### CHAPTER III

#### ORGANIZATION

The organization of the Naval Facilities Engineering Command on the eve of the Vietnam build-up reflected, of course, a long, evolutionary development. It also reflected a recent (1963) reorganization which had provided a structure sufficiently comprehensive and flexible to permit the Command to meet the challenges and accelerated changes, which characterized the period 1965-1974, through a process of organizational adaptation rather than sweeping structural innovation. The ability of the organization to adjust with a minimum of travail within a rapidly changing environment largely validated the thought and effort which had gone into its design throughout the years.

THE NAVAL FACILITIES ENGINEERING COMMAND AND ITS RELATIONSHIP TO THE DEPARTMENT OF THE NAVY

A brief comparison of the organizational structure of the Department of the Navy in 1965 and then again after the reorganization of 1966 clearly illustrates the revised relationship of the Command within the Department of the Navy. (Compare Charts 3-1 and 3-2)

Up until 1 May 1966 the Department of the Navy exercised its vast responsibilities through a bilinear system of organization.

The bilinear system recognized a distinction between consumption and

production within the Department and, as a result, the overall organization was comprised of two separate chains-of-command, the "consumer chain" and the "producer chain." Organizational components falling under the Chief of Naval Operations constituted the "consumers" while the Navy bureaus and their respective field activities were viewed as the "producers." The then Bureau of Yards and Docks was one of six Navy bureaus which comprised the "producer" organization. 1

As a result of the Review of the Management of the Department of the Navy by the Dillon Board in 1962 and 1963, four of these Bureaus, including the Bureau of Yards and Docks, were grouped under what became collectively known as the Naval Material Support Establishment. The intent of the reorganization was to centralize material management, which previously had been diffused among the four bureaus, by designating a single point of contact, the Chief of Naval Material, for both the Secretary of the Navy and the Chief of Naval Operations.

Despite this 1963 reorganization, however, the traditional bilinear structure was perpetuated.

For many reasons, generally the enormous complexity and colossal cost of designing, fabricating, provisioning, maintaining, overhauling, supporting, improving and replacing the Navy's fleet, it was determined that a tightening and strengthening of managerial controls over the

<sup>&</sup>lt;sup>1</sup>Naval Orientation, NAVPERS 16138-E (Revision of 1965).

 $<sup>^2 \, \</sup>text{Thomas W. Ray, "The Bureaus Go On Forever,"} \, \underline{\text{U.S. Naval Institute}}$  Proceedings (Jan 1968), pp. 50-63.

material support effort was necessary. The remedy centered around a single chain-of-command, which ran from the Secretary to the Chief of Naval Operations to the Chief of Naval Material, rather than the traditional bilinear system, which had the Chief of Naval Operations and the Chief of Naval Material both reporting directly to the Secretary. The four bureaus, once comprising the Naval Material Support Establishment, were renamed and organizationally placed, along with the Chief of Naval Material, under the command of the Chief of Naval Operations. The Bureau of Yards and Docks, while their actual functions remained basically unchanged, became known as the Naval Facilities Engineering Command. It was under the auspices of the newly created Naval Material Command that the Naval Facilities Engineering Command operated from 1 May 1966 through 31 December 1974.

# NAVAL FACILITIES ENGINEERING COMMAND HEADQUARTERS Background\_

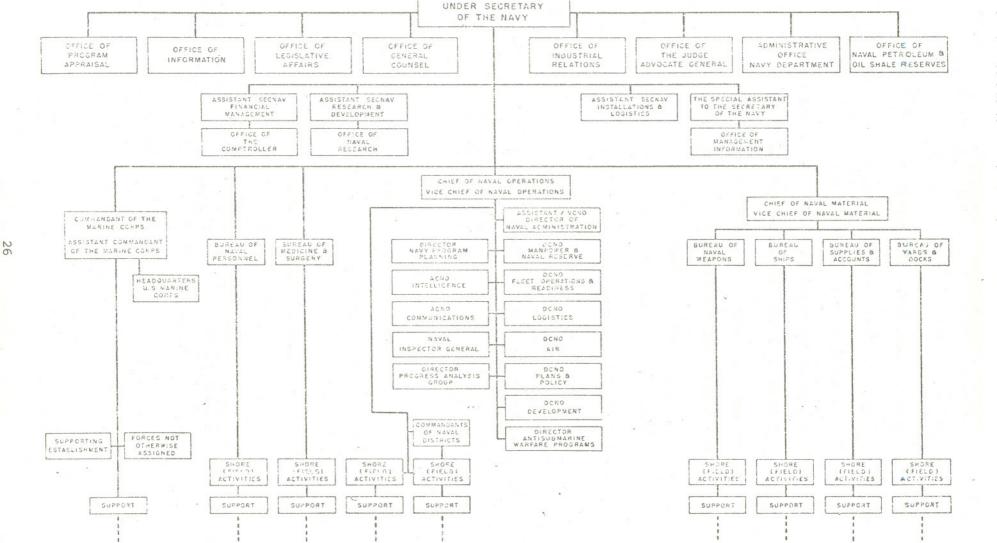
As might be expected, World War II represented a watershed in the Command's organizational development; in 1941 the Command underwent its first major reorganization since 1917. For the most part the 1941 changes were aimed at reducing the number of components reporting

Ray, "The Bureaus Go On Forever," pp. 50-63; Naval Orientation, NAVPERS 16138-F (Revision of 1970).

<sup>4</sup>NCBC Notice 5430 of 4 May 1966.

ATLANTIC FLEET

SECRETARY OF THE NAVY

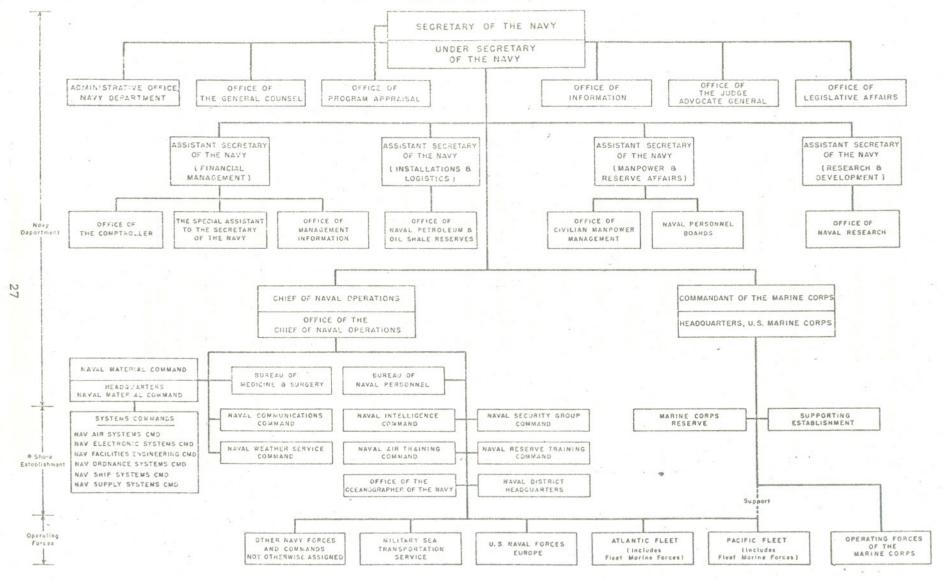


OTHER FORCES ASSIGNED

PACIFIC FLEET

NAVAL FORCES, EUROPE .

M S.T.S.



\* ALSO INCLUDES OTHER DESIGNATED SHORE ACTIVITIES, NOT SHOWN ON THE CHART, WHICH ARE UNDER THE COMMAND OR SUPERVISION OF MANY OF THE ORGANIZATIONS DEPICTED. directly to the Chief of the Bureau of Yards and Docks and, although not with complete success, at grouping related major functions within these components.<sup>5</sup>

Organizational developments and problems from the end of the Second World War to the mid-1960s can be briefly summarized under several headings:

- 1. The concept of organizing divisions within the Command into a limited number of related functional family groupings continued to prevail only with periodic rearrangement. These rearrangements, notably in 1947, 1954 and 1961, sought within and among broad groupings either a more logical and effective component or an organizational response to changing requirements. For instance, the shift in emphasis from construction to maintenance following the conclusion of World War II offers an example of a changed need requiring organizational modification.
- 2. The Command placed greater emphasis upon and showed greater sophistification in tailoring the organization to fit management needs. This was evidenced institutionally by creation of the Office of

<sup>&</sup>lt;sup>5</sup>R. W. Reinhold, <u>The Organization of the Bureau of Yards and Docks</u> (Washington, 1954), Chap. VII, Chap. VIII, 40ff.

<sup>6</sup>See Reinhold, The Organization of the Bureau of Yards and Docks, Chap. IX - XII on the period up to 1954. For the later period, see RADM Eugene J. J. Peltier, "Speaking from Topside," The Navy Civil Engineer (Jul 1961) and Organizational Survey of the Bureau of Yards and Docks (Bureau of Yards and Docks - Navy Management Office, 1959).

Inspector General (1944) and a Management Engineering Division (1947), and through the use of special management studies (e.g. 1947, 1959).

- 3. The practice of heading up each major, functional component by an Assistant Chief with a uniform system of sub-groupings division, branch, section in descending order emerged in 1947.8
- 4. Certain questions recurred but remained moot. What should be the organizational relationship between line and staff functions? Should the organization be designed primarily to meet the existing situation or should flexibility and adaptability for the purpose of meeting changing requirements be the major desideratum?

On the eve of the reorganization of 1963 this line of development had culminated in an organization headed by the Chief and his Deputy. At the top of the organizational chart appeared the Chief's immediate staff - his Executive Assistant, Counsel, the Senior Member of the Contract Board, and the offices of Military Functions, Policy Planning and Research. Next came the "quasi-staff elements" - the Assistant Chief for Management and Comptroller, the Inspector General, and the Assistant Chief for Administration. Finally, there existed four

For these developments see Reinhold, The Organization of the Bureau of Yards and Docks, Chap VIII, 2ff; IX, 18ff and 35ff, and Organizational Survey of 1959.

 $<sup>^{8}\</sup>text{Reinhold},~\underline{\text{The}}~\underline{\text{Organization}}~\underline{\text{of}}~\underline{\text{the}}~\underline{\text{Bureau}}~\underline{\text{of}}~\underline{\text{Yards}}~\underline{\text{and}}~\underline{\text{Docks}},$  Chap. X.

basic line operating groups - Engineering and Construction, Real Property Management, Housing and Field Activities and Public Works Management.  $^9$ 

# The Reorganization of 1963<sup>10</sup>

Changes effected in the spring of 1963 set the pattern for the organization that was to evolve in the ensuing eleven years. Spokesmen for the Command qualified the changes as "minimal" and spoke of the new arrangements as not very radical or different from what went before. This perhaps understated the case slightly. Despite continuity with developments sketched above, the changes of 1963 were substantial and certainly broke new ground. Perhaps they could best be regarded as a major tune-up rather than a complete overhaul.

Several factors motivated the reorganization: (1) The conclusions reached and suggestions made by a series of ad hoc study groups.

- (2) Experience gained during the Cuban missile crisis which pointed out the need for improvement in the Command's mobilization abilities.
- (3) The need to adapt the Command to some changes in its role brought about as a result of the Dillon Study on Navy management.

<sup>&</sup>lt;sup>9</sup>CDR E. C. Paul, CEC, USN, "Bureau Organization for Areas of Responsibility," The Chiefs Annual Conference, 13 May through 17 May 1963; Organization and Functions of the Bureau of Yards and Docks, NAVDOCKS P-313 (Nov 1961).

CDR Paul, "Bureau Organization"; RADM Peter Corradi, "Speech to All Hands", 18 Mar 1963; Organization Manual, NAVDOCKS P-313 with Change 1 of 1964 and Change 2 of 1965; BUDOCKS Notice 5430 of 12 Apr 1963.

In general, the reorganization sought to pinpoint authority and responsibility more sharply - the traditional aim of such reorganizations. It also sought to match the organizational structure with the recently instituted basic programs through which the work of the Command was to be carried out. This alignment of organization with programs represented a decidedly new element. Where before there had been six functional groups headed up at the Assistant Commander level, there were now nine, exactly mirroring the ten basic programs as then constituted:

Dire	ector	of	Programs	S
and	Compt	rol	ler	

Assistant Chief for Research and Development

Assistant Chief for Planning and Design

Assistant Chief for Construction

Assistant Chief for Shore Electronics

Assistant Chief for Military Readiness

Assistant Chief for Real Property Management

Assistant Chief for Family Housing

Assistant Chief for Operations and Maintenance Program X: Direction and Administration

Program I: Research, Development, Test and Evaluation

Program II: Shore Facilities Planning Program III: Engineering and

Design

Program IV: Construction

Program V: Shore Electronics

Program VI: Military Readiness

Program VII: Real Property Management

Program VIII: Family Housing Management

Program IX: Operations and Maintenance

Staff functions, some previously attached individually to the Office of the Chief, others grouped under two Assistant Chiefs, were partially consolidated by grouping many managerial and administrative functions together with fiscal functions under a new Director of Programs and Comptroller. (Some staff functions - legal, personnel, contracts, administration, inspection, for example - continued to be attached individually to the Office of the Chief.)

As a result of experience during the Cuban crisis, the need to consolidate previously scattered functions supporting the Military Readiness Program appeared clearly. Accordingly, the Naval Construction Forces, Military Personnel, Planning, Material, Construction Battalion Center Mission Management and Disaster Control Divisions were grouped under a newly created Assistant Commander for Military Readiness.

In line with a general Navy emphasis on research, research functions shifted from the staff Research Office to a line group under a new Assistant Chief for Research and Development. Similarly, construction and engineering functions, previously under a single Assistant Chief, received greater emphasis with their establishment as separate groups, each under its own Assistant Chief. At the same time, engineering functions were combined with closely related planning functions under an Assistant Chief for Planning and Design. A shore electronics group was set up, but soon after reverted to the status of a division under the Assistant Chief for Construction. And finally, field management functions, formerly combined with housing functions, found a

nesting place in combination with operations and maintenance. This last change reflected an increased emphasis upon facilities management which followed Dillon Board recommendations that the Command assume single manager responsibilities in that realm.

Finally, the reorganization created two wholly new high-level staff positions, a Director of Facilities Engineering and a Director of Facilities Management, to coordinate the work of the various groups in their respective functional areas. The Directors were not regarded as a new level of internal supervision but as agents of the Chief in his dealings with agencies outside the Command.

## Organizational Changes, 1965-1974

After the 1963 reorganization the Command's organizational structure underwent no comparable, massive revision. Instead, most changes were of an evolutionary nature and occurred in response to more specific, internally or externally generated needs.

Even the reorganization of the Department of the Navy in 1966 had a limited internal impact on the Command. Perhaps noteworthy were the many changes in position titles that were necessary to provide consistency with the organization's new name, the Naval Facilities Engineering Command. Hence the Chief of the Bureau of Yards and Docks became known as the Commander of the Naval Facilities Engineering Command, and the Deputy Chief became known as the Vice Commander.

Such title revisions prevailed throughout the entire chain-of-command

as the newly created Directors of Facilities Engineering and Facilities Management became known as Deputy Commanders and, similarly, the old Assistant Chiefs were now referred to as Assistant Commanders. 11

As might be expected, response to the acceleration of United States involvement in Southeast Asia, which began in 1965, necessitated a change in the Command's organization. Primarily, a viable method of dealing with a tremendously expanded military construction program was required. What was desired was an arrangement to meet in a concerted and effective way the temporary but overriding needs in Southeast Asia - needs which cut across many of the Command's functional activities - while avoiding (a) a general reorganization which would tend to lose its relevance once the temporary need had ended or (b) the creation of a permanent structure which, with the vested interests such structures tend to develop, would be difficult or impossible to dismantle even after the conditions which called it into being no longer existed. This desire to provide for concerted action while avoiding the danger of structural distortion led to the creation of the Southeast Asia Coordinating Group (SEACOG). 12

The coordinating group, first established as a subordinate element

<sup>11</sup> Throughout the remainder of this chapter all of the above mentioned positions will be cited by their revised names.

<sup>12</sup>BUDOCKS Notice 5430 of 14 Dec 1965; Memo from NAVFAC Code 0554 to NAVFAC Code 00 of 17 Jun 1966; Interview with Mr. Otto Benesh, 10 Oct 1968. Record Group 2, NAVFAC Archives, CBC, Port Hueneme.

within the Construction group, would "coordinate and direct for the Chief ... the entire gamut of activities necessary to insure responsive, concerted, timely and complete action on all Southeast Asia matters."

Initial staffing was ordered from within the Construction group with further staffing to come by internal shifts of organizational units and personnel within the Command. Designated components within the Command received orders to make formal arrangements for liaison with the coordinating group. The Assistant Chief for Construction, wearing a second hat as Director of SEACOG, provided direct access to top management. The charter for the group gave it "overriding priority for available manpower and materials." It would not create a self-sufficient structure nor supplant existing organizational components, but would rather "perform those special tasks over and above the norm, and coordinate ... and direct the effort of the existing organizational elements. The construction of the existing organizational elements.

On its face, this approach presented an anomoly; it called for a relatively subordinate organizational component to exercise very extensive and weighty responsibilities. Moreover, the role of Director of SEACOG, in terms of the volume of business involved, seemed to call for more than the part-time attention which the original two-hatted arrangement could be expected to provide.

 $<sup>^{13}</sup>$ BUDOCKS Notice 5430 of 14 Dec 1965.

<sup>14</sup> CEC Biweekly Report (15 Feb 1966), p. 2.

As a result, evidently of considerations such as these, on 18 April 1967 organizational provisions for dealing with Southeast Asian affairs underwent a major modification. A notice of that date established a Southeast Asia Program Coordinator, reporting directly to the Commander and "for purpose of organizational relationships... co-equal with the several Assistant Commanders." At the same time, the existing coordination group with its six divisions was disestablished and then reestablished under the new Program Coordinator. 15

This organizational arrangement fulfilled the purpose initially envisioned for SEACOG until 1969. The succeeding wind-down of the Vietnamese War had by this year eliminated the need for a separate coordinating group of such highly-placed organizational stature. At the same time, however, a more minimal need for coordination still existed. As a result, SEACOG responsibilities were once again vested in a division within the Construction group. Finally, in 1973, this once vital organizational element was completely eradicated. With its passage it became apparent that the Command had successfully accomplished what it had, in a forward looking manner, planned to docreate a crucial component to meet overriding, temporary requirements without allowing it, at any point in time, to become disproportionate

<sup>&</sup>lt;sup>15</sup>NAVFAC Notice 5450 of 18 Apr 1967.

<sup>&</sup>lt;sup>16</sup>NAVFAC Key to Routing Slip of Feb 1969.

<sup>&</sup>lt;sup>17</sup>NAVFAC Key to Routing Slip of Mar 1973.

to organizational needs. This action was most certainly a sophisticated display of organizational development and flexibility.

In the facilities planning field a whole new complex of organizational components emerged around a small nucleus of existing elements. This development proceeded first of all from a change of emphasis within the Command itself and then mushroomed as a result of the assignment from higher authority of new functions and responsibilities in the field of facilities planning.

Prior to the new departure, facilities planning matters were handled by the Shore Facilities and Base Development Branches in the Facilities Planning Division, under the Assistant Commander for Planning and Design. The first step in strengthening and expanding the facilities planning sector of the Command's organization came on 20 September 1966 with the establishment of a new group under an Assistant Commander for Facilities Planning.

The new organization contained three divisions. A Systems Analysis Division embodied the new effort in "macro" planning for long-range capital improvement of shore facilities, while an Installations Planning Division consolidated the existing Base Development Branch with the master planning functions of the existing Shore Facilities Branch. The Shore Facilities Planning and Programming System Support Division inherited functions from the Shore Facilities Branch, which

it combined with new functions in requirements planning and systems administration. <sup>18</sup> Thus two of the three divisions incorporated new or expanded facilities planning efforts.

One month later, this shift in facilities planning functions led to a change of name in the old Planning and Design group. The Assistant Commander for Planning and Design became the Assistant Commander for Engineering and Design. 19

During the course of the year 1967, the Command structure for handling facilities planning matters underwent further modification and great expansion. These important changes resulted from the transfer of facilities planning, programming and budgeting functions from the Office of the Chief of Naval Operation to the Naval Facilities Engineering Command. 20

The first step in structural expansion came on 11 July 1967 with the establishment of the position of a Deputy Commander for Planning.

The Assistant Commander for Facilities Planning and the Construction Program Management Coordinator, formerly under the Assistant Commander for Construction, now reported directly to the Deputy Commander, who

<sup>18</sup> NAVFAC Notice 5430 of 20 Sep 1966; NAVFAC Notice 5450 of 2 Dec 1966.

<sup>&</sup>lt;sup>19</sup>NAVFAC Notice 5430 of 20 Oct 1966.

<sup>&</sup>lt;sup>20</sup>Memo from DCNO (Logistics) to VCNO of 28 Jun 1967 summarizes the changes, actual and planned, as of that date; Memo from OP-00 (363-67) of 3 Jul 1967 details the functions transferred from OPNAV to NAVFAC.

in turn reported directly to the Commander and Vice Commander of the Naval Facilities Engineering Command. Then, on 14 August 1967, a Military Construction Programming group, under an Assistant Commander who reported to the Deputy Commander for Planning, was established. This group consisted originally of a Program Control Division and a Program Development Division. Shortly thereafter, program planning and emergency construction functions and organizational elements were transferred from the Assistant Commander for Construction to this new Military Construction Programming group.

It should be noted that the emergence of the Deputy Commander for Planning and the group under him furthered a quiet revolution in the overall shape of the Command structure. By the end of the 1960s most of the Command's functions had been grouped in one or the other of three broad areas of activity - Acquisition, Management, and Planning - with each area under a Deputy Commander. The Deputy Commanders for Acquisition and Management were the successors of the Directors of Facilities Engineering and Facilities Management respectively. Unlike the latter, however, who had served in a staff capacity, the Deputy Commanders for Acquisition and Management, like the Deputy Commander for Planning, filled line positions and represented a new layer of

<sup>21</sup> NAVFAC Notice 5450 of 11 Jul 1967; <u>CEC Biweekly Report</u> (18 Jul 1967).

<sup>&</sup>lt;sup>22</sup>NAVFAC Notice 5450 of 14 Aug 1967.

<sup>&</sup>lt;sup>23</sup>NAVFAC Notice 5450 of 20 Oct 1967.

authority. Only two major components fell outside the tripartite symmetry emanating from the Deputy Commanders: the Director of Programs and Comptroller and the Assistant Commander for Military Readiness who each reported directly to the Commander rather than to one or the other of the Deputies.

Whereas organizational changes discussed above primarily involved the development of entirely new and relatively major organizational components, the internal rearrangement of components falling beneath the Command's Director of Programs and Comptroller, Code O1, are worthy of note. While such an analysis would ordinarily be beyond the scope of this chapter, developments within Code O1 had a direct bearing on several organizational innovations not strictly confined to its functional borders.

By all odds, Code Ol appeared as the most volatile organizational element in the Command during the period under study. Internal adjustments and reorganizations, particularly in the latter half of the 1960s, were not uncommon occurrences.

The volatility of organizational arrangements in Code 01 can be illustrated in terms of what happened to the related triad of functions: programs, budget, and accounting. Successively the three functions appeared (1) separately and independently of one another, (2) with budget and accounting combined and separate from programs, (3) with programs and accounting combined and separate from budgeting, and

(4) with all three combined in one group. 24 While such a sequence of events suggested a certain amount of groping, it also attested to a search for more effective arrangements and a willingness to experiment in carrying out this search.

The instability of Code O1 organization can be attributed to several factors. External influences played a part, notably in the transfer of certain administrative functions to the newly created Naval Material Command Support Activity. Also, the "catch-all" nature of Code O1 made finding a rational and coherent organizational concept difficult. And, as the administrative nerve center of the Command, Code O1 had a special need to adapt itself to the demands of the new systems discipline approach so characteristic of the 1960s.

The reorganization of Code O1 in October 1967 marked only a temporary stage in the evolution of the group. The notice implementing the reorganization pointed out that the existing structure dated from 1963, adding that "the demands of external influences as well as experience gained in the operation of internal affairs over this period requires a change in emphasis."

The reorganization reduced the number of components reporting directly to the Director and "consolidated interdependent functions into single components providing greater depth and 26 concentration of technical skills."

This evolution may be traced by comparing NAVFAC Key to Routing Slips (15 Feb 1965, 1 May 1966 and 15 Nov 1967), NAVFAC Notice 5430 of 3 May 1967, and NAVFAC Notice 5450 of 6 Oct 1967.

<sup>&</sup>lt;sup>25</sup>NAVFAC Notice 5450 of 6 Oct 1967.

<sup>26</sup> Ibid.

Specifically, the budgeting, financial and programming divisions were joined in a group under a newly-created Deputy Comptroller, with the remaining functions of the department assigned to Policy Planning, Administrative Services, Civilian Personnel, and a Command Management and Analysis Group. 27

The chief new element, apart from the combined programming and financial group, appeared in the new Command Management and Analysis group which pulled together management and systems discipline functions previously spread throughout three divisions. The presence in the group of systems coordinators for each of the Command's basic management programs gave further evidence of the effort to achieve a coherent and systematized management approach. <sup>28</sup>

The resolution of Code O1 organizational uncertainty came in conjunction with external organizational innovations during the initial years of the 1970s. Firstly, the four most basic functional components under the Command's Director of Programs and Comptroller had by 1971 been steadied and guided into a more workable and lasting organizational arrangement. These various functions, hitherto combined in numerous fashions and then added to in subsequent years, had come to rest as four separate and distinct entities. 29 A Systems Division

<sup>&</sup>lt;sup>27</sup>NAVFAC Notice 5450 of 6 Oct 1967.

 $<sup>^{28}</sup>$  Compare the NAVFAC Key to Routing Slip of 1 May 1966 with that of 15 Nov 1967.

 $<sup>^{29}\</sup>mathrm{NAVFAC}$  Key to Routing Slip of Sep 1971.

provided the focal point for Command involvement in and use of management information systems, while a Programs Division executed responsibilities associated with the Command's program management concept. The two remaining divisions, Budget and Financial Services, handled programming, budgeting and financial services for all of the Command's allotted resources. 30

The removal of ancillary administrative functions, once organizationally aligned under Code O1, contributed to its newly found stability. Civilian Personnel, Administrative Services and Policy Planning responsibilities were all swept from the control of the Director of Programs and Comptroller. 31

Finally, to complete this major organizational evolution, a

Deputy Commander for Manpower and Organization was created. Placed

under his care were two of those functions, Civilian Personnel and

Administrative Services, once part of a loose alliance under the

Director of Programs and Comptroller. 32 At the same time, Policy

Planning became a staff office to the Deputy Commander for Planning. 33

Two years later, Policy Planning was placed under the Vice Commander.

<sup>30</sup> Headquarters Organization Manual, NAVFAC P-313.

 $<sup>^{31}\</sup>mathrm{Compare}$  NAVFAC Key to Routing Slip of 15 Jan 1970 with that of Sep 1971.

<sup>32</sup> NAVFAC Key to Routing Slip of Sep 1971.

<sup>33&</sup>lt;sub>Ibid</sub>.

Beyond the mere transfer of existing responsibilities, however, the new Deputy Commander was to serve as the Assistant Chief of Civil Engineers and provide the organizational focal point for military personnel matters. 34

These developments eliminated much of the groping characteristic of the 1960s. Generally, the catch-all nature of functions loosely gathered under the Director of Programs and Comptroller had come to an end. At the same time, an increasingly obvious void was filled at the Deputy Commander level. More importantly, however, the creation of one organizational component and the consolidation of another had resulted in two strong and efficient elements dedicated to the accomplishment of internally related goals and objectives.

The last major headquarters reorganization came in 1973 when two Command programs, Shore Facilities Planning and Real Estate were united under a single Assistant Commander. The prior to this action, both programs had been maintaining similar information systems which were equally vital to the conduct of both programs. The resultant reorganization sought to eliminate much of this duplicated effort

Headquarters Organization Manual.

<sup>35</sup> CEC Biweekly Report (11 Jul 1975).

<sup>&</sup>lt;sup>36</sup>Interview with Mr. D. W. Walker, NAVFAC Shore Facilities Planning, Code 201A, 29 Jul 1975.

by combining both information systems and, henceforth, ensuring that the single, newly combined information system was readily available to both programs. Organizationally this meant removal of the Real Estate Program from the direction of the Deputy Commander for Facilities Management and placement, in conjunction with the Shore Facilities Planning Program, under the Deputy Commander for Planning.

During the period 1965-1974 a multitude of more minor organizational changes transpired in addition to the major developments already sketched. One of the most significant occurred in 1966 when contract responsibilities, once positioned as a staff function in the office of the Commander, were vested in a new group under an Assistant Commander for Contracts. This Also, in keeping with the Command's practice of responsible organizational development, several components appeared, for the most part, to meet temporary demands placed upon it by large scale projects or current areas of concern. For instance, organizational elements such as the Ocean Engineering Program Office, Seabees Self-Help Program Office, Environmental Protection Coordination Office, Communications/Electronics Coordination Office, and the National Naval Medical Center/Uniformed Services University of the Health Sciences Program Office provided concentrated attention in various areas of Command endeavor. The use of such elements was foreshadowed by the successful

Compare NAVFAC Key to Routing Slip of 1 Mar 1966 with that of 15 Jul 1966.

 $<sup>^{38}</sup>$ Compare NAVFAC Key to Routing Slips of the 1970s.

creation and subsequent dissolution of SEACOG discussed earlier.

If, by way of summary, one compared an organizational chart at the beginning of 1965 with a chart depicting the situation at the end of 1974, several points stand out. In general, similarities between the two charts substantially exceed differences, indicating that the Command had succeeded in meeting the challenges of the late sixties and early seventies through a process of adaptation rather than massive, general reorganization. Each program, headed by an Assistant Commander, remained the basic organizational building blocks. To contrast these key components with those described earlier after the major reorganization of 1963, they were in 1974 composed of the following: 39

Director of Programs and Comptroller

Program X:
Administration

Assistant Commander for Contracts

Assistant Commander for Research and Development

Assistant Commander for Engineering and Design

Assistant Commander for Construction

Assistant Commander for Military Readiness

Assistant Commander for Family Housing

Program I: Research

Program III: Engineering

Program IV: Construction

Program VI: Seabees

Program VII: Family Housing

<sup>39</sup> FY 1974 Command Management Plan, NAVFAC P-441 (Jun 1973); Headquarters Organization Manual.

Assistant Commander for Operations and Maintenance

Assistant Commander for Facilities Planning and Real Estate

Assistant Commander for Military Construction Programming Program IX: Public Works

Program II: Planning and Real Estate

Program V: Military Construction Programming

In changes reflecting altered needs or emphasis, the number of programs directed by Assistant Commanders had increased by three: the Assistant Commanders for Contracts, Facilities Planning, and Military Construction Programming. In addition, internal lines of command and coordination had been altered through the replacement of the two staff Directors — for Facilities Engineering and Facilities Management — by initially two and later four line Deputy Commanders for Acquisition, Management, Planning, and Manpower and Organization.

The organization which resulted from this evolution provided for two types of tasks: all Navy programs for which the Command bore primary responsibility and specific engineering disciplines in which the Command embodied the Navy's special competence. The organization, which existed at the end of 1974, can be regarded as a fundamentally sound basis for accomplishment of the Command's future mission and tasks.

THE NAVAL FACILITIES ENGINEERING COMMAND AND ITS FIELD ACTIVITIES

The Naval Facilities Engineering Command operated under the principle of centralized control and decentralized execution or, as

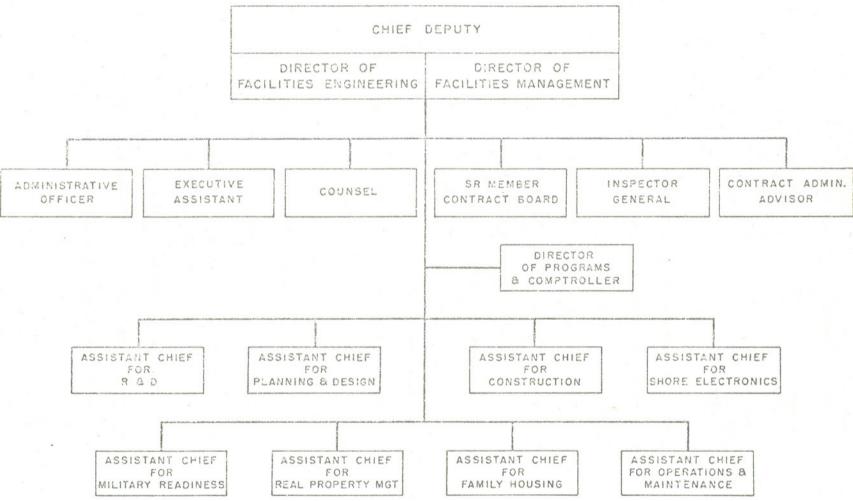
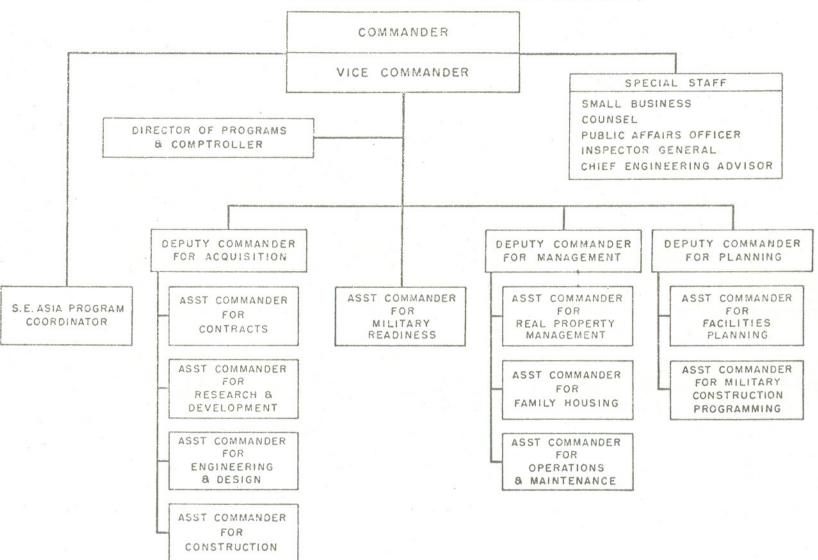
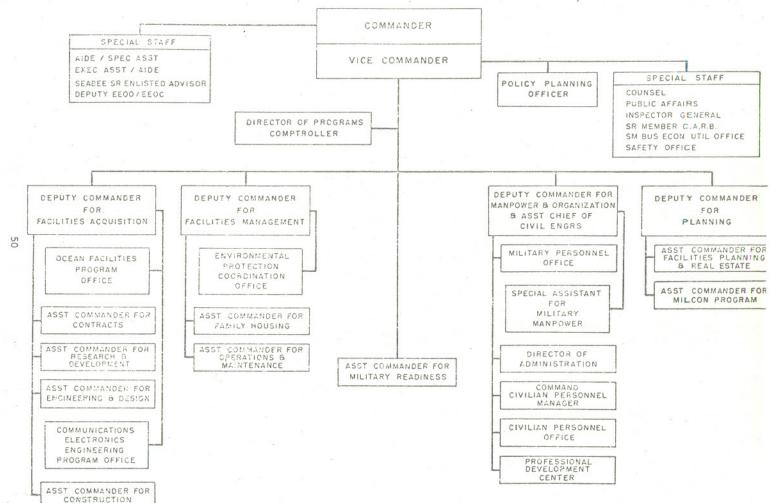


CHART 3-4 NAVAL FACILITIES ENGINEERING COMMAND HEADQUARTERS, 1968





the Dillon study put it, "centralized direction with maximum decentralization of operational detail to the lowest levels."  $^{40}$ 

Policy stemmed from Washington and was carried out by the Command's various field activities. The direction exercised by Command Headquarters over field activities included mission planning and management, workload planning, organization and procedures, budgeting, accounting, manpower and resources management and utilization, and the coordination and application of technical guidance. 41

During the period 1965-1974 the Command's field organization continued to rest upon three major types of activities: the Engineering Field Divisions, Public Works Centers and Construction Battalion Centers.

Engineering Field Divisions constituted the primary building blocks of the Command's field organization, the decentralized offices which provided engineering services to all naval activities within their respective geographical jurisdiction. Beginning in 1963 the divisions exercised "middle management" authority while utilizing a

Review of the Management of the Navy, NAVEXOS P-2426B (Washington, D. C., 15 Dec 1962), Volume I, p.127; RADM A. C. Husband, CEC, USN, "Draft Remarks to All Hands" (Feb 1966).

<sup>41</sup> Draft of NAVFAC Chapter for Naval Material Command Textbook (1 Apr 1968).

standardized organization patterned on that of Command Headquarters. 42

Prior to 1965, the Divisions were called Field Engineering Offices, a blanket term covering District and Area Public Works Offices and Field Divisions. In that year steps were taken to standardize nomenclature with the adoption of the uniform designation of Bureau Field Divisions. (This was later changed to Engineering Field Divisions in May 1966 following the reorganization of the Department of the Navy.)<sup>43</sup> It had been felt that the term "District Public Works Officer" carried certain disadvantages, connoting as it did a staff function under the District Commandant rather than the officer in charge of Command functions in his area. 44

During the latter half of the 1960s the basic statement governing Field Division organization and functions remained the instruction of 9 August 1963. In view of the vast changes in Navy affairs since that date, a need for a review and updating seemed apparent. Accordingly, in 1967, a special study group received the assignment to conduct a broad evaluation and make policy recommendations based thereon.

 $<sup>^{42}</sup>$ Letter from COMNAVFAC to CNM of 1 Feb 1968; BUDOCKS Instruction 5450-73 of 9 Aug 1963; Draft NAVFAC Chapter for NMC Textbook.

 $<sup>\</sup>frac{43}{\text{CEC}}$  Biweekly Report (6 Apr 1965) citing SECNAV Notice 5450 of 16 Mar 1965.

<sup>44</sup>Report to BUDOCKS Task Group - Organization of Bureau Field Engineering Offices (Washington, D. C., 25 Apr 1963), p. 22.

<sup>45&</sup>quot;Study Summaries, Topics I-A thru XIII-A".

The year 1967 witnessed a major new departure in the Field
Division set-up with the creation of the Naval Facilities Engineering
Command's Representatives to Major Claimants. The change grew out of
the new financial arrangements associated with the establishment of a
unilinear Navy organization and the projected Resources Management
System. Three existing Field Divisions, along with Command Headquarters, were designated as representatives, each with the task of
providing advice on facilities management functions to designated
commands. 46

In addition, a special, new division was created at Pensacola, Florida for the sole purpose of serving as representative to the Chief of Naval Air Training in facilities management matters. This step was dictated by the lack of an existing Field Division in close proximity to Pensacola which would make its designation as representative practical. 47

By 1968 the number of Engineering Field Divisions had dropped to thirteen with the disestablishment of the European Division. Nevertheless, continually shrinking monetary and manpower resources necessitated a major consolidation of the remaining divisions in 1970. While required to reduce its quantity of resources, the Command

<sup>46</sup> OPNAV Instruction 11023 of 16 May 1967; NAVFAC Instruction 5450.81 of 9 Jun 1967; CAPT C. F. Krickenberger, CEC, USN, "NAVFAC Orientation Presentation" (26 Jan 1968).

<sup>47</sup> CEC Biweekly Report (18 Jul 1967); Ltr from COMNAVFAC to CNO of 5 May 1967.

sought to maintain its high quality of service. This overriding objective permeated the Command's study on the reorganization and the final implementation plan that was subsequently developed. One positive aspect of the consolidation was the gathering of various engineering skills into fewer and larger work centers which resulted in a higher concentration of engineering expertise otherwise unattainable under the previous organization.

In any event, by 1 July 1970 the number of Engineering Divisions had been reduced to six. The Northwest, Western and Southwest Divisions were combined to form the Western Division with headquarters in San Bruno, California. The Midwest, Northeast, Eastern and East Central Divisions were merged into the Northern Division located in Philadelphia, Pennsylvania. The Gulf and Southeast Divisions formed the new Southern Division in Charleston, South Carolina and the Atlantic and Caribbean Divisions were merged into the Atlantic Division in Norfolk, Virginia. Only the Pacific and Chesapeake Divisions emerged intact from this massive realignment. 49

Public Works Centers were service organizations which performed public works functions, on a reimbursable basis, for a number of activities within a given naval complex. Volume operation permitted

<sup>48</sup> Field Division Consolidation Plan (Draft), NAVFAC (29 Oct 1969).

 $<sup>^{49}\</sup>mbox{\tiny{II}}\mbox{Feb}$  1 Deadline for NAVFAC Consolidation Planning,"  $\underline{\mbox{PAC-FACTS}}$  (Dec 1969).

them to perform more efficiently and inexpensively than could separate public works departments for each activity. 50

The Command in an effort to increase managerial control and facilitate adaptability and efficiency of operations, provided for a standardized organizational and functional pattern for Public Works Centers. 51

The Dillon Study of 1962-1963 enclosed the principle of public works consolidation as manifested in Public Works Centers. <sup>52</sup> In line with this recommendation, in 1965, the Command established three new centers, bringing to ten their total number. <sup>53</sup> Six of these were located in the continental United States and four were overseas.

In subsequent years, depending upon the growth or dissolution of a requirement for Public Work Centers in the area of naval complexes, these field activities were subsequently established or disestablished. For instance, in 1974 the Navy Public Works Center, Newport, Rhode Island was declared excess following realignment and base closure actions in that region. 54 That same year, however, a

 $<sup>^{50}</sup>$ Draft NAVFAC Chapter for NMC History.

<sup>51</sup> Ibid.

<sup>&</sup>lt;sup>52</sup>NAVEXOS P-2426B, p. 124.

<sup>&</sup>lt;sup>53</sup>CEC Biweekly Report (9 Jun 1965).

<sup>&</sup>lt;sup>54</sup>OPNAV Notice 5450 of 29 Mar 1974.

new Public Works Center was established in San Francisco, California to provide public works services for the numerous naval activities in that area.  $^{55}$ 

For the bulk of the period, three Construction Battalion Centers served as the Command's field activities in the realm of military readiness. They acted as material handling and shipping points and as homeport for the Naval Construction Forces. In response to the demands imposed by events in Vietnam, the training and mobilization facilities of the Center at Gulfport, Mississippi were reactivated in March 1966, augmenting the facilities of the Centers at Davisville, Rhode Island and Port Hueneme, California. <sup>56</sup>

In 1973, when the once feverish pitch of activity which had been so characteristic of the late 1960s had subsided, the Construction Battalion Center at Davisville was caught up in a Navy-wide effort to realign the shore establishment commensurate with programmed reductions in the fleet. As a result, the Center was stripped of its Mobile Construction Battalions and the functions that supported them. These units were distributed primarily to the Gulfport and Port Hueneme Centers while the Davisville Center's mission was to be reduced to that of a storage and preservation facility for mobilization stocks

<sup>&</sup>lt;sup>55</sup>OPNAV Notice 5450 of 8 May 1974.

<sup>&</sup>lt;sup>56</sup>Annual <u>History</u>, Gulfport Division of NAVFAC (26 Jan 1967).

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and a mobilization facility for the Naval Construction Force.

The Command's agents in the field also included Officers in Charge of Construction for large construction projects located far from any Field Division. They served under the direct supervision and guidance of headquarters, exercised through the local Field Division. In addition, Resident Officers in Charge of Construction acted as delegates from the Field Division physically present at a construction site.

 $<sup>^{57}</sup>$  For a more detailed discussion on the Construction Battalion Centers and their development from 1965-1974 see Chapter 14 of this history.