

Statement before the Senate Armed Services Committee 30 Years of Goldwater-Nichols Reform

By James R. Locher III

November 10, 2015

I commend Chairman McCain and Senator Reed for initiating this important and timely series of hearings. It has been nearly thirty years since the Goldwater-Nichols Act mandated the last major reorganization of the Pentagon. That legislation – profoundly shaped by this committee – has served the Department of Defense (DoD) and nation extremely well. But no organizational blueprint lasts forever.

To be successful, organizations must be designed and re-designed to enable effective interactions with their external environments, and the world in which DoD must operate has changed dramatically over the last thirty years. Threats and opportunities are more numerous, more varied, more complex, and more rapidly changing. Force levels have been reduced, and forces that were once stationed overseas are increasingly based in the United States. By enabling rapid communications and networking, the information age has contributed significantly to the environment's complexity and volatility. Among other Pentagon organizational needs, the changed environment demands better decision-making capacity at DoD's uppermost levels. Decision-making must be faster, more collaborative, and more decentralized. The Pentagon's inadequate capacity represents a major deficiency.

All public and private organizations are facing the challenges of a rapidly changing world. Those that continue to thrive have transformed themselves with innovative organizational approaches. Those that merely remain viable have at least updated their organizational practices to keep pace with the changing environment. And many organizations that could not or would not change are no longer with us. Remember E.F. Hutton, TWA, General Foods, RCA, and Montgomery Ward? They and hundreds of other businesses are gone. The lack of "market discipline," exclusive missions, and willingness of the American people to bear huge financial burdens during times of war have allowed the government's national security institutions to delay organizational change longer than

advisable. This includes the Department of Defense, which, with a few exceptions, has not adapted its organizational approaches to keep up with the world it faces. John Kotter, a leading business scholar, has observed the price of not undertaking the necessary transformation:

The typical twentieth-century organization has not operated well in a rapidly changing environment. Structure, systems, practices, and culture have often been more of a drag on change than a facilitator. If environmental volatility continues to increase, as most people now predict, the standard organization of the twentieth century will likely become a dinosaur.

Unfortunately, the Pentagon remains a typical twentieth-century organization. It has intelligent and experienced leaders but no organizational strategy for achieving desired outcomes. It has deep bodies of functional expertise, but cannot integrate them rapidly and well. It has clear, authoritative chains of command, but not the mechanisms to ensure cross-organizational collaboration. It has elaborate, slow processes that generate reams of data but not the ability to resolve conflicting views productively. It has a large, hard-working staff with a mission-oriented ethos but not a culture that values information-sharing, collaboration, and team results.

Reforming the Pentagon will require visionary legislation from this committee and its House counterpart. The intellectual and political challenges of formulating this legislation will be staggering. On the intellectual side, modern organizational approaches differ significantly from past practices. They require a new mindset and are difficult to implement. Part of the committee's challenge will result from Washington being a policy and program town with little attention to organizational needs. The committee will find a paucity of organizational expertise to assist it and few who will understand the new directions that are imperative. Before passing the Goldwater-Nichols Act, the two Armed Services Committees worked for years to become knowledgeable on defense organization and modern organizational practice. A similar effort will again be needed.

With the Pentagon swamped by multiple contingencies, a full management agenda, and overhanging budget and staff cuts, senior defense officials are likely to argue that now is not the time to pile defense reform on top. There will be considerable sympathy for this position, which will pose a political challenge to the committee's efforts. Unfortunately,

there is never a good time to transition an outmoded and overwhelmed bureaucracy to better, faster, more integrated approaches. In some corners of the Pentagon, broader executive branch, and Capitol Hill, complacency and fondness for the status quo will represent another set of political obstacles. Moreover, active opposition will come from those who prefer what they know best or benefit from current arrangements and those in Congress who will ally themselves with opponents.

Key Observations

Before going further, I would like to offer a few key observations. First, my urging for dramatic changes in Pentagon organization does not represent a criticism of defense civilian or military personnel. They are working extremely hard and with unyielding commitment. Unfortunately, much of their hard work is wasted in an outdated system. One indication of the massive frustration generated by the current system is that most military officers lament being assigned to the Pentagon. Intelligent, disciplined, knowledgeable officers are used to taking initiative and managing or solving problems to generate desired real-world effects. Seldom is this possible in today's Pentagon, no matter how hard one works – which is why measures to enable Pentagon staff to work smarter, not harder, need to be put in place.

Second, for all of its deficiencies, DoD is widely seen as the most capable department in the Federal Government. This is in large part due to the quality and drive of its workforce, and a military culture that values detailed planning processes to cover “what if” and “what next” contingencies. But because the Pentagon confronts the government's most dangerous and diverse challenges, being better than the rest of the government is not a useful yardstick for measuring DoD's performance. More appropriate would be to determine whether the department is capable of fulfilling its responsibilities effectively and efficiently. The last fifteen years offer considerable evidence that it is not.

Third, beyond the task of fixing the Pentagon, a larger challenge looms: transforming the U.S. national security system. This system, centered on the National Security Council and its hierarchical committee system but encompassing the complex whole of all national security institutions, is profoundly broken. All major national security missions require an interagency “whole-of-government” effort, but we have repeatedly

witnessed the system's inability to integrate the capacities and expertise of departments and agencies. The brokenness of the overall national security system will hamper the effectiveness of U.S. foreign and security policy no matter how well DoD transforms its internal operations or its performance at the operational level of war. Significantly, no congressional committee has jurisdiction over the heart of the national security system. I would urge this committee to understand the liabilities of the national security system and what they portend for DoD's performance. It will be important to ensure we do not make difficult changes to DoD in the false hope of circumventing national security system limitations.

Fourth, fixing the Pentagon is much more than a leadership issue. Speaking of organizations, Dr. W. Edwards Deming, the noted systems expert observed: "A bad system will beat a good person every time." In the Pentagon and elsewhere, we have repeatedly seen organizational dysfunction stymie good leaders. On occasion, good leaders have produced remarkable results. Secretary Robert Gates was often able to overcome system limitations, such as with the MRAP program. Similarly, General Stanley McChrystal created effective high-value terrorist targeting teams in Iraq despite vast institutional obstacles. But Gates and McChrystal did not achieve these results using the system; they circumvented it at a high risk of failure. These outcomes – and many others that resulted in far less propitious results – were personality-driven, and the processes used were not institutionalized. They were exceptions to the rule; the system Gates and McChrystal struggled against remained unchanged. In any case and most importantly, defense reform is not a matter of choosing between good leaders and good organization; we must have both. Too many in Washington pretend otherwise and dismiss organizational problems by saying, "We just need good leaders."

My last observation concerns the fact that a key Goldwater-Nichols provision is not now being implemented. Title 10, section 162 (a), requires the secretary of each military department to assign all forces (less those for man, train, and equip functions) under his jurisdiction to a combatant command. This provision recognized the need for service forces to train for missions jointly, either under the direction of a geographic combatant command or a U.S.-based combatant command. Immediately after passage of the Goldwater-Nichols Act, this requirement was met by making the U.S. Army Forces

Command, a specified combatant command, responsible for joint training and joint exercises. In 1993, Chairman of the Joint Chiefs of Staff General Colin Powell, in a report on the roles and missions of the armed forces (which incidentally was mandated by the Goldwater-Nichols Act) observed that with troop strength overseas being reduced, the regionally oriented military strategy was becoming more and more dependent on U.S.-based forces. He recommended that U.S.-based general purpose forces be combined into one joint command, U.S. Atlantic Command, which would be responsible for joint training, force packaging, and facilitating deployments during crises. Later re-designated as U.S. Joint Forces Command, the command served as the joint-force provider until its disestablishment in 2011. In apparent disregard for section 162 (a), U.S.-based combatant forces are now assigned to their parent services, returning to the service separateness that crippled military operations prior to the Goldwater-Nichols Act. There is no reason to write more law if we are indifferent to implementation of existing law.

Methodology

If the committee is to succeed in this historic undertaking, it must adopt and execute a rigorous methodology for each of defense reform's two dimensions: intellectual and political. Changing organizations is exceedingly difficult. The failure rate of change-efforts in business has remained constant at 70 percent; it is even higher in government. The business failure rate has persisted over the last thirty years despite the enormous attention change-management has received. Amazon lists more than 83,000 books on this topic. I urge the committee to give careful attention to the methodology it chooses because the nation cannot afford for this committee to fail in its efforts to reform the Pentagon.

The intellectual dimension of a methodology requires deep study of problems in DoD's performance to enable precise identification of required reforms. Three elements are imperative. First, identify symptoms, problems, their causes, and their consequences. Goldwater-Nichols' historic success resulted from its rigorous methodology focused on getting beyond symptoms to identify problems and their root causes. Pinpointing problems was the committee's sole focus for eighteen months. As part of this thorough process, the committee staff produced a 645-page staff study with detailed analyses of each problem area. Reorganization efforts too often address symptoms because they are most visible. But

addressing a symptom will not cure the underlying ailment, just as prescribing aspirin could lessen a patient's temperature without treating the fundamental illness.

Work on the Goldwater-Nichols Act provides one example of failing to get beyond symptoms. Near the end of the Senate Armed Services Committee's deliberations, an amendment was offered to require in law that the president submit annually a national security strategy. The amendment's sponsor was asked what problem his amendment was designed to fix. He responded, "I don't know what the problem and its causes are, but whatever they are, mandating this report in law will fix them." It did not. All presidents since have submitted a document called the National Security Strategy, but the resulting reports have fallen far short of satisfying the need for a true strategy document.

The second fundamental requirement for any effectual methodology is examining all elements of organizational effectiveness. It is estimated that eighty-five percent of people equate the terms organization and structure, but there is much more to making an organization effective than simply adjusting its structure. In the late 1970s, McKinsey and Company, a management-consulting firm, identified seven elements of organizational effectiveness, known as the McKinsey 7-S framework. Each element starts with an "S" to remind McKinsey's clients of all seven elements, but also to remind them "structure is not organization." The seven elements are:

1. Shared values – agreed vision, purpose/missions, and principles
2. Systems – management processes, procedures, and measurements
3. Structure – arrangements for dividing and coordinating work
4. Skills – core competencies; necessary capabilities and attributes of the organization
5. Staff – attributes of personnel; needed qualifications and professional development
6. Style – leadership attitudes and behavior; organization's culture
7. Strategy – alignment of resources and capabilities for achieving objectives

Three elements of the McKinsey 7-S framework – systems, structure, and strategy – are termed "hard," and four – shared values, skills, staff, and style – are termed "soft." The hard elements are visible, being found in process maps, organizational charts, and strategy documents. They are also the easiest to change. By comparison, the four soft elements are difficult to describe and even more difficult to influence. Despite their below-the-surface nature, the soft elements have as much impact on organizational performance as the three

hard S's. In fact, many believe that the culture of an organization emerging from these soft elements more powerfully affects performance than formal structures. For this reason, effective organizations pay as much attention to the soft elements as they do to the hard ones. The committee's defense reform efforts are likely to focus on the soft elements, increasing the degree of difficulty.

The third imperative of an effectual methodology's intellectual dimension is to examine the entire system. Whether it is recognized as such or not, DoD comprises a large system with many sub-systems. In a reform effort, a holistic examination of the entire system is critical. As Paul Lawrence and Jay Lorsch's book on organizational design noted: "An organization is not a mechanical system in which one part can be changed without a concomitant effect on the other parts. Rather, an organizational system shares with biological systems the property of intense interdependence of parts such that a change in one part has an impact on others." Moreover, examining the entire system provides an important opportunity to address system architecture, division of work among components, integration initiatives, and process management and improvement.

Given the difficulty of organizational reform, a great temptation exists to approach this task in a piecemeal fashion by breaking the work into digestible chunks. That approach poses a danger to meaningful reform because reforming one part of an organizational system may not work well with subsequent changes to other elements. To be effective, an organization must have a high degree of internal alignment among the seven elements of organizational effectiveness.

The methodology's political dimension involves gaining solid congressional approval of needed reforms and inspiring first-rate implementation by DoD. The change-management techniques that have been developed and widely employed by businesses are basically a political strategy for formulating and executing reform. This committee must adopt an explicit and robust political strategy. George Bernard Shaw said, "Reformers have the idea that change can be achieved by brute sanity." It cannot. Many brilliant ideas and new directions whose time had come gained no traction and are collecting dust on some bookcase.

Foremost among components of a political strategy is creating a sense of urgency. If you cannot convince principal leaders and institutions of the pressing need for reform, the

committee's effort will fail. For six years, I headed the Project on National Security Reform (PNSR), which sought to achieve Goldwater-Nichols-like reforms of the national security system. Despite overwhelming evidence of organizational problems in repeated operational setbacks – such as 9/11, Iraq, Afghanistan, and Hurricane Katrina – PNSR was unable to create urgency for system reform. In Bosnia and Herzegovina where I served as chairman of the Defense Reform Commission, I saw the power of creating urgency. Defense reform went from impossible to gaining overwhelming approval, following a successful effort to convince the public of the need for change.

A political strategy also needs to build a powerful bipartisan guiding coalition to lead the reform effort. This coalition must have people from inside and outside of government with power, prestige, influence, and knowledge. The good news is that there is already a great deal of well-informed interest in defense reform. Over the past few years, experts in leading think tanks across the political spectrum have joined together to urge Congress to consider defense reform. However, most of the recommendations have focused on how to achieve budget savings, not on how to improve organizational effectiveness.

Formulating a vision that articulates a clear sense of purpose and direction is another key element of a political strategy. By showing a possible and desirable future state, a vision will attract commitment and reduce fears that naturally accompany an uncertain future.

Problems and Causes

To set the context for discussing current organizational problems, it is useful to revisit the intended outcomes of the Goldwater-Nichols Act. It sought to achieve nine objectives:

1. Strengthen civilian authority
2. Improve military advice
3. Place clear responsibility on combatant commanders
4. Ensure commensurate authority for the combatant commanders
5. Increase attention to strategy and contingency planning
6. Provide for more efficient use of resources
7. Improve joint officer management

8. Enhance the effectiveness of military operations
9. Improve DoD management

The two Armed Services Committees gave their highest priority to the five objectives dealing with the operational chain of command. Not surprisingly, these priority objectives have received the highest grades for their degree of success. The four objectives addressing administrative matters – strategy and contingency planning, use of resources, joint officer management, and DoD management – have received middling or poor grades. These areas, among others, need attention now.

In addition, some needed reforms identified at the time of the Goldwater-Nichols Act were not enacted, either because of opposition or as the result of compromises to gain higher priority objectives. Two of these unachieved reforms were strengthening the mission orientation in DoD's Washington headquarters and replacing the service secretariat and military staff at the top of each military department with a single integrated headquarters staff. Thirty years later, these are still pressing needs.

The weak mission orientation in DoD's Washington headquarters must be considered the Pentagon's greatest organizational shortcoming. DoD's principal organizational goal is the integration of the distinct military capabilities of the four services and other components to prepare for and conduct effective unified operations in fulfilling military missions. The Washington headquarters – the Office of the Secretary of Defense (OSD), Joint Staff, and three military departments – are organized by and excessively focused on functional areas, such as manpower, health affairs, and intelligence. This rigid functional orientation inhibits integration of capabilities along mission lines. Among many difficulties, this orientation leads to an emphasis on material inputs, not mission outputs.

A second problem is inadequate strategic direction. It has been argued before this committee that the Pentagon lacked a strategy for Iraq and now lacks a strategy for ISIS, and it is not hard to understand why. Senior leaders do not focus on the major issues confronting the department. They are pulled down into crisis management, where the Pentagon is better at producing policy than strategy. Strategy is an explicit choice among alternatives, and DoD is unable to rigorously assess risks and benefits among competing courses of action and alternative capability sets. Without a guiding strategy, it is far more difficult to make reasoned decisions about planning, capability, and program priorities.

The absence of strategy helps explain why the Chairman of the Joint Chiefs of Staff finds it difficult to decide between combatant commanders when they disagree about near-term priorities or to speak for the future joint force commander when establishing priorities for future capabilities. Typically, the Joint Staff defaults to the need for consensus and is not able to choose between stark alternatives. Consequently, service programs predominate, and the budget drives our strategy rather than vice versa. Secretary Gates, one of our most powerful and competent defense secretaries, fought the service tendency to discount new and unconventional threats and sacrifice the near-term to the far-term. He prevailed on some important issues, but left no enduring impact on the Pentagon and its inability to allocate resources to capabilities to missions in a strategy-driven process.

Closely related to the lack of strategic direction, and third on my list of key problems, is inadequate integrated decision-making capacity in general. Currently, Pentagon decision-making is more bureaucratic than rational, which is to say decision outcomes are more likely to reflect compromises between components' organizational interests than a conscious choice among alternative, integrated courses of action designed to maximize benefits for the department as a whole. The Pentagon's ostensibly rational processes are managed in sequence by hierarchical, functional structures that represent relatively narrow bodies of expertise. For example, the planning, programming, and budgeting process typically begins in Policy; then is led by Cost Assessment and Program Evaluation; and then, by the Comptroller. Frequently the lead office in the process satisfies competing objectives with compromises that dilute the integrity of the process; compromises that are then compounded as the decision process moves forward. All too often the result is consensus products that avoid and obscure difficult trade-offs, clear alternatives, and associated risks.

These sequential, stove-piped, industrial-age processes are slow and cumbersome, and, depending on the issue, frequently overly centralized. Such decision-making processes are also notably lacking in their ability to anticipate and meet future challenges. The Pentagon has future threat scenarios, but actually pays close attention to only a handful that greatly resemble past wars. In reality, the Pentagon does not have a well-developed competency for scanning the horizon for coming threats and opportunities. For example, DoD was in denial about the need to combat terrorism and other forms of irregular warfare

until 9/11 occurred. Further, the department is not a learning organization. Although it has many lessons-learned efforts, the common observation is that they are “lessons encountered” rather than learned because they are not rigorously evaluated and acted upon to correct shortcomings. This is true even for well-documented, big lessons. For example, the Pentagon made the same mistake in post-conflict operations in Iraq as it did in Operation Just Cause in Panama fifteen years earlier.

All of this explains a fourth problem: The Department of Defense lacks a mechanism for rationally allocating resources to missions and capabilities. The secretary and deputy secretary of defense need well-integrated problem assessments and solution options but instead discover they are the first real point of functional integration for the departmental stovepipes they oversee. Worse, unless they make a conscious, sustained effort to pursue issues, they will not have sufficient information (on data, methods, threat assumptions, etc.) to make a reasoned choice among clear alternatives. It is not surprising that they typically do not value this kind of decision support. Former secretaries and deputy secretaries often say privately that they would favor substantial staff cuts. Uncertain of why they do not receive better support or whether and how the system can be improved, they conclude incorrectly that smaller staffs might prove more collaborative.

In reality, middle management is working hard but not to good effect. An internal Pentagon review I participated in a decade ago noted that members of middle management typically come to work early and stay late to produce papers and attend innumerable meetings, but lack a clear understanding of their roles and responsibilities and are uncertain about the outcomes desired by senior leaders. Duplicative effort and “shadow” organizations sprout up for lack of collaboration across office lines. Information flow is poor, and information that is shared is used to persuade rather than objectively assess problems and potential solutions. In such a system, much valiant effort is wasted and of marginal use to the secretary and deputy secretary. Cutting staff will save some dollars but it will not get the senior Pentagon leaders what they want and need, which is well integrated, multifunctional problem assessments and solutions. To date secretaries have said they want better decision support, but they have been unwilling to adopt 21st century organizational practices and reengineer their staffs for better collaboration.

A fifth problem centers on weak civilian leadership at all levels. Like many professional organizations, the Pentagon emphasizes technical competence as the yardstick for civilian promotion. Little attention is given to developing and mentoring civilian leaders. In fact, I am concerned that at least one significant change in the civilian personnel system of the OSD Policy office has had unfortunate consequences. In the late 1990s, Policy decided to rotate all personnel between different functional offices as a matter of course. In addition to relatively rapid promotions to the upper end of the civil service, this decision has led to a Policy organization where even the most experienced may know relatively little about the issues they are assigned to manage. Breadth of experience for senior personnel on a management track makes sense, particularly when they are backed up by subject matter experts with deep functional expertise, but a system where everyone is presumed to be on a management track sacrifices deep expertise and institutional knowledge that used to complement the fresh military experience constantly rolling through the service and joint staffs. This development illustrates a point I made earlier about the need for a holistic consideration of organizational effectiveness. OSD Policy may have solved one relatively narrow personnel problem with this initiative, but it did not give sufficient thought to the larger impact on the organization's ability to execute its mission.

The outdated joint officer management system is a sixth problem. The Senate Armed Services Committee expected the Pentagon to devise improvements to joint officer management within three-to-four years after enactment of the Goldwater-Nichols Act. Thirty years later, the system's major features remain unchanged. Much has happened in the interim. The officer corps is smaller. What it takes for an officer to remain tactically and technically proficient has grown more complex, and the time demanded by repeated overseas deployments has reduced the time for officers to learn the institutional side of their own military department and the overall DoD. In addition, there are needs for improved collaboration with mission partners, both internationally and domestically. Especially in light of these changes, the Pentagon lacks a vision of its needs for joint officers and how to prepare and reward them.

A seventh problem is the duplication of effort and inefficiencies associated with having two military department headquarters staffs in the Departments of the Army and Air Force and three in the Department of the Navy. These dual structures are a holdover

from World War II when the service chief and his staff worked directly for the president in running the war, and the service secretary became the department's businessman in acquiring and supplying. After the war, the military departments with their two separate staffs were perpetuated. It is judged that the resulting duplication of effort wastes time and manpower.

The Department of Defense has seventeen defense agencies, such as the Defense Logistics Agency and Defense Intelligence Agency, which provide department-wide support. In the late 1950's, they were started as mom-and-pop businesses, but they have grown into large enterprises that consume a significant portion of the DoD budget – nearly as much as a military department. While the defense agencies have grown, their supervision has remained mom-and-pop, being provided by policy officials, such as under and assistant secretaries of defense. Although highly proficient on policy matters, these supervisors lack the skills and experience of overseeing large enterprises. The result is sporadic guidance and limited oversight. This is an eighth problem requiring the committee's attention.

Once the committee has identified problems that need to be corrected, it must determine the factors that are causing these problems. Understanding the causes is critical because reforms must address the causes in order to fix the problem. In this statement, I provide only insights into the importance of causes. I have already mentioned the fact that DoD is dominated by its functional structure, which undermines mission-integration efforts. But the functional structure causes other problems. A quotation by Peter F. Drucker captures the ills that come from a nearly exclusive reliance on functional structure:

The functional principle [of organizational design] . . . has great clarity and high economy, and it makes it easy to understand one's own task. But even in small business it tends to direct vision away from results and toward efforts, to obscure the organization's goals, and to sub-optimize decisions. It has high stability but little adaptability. It perpetuates and develops technical and functional skills, that is, middle managers, but it resists new ideas and inhibits top-management development and vision.

Functional expertise in the Pentagon is absolutely essential, but an exclusively functional structure results in weak collaboration; slow, cumbersome decision-making;

unduly centralized decision-making; diminished focus on essential mission outcomes; lower innovation in cross-cutting challenges; powerful resistance to some types of change; and an ill-configured organizational structure that is often duplicative rather than engineered for cutting-edge challenges.

A second cause of many organizational problems is DoD's culture. Culture – which encompasses vision, values, norms, assumptions, beliefs, and habits – is a key determinant of organizational performance. Some experts assert: "Culture is the backbone of every organization." The Pentagon's culture is misaligned with what is required for effective organizational performance in the complex, rapidly changing 21st Century. By my assessment, DoD's culture is too predictable, rule-oriented, bureaucratic, risk adverse, and competitive among components. It is not sufficiently team-oriented, outcome-oriented, and innovative.

Cautions

This committee will face political pressure to water down its problem analyses and articulate them as something less onerous. An argument will be made that people will be offended by candid assessments and become more determined to oppose your efforts. Although this may occur in some cases, reform efforts cannot succeed without candid and precise identification of the problems.

A second caution centers on focusing on efficiency rather than effectiveness. It is much more politically acceptable in the Pentagon to be inefficient than to be judged ineffective. Thus reform efforts typically focus on attacking "inefficiency" rather than "ineffectiveness," and do so in the least controversial manner, operating on the simple assumption that we will save money by cutting staff and duplicative functions. Obviously, any reduction in staff will save a commensurate amount of resources, but it will not – without needed reforms – generate greater effectiveness. Just cutting staff ignores real problems, like our inability to collaborate across organizational lines on multifunctional problems. Not coincidentally, one reason why the staffs grow so large is that they attempt to preserve autonomy and avoid collaboration by duplicating one another's functions. How can we be effective if we don't cooperate on what it takes to be truly effective (from strategy to missions to capabilities to programs), and if the analysis of courses of action and

alternatives is not clear, transparent, and collaborative rather than political? Once we are clear about what is required for “effectiveness,” the less important areas naturally become targets for “efficiencies.” I should note that the Goldwater-Nichols Act focused on effectiveness.

A third caution concerns the power-back-to-the-services movement. In pre-information-age warfare, the battlespace could be divided up, and service roles and missions “deconflicted.” In the information age, more and more – but not all – mission areas are intrinsically joint, which means effectiveness depends upon integration and not a sharp division of labor between the services. Our concepts and investments need to reflect that. It makes sense to give the lead back to the services in service-centric mission areas where one service retains the bulk of required expertise, such as land control, air superiority, anti-submarine warfare, or amphibious operations. But intrinsically joint missions, like theater missile and air defense, require more, not less, jointness. It would be a grave error – which we would inevitably pay for in blood and treasure – to roll back jointness in any mission area where success requires a tightly integrated multi-service effort.

A fourth area to watch out for is layering oversight (organizational layers with more people and process) rather than making authority and responsibility clearly commensurate with expected outputs. Arguably that is what has happened in labeling all military mission areas joint, and requiring additional oversight process and mechanisms for major acquisition programs by the Acquisition, Technology, and Logistics (AT&L) office. As the committee is probably aware, statistical evidence indicates that the large AT&L bureaucracy and its many efforts have not improved acquisition outcomes despite the best of intentions on the part of those promoting the many previous acquisition reforms mandated by Congress and the Pentagon.

Conclusion

These hearings represent the beginning of a tremendously important initiative by the committee. Many voices will counsel against reform, insisting it is impossible to do, or at least to do well. In truth, meaningful reform will be difficult; and a hasty reform without a deep appreciation for the origins of the behaviors that currently limit Pentagon

effectiveness would be a mistake. However, successful reform is both necessary and possible.

It is necessary because the men and women in uniform who go in harm's way for our collective security deserve the best policy, strategy, planning and program decision making possible. And as this committee already has heard from much expert testimony, they do not currently receive it. It is doable because the reasons why most large reorganizations fail are well known. If the committee adopts a rigorous methodology for managing change in the Department of Defense that avoids the common pitfalls, it can create a more efficient and effective defense establishment capable of managing 21st-Century challenges well. This will take time, but I am confident it can be done

Politically, defense reform will be an enormous challenge. The committee should expect resistance from well-intentioned practitioners and observers but also a great deal of support from defense experts who are already on record supporting major change. In addition, many of our dedicated civil servants and military officers currently working in the Pentagon will support a well-researched and well-reasoned set of reforms that make it possible to generate better decision support and operational outcomes.

For my part, I encourage the committee to stay the course and complete the task it has undertaken. It is important to recognize there are dangers to inaction as well as misguided action. We would not have the unparalleled, world class-setting military we have today without the service training revolutions of the 1970s and 1980s and Goldwater-Nichols reforms. If the Senate Armed Services Committee puts forth the same level of effort it mounted thirty years ago, it will succeed. And the benefits to our service men and women, to the Department of Defense, and to our nation, will be historic.