternative 6 positively meets the recurring issues heard during personal surveys and through questionnaires receive (see Appendix B). It is the right thing to do and it will be incumbent for the Corps leadership to take care of its people. That is said not to assure they have a job in the future structure, but that all avenues are taken to help them through whatever transition they face, whether to a new job at the same location or a move to a new location. We must assure that retraining programs exist where needed and practicable and that counselors are available to discuss issues from personnel policies to transportation associated with PCS to termination of appointment. Appendix H provides implementation considerations including lessons learned from previous reorganization/restructuring efforts. We must learn from the past and incorporate lessons learned into support systems **to truly take care of all Corps team members**.

**e. The alternative can be implemented.**

(1) Alternative 6 should be acceptable based on the breadth of its achievements in meeting Corps objectives and the vision statement of the Chief of Engineers. There are several levels of acceptance that we must consider and focus on as we move toward this ideal future:

(a) For all team members, as stated above, any change will meet resistance, and it will be incumbent upon all managers and supervisors to help their team members fully understand the challenges that the Corps faces in the future.

(b) For political delegations at all levels of government, Alternative 6 should be acceptable with its focus on becoming more responsive and cost effective. Of especial importance at the Washington level should be the emphasis on Quality Management throughout the Corps.

(c) For others working with the Corps whether as stakeholders, cost-sharing partners, or at any other level, we should continue to embrace input and keep all informed to assure that unwarranted roadblocks do not impede this initiative to streamline the Corps.

(d) It is also important to note that this study has been conducted in an open environment seeking input from all involved with the Corps in development and execution of products. This open environment should go a long way to attaining acceptability of the selected alternative.

(2) To assure acceptability to the degree possible, Alternative 6 has considered all lessons learned as described in Appendix H, Implementation Considerations.

(3) As with any cultural change in the workplace, there is an undefined element of risk. To assure that risk is minimized, it is recommended that all Commanders and supervisors at the HQ Washington and Regional Offices receive in-depth training in two areas: (1) the procedural impacts of implementing this structural change and (2) impacts and options for affected team members. The training should be conducted in small groups and assure that there is sufficient time for discussion so that all misgivings can be addressed and discussed. The recommended format of this training would dovetail the training format currently being used to support implementation of the Project Management Business Process.

## **Alternative 7**

# **Integrated Corporate Alignment**

### **1. General Overview of Conceptual Design.**

a. Alternative 7 integrates the national and regional requirements into a consolidated command structure through the integration of the current HQUSACE and Major Subordinate Command (MSC) staffs, much in the same way as seen in Alternatives 5 and 6. Alternative 7 distinctively extends the integration of support services through an amalgamation across the entire headquarters (Washington and Regional offices). As with other alternatives, the basic tenets of this option consider the HQUSACE Washington, D.C. and the MSC Regional Offices as a single entity operating corporately and providing the strategic direction to enable the Districts to meet mission requirements. The following discussion of Alternative 7 restates many assumptions and recommendations stated in the discussions of Alternatives 1 through 6 and are presented in full to provide a complete discussion of Alternative 7.

b. Alternative 7 is based on the following assumptions:

(1) That the HQUSACE Washington Office will be structured under two major directorates reporting to the USACE Commander: Directorates of Civil Works and Military Programs.

(2) That the policy functional proponents for mission support elements will report to the Deputy Commanding General. These elements will include the Office of Chief Counsel, Human resources, Resource Management, and Corporate Information.

(3) That the support staff functions at the HQ Washington level will report to the Chief of Staff. The support elements include Safety and Occupational Health, Internal Review, Equal Employment Opportunity, Logistics Management, Small and Disadvantaged Business Utilization, History, and Chaplain.

(4) That regional support services will devolve into two support centers reporting to the Chief of Staff. The Support Centers will include Internal Review, Safety and Occupational Health, Equal Employment Opportunity, Logistics Management, Small and Disadvantaged Business Utilization, Resource Management, Corporate Information, and Human Resources.

(5) That each Major Subordinate Command (MSC), i.e., Division Office, will serve as an extension of the HQUSACE Washington office. Functions will not be duplicated in the Regional Commands.

(6) That each MSC Commander will function as a Regional Commander reporting to the USACE Commander.

(7) That each Regional Commander will focus on regional production under the Regional Business Center concept.

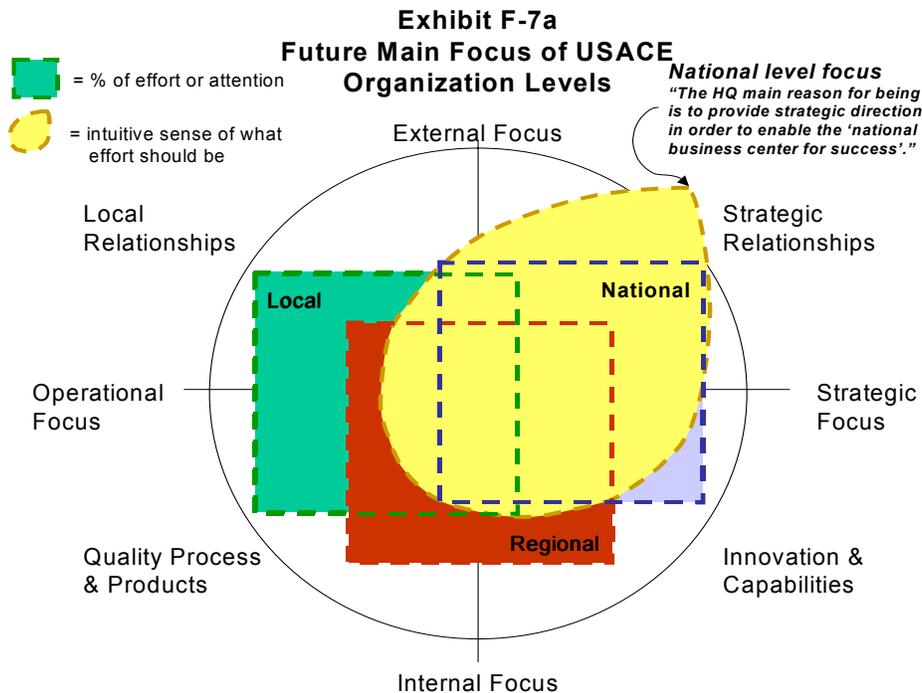
(8) That the HQ Washington Office will focus on program development, national interface, resource integration and prioritization, and enabling the Districts in the delivery of products, e.g., studies and projects.

(9) That the Project Management Business Process (PMBP) is the corporate business process and will be utilized consistently throughout the Corps.

(10) That organization structure will foster the creation of teams with common goals and purposes.

(11) That organizational relationships will ensure a culture that facilitates integration across functional lines

c. As with Alternative 6, Alternative 7 also incorporates strong underpinnings of the USACE 2012 concept as well as the Regional Business Center (RBC) 2012 concept. The USACE 2012 model developed was based on work previously accomplished by the Strategic Management Board (see Exhibit F-7a) to differentiate between the purpose and focus of the three major organizational levels of the Corps -- local, regional and national. Using an "x/y" axis, the team plotted major focus efforts, from operational to strategic (x-axis) and from internal to external (y-axis). The focus of the quadrants were described as "local relationships" (upper left), "strategic relationships" (upper right), "innovations and capabilities" (lower right) and "quality process and products" (lower left).

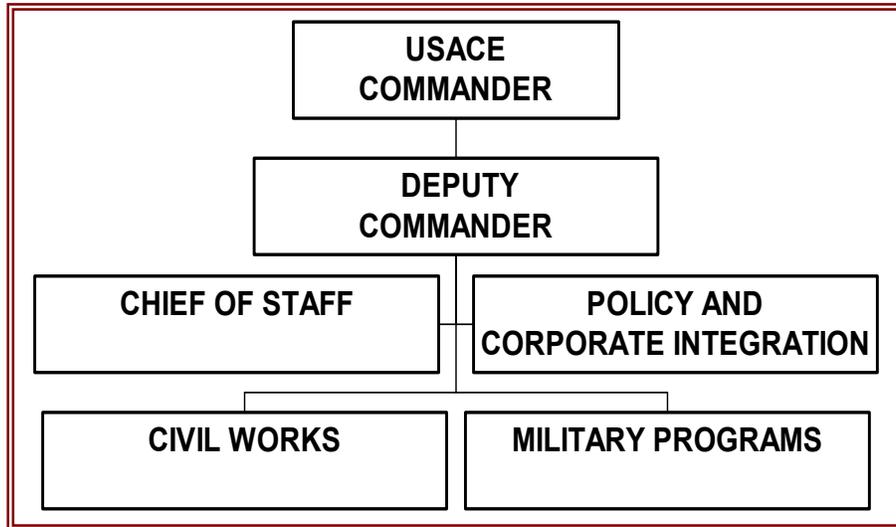


process and products" (lower left). Based on team member experience and understanding of work focus and using "percentage of effort or attention" as plotting points, the study team diagrammed the three organizational levels. The boxes in Exhibit F-7a represent the different

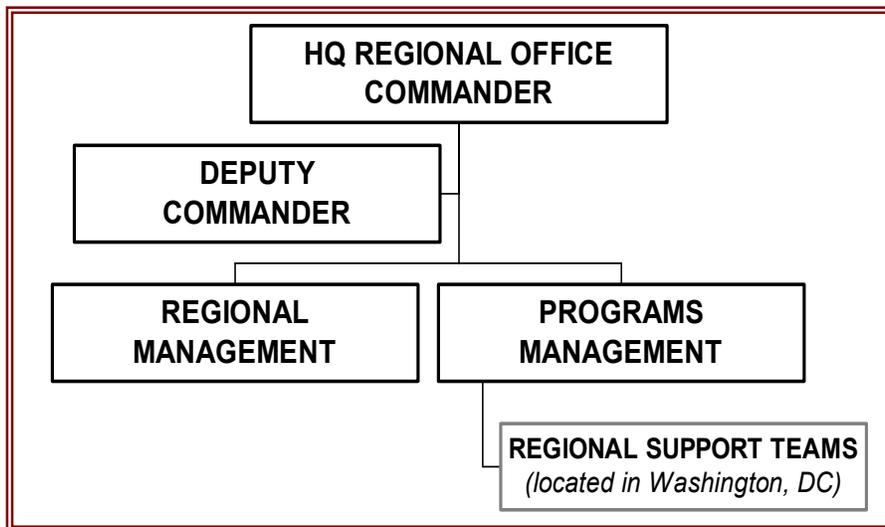
focus and relationships of each level. Finally, the team felt that the angular plotting of the diagrams did not adequately indicate the true nature of the national level focus. Therefore, they replotted the national level using a more elliptical approach and considering the need for greater emphasis on strategic relationships (the yellow “egg-like” figure). This led to the National focus statement that, ***“The HQ main reason for being is to provide strategic direction in order to enable to the ‘national business center’ for success.”***

- d. The major organizational elements of Alternative 7 include the following:

**Major Organizational Elements  
HQ Washington Office**



**Major Organizational Elements  
HQ Regional Command**



e. Alternative 7 provides that each MSC will be represented by a Regional Support Team (RST) located in Washington, D.C. The team will vertically and horizontally integrate with Technical Experts and Program Managers in the HQ Washington Office, Regional offices, and throughout the Regional Business Center. Team members from major mission areas and technical functions will be assigned to the RSTs and will report to the MSC Director of Programs Management (SES) located at the MSC home station. Each RST member will be rated by the

home organization, intermediate rated by an appropriate USACE functional proponent, and senior rated by the MSC Commander. This alignment is the same as found in Alternative 6 but differs from Alternative 5 where the RSTs would report to the HQ Washington Office. Each RST under the Alternative 7 scenario will:

(1) Serve as the HQ Regional Commander's team at the Washington level.

(2) Integrate all regional product lines into one team thereby providing organizational flexibility and adaptability.

(3) Working with the HQ Washington Office, establish and maintain relationships at the national level.

(4) Integrate mission areas including resources and program requirements.

(5) Conduct all policy reviews except for pre-authorization planning documents where responsibility will be assigned to the Office of Water Policy Review. The RSTs will serve as advocates for processing all reviews.

(6) Work with vertical and horizontal teams to develop priorities and resolve project-specific and/or regional program issues.

(7) Work with all USACE team members creating a teaming environment, both vertically and horizontally.

f. Alternative 7 considers the views and recommendations of USACE senior leaders, team members, functional proponents, and emerging leaders; non-Federal and Federal customers, partners, and stakeholders including the Departments of Army, Air Force, and Defense; members of the U.S. Congress, their staffs, and various congressional committee members; and others who responded to the study's survey questionnaire or who were interviewed.

g. Under this organizational alignment, the Headquarters (HQ) of the Corps will be:

(1) Positioned to develop collaborative partnerships with the U.S. Congress, Departments of Army and Air Force, Department of Defense, and other Federal agencies.

(2) Positioned to focus on policy and program development.

(3) Positioned to concentrate on national program and project issues.

(4) Positioned to be flexible and adaptable in meeting the needs of the Nation during peace and during times of war.

h. Alternative 7 assures that all operational functions are conducted below the Headquarters level, i.e., at the District level.

**3. Diagram of Structure and Relationships / Organization for HQ and MSC HQ.** Exhibits F-7b and F-7c provide the organization alignment for the Washington, D.C. Headquarters

(hereafter referred to as the HQ Washington Office) and the MSC offices (hereafter referred to as the HQ Regional Offices), respectively. These alignments incorporate the recommendations discussed in more detail in paragraph 3.

a. The HQ Washington Office structure (Exhibit F-7b) is aligned into two major directorates: Civil Works and Military Programs. Civil Works and Military Programs will be led by an Army Major General. The following major realignments are recommended in the Civil Works and Military Programs Directorates to foster the integration of and ability to meet mission needs.

(1) Align the following elements in the Civil Works Directorate: Programs Management, Planning and Policy, Project Operations, Engineering and Construction, and Homeland Security. Align the Institute for Water Resources (IWR), currently established as a Field Operating Agency, with the Civil Works Directorate. Each Division will be led by a member of the Senior Executive Service (SES).

(2) Align the following divisions in the Military Programs Directorate: Programs Management, Military Planning including the Interagency and International Support and Installation Support Programs, the USACE Operations Center (UOC), Real Estate, Research and Development, and the Principal Advisor Responsible for Contracting (PARC). The latter three elements support execution of both military and civil works projects but are more closely aligned with vertical construction and infrastructure (Military Programs).

(3) Position the following USACE policy functions as elements reporting to the HQUSACE Deputy Commanding General: Office of the Chief Counsel, Human Resources, Resource Management, and Corporate Information.

(4) Establish direct reporting alignment of the following elements with the HQUSACE Chief of Staff: Public Affairs Office, Executive Office, and Support Staff. The Support Staff includes: Security and Occupational Health, Internal review, Equal Employment Opportunity (EEO), Logistics Management, Small and Disadvantaged Business Utilization (SADBU), Congressional Activities, and Chaplain.

(5) Establish the Support Teams under the Chief of Staff. These support teams will provide the following services: Internal Review, Safety and Occupational Health, Equal Employment Opportunity, Logistics Management, Small and Disadvantaged Business Utilization, Information Management, and Human resources.

b. The HQ Regional Office structure (Exhibit F-7c) is focused on two primary areas: Programs Management and Regional Programs with both Directorates being led by a SES. The structure includes a senior Counsel serving as an advisor to the Regional Commander and a support element reporting to the Regional Deputy Commander including Human Resources, Internal Review, Strategic Communication, and Emergency Operations (including Security and Law Enforcement). Most of the support functions will be either obtained from supporting Districts under a Memorandum of Agreement (MOA), from the Support Teams in the HQ Washington Office, or outsourced to other government agencies or private industry.

(1) The Programs Management Directorate will integrate programs management for all mission areas assigned within the region. It is anticipated that 50 to 60 percent of the staff will be assigned to the Regional Support Team (RST) located in Washington, D.C. Team members in the HQ Regional Office will be assigned to the Programs Development Division focused on programming activities required to support all regional mission areas assigned within the Regional Business Center.

(2) The Regional Management Directorate will include two divisions: the Regional Capability Division focused on learning organization concepts and the Regional Direction Division focused on the Regional Business Center. The specific focus of the Regional Management Directorate will include the following:

(a) Planning for continued success of the Learning Organization.

(b) Advancing the Regional Business Center (RBC) concept.

(c) Implementing RBC strategic communications.

(d) Fostering the cultural change within the Corps to being a collaborative organization.

(e) Collaborating on and implementing regional strategic planning initiatives.

(f) Moving the Project Management Business Process forward as the corporate business process.

(g) Inculcating a collaborative approach to systems meeting information management needs.

c. Similar to the Regional Support Teams discussed above, Alternative 7 provides for the establishment of a Center Support Team (CST) physically located in Washington, D.C., but with assets belonging to Center Commanders. The CST will integrate programs and missions of the Huntsville Engineering Support Center, Transatlantic Program Center, and the Engineering Research and Development Center (ERDC).

**4. Mission, Roles, and Functions Analysis.** The following paragraphs describe the recommended changes in organizational design in the HQ Washington Office and the HQ Regional Office.

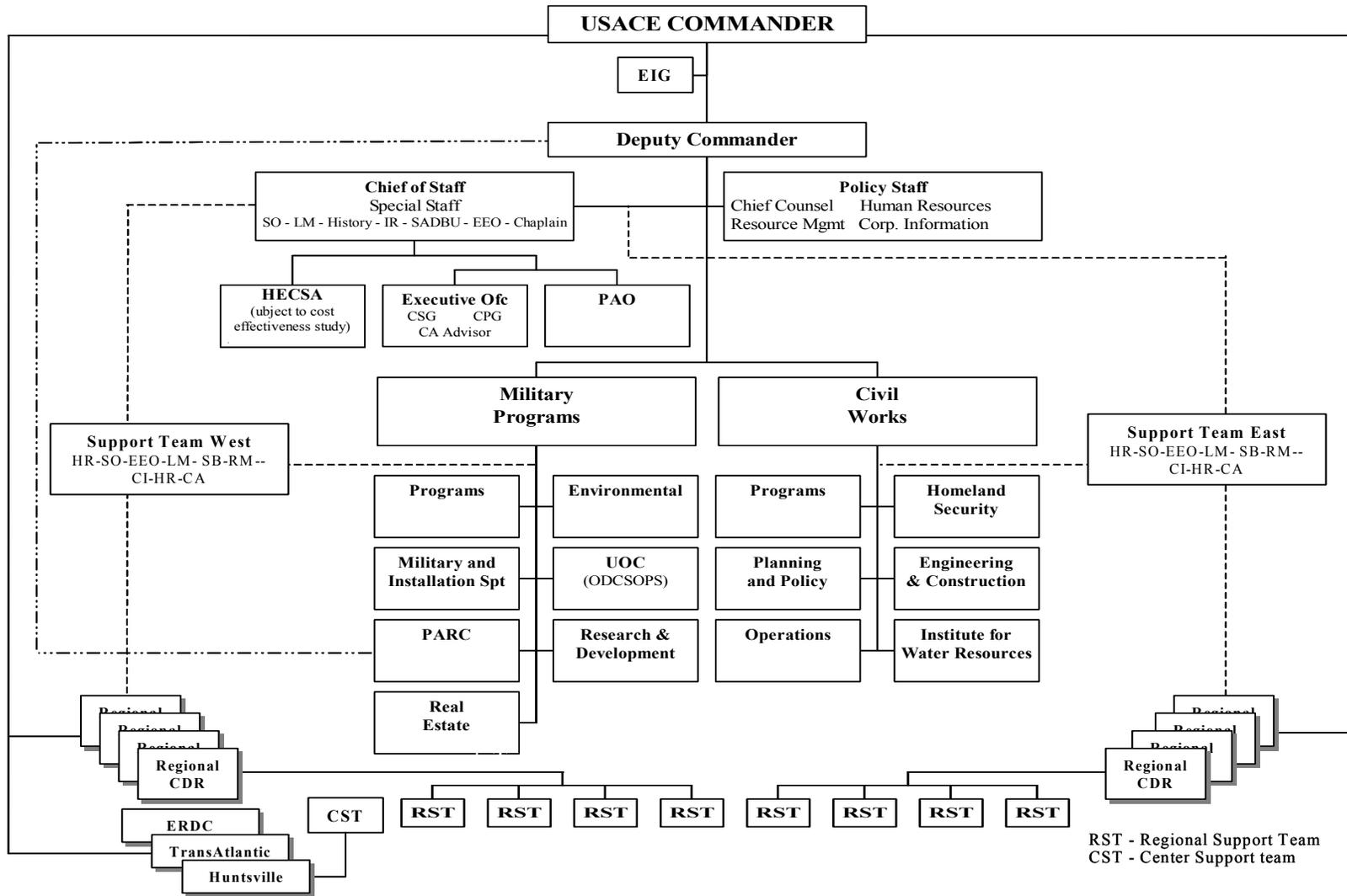
a. **Office of the Commanding General.** No changes are recommended.

(1) **Inspector General.** This function is only located in the HQ Washington Office. No changes are recommended. This recommendation is in accord with the ideal future envisioned by the functional proponent

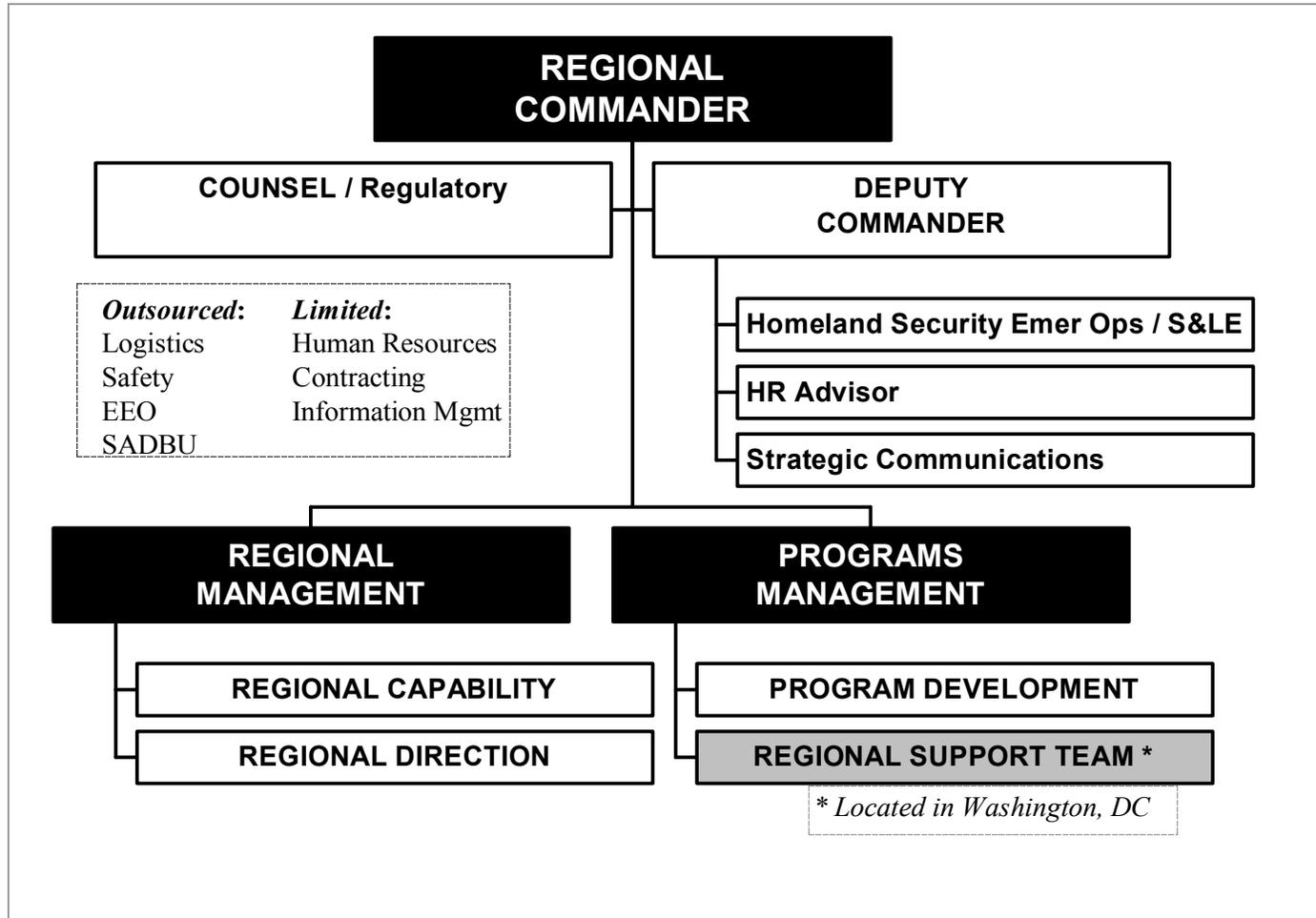
b. **Office of the Deputy Commanding General.**

(1) **Office of the Chief Counsel.**

**Exhibit F-7b  
Alternative 7 - HQ Washington Office**



**Exhibit F-7c  
Alternative 7 - HQ Regional Command**



Recommendation. As with many other functions, a change in culture incorporating a regional concept should be implemented to meet today's legal requirements. An increase in the HQ Washington Office staff may be required but will be more than offset by the decrease in staff in the HQ Regional Offices.

*HQ Washington Office*

- That the Office of the Chief Counsel will form part of the Policy and Corporate Integration element responding to the directions of the HQUSACE Deputy Commanding General.

*HQ Regional Office*

- That senior counsel and Regulatory Specialist positions should be authorized in the HQ Regional Office to provide advice and assistance to the HQ Regional Commander. The Regulatory Specialist would be reassigned from the MSC Operations Division.

That the requirement would be eliminated for HQ Regional Offices to review legal documents submitted to HQ Washington Office of Chief Counsel.

Basis for Recommendation. The roles and responsibilities of HQ Regional Offices of Counsel appear to vary significantly. While a senior attorney is needed in HQ Regional Offices to advise the Commander, the Offices of Counsel should not be involved in legal actions even when crossing District and/or MSC boundaries. Regional issues should be worked by either lead District Counsel or by the HQ Washington Office counsel. Additionally, the Regulatory Specialist and Counsel remaining in the HQ Regional Office should work together to advise the MSC Commander on all actions where authority is vested in the MSC Commander.

**(2) Human Resources (HR).**

Recommendation. Structure changes are recommended in the HQ Washington and Regional Offices. Recommend the conduct of a Functional Area Assessment (with validation) to determine if savings can be gained in the HQ Washington Office.

*HQ Washington Office.*

- That the HR policy and staff support services should be separated.
- That the HR policy function will become part of HQ's Policy and Corporate Integration element reporting to the HQUSACE Deputy Commanding General.
- That the HR staff support services in the HQ Washington Office will be provided by the Support Teams . The Support Team will annually negotiate services to be provided with program directors.

Basis for Recommendation. The current structural alignment that collocates USACE HR policy responsibilities with Headquarters staff service responsibilities is a detractor to efficiency.

*HQ Regional Office.*

- That an HR Advisor is required in the HQ Regional Offices to advise the Regional Commander.
- That HQ Regional Office requirements will be provided by a lead District(s), the HQ Washington Office Support Teams, or outsourced .
- That should services be provided by the HQ Washington Office Support Teams, annual negotiations will be conducted annually to assure that each HQ Regional Office is provided with the required level of effective support at the most economical cost.

Basis for Recommendation. The current structural alignment is a detractor to efficiency and economic business operations. With the implementation of the Army-wide regionalization of civilian personnel responsibilities, a change in culture was required. However, many remnants of the old ways of doing business still exist. In the HQ Washington Office, the HR staff should be engaged in developing USACE policy to implement higher echelon policy and guidance and to oversee implementation of specific HR programs within USACE. However, at the MSC level, there is still a tendency to revert to using the Director of Human Resources as the personal personnel advisor to the Commander for functions transferred to the CPAC/CPOC structure. The Personnel Specialist remaining on staff in the HQ Regional Offices should serve as the Commander's Human Resources Advisor.

This recommendation is in accord with the ideal future envisioned by the functional proponent. The HQ assets may be deployed regionally, lead MSCs, or Districts but the net impact on ED&M resources will be unchanged from the above analysis.

**(3) Resource Management (RM).**

Recommendation. Structural changes are recommended in the HQ Washington and Regional Offices. Additionally, recommend the conduct of a Functional Area Assessment (with validation) to determine if savings can be gained in the HQ Washington Office.

*HQ Washington Office.*

- That the RM policy and staff support services should be separated.
- That the RM policy function will become part of HQ's Policy and Corporate Integration element reporting to the HQUSACE Deputy Commanding General.
- That the RM staff support services in the HQ Washington Office will be provided by the Support Teams. The Support Teams will annually negotiate services to be provided.

Basis for Recommendation. The current structural alignment that is a detractor to efficiency and economic business operations. Alternative 7 recommends moving any staff service responsibilities to the Support Teams.

*HQ Regional Office.*

- That HQ Regional Office requirements will be provided by a lead District(s), the HQ Washington Office Support Teams, or outsourced .
- That should services be provided by the HQ Washington Office Support Teams, annual negotiations will be conducted annually to assure that each HQ Regional Office is provided with the required level of effective support at the most economical cost.

Basis for Recommendation. This service can be contracted Support Teams that will provide more efficient and economical support services. However, resource advisors should remain on staff in the HQ Regional Offices with responsibilities focused on managing the resources of the RBC and enabling mission execution in the Districts.

#### **(4) Corporate Information/Information Management (CI/IM).**

Recommendation. Structure changes are recommended in both the HQ Washington and Regional Offices.

##### *HQ Washington Office.*

- That the Corporate Information policy and Information Management automation support services should be separated.
- That the CI policy function will become part of HQ's Policy and Corporate Integration element reporting to the HQUSACE Deputy Commanding General.
- That the IM staff support services in the HQ Washington Office will be outsourced or provided by the Support Teams. The Support Teams will annually negotiate services to be provided.

Basis for Recommendation. The current structural alignment is a detractor to efficiency and economic business operations. Alternative 7 recommends moving any staff service responsibilities to the Support Teams.

##### *HQ Regional Office.*

- That HQ Regional Office requirements will be provided by a lead District(s), the HQ Washington Office Support Teams, or outsourced .
- That should services be provided by the HQ Washington Office Support Teams, annual negotiations will be conducted annually to assure that each HQ Regional Office is provided with the required level of effective support at the most economical cost.

Basis for Recommendation. The Corps' current structure is based on the industrial age where information management was a service and not integral to the development of corporate strategy. As we enter the new technological era, we must focus on using technology to efficiently, effectively, and economically support corporate business processes. Although the Corps strategic direction and associated planning for requirements should be developed and executed by USACE resources, operational requirements should be provided via contract in consonance

with the objectives of the President's Management Agenda or by Support Teams servicing a wide geographic area and producing efficiencies of scale.

This recommendation is in accord with the ideal future envisioned by the functional proponent who sees a dramatic increase in out-sourcing of information management/technology requirements.

**c. Office of the Chief of Staff.**

(1) **Command Planning Group.** No changes are recommended.

(2) **Public Affairs Office (PAO).** No changes are recommended.

**(3) Support Staff**

(a) **Chaplain,** This position is located in the HQ Washington Office only. No changes are recommended.

(b) **Security and Law Enforcement (S&LE).** This function should be integrated with the USACE Operations Center (UOC) in the HQ Washington Office and collocated with the Emergency Operations Center (EOC) in the HQ Regional Offices reporting to the Deputy Regional Commander.

This recommendation is not in accord with the ideal future envisioned by the functional proponent who sees a change in the function to Intelligence and Security with an increase in staff size at all levels. Alternative 7 considers that the "Intelligence" function should be supported through the Department of Army and a close relationship/synergy should be established between the DA and USACE security elements.

**(c) Equal Employment Opportunity (EEO).**

Recommendation. Although this function is required at each organizational level, it should be supported through the Support Team-East and Support Team-West with oversight vested in the HQ Washington Office reporting to the HQUSACE Chief of Staff. Structural change is only recommended in the HQ Regional Offices.

*HQ – Regional Office.*

- That all EEO positions should be abolished.
- That HQ Regional Office requirements will be provided by a lead District(s), the HQ Washington Office Support Teams, or outsourced .
- That should services be provided by the HQ Washington Office Support Teams, annual negotiations will be conducted annually to assure that each HQ Regional Office is provided with the required level of effective support at the most economical cost.

Basis for Recommendation. The HQ Washington Office has a small staff who report to the USACE Deputy Commander. Each HQ Regional Office also has a small staff who advise the MSC Commander.

A regional focus will allow for consistency in implementing EEO processes and programs. The HQ Washington Office should provide policy and functional oversight to the regional centers. The HQ Washington Office would monitor compliance, assure program quality, advise the USACE Commander, and provide policy and guidance to all USACE EEO offices.

(d) **History.**

Recommendation. This office is only located in the HQ Washington Office. Recommend the conduct of a Functional Area Assessment (with validation) to determine if savings can be gained. The office should report to the HQUSACE Chief of Staff.

Basis for Recommendation. In accordance with Army policy, each unit is required to maintain its unit history. Most, if not all, HQ Regional Offices do not employ Historians but assign responsibilities to write the annual history to various offices. An annual history is required to learn from our accomplishments as well as endeavors that were less than successful. However, with the advent of today's technological advances, much that was done in the past using the "stubby pencil" can now be automated and recorded quickly for posterity.

This recommendation is not in accordance with the ideal future envisioned by the functional proponent, which includes development and staffing of a Corps history museum, internal development of an integrated history system, a robust field history program, etc. Alternative 7 proposes that most of our historical requirements can and should be documented under contract with oral histories being obtained from only the most senior USACE team members, i.e., General Officers and Senior Executives.

(e) **Internal Review (IR).**

Recommendation. Structure changes are recommended in the HQ Regional Offices.

*HQ – Washington Office.*

- That all IR will report to the HQUSACE Chief of Staff.

*HQ – Regional Office.*

- That all IR positions should be abolished.
- That HQ Regional Office requirements will be provided by a lead District(s), the HQ Washington Office Support Teams, or outsourced .
- That should services be provided by the HQ Washington Office Support Teams, annual negotiations will be conducted annually to assure that each HQ Regional Office is provided with the required level of effective support at the most economical cost.

Basis for Recommendation. The unit assigned responsibility for the IR function represents the Commander's "honest broker" at all levels. Establishment of USACE Support Teams can maintain this honest-broker responsibility while providing economies of scale.

This recommendation is not in accord with the ideal future envisioned by the functional proponent who sees a growth in the IR strength from integral involvement in proactive efforts in “Enterprise Risk Management”.

**(f) Logistics Management (LM).**

Recommendation. No specific changes are recommended in the HQ Washington Office although the conduct of an FAA is recommended. It is recommended that the HQ Regional Offices should be abolished.

*HQ Washington Office.*

- That LM will report to the HQUSACE Chief of Staff.

*HQ – Regional Office.*

- That the MSC LM offices should be abolished.
- That HQ Regional Office requirements will be provided by a lead District(s), the HQ Washington Office Support Teams, or outsourced .
- That should services be provided by the HQ Washington Office Support Teams, annual negotiations will be conducted annually to assure that each HQ Regional Office is provided with the required level of effective support at the most economical cost.

Basis for Recommendation. Most of the actual HQ Regional Office logistics support is provided by a lead District through a Memorandum of Agreement (MOA). The MSC Director of Logistics (DOL) is involved in Homeland Security (see Homeland Security Function above), transmitting logistics policy and guidance to MSC and District offices, and working leasing costs and relocation of MSC headquarters offices, when required. The Homeland Security responsibilities under this alternative would be transferred to the Homeland Security Program Manager,

This recommendation is not in accord with the ideal future envisioned by the functional proponent who envisions the logistics function becoming more integrated with the project delivery mission function rather than a support function to the project delivery process

**(g) Small and Disadvantaged Business Utilization (SADBU).**

Recommendation. No specific changes are recommended in the HQ Washington Office. It is recommended that the HQ Regional Offices should be abolished.

*HQ Washington Office.*

- That SADBU will report to the HQUSACE Chief of Staff.

*HQ – Regional Office.*

- That all SADBU positions should be abolished.

- That HQ Regional Office requirements will be provided by a lead District(s), the HQ Washington Office Support Teams, or outsourced .
- That should services be provided by the HQ Washington Office Support Teams, annual negotiations will be conducted annually to assure that each HQ Regional Office is provided with the required level of effective support at the most economical cost.

Basis for Recommendation. While the HQ staff disseminates policy and guidance and provides reports to higher echelon, the MSC staffs spend the majority of their time in training activities and compiling data to forward to HQ.

**(h) Safety and Occupational Health (SOH).**

Recommendation. No specific changes are recommended in the HQ Washington Office. It is recommended that the HQ Regional Offices should be abolished and that a validated Functional Area Assessment should be conducted in the HQ Washington Office.

*HQ Washington Office.*

- That the SOH will report to the HQUSACE Chief of Staff.

*HQ – Regional Office.*

- That all SOH offices should be abolished.
- That HQ Regional Office requirements will be provided by a lead District(s), the HQ Washington Office Support Teams, or outsourced .
- That should services be provided by the HQ Washington Office Support Teams, annual negotiations will be conducted annually to assure that each HQ Regional Office is provided with the required level of effective support at the most economical cost.

Basis for Recommendation. The HQ staff disseminates policy and guidance and provides reports to higher echelon. Most of the MSC staffs efforts are centered on the redistribution of policy and guidance to the District level and compiling data for HQ. As the MSC focus for all activities should be on policy and guidance, MSC SOH offices should not visit project sites nor make specific safety recommendations on a by-project basis.

**d. Civil Works Directorate and MSC Civil Works Programs Functions.**

Recommendations.

*HQ – Washington Office.*

- That the Regional Support Teams (RST) established at the MSC level should be collocated with duty station in the HQ Washington Level. This RST alignment will produce a cadre of flexible, adaptable assets knowledgeable in diverse missions in a region with leaders able to integrate the needs and culture of all stakeholders, partners, and customers into a comprehensive and cohesive unit approach. The RSTs will free HQ Washington Office assets to focus on national program development, national interface,

resource integration and prioritization, and enabling the Districts in the delivery of products, e.g., studies and projects. Establishing the RSTs allows for the refocusing of the Civil Works Directorate on national issues.

*HQ – Regional Office.*

- That the HQ Regional Office will focus on traditional program development (resourcing) activities with the RSTs located in Washington, DC focusing on Program and Project-specific Management activities.
- That all Civil Works policy reviews except for pre-authorization planning documents will be conducted by the RSTs with vertical and horizontal communication, as required. To the extent practical, delegations will be provided to the lowest level, e.g., District or Center.

Basis for Recommendation. Alternative 7 seeks to provide an organizational structure that will achieve the following objectives:

- Foster the full integration of the USACE Project Management Business Process (PMBP) throughout the Corps including each Regional Business Center (RBC).
- Support the RBC on technical, policy, national/regional interface, and professional expertise.
- Assure that the Corps is responsive.
- Assure that the Corps is a learning organization.
- Develop processes to improve the delivery of quality products.
- Meet customer commitments.
- Meet administrative priorities.

Currently, redundancies exist between HQ and MSCs. For all documents going from the District level to HQUSACE (and passing through the MSC Regional Office), both the MSC and HQUSACE offices conduct policy and/or legal reviews. Additionally, both echelons develop policy and/or policy implementation plans, review planning and programming documents, develop program priorities, review reprogramming requests, etc. At times, these redundancies produce inefficiencies as differing views cause process delays.

**(1) Planning and Policy Division**

Recommendations. Structure changes are recommended for the HQ Washington Office.

*HQ Washington Office.*

- That an Office of Water Policy Review (OWPR) should be established in the Planning and Policy Division with primary responsibility for, reviewing pre-authorization planning reports. The OWPR will align with the RSTs during the review of policy issues within their purview. The RSTs will serve as the advocates for processing of all reviews.
- That the congressional support function currently assigned outside of the Civil Works Directorate should be combined with the Legislative Management Branch in Planning

and Policy Division. This function primarily supports the USACE Civil Works program and should remain a HQ function.

- That savings generated through establishing RSTs will be partially offset by establishing the OWPR.

## **(2) Programs Division**

Recommendations. No structure changes are recommended.

### *HQ Washington Office.*

- That a Functional Area Assessment should be conducted (and validated) to determine appropriate staffing level.
- That savings of FTEs from the current staffing level will be gained by reducing redundancies between the HQ Washington and Regional Offices with the establishment of RSTs located in Washington, D.C.

## **(3) Operations Division**

Recommendations.

### *HQ Washington and Regional Offices.*

- That a Functional Area Assessment should be conducted (and validated) to determine appropriate staffing level.
- That savings from the current staffing level will be gained by reducing redundancies between the HQ Washington and Regional Offices with the establishment of RSTs and location in Washington, D.C.

## **(4) Homeland Security.**

Recommendation. Structure changes are needed in both the HQ Washington and Regional Offices.

### *HQ Washington Office*

- That HQ should continue plans to establish a Homeland Security (HS) Office (SES) located within the Civil Works Directorate and assuring that all programs are brought under the HS umbrella.
- That the HS should include Security and Law Enforcement team members and responsibilities.

### *HQ Regional Office*

- That each HQ Regional Office should maintain an Emergency Operations Center (EOC) reporting to the Deputy Commander and including the Security and Law Enforcement function.

Basis for Recommendation. Currently, Homeland Security (HS) functions are assigned and executed in a number of organizational elements in the HQ Washington and Regional Offices. The HS should include the USACE Operations Center responsible for all contingency (military) and emergency (civil) operations.

With the changes that have occurred in the security requirements of the Nation since “9-11”, it is prudent for the Corps to establish responsible offices for Homeland Security in the HQ Washington Office and operate EOCs in HQ Regional Offices. The HQ Washington Office is currently undertaking this change in organizational structure by hiring a term-SES and realigning security functions under one leader. This will include the Risk Assessment Methodology for Dams (RAM-D) program, Anti-Terrorism/Force Protection (AT/FP) program, Critical Project Security Program (CPSP), and Emergency Operations. At the MSC level, responsibilities for HS Programs are assigned to different functional elements. Using one MSC as an example, the RAM-D program was managed by the Military and Technical Directorate with the program being turned over to the Civil Works Management Division for Program Management of CPSP projects. In this same MSC, the security provisions for USACE administrative facilities are the responsibility of the Director of Logistics (DOL), a one-person office. The MSC Security Officer is included on the team. In other MSCs, CPSP execution is assigned often to the Civil Works Operations Division. There are no known plans at the MSC level to develop a consolidated Homeland Security approach.

#### **(5) Engineering and Construction (E&C).**

Recommendations. Structure changes are recommended in HQ Regional Offices. It is further recommended that the HQ Washington Office conduct a Functional Area Assessment (with validation) to determine the extent of savings that can be gained.

##### *HQ – Regional Office.*

- That technical experts will be located at District offices.
- That the HQ Regional Offices, operating through the Regional Business Centers, will call upon technical experts to support regional requirements.

Basis for Recommendation. As E&C functions are core competencies of USACE, providing the necessary expertise at the appropriate levels is paramount to our success. Keeping in mind that the function of the HQ Regional Office is to provide policy and guidance and to act as an extension of the HQ Washington Office, it is important to strategically determine the level of expertise needed to provide the requisite engineering expertise to retain a viable engineering program and our core competencies.

Currently, the HQ Washington Office staff provides E&C support to USACE. Staffs in the HQ Regional Offices include varying disciplines. The MSCs are in the process of developing registries of District functional experts to meet regional requirements. These “regional experts” are supported by generic position descriptions (generally one-grade higher than their peers) developed in early 2001 by the HQ Directorate of Human Resources. The regional utilization of

technical experts will preclude the need for duplication of technical expertise in the HQ Washington and Regional Offices.

**(6) Institute for Water Resources (IWR).**

Recommendations. That a Functional Area Assessment (with validation) be conducted to determine appropriate ED&M staffing levels for the Institute for Water Resources. Ideally, this organization should be comprised of world-class water policy experts supporting the strategic functions of the Headquarters. In recent years, the focus of IWR has shifted to reimbursable work and less on forward-looking water policy issues. Resource implications are currently unknown. As with recommendations for other offices included in Alternative 7, it is recommended that a FAA should be conducted and validated to determine the appropriate number of ED&M-funded FTEs for the IWR.

**e. Military Programs Directorate.**

**(1) Programs Division.**

Recommendation. Structure changes in the HQ Washington and Regional Offices are recommended.

*HQ Washington Office.*

- That the Military Programs Directorate (CEMP) be realigned as follow:
  - Maintain the Programs Management and Environmental Divisions as currently established.
  - Establish the Military Planning Division comprised of assets from the Installation Support Division and the Interagency and International Services Division.
  - Realign the Real Estate Directorate into CEMP as the Real Estate Division.
  - Realign the Research and Development Directorate into CEMP as the Research and Development Division.
  - Realign the Office of the Principal Assistant Responsible for Contracting (PARC) into the Military Programs Directorate.
  - That the Management Support Office FTE strength should be reduced.

*HQ Regional Office.*

- That the Military Programs, Hazardous/Toxic/Radioactive/Waste (HTRW), and Support For Others Division in the Military and Technical Directorate should be abolished with one or two team members assigned to the Regional Support Team stationed in the Washington, D.C. area. The number of team members to be dependent on the size, complexity, and risk associated with the programs of the HQ Regional Office.

Basis for Recommendation. Not unlike the Civil Works functions discussed above, the Military Programs functions also require vertical and horizontal communication and teaming. In the HQ Regional Offices, minimal programming and direct regional customer contact is required

negating the need for a structural framework to service regional customers, partners, and stakeholders. The latter responsibilities, when required, would be performed by the RSTs or Districts.

(2) **Military Planning Division.** Structural changes are recommended in the HQ Washington and Regional Offices.

Recommendation.

- That the Interagency and International Services Division should be combined with the Installation Support Division with an increased emphasis on military programs strategic planning in support of the military mission and the warfighters across the spectrum of military operations.

Basis for Recommendation. The HQ focus in the areas of interagency, international, and installation support should focus on enabling the Corps to support the warfighter. The current configuration of these reimbursable support areas is divided between several offices and is currently more tactical than strategically focused. With all operational functions being located at the District level, this configuration will facilitate the ability of the HQ Washington Office to serve as a platform to support the highest priority engineering needs of the Nation.

(3) **Environmental Division.** No changes are recommended.

(4) **Real Estate (RE).**

Recommendation. Structure changes are recommended in both the HQ Washington and Regional Offices. It is further recommended that the HQ Washington Office conduct a Functional Area Assessment (with validation) to determine the extent of savings can be gained. Although a FAA was recently conducted, the FAA should be validated and the parameters to be developed by the Implementation Team should be overlaid on the previous FAA to determine proper staffing levels.

*HQ Washington Office.*

- That the Real Estate Directorate should be realigned under the Military Programs Directorate as the Real Estate Division.

*HQ Regional Office.*

- That the HQ Regional Office responsibilities should be assigned to Districts in all areas where they can be delegated or to the HQ Washington Office where they cannot be delegated.

Basis for Recommendation. Often the HQ Regional Offices serve as a pass-through to the HQ Washington Office to obtain approval for District actions. The relocation of functions to Districts and/or HQ would reduce the strain on ED&M resources and improve the timely delivery of real estate products to customers.

This recommendation is not in accord with the ideal future envisioned by the functional proponent who envisions the establishment of lead districts in each MSC and the integration of all RE automated systems, e.g., REMIS, into the Corps of Engineers Financial Management System (CEFMS).

**(5) Principal Assistant Responsible for Contracting (PARC).**

Recommendation. Structure changes are recommended in both the HQ Washington and Regional Offices. Recommend the conduct of a Functional Area Assessment (with validation) to determine if savings can be gained.

*HQ Washington Office.*

- That the Office of the PARC should be realigned under the Military Programs Directorate.
- That delegation of authority for contract execution should be maximized to the greatest extent possible at the District level.
- That the PARC office should be expanded, subject to conduct of a Functional Area Assessment, to include Regional Contracting Specialists responsible for supporting one or more regions each and for coordinating program requirements and approvals within the HQ Washington Office.

*HQ Regional Office.*

- That the office of the Director of Contracting (DOC) should be eliminated from the HQ Regional Offices.

Basis for Recommendation. The current functional alignment includes the Office of the PARC (SES) in the HQ Washington Office and the DOC (GS-14) in the HQ Regional Offices. The HQ Washington Office retains authority for most actions not delegated to the District level. The HQ Regional DOC often functions in a review and forwarding, or pass-through, capacity. Also to be noted is that the Engineering Federal Acquisition Regulation requires an Acquisition Strategy Board (ASB) in each Regional Business Center but does not require that the ASB include the DOC as member or chair.

**(6) Research and Development.** No structure change is recommended but relocation of the office in the HQ Washington Office is recommended. This function is only located in the HQ Washington Office.

Recommendation.

*HQ Washington Office.*

- That the Research and Development Directorate should be realigned under the Military Programs Directorate as the Research and Development Division.

Basis for Recommendation. This recommendation appears to be in accord with the ideal future envisioned by the functional proponent.

This recommendation appears to be in accord with the ideal future envisioned by the functional proponent.

**(7) USACE Operations Center (UOC).**

Recommendation. No structure change is recommended but relocation of the office in the HQ Washington Office is recommended. This function is only located in the HQ Washington Office. also regional Emergency Operations Centers are located within the HQ Regional Offices and are discussed in another section of this Alternative.

*HQ Washington Office.*

- That the UOC should be realigned under the Military Programs Directorate.
- That the Security and Law Enforcement function should be located within the UOC.

Basis for Recommendation.: The UOC and the Security and Law Enforcement functions should be relocated to Military Programs to support the Nation's security during times of natural and man-made disasters, including times of peace and war.

f. **Support Teams.** To achieve economies of scale in providing support services to the HQ Washington and Regional Offices, the following support services should be established in two teams to support Headquarters mission accomplishment: Internal Review, Safety and Occupational Health, Equal Employment Opportunity, Logistics Management, Small and Disadvantaged Business Utilization, Resource Management, Information Management, and Human Resources. Each of these support services has been discussed in the paragraphs above.

g. **Business Management Office (BMO).**

Recommendation. Structural change is recommended in the HQ Regional Offices. This office is only located at the MSC level.

*HQ - Regional Office.*

- That the office currently referred to as the BMO be changed to Regional Management Directorate to more accurately reflect assigned responsibilities including support for the Regional Management Board, Division Command Council, and similar corporate entities.
- That the Regional Management Directorate will focus on operating the Regional Business Center (RBC). Specific focus of the Regional Management Directorate will include the following: Planning for continued success of the Learning Organization; advancing the Regional Business Center (RBC) concept; implementing RBC strategic communications; fostering the cultural change within the Corps to being a collaborative organization; collaborating on and implementing regional strategic planning initiatives; moving the Project Management Business Process forward as the corporate business

process; inculcating a collaborative approach to systems meeting information management needs;

- The Regional Management Directorate will include two divisions: the Regional Capability Division focused on learning organization concepts and the Regional Direction Division focused on the Regional Business Center.

Basis for Recommendation. The BMO function is only located at the MSC level. The size, complexity, and responsibilities of the Business Management Offices (BMO) throughout the Corps differ significantly. Examples of the differences include some BMOs being responsible for Information Management while others with the full breadth of developing and managing the Interagency and International Services function. Under the Regional Business Center concept, there is an existing need to assure the enabling of District offices to execute their missions. This includes assuring capacity in the areas needed and building a capable workforce for the future.

#### 1. **Water Management and Fish Management.**

Recommendations. Change is recommended in the HQ Regional Office only.

*HQ Regional Office.*

- That all operational programs should be assigned at the District level. Where programs cross District boundaries, a lead District will be assigned to manage the program with execution of work conducted in the District with assigned Area of Responsibility (AOR), unless other agreement is reached between all Districts..

Basis for Recommendation. There is no specific office assigned responsibility for water management in the HQ Washington Office.

#### 4. **7-S Assessment.**

a. Shared Values. Alternative 7 incorporates the shared values needed to support the Regional Business Center concept and the Project Management Business Process (PMBP) as the corporate business process. Implementing this organizational structure to incorporate these shared values will motivate a change in culture throughout the HQ Washington and Regional Offices. Developing shared cultural values and common goals and objectives will permeate throughout the entire USACE organization as operating procedures change. As this alternative incorporates many comments and ideas provided from USACE team members during the survey, the change should be welcome throughout the Corps.

b. Stakeholder Values. As discussed above under Organizational Design, several initiatives in Alternative 7 are based on the need to meet customer commitments, develop strategic communications with stakeholders at all levels, and deliver projects on time and at a reasonable cost. Using the PMBP and aligning our structure around the corporate business process will systematically engage and align Corps' activities with the needs and requirements of our stakeholders. Incorporating Regional Support Teams in the HQ Washington Office will greatly

enhance our value to our customers as horizontal and vertical communication are greatly enhanced providing a more responsive Corps of Engineers.

c. Strategy. Alternative 7 stresses the importance of strategic involvement throughout the HQ Washington and Regional Offices with a strategic planning cell established to facilitate all efforts throughout USACE. The strategic environment captured through this alternative is focused on engaging today's stakeholders with tomorrow's plans. It also focuses the HQ Regional Offices on developing capability and capacity at the levels necessary to meet today's mission needs and tomorrow's challenges. At all levels of the Corps, this alternative removes redundancies. Of strategic significance is that not all functions will reside in the HQ Regional Offices and that technical expertise will be placed in District offices. The technical capability will become an asset to meet regional and national requirements. During implementation of this alternative, it will be essential that the Corps develops strategies and processes to assure that Regional Commanders have the resources needed and yet are not held responsible for those functions that do not reside within their Command.

d. Systems. Alternative 7 is based on the Project Management Business Process (PMBP) serving as the corporate business process into the foreseeable future. It also realizes that corporate information must be developed strategically to support the business processes utilized to achieve mission goals and objectives but that most automated system requirements should be obtained through outsourcing.

e. Skills. Alternative 7 also recognizes the requisite need for professional skills to include the ability, knowledge, understanding, and judgment of individuals and teams to accomplish multiple tasks. This alternative is designed to incorporate Functional Area Assessments (FAA) in areas where the validity of functional expertise and/or requirements are in doubt. Each FAA conducted must be validated by a team external to the organization conducting the FAA to assure that only mission essential tasks are executed without redundancy at other organizational levels.

f. Style. While the leadership style incorporated in Alternative 7 maintains a hierarchical structure, it establishes a cadre of top executives to assure better integration of missions and functions, to serve as a core advisory team to the USACE Commander, and to incorporate the "Learning Organization" concept as a main focus of USACE. This alternative truly enhances vertical communications with the development of Regional Support Teams at the HQ Regional Office level with duty station collocated with the HQ Washington Office. The "style" of Alternative 7 can best be characterized as "a learning, empowered organization".

g. Structure. The structure of Alternative 7 integrates like functions and missions, eliminates the stovepipe environment, focuses on vertical and horizontal teaming and communications, and achieves economies in scale through the establishment of Support Teams to provide various mission support services.

## **5. Rationale for Design.**

a. The primary functions of the HQ Washington Office are Command and Control, Program Management, National Interface and Strategy, and Development of Policy and Guidance. This alternative meets or enhances these functions, specifically:

(1) Command and Control. Essential to any flexible, responsive organization is centralized control with decentralized execution. The fundamental issue is always “how much control is enough?” Alternative 7 supports the concept of a top management team functioning more as “advisors” to the Commander than as controlling directors. It also assures that each Major Subordinate Command is an integrated extension of the Headquarters office in Washington, D.C. This will facilitate the ability of the USACE Commander to exercise his “command and control” responsibilities over a large, diverse organization structure comprised of the headquarters office, 8 MSCs, 41 District offices, 7 labs, and numerous Centers of Expertise. The breadth, scope, and diversity of the USACE program are too extensive to facilitate the conduct of Command and Control from the Washington level alone. Maximizing decentralized authority to the District level to the greatest degree possible will support the ability of Districts to execute programs with greater effectiveness in an innovative and nurturing environment.

(2) Program Management. This alternative achieves robust centers of knowledge through providing resources necessary to implement fully the Regional Business Center concept. The HQ Washington Office is focused on relationships, programmatic functions and resources, and national policies and strategies. The purpose of the HQ Washington/Regional Office complex in tracking execution is only from the perspective of identifying problem areas and applying appropriate resources while providing a flexible, adaptive structure. This alternative specifically provides a core cadre of regionally-focused leaders to advise the USACE Commander in programmatic and performance areas while guiding the HQ Regional Offices and their Districts to assure that USACE accomplishes its mission in accordance with the Chief’s vision. The HQ Regional Offices are the glue and connectivity that hold things together to foster efficient and effective District operations. In many respects, the HQ Regional Offices give flexibility in a Learning Organization environment - it provides the structure to look across multiple organizations and relationships to gather great ideas. Under Alternative 7, the HQ Regional Offices bridge the gap between executors (i.e., Districts) and policy and programmers (i.e., HQ Washington Office).

(3) National Interface. Alternative 7 provides a “center of mass” to align Corps priorities with those of the Administration and the Departments of Army and Defense. It provides a robust senior executive cadre in the HQ Washington Office to focus on relationships and to coordinate with the Congress, Office of Management and Budget, Federal agency headquarters, and other Washington-level offices.

(4) Strategic Planning. This alternative eliminates the fragmentation of strategic planning by providing a framework to facilitate all strategic planning in the HQ Washington Office.

(5) Development of Policy and Guidance. Alternative 7 support the development of policy and guidance at only one hierarchical level, i.e., the HQ Washington Office, and that implementing regulations at subordinate organizational levels are neither necessary nor affordable in today’s resource environment. This organization concept will promote the “One

Corps” philosophy of the USACE Commander.

b. The primary functions of the HQ Regional Offices are Command and Control, Program Management, Regional Interface, and Quality Assurance. This alternative meets or enhances these functions, specifically:

(1) Command and Control. Alternative 7 fully supports the concept that each Major Subordinate Command is an extension of the HQ Washington Office. It facilitates the ability of the USACE Commander to exercise his “command and control” (C2) responsibilities over a large, diverse organization structure through subordinate Regional Commanders responsible for command and control of assigned Districts, labs, and/or Centers of Expertise. To effect C2, it provides a regional management framework for the HQ Regional Office that is focused on the regional environment instead of project and program-specific work.

(2) Program Management. Alternative 7 extends the HQ Washington Office “centers of knowledge” into the HQ Regional Offices through the Regional Support Team (RST) concept. With all RSTs collocated with the HQ Washington Office, a learning environment throughout USACE will be developed rather than current operations which foster many centers of knowledge operating in relative isolation. The HQ Regional Office will focus on managing the regional business center, leveling resources to meet regional needs, assuring capacity and capability, and managing regionally in accordance within the policies and guidance provided by higher echelon.

(3) Regional Interface. Closely related to the Program Management functions, this alternative also provides each HQ Regional Office with a cadre of knowledgeable experts to conduct regional interface responsibilities including strategic communications with customers, partners, stakeholders, and communication media. It facilitates the development of regional interface in the HQ Regional Offices through the establishment of a Regional Management Directorate focused on creating an environment for regional success.

(5) Quality Assurance. Integral to Program Management under Alternative 7 is the formation of a Regional Management Directorate responsible for assuring that quality objectives are integrated into all work.

6. **Evaluation against Criteria.** The following criteria were considered in the development of Alternative 7:

a. **Alternative 7 supports accomplishment of Corps missions.**

(1) Alternative 7 structures the MSCs to serve as an extension of the HQ Washington Office and thereby enhances the capability of the USACE Commander to meet his Command and Control responsibilities. This alternative is designed around two compatible principles: (1) that the PMBP is the Corps corporate business process and (2) that each HQ Regional Office will operate regionally under the Regional Business Center (RBC) concept.

(2) At the core of Alternative 7 is the Program Management Business Process (PMBP) and the associated automated information system (P2). The full implementation of the PMBP and P2

will allow the Washington and Regional Offices to work together as "one-team" eliminating duplications of effort. The alternative will negate the requirement for the pass-through in the HQ Regional Offices of data, information, fact sheets, directives, policy and guidance, etc. This alternative recognizes that the fewer the times data and information are "touched", the greater the Corps' economic value as our products will become less costly. Program Management is enhanced under Alternative 7 through the establishment of HQ Regional Support Teams (RST) comprised of team members drawn from all Corps mission areas within a region and collocated with the HQ Washington Office. The HQ Regional Office structure in combination with the RSTs will foster the application of lessons learned between and among mission areas, cross-level resources to meet priority requirements, and assist the Commander in developing strategic goals and objectives for the Corps. All of the above will assure that the Corps is relevant in the 21<sup>st</sup> Century and is focused on the success of the partner, whether the Administration or the smallest local project sponsor or stakeholder. We will focus on relationships and bringing others into the team as full and respected partners.

(3) Alternative 7 greatly improves strategic planning within the Corps, an activity that is of paramount importance for all activities to be positioned to meet present and future needs of customers, stakeholders, partners and the Administration. This alternative brings all strategic planning under the facilitation of one organizational element under the Support Integration Directorate. Under this structure, a capable staff of strategic planners will form a nucleus to facilitate the integration of strategic issues throughout the command. This will assure that all strategic planning efforts are in concert with one another and in accordance with the CG's vision of the Corps.

(4) Alternative 7 also establishes the structure of the HQ Washington and Regional Offices to champion Quality Management (QM) throughout the production of all work Alternative 7 supports the "One-Headquarters" concept not only in name but also in actuality.

**b. Alternative 7 moves the Corps toward attaining the Ideal future state in year 2012.**

(1) Alternative 7 aligns with all elements of the Seven-S Model as discussed in paragraph 4. It promotes the Corps of Engineers as a Learning Organization.

(2) Alternative 7 will ensure that organizational missions, processes, and systems will be consistent throughout the HQ Regional Offices. As an example, no longer will the structure of the Mississippi Valley Division (MVD) differ as the MVD is not assigned a military mission.

(3) Alternative 7 will greatly enhance responsiveness to the customer, stakeholder, Congressperson, and the public as the Regional Support Teams of the HQ Regional Offices will be charged with relationship building, an objective that requires responsiveness.

(4) Alternative 7 will also provide a flexible and adaptable HQ organizational structure as previously discussed in relationship to the RST concept.

**c. Alternative 7 is strategically desirable.**

(1) Alternative 7 achieves co-production with customers and partners by integrating them fully into the project teams.

(2) Alternative 7 fosters strategic communication and relationship building. Establishing the RSTs will implement the relationship-building portion of the strategic communication objectives.

(3) Alternative 7 continues to leverage technology by maintaining the current structure of the Engineering Research and Development Center (see paragraph 3.i.).

**d. The alternative is affordable and reduces costs.**

(1) Alternative 7, as with any initiative, will have associated start-up costs. Implementation is recommended to begin 1 Oct 03 with an immediate hiring freeze to begin building a “bank” to fund costs for Permanent Change of Station, Voluntary Separation Incentive Pay, and other expenditures that will be required. As some functions must be resourced, recommend that the USACE Commander charter a steering committee comprised of GOs and SESs at the HQ level to recommend approval of recruitment actions. With implementation completion occurring approximately 24 months after start-up, the savings put in the “bank” should pay for all costs resulting in, perhaps, even a net savings. Specific cost details can only be speculated at this time.

(2) Alternative 7 yields a significant reduction in the HQ Washington and Regional Offices resulting in net long-term gains as previously discussed. The alternative produces long-term cost reductions.

(3) Alternative 7, as with any alternative for change, will face immediate rejection as team members will initially fear this change and question, “What will happen to me?”. However, Alternative 7 positively meets the recurring issues heard during personal surveys and through questionnaire responses. It is the right thing to do and it will be incumbent for the Corps leadership to take care of its people. That is said not to mean to assure they have a job in the future structure, but that all avenues are taken to help them through whatever transition they face, whether to a new job at the same location, a move to a new location, or retirement. We must assure that retraining programs exist where needed and practicable and that counselors are available to discuss issues from personnel policies to transportation associated with PCS to termination of appointment. Appendix H provides implementation considerations including lessons learned from previous reorganization/restructuring efforts. We must learn from the past and incorporate lessons learned into support systems **to truly take care of all Corps team members.**

**e. The alternative can be implemented.**

(1) Alternative 7 should be acceptable based on the breadth of its achievements in meeting Corps objectives and the vision statement of the Chief of Engineers. There are several levels of acceptance that we must consider and focus on as we move toward this ideal future:

(a) For all team members, as stated above, any change will meet resistance, and it will be incumbent upon all managers and supervisors to help their team members fully understand the challenges that the Corps faces in the future.

(b) For political delegations at all levels of government, Alternative 7 should be acceptable with its focus on becoming more responsive and cost effective. Of especial importance at the Washington level should be the emphasis on Quality Management throughout the Corps.

(c) For others working with the Corps whether as stakeholders, cost-sharing partners, or at any other level, we should continue to embrace input and keep all informed to assure that unwarranted roadblocks do not impede this initiative to streamline the Corps.

(2) It is also important to note that this study has been conducted in an open environment seeking input from all involved with the Corps in development and execution of products. This open environment should go a long way in attaining acceptability of the selected alternative.

(3) To assure acceptability to the degree possible, Alternative 7 has considered all lessons learned as described in Appendix H, Implementation Considerations.

(4) As with any cultural change in the workplace, there is an undefined element of risk. To assure that risk is minimized, it is recommended that all Commanders and supervisors in the HQ Washington and Regional Offices receive in-depth training in two areas: (1) the procedural impacts of implementing this structural change and (2) impacts and options for affected team members. The training should be conducted in small groups and assure that there is sufficient time for discussion so that all misgivings can be addressed and discussed. The recommended format of this training would dovetail the training format currently being used to support implementation of the Project Management Business Process.

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## **SECTION IV –Comparison of Alternatives**

Exhibit F-8 provides a summary comparison of evaluation criteria on the six alternatives discussed in Section III. Although each alternative suggests there will be offsetting costs, these costs have not been evaluated and are not included in the exhibit. These costs would accrue primarily from the need to maintain many support functions in the HQ Regional Offices either through outsourcing or through direct District support. The HQ Washington Office may also incur additional expenditure under most of the alternatives. Further evaluation of additional costs will be required during the implementation phase.

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**Exhibit F-8  
Comparison of Alternatives**

Evaluation Element		Alternatives						
		1 Maintain Status Quo	2 Operations / Support Alignment Model	3 Army Relevance w/ District Spt Teams	4 Corporate and Regional Business Alignment	5 Dynamic HQ w/Regional Support Teams	6 National- Regional Alignment	7 Integrated Corporate Alignment
<b>Goals and Objectives</b>	<b>Unifies one Headquarters (DC and MSCs)</b>	Strongly Disagree	Strongly Agree	Strongly Agree	Strongly Agree	Strongly Agree	Strongly Agree	Strongly Agree
	<b>Enhances CW-MP program integration</b>	Strongly Disagree	Strongly Agree	Strongly Agree	Agree	Agree	Strongly Agree	Strongly Agree
	<b>Eliminates duplication of functions, HQ and MSCs</b>	Strongly Disagree	Neutral	Agree	Agree	Strongly Agree	Strongly Agree	Strongly Agree
	<b>Provides Learning Organization focus</b>	Neutral	Strongly Agree	Neutral	Neutral	Agree	Strongly Agree	Strongly Agree
	<b>Levels resources / builds capacity</b>	Neutral	Strongly Agree	Agree	Strongly Agree	Strongly Agree	Strongly Agree	Strongly Agree
	<b>Provides for only one policy review</b>	Strongly Disagree	Strongly Agree	Agree	Strongly Agree	Strongly Agree	Strongly Agree	Strongly Agree
	<b>Enhances Project Mgmt Business Process</b>	Agree	Strongly Agree	Agree	Neutral	Strongly Agree	Strongly Agree	Strongly Agree
	<b>Supports the Regional Business Center concept</b>	Neutral	Strongly Agree	Strongly Agree	Strongly Agree	Strongly Agree	Strongly Agree	Strongly Agree
	<b>Moves all operational activities to Districts</b>	Strongly Disagree	Neutral	Neutral	Neutral	Strongly Agree	Strongly Agree	Strongly Agree
	<b>Focuses on integrated teams</b>	Agree	Strongly Agree	Neutral	Neutral	Strongly Agree	Strongly Agree	Strongly Agree
	<b>Enhances vertical and horizontal integration</b>	Agree	Agree	Agree	Strongly Agree	Strongly Agree	Strongly Agree	Strongly Agree
	<b>Supports "USACE 2012"</b>	Neutral	Agree	Agree	Agree	Strongly Agree	Strongly Agree	Strongly Agree

Evaluation Element		Alternatives						
		1 Maintain Status Quo	2 Operations / Support Alignment Model	3 Army Relevance W/District Spt Teams	4 Corporate and Regional Business Alignment	5 Dynamic HQ w/Regional Support Teams	6 National- Regional Alignment	7 Integrated Corporate Alignment
Seven-S Model	Shared Values	Neutral	Agree	Agree	Agree	Agree	Agree	Agree
	Stakeholder Values	Neutral	Agree	Agree	Agree	Agree	Agree	Agree
	Style	Neutral	Agree	Agree	Agree	Agree	Agree	Agree
	Skills	Neutral	Agree	Agree	Neutral	Agree	Agree	Agree
	Structure	Disagree	Agree	Neutral	Neutral	Agree	Agree	Agree
	Strategy	Disagree	Agree	Agree	Agree	Agree	Agree	Agree
	Systems	Neutral	Agree	Agree	Agree	Agree	Agree	Agree
Mission Model	Improves Command and Control	Neutral	Agree	Agree	Agree	Agree	Agree	Agree
	Improves Program Management	Neutral	Agree	Disagree	Disagree	Agree	Agree	Agree
	Improves National / Regional Interface	Neutral	Agree	Neutral	Neutral	Agree	Agree	Agree
	Improves Strategic Planning and Policy	Neutral	Agree	Agree	Disagree	Agree	Agree	Agree
	Improves Quality Assurance	Neutral	Neutral	Neutral	Disagree	Agree	Agree	Agree

Evaluation Element		Alternatives						
		1 Maintain Status Quo	2 Operations / Support Alignment Model	3 Army Relevance with District Support Teams	4 Corporate and Regional Business Alignment	5 Dynamic HQ with Regional Support Teams	6 National- Regional Alignment	7 Integrated Corporate Alignment
Five Criterion Evaluation Model	Improves support of mission accomplishment	Disagree	Neutral	Neutral	Neutral	Agree	Agree	Agree
	Moves Corps toward ideal 2012 future	Disagree	Agree	Agree	Agree	Agree	Agree	Agree
	Strategically desirable	Disagree	Neutral	Neutral	Neutral	Agree	Agree	Agree
	Affordable and reduces costs	Disagree	Agree	Agree	Disagree	Agree	Agree	Agree
	Can be implemented	Disagree	Neutral	Neutral	Agree	Agree	Agree	Agree

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