

President's Advisory Council on Executive Organization

- Chairman - Mr. Roy L. Ash
President
Litton Industries, Inc.
9370 Santa Monica Boulevard
Beverly Hills, California
- Member - Dean George Baker
Graduate School of Business
Administration
Harvard University
Boston, Massachusetts
- Honorable John B. Connally
Vinson, Elkins, Searls and Connally
Attorneys at Law
First City National Bank Building
Houston, Texas
- Mr. Frederick R. Kappel
Chairman, Executive Committee
American Telephone and Telegraph
Company
195 Broadway
New York, N. Y.
- Mr. Richard M. Paget
Cresap, McCormick and Paget
245 Park Avenue
New York, N. Y. 10017

- Chairman and all members serve voluntarily,
on part-time basis.

April 29 Schedule
for
The President's Advisory Council on Executive Organization

10:00-10:50 Meet in EOB -- Room 134 (Sam Hughes from BoB)

11:00-11:30 Meet with the President in Oval office

11:45-12:15 Meet with Gov. Nils Boe, Director, Office of Inter-governmental Operations and Mr. Stan Blair, Executive Assistant to the Vice President

12:30- 1:30 Lunch with Nils Boe and Alex Butterfield

1:45- 2:15 Tentative appointment with the Vice President

2:15- 3:00 Meet with Dr. Arthur Burns

3:30- 4:30 Rayburn Office Building to meet with certain members of House Committee on Government Operations (Chet Holifield, ranking Dem.; Florence Dwyer, ranking Repub; John Blatnik, Dem. chairman of Exec. Reorg. Subcommittee; John Erlenborn, ranking Repub. member of that subcommittee; and Mrs. Christine Davis, representing Chairman William Dawson). Bill Timmons will accompany

4:45- 5:30 New Senate Office Building to meet with certain members of Senate Committee on Government Operations (Chairman McClellan; Karl Mundt, ranking Repub; Abe Ribicoff, Dem. chairman of Exec. Reorg. Subcommittee; Jake Javits, ranking Repub. on that subcommittee; and Jim Calloway, Staff Dir., Government Operations Committee). Dale Grubb will accompany

file

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

OFFICE OF
THE DIRECTOR

April 26, 1969

MEMORANDUM FOR MR. BUTTERFIELD

Subject: Meeting with Ash Council

In accordance with your request, following is a resume of our meeting with the Council.

Sam Hughes, Deputy Director of the Bureau of the Budget, and Dwight Ink, Assistant Director for Executive Management, met with the Council at its request for about an hour on April 10. All members of its Council were present except for Mr. George Baker.

The Council was seeking advice as to the areas to which it might devote attention and suggestions as to the matters of highest priority.

Hughes and Ink suggested the science area for priority attention. This involves questions such as a Department of Science or a Science Council, and the best method of managing and coordinating the interrelated science activities of the NSF, NASA, AEC, DOD, OST, and the science activities of other departments and agencies.

The whole area of human resources, particularly HEW, HUD, Labor and OEO, needs to be reviewed from an organizational standpoint. There is an overlapping of functions and some confusion of basic roles. This matter may need to be broken into manageable phases.

The natural resources area is one in which people have long recognized the need for reorganization. Although the need for meeting this organizational problem is not as urgent as in the human resources area, the need is not dissimilar.

There also was some Council discussion of the international area and regulatory activities.

The Council apparently intends to limit its attention to organization and generally speaking does not intend to concern itself with the internal organization of departments and agencies.

Hughes and Ink volunteered all possible assistance. The Council appears to contemplate only a small staff (one or two professionals), with heavy reliance on Bureau of the Budget and agency personnel, as did the similar Eisenhower body. The Council indicated that it plans monthly meetings.

The Council stated a preference for not having an Executive Order unless we advised them of specific areas in which they would be handicapped for lack of an Executive Order. We doubted they would be in any way handicapped, but agreed to check this further. The check confirmed our view.



Phillip S. Hughes
Deputy Director

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 28, 1969

MEMORANDUM FOR: THE PRESIDENT

From: Alexander P. Butterfield

Subject: Your Meeting with The President's Advisory Council on Executive Organization ... Scheduled for 11:00-11:30 a.m., Tuesday, April 29th

This memorandum covers key events and prime interest items pertinent to the President's Advisory Council on Executive Organization. To facilitate your review -- preparatory to your first meeting with the Council on Tuesday morning -- a brief chronology of background data is provided by paragraphs A through D (each of which is supplemented by correspondingly tabbed material in the attached addendum). Remaining paragraphs E through I concern only the forthcoming meeting.

A. Post-Inaugural Activities re Council's Creation:

Pursuant to one of the Frank Lindsay Task Force recommendations the BoB's Office of Executive Management was upgraded and given more exposure. Meanwhile, Roy Ash's recommendations for achieving efficient organization and management of the Executive Branch urged strong central management under a single, uniquely high-level Assistant (or Counsellor) to the President. (Tab A)

- (1) On Feb 6 (one day after establishment of BoB's Office of Executive Management) -- at a meeting in your office with Roy Ash, Bob Haldeman and me -- you agreed that: Roy would chair a 3 to 5-man "outside group", the members of which would be of "Cabinet stature" and serve voluntarily on a part-time basis; candidates' names would be mutually agreed to by Bob and Roy; Roy would approach candidates and make solicitations in your behalf; further thought would be given to who "of equal stature" might serve as permanent "inside" liaison man, close to the President ... as a top assistant or counsellor; and further thought would be given to the possibility of making Henry Loomis the executive assistant to the key inside man. (Tab A/1)

- (2) On Feb 17, despite the Willie Mae Rogers fiasco and a billion dollar Litton-Navy contract looming on the horizon, you decided to proceed as planned, with Ash as chairman, and take whatever adverse publicity lumps might come as a result. (Tab A/2)
- (3) Ash received enthusiastic acceptances from George Baker, Franklin Murphy, John Connally and Fred Kappel. Then Murphy dropped out and Dick Paget (pronounced Pā-jet) was substituted. This is the present membership. (Tab A/3)
- (4) Arthur Burns, Bob Mayo, and Henry Loomis expressed deep concern over the fact that the Ash group, by all indications, would usurp the prerogatives of Dwight Ink's Office of Executive Management and quite possibly degrade the stature of the BoB Director. (Tab A/4)

B. Your Personal Letter to Each Member, April 1:

You sent personal letters via air mail to each prospective member. Letters were in the hands of addressees one day prior to the press announcement. (Tab B)

C. White House Press Announcement, April 5:

After insuring that the Vice President and key Senators and Representatives had been properly apprised -- and after discussing several draft press releases with Ash in California and Burns and Mayo here -- I sent the final (compromise) press material to Key Biscayne and from that location Ron Ziegler announced the Council's establishment, membership and mission. (Tab C)

D. Advisory Council's First Meeting, April 10:

All members except George Baker, who was detained at Harvard, met in the EOB for five hours. Discussion of priorities and modus operandi consumed 3-1/2 hours, in addition to most of the lunch period. Remaining time was spent with Peter Flanigan on personnel matters and with Dwight Ink and Sam Hughes on priorities and staff support. Conclusions were:

- The single most important next step is to obtain a full-time "inside man" (of equal stature), and agree to his job title.
- The Council should meet with the President as soon as possible in order to get some feel for what he (the President) considers to be the highest priority objectives. Thereafter, the Council should meet briefly with the President every second or third session ... or at least enough to preserve its stature and preclude possible rumors of its negative utility.
- As a matter of course, the Council should study and advise on immediate as well as long-range problems.
- Unless otherwise announced, the Council should meet in Washington on the third Friday of each month and consider the Thursday before and the Saturday after as possible extension periods.

(Tab D)

---End of Background Items---

E. Who Will Be Present?

Roy Ash; Fred Kappel; Dick Paget; and hopefully John Connally, at this writing still trying hard to disengage from previously made business commitments. (Dean George Baker does not feel that he can leave the Harvard campus.)

F. Suggested Opening Remarks:

- Welcome the members and comment that you are particularly pleased to have such a distinguished and experienced group advising you on this important subject.
- Express regret but understanding over the fact that Baker (and perhaps Connally) could not be present.
- State your awareness of the importance of your meeting with the Council occasionally (not only to stay abreast of its activities, but to preserve its stature and preclude possible rumors of its negative utility) -- perhaps for

20-30 minutes during every other monthly session, in addition of course to meetings which might be necessitated by urgent business.

NOTE: Your saying this will eliminate one item of business from Roy's agenda.

G. Anticipated Questions and Suggested Responses:

Question: Mr. President, we feel it's essential to get someone on board right away who can serve as our permanent liaison with you ... the "inside man", as we've referred to him previously. Peter Flanigan is working on this, but do you have anyone in mind who might do well in this role?

Answer: Peter has told me that Walter Thayer is under consideration and I think he'd be an excellent choice. If Thayer can break away -- and we won't know that for another week or so -- we're considering Bert Harding as his executive assistant. Until just recently Harding was acting director of OEO. He's a professional government man and extremely knowledgeable on all aspects of government operation.

Question: Mr. President, we have some ideas on priorities with regard to our objectives but don't like to move ahead on them without first checking with you to get your opinion. Are there certain specific areas which you would want us to give immediate attention?

Answer: Well, there are many as a matter of fact -- and each of them is important. It seems to be a matter of whichever area you're dealing with at the time. But all things considered, I believe our human resources programs are most in need of review and probably a good overhaul. I mean all of them and the departments and agencies which supervise them -- HUD, HEW, Labor, OEO ... the Job Corps and Head Start programs ... all so vitaly needed, yet so terribly bogged down in various forms of red tape.

NOTE: You may want to mention your recent meeting with the 11 big city mayors to emphasize the really crucial issues, and the probable devastating consequences if these departments, agencies, and programs are not made immediately more productive.

Answer - Continued: Of course the science area is important too -- the problem of best managing and coordinating the related science activities of the NSF, NASA, AEC, DoD, OST, not to mention the science activities of other departments and agencies.

H. Suggested Additional Remarks:

- Emphasize the fact that the Council's assessments as an impartial, non-partisan group are most important to you.
- Mention the necessity for the Council's working closely with (not for or through) the Bureau of the Budget, the Congressional Committees on Government Operations and the Advisory Commission on Intergovernmental Relations.
- Assure the members that they have ready access to you whenever necessary.

I. Advisory Council's Schedule for Remainder of the Day:

11:45- 12:15 Meet with Gov. Nils Boe, Director, Office of Inter-governmental Operations.

12:30- 1:30 Lunch with Nils Boe and Alex Butterfield.

1:45- 2:15 Tentative appointment with the Vice President.

2:15- 3:00 Meet with Dr. Arthur Burns.

3:30- 4:30 Rayburn Office Building to meet with certain members of House Committee on Government Operations (Chet Holifield, ranking Dem.; Florence Dwyer, ranking Repub; John Blatnik, Dem. chairman of Exec Reorg. Subcommittee; John Erlenborn, ranking Repub. member of that subcommittee; and Mrs. Christine Davis, representing Chairman William Dawson). Bill Timmons will accompany.

4:45- 5:30 New Senate Office Building to meet with certain members of Senate Committee on Government Operations (Chairman McClellan; Karl Mundt, ranking Repub; Abe Ribicoff, Dem. chairman of Exec. Reorg. Subcommittee; Jake Javits, ranking Repub. on that subcommittee; and Jim Calloway, Staff Dir., Government Operations Committee). Dale Grubb will accompany.

ADDENDUM

TAB

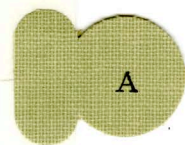
Post-Inaugural Activities re Council's Creation..... A

- Your Feb 6 Meeting with Roy Ash..... A/1
- Understanding on Adverse Publicity re Ash..... A/2
- Council Membership (and biographies)..... A/3
- Essence of Mayo-Burns View vs. Ash View..... A/4

Your Personal Letter to Each Member (April 1)..... B

White House Press Announcement (April 5)..... C

Advisory Council's First Meeting (April 10) D



POST-INAUGURAL ACTIVITIES RE COUNCIL'S CREATION

Because of general uncertainties concerning the best ways and means to help the President deal with the separate but related problems of government organization and management of the Executive branch, it was decided (well before the inauguration) that an organization should be designed and established to give the President maximum control of the Executive branch with a minimum expenditure of his time. This project and its associated problems was studied (prior to the inauguration) by a task force chaired by Frank Lindsay, and independently by Roy Ash at the President's request. The Lindsay task force recommended that the President "elevate and greatly strengthen BoB's Office of Executive Management, placing it under a new Deputy Director and assigning it responsibility to review, evaluate and coordinate federal programs and to make sure that Executive departments work in harmony and make the most effective use of regional and local agencies -- especially in their relation to state and local governments." Pursuant to that recommendation, on February 5 the BoB's Office of Executive Management was upgraded, given more exposure, and a new Director (Mr. Dwight Ink).

Additionally, a small White House unit was established at the outset of the Administration which, under a Senior Adviser to the President (Dr. Arthur Burns ... with Cabinet rank) was charged with bringing about the maximum possible cohesion to the planning of legislation and executive actions within the domestic sphere. This unit works closely with the various departments and agencies, and with all elements within the Executive office, especially the BoB, the Council for Urban Affairs and the Council of Economic Advisers.

Meanwhile, Roy Ash's recommendations concentrated on problems of efficient organization and management of the Executive branch and urged strong central management of the government under a single, uniquely high-level Assistant (or Counsellor) to the President.

A/1

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

February 6, 1969

MEMORANDUM FOR: THE PRESIDENT'S FILE

Subject: Mid-afternoon meeting in the President's office
with Mr. Roy Ash (3:35 - 4:40)

Also present: Bob Haldeman

The President, Bob Haldeman, and Roy Ash sat on the couches in front of the fireplace.

Bob Haldeman opened the discussion by reviewing in resume form all past events concerning the "Ash Plan" - the ideas which fostered its inception; its development; its merits as viewed by Roy Ash; its weaknesses as viewed by Arthur Burns and Co.; and finally, its current status. Then Bob asked Roy to take over and explain his most recent concepts with regard to immediate or near future implementation.

Roy Ash began by reiterating his strong belief in: (1) the importance of giving the President maximum control of the Executive Branch with the minimum expenditure of his time; (2) the importance of involving only the very best men available, i.e., men of the stature of Cabinet members; and (3) the importance of delineating immediately the responsibilities and authorities within the Executive Branch for achieving stated objectives. Of three feasible options Roy focused on an organizational setup which would put one very alert and capable person on the "inside" (i.e., on the President's staff...in a permanent status) with one, two, or three assistants. Supporting and advising this inside group Roy envisaged an outside, part-time staff composed of three to five men of a caliber equal to that of the key inside man.

Then, as Roy Ash advanced some names of prominent men of considerable stature, the subject turned to his own availability. Although Roy claimed to be almost completely boxed in for the next several months, he was eventually pressed into service with the understanding that he could devote only seven to ten days to this mission during the month of February, and a decreasing number of days in the months to follow... down to about two working days by April and May. He said that later (this was understood to mean after about six months) he might be able to devote much more time and, in fact, might even consider filling an associated but different role in this same executive management advisory area.

At about this point the meeting was interrupted for about ten minutes when Congressman Teague was brought into the President's office to report briefly on the "oil slick" disaster off the coast of Santa Barbara, California.

As the meeting resumed, there was some brief discussion on Henry Loomis and general agreement that he would serve very well as the Executive Secretary for this organization. This meant that Henry would be the right-hand man to the individual immediately responsible to the President, and that he would serve in a liaison capacity between the inside and outside groups.

As the meeting came to a close the President asked Roy to get with Bob Haldeman on the selection of individuals and, even though working from the outside, to get the ball rolling. As Roy departed, it was agreed that he would consider such persons as George Baker, John Connelly, McGeorge Bundy, Franklin Murphy, Eric Johnson, Pat Haggerty, etc. One especially good man would be named to run the inside group and three to five men would be named to assist Roy on the outside group. Meanwhile all present would give some thought to an appropriate name for this advisory staff.


ALEXANDER P. BUTTERFIELD

A/2

THE WHITE HOUSE
WASHINGTON

February 17, 1969

MEMORANDUM FOR: THE PRESIDENT

Subject: Status report on the Roy Ash project

This morning I met briefly with Roy Ash who was in town on Litton business with the Navy. This is where we stand at present:

(1) We have decided to name the organization The President's Council on Organization and Management.

(2) We have decided to go for five "outside" members rather than for three...so that if in the final group of selectees there are two from California or two from industry that fact will appear less obvious and certainly less objectionable.

(3) Just as Roy was starting to make contact with the individuals whose names we reviewed, and agreed to, last week, the Willie Mae Rogers fiasco hit the news. That event, plus the fact that Litton has just entered into a billion dollar contract with the Navy (to be announced by the Navy within 2-3 weeks), caused

Roy to pause and reconsider the wisdom of his making known to prospective cohorts his own role as Chairman of the group at a time when we might not want to chance more adverse publicity. This thought led Roy to pose three options concerning his participation:

First Option: We proceed, as planned - using Roy as we discussed previously - and take whatever lumps come our way as a result.

Second Option: We allow Roy to continue his participation, but strictly as an ex officio member, i.e., lying low and keeping well out of sight.

Third Option: We no longer consider Roy's participation; instead, we line up a new Chairman - someone like Franklin Murphy - and start all over with Murphy doing the recruiting.

Bob, John Ehrlichman, and I are in agreement that the Second Option should be eliminated in that it risks publicity far more damaging than any which might result from following the First Option. Of the remaining options, I recommend that you select the First,

-3-

knowing how much it means to the program to have Roy involved...
especially at the outset. If you agree I will call Roy tonight and
by morning we will be off and running.


ALEXANDER P. BUTTERFIELD

Agree

Disagree

See me



A/3

President's Advisory Council on Executive Organization

Chairman - Mr. Roy L. Ash
President
Litton Industries, Inc.
9370 Santa Monica Boulevard
Beverly Hills, California

Member - Dean George Baker
Graduate School of Business
Administration
Harvard University
Boston, Massachusetts

Honorable John B. Connally
Vinson, Elkins, Weems, Searls
Attorneys at Law
First City National Bank Building
Houston, Texas

Mr. Frederick R. Kappel
Chairman, Executive Committee
American Telephone and Telegraph
Company
195 Broadway
New York, N. Y.

Mr. Richard M. Paget
Cresap, McCormick and Paget
245 Park Avenue
New York, N. Y. 10017

— Chairman and all members serve voluntarily,
on part-time basis.

ROY L. ASH

Mr. Ash has been President of Litton Industries, Inc., since 1961. He was vice president from 1953 to 1958 and executive vice president from 1958 to 1961.

Prior to serving as an executive with Litton Industries, Mr. Ash was chief financial officer of Hughes Aircraft Company from 1949 to 1953. He was affiliated with Bank of America from 1936 to 1942 and again from 1947 to 1949 and has served as a member of the board of directors.

He has also been a director for various Litton subsidiaries.

Mr. Ash was graduated from Harvard University in 1947 with a master of business administration degree.

His civic activities include membership on the board of regents for Marymount College and Loyola University, board member for St. John's Hospital in Santa Monica, and membership on the Los Angeles World Affairs Council and the American Management Association.

Ash was born in Los Angeles, California on October 20, 1918. He married the former Lila M. Hornbek on November 13, 1943. They have five children. Their residence is Beverly Hills, California.

Mr. Ash worked with President-Elect Nixon after the November election on ways in which to improve management and efficiency in government.

GEORGE BAKER

Dean Baker graduated from Harvard University in 1925 and received his Doctor of philosophy degree in 1934. He has served Harvard since 1925 and was named Dean of the Graduate School of Business Administration in 1962. He has served in many departments of the Executive Branch; in 1947 he was named vice chairman of the President's Air Policy Commission, and from 1946 to 1956 served as the United States member of the United Nations Transport and Communications Commission. Dean Baker married Ruth P. Bremer in 1926; they have four children.

JOHN B. CONNALLY

The Honorable John B. Connally served as Secretary of the Navy in 1961, and as Governor of Texas from 1962 until 1969. Prior to 1950, he was president and general manager of the Austin radio station KVET and administrative assistant to the then Senator Lyndon B. Johnson. Governor and Mrs. Connally have three children.

FREDERICK R. KAPPEL

Mr. Kappel began with Northwestern Bell Telephone Company in 1924 as a ground man. He held several positions with Northwestern Bell until 1949 when he was selected as an assistant vice president of American Telephone and Telegraph Company. He became president in 1956 and in 1967 was elected chairman of the Executive Committee. Mr. Kappel has served as chairman of the President's Committee on Postal Organization, and also as chairman of the Commission on Executive, Legislative and Judicial Salaries.

Married to the former Ruth Carolyn Ihm, they have two children.

RICHARD M. PAGET

Mr. Paget was a partner in the management consultant firm of Booz, Allen, and Hamilton before assuming his present position with Cresap, McCormick, and Paget, in New York. He holds a bachelor of science degree from Northwestern University. He serves as a director of the Prudential Insurance Company of Great Britain and Atlas Chemical Industries; and as a trustee of the U. S. Trust Company, the Union Dime Savings Bank, and the Metropolitan Museum of Art, all of New York. He is chairman of the Board of Trustees of the Parsons School of Design, New York. He and Mrs. Paget, the former Inez Bouvea, have two children.

A/4

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

Determined to be an
Administrative Marking
Not National Security Information
By JWS NARA Date 3/10/2016

April 3, 1969

*Sent to Key Biscayne
Confidential background
for Ziegler.*

VERY CONFIDENTIAL

MEMORANDUM FOR: MR. RON ZIEGLER
MR. BRYCE HARLOW

Subject: Essential Background Material Prior to Press Announcement
re President's Advisory Council on Executive Organization

Prior to your announcement of the establishment of the President's
Advisory Council on Executive Organization you should know that
there are some considerable differences of opinion between Roy Ash
and a Mayo-Burns coalition concerning the manner in which the Council
should be set up and operated. This means that getting the two factions
to agree to a draft press release has been impossible.

Whereas I realize that each of you is familiar with some, or perhaps
all, of the background on this issue I will outline below -- at least for
the record -- the fundamental views of each side.

The Ash View

Roy sees a very high-powered prestige group working
directly for the President, completely unencumbered
by any staff group or individual. Although this group
will operate "outside" the government (voluntarily and
part-time ... some 3-4 days per month), Roy hopes
to see eventually the establishment of one "inside"
man who will be of a prominence and stature equal to
that of the outside members. He sees the inside man
as the outside group's immediate liaison with the
President. Further, he sees the inside man as one
who is very close to the President -- much like Bob
Haldeman and Arthur Burns are now -- as a counsellor
or top assistant. Moreover, Roy has hinted that per-
haps after a few months one of the outside men might
be free to slide to the inside post, leaving only four
part-timers. Roy was never an advocate of the Dwight
Ink Office of Executive Management within BoB, so he
does not now want to see that office closely associated

VERY CONFIDENTIAL

VERY CONFIDENTIAL

with his five-man Advisory Council. In fact, it was only in the manner of a rather reluctant concession to Bob Mayo that Roy added the word "Advisory" and dropped the word "Management" from his Council's title. (It was going to be The President's Council on Executive Organization and Management.)

The Mayo-Burns View

On quite the opposite side of the fence are Bob Mayo and Arthur Burns. They feel strongly that formation of an Ash group became unnecessary on February 5th when Dwight Ink's shop was set up. However, they say that if it is now the President's wish that an Ash group be set up -- and we've told them that it is -- it must per-force work with Ink's office and through the Budget Director. If it doesn't, they argue, it usurps the prerogatives of the Office of Executive Management, undercuts Ink ... and in that process downgrades in no small measure the Director's position in the Administration. (To this Ash retorts that you just don't tell a Baker, a Kappel, or a Connally that what he proposes to the President must first be reviewed by an Ink or a Mayo. Ash is adamant that such should not even be implied in our announcement.)

So much for the "Very Confidential" background.

Now -- I am attaching first of all a release okayed by Mayo. Where I have marked the release in pencil is where Ash strongly objects.

Next, I am attaching my own "compromise" press release ... and I'll assume full responsibility for whatever repercussions it generates. I only wanted you to read and understand the differences in views in order to help guide your responses to an always inquisitive press.

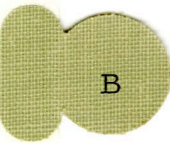
I also have enclosed biogs on all five members, the sum and substance of which have been incorporated into my "compromise" release.

One final note: Please check all of this with Bryce. I have talked to him on the telephone as I have talked with you, but you should really go over this together well before the announcement. At this end of the line I have talked over this whole ball of wax with Dr. Burns, Bob Mayo and Roy Ash. I also have informed the Vice President, and Lamar and Timmons together have called the offices of Mundt, McClellan, Pearson, Ribicoff, and Javits.

Go!

VERY CONFIDENTIAL

ALEXANDER P. BUTTERFIELD



April 1, 1969

Dear (first names used)

I want you to know how delighted I was to hear from Roy Ash that you have agreed to serve as a member of our newly-formed President's Advisory Council on Executive Organization.

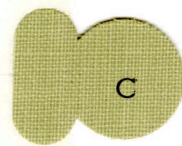
The necessary steps for coordination with the Budget Bureau's Office of Executive Management have been completed and we are now ready to announce officially the formation of the Advisory Council. It will be done on April 4 from Key Biscayne.

I attach great importance to the creation of this Council in that its prime function will be to delineate responsibilities and authorities within the executive branch for achieving stated objectives in the most effective, efficient and economical manner. Further, as Roy may have indicated, I am especially pleased that he has assembled a charter group of such great stature and proven ability. You have my personal thanks for accepting this challenge -- and my warmest good wishes.

Sincerely,

RICHARD NIXON

Copy of letter sent to each member
of Advisory Council prior to official
announcement to the Press on April 5.



APB Campaign

Draft White House Press Release
to be announced by Mr. Ron Ziegler
from Key Biscayne on Friday, April 4, 1969

The President announced today the appointment of five distinguished Americans to the President's Advisory Council on Executive Organization.

Named as Chairman of the Council was Roy L. Ash, President of Litton Industries, Inc., Beverly Hills, California.

Members are Dean George Baker of Harvard University's Graduate School of Business Administration, Boston, Massachusetts; former Texas Governor John B. Connally, now a member of the Houston law firm of Vinson, Elkins, Weems, and Searls; Frederick R. Kappel, chairman of the Executive Committee, American Telephone and Telegraph Company, New York; and Richard M. Paget of the New York management consultant firm of Cresap, McCormick, and Paget.

The chairman and all members of the Council will serve voluntarily, and on a part-time basis.

At the President's direction, the newly formed Advisory Council on Executive Organization -- which follows by only eight days the President's signing of the Reorganization Act, one of the first completed actions of the 91st Congress -- will undertake a thorough review of the organization of the Executive Branch of the Government. It will provide over-all and specific recommendations for improved effectiveness, and will deal with both immediate and long-run needs for organizational changes to make the Executive Branch a more effective instrument of public policy.

The Council will consider: (1) The organization of the Executive branch as a whole in light of today's changing requirements of government; (2) Solutions to organizational problems which arise from among the 150 plus departments, offices, agencies and other separate Executive organizational units; and (3) The organizational relationships of the federal government to states and cities in carrying out the many domestic programs in which the federal government is involved.

Although it is planned that staff assistance will be provided by the Budget Bureau's Office of Executive Management, the Council will have direct access to the President. Contacts with the Congress, the states and localities, and other interested entities will be handled through established government channels.

Mr. Ash has been President of Litton Industries, Inc., since 1961. He was vice president from 1953 to 1958 and executive vice president from 1958 to 1961.

Prior to serving as an executive with Litton Industries, Mr. Ash was chief financial officer of Hughes Aircraft Company from 1949 to 1953. He was affiliated with Bank of America from 1936 to 1942 and again from 1947 to 1949 and has served as a member of the board of directors.

He has also been a director for various Litton subsidiaries.

Mr. Ash was graduated from Harvard University in 1947 with a master of business administration degree.

His civic activities include membership on the board of regents for Marymount College and Loyola University, board member for St. John's Hospital in Santa Monica, and membership on the Los Angeles World Affairs Council and the American Management Association.

Ash was born in Los Angeles, California on October 20, 1918. He married the former Lila M. Hornbek on November 13, 1943. They have five children. Their residence is Beverly Hills, California.

Mr. Ash worked with President-Elect Nixon after the

-more-

November election on ways in which to improve management and efficiency in government.

Dean Baker graduated from Harvard University in 1925 and received his Doctor of philosophy degree in 1934. He has served Harvard since 1925 and was named Dean of the Graduate School of Business Administration in 1962. He has served in many departments of the Executive Branch; in 1947 he was named vice chairman of the President's Air Policy Commission, and from 1946 to 1956 served as the United States member of the United Nations Transport and Communications Commission. Dean Baker married Ruth P. Bremer in 1926; they have four children.

The Honorable John B. Connally served as Secretary of the Navy in 1961, and as Governor of Texas from 1962 until 1969. Prior to 1950, he was president and general manager of the Austin radio station KVET and administrative assistant to the then Senator Lyndon B. Johnson. Governor and Mrs. Connally have three children.

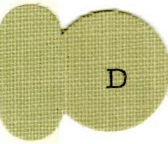
Mr. Kappel began with Northwestern Bell Telephone Company in 1924 as a ground man. He held several positions

-more-

with Northwestern Bell until 1949 when he was selected as an assistant vice president of American Telephone and Telegraph Company. He became president in 1956 and in 1967 was elected chairman of the Executive Committee. Mr. Kappell has served as chairman of the President's Committee on Postal Organization, and also as chairman of the Commission on Executive, Legislative and Judicial Salaries.

Married to the former Ruth Carolyn Ihm, they have two children.

Mr. Paget was a partner in the management consultant firm of Booz, Allen, and Hamilton before assuming his present position with Cresap, McCormick, and Paget, in New York. He holds a bachelor of science degree from Northwestern University. He serves as a director of the Prudential Insurance Company of Great Britain and Atlas Chemical Industries; and as a trustee of the U. S. Trust Company, the Union Dime Savings Bank, and the Metropolitan Museum of Art, all of New York. He is chairman of the Board of Trustees of the Parsons School of Design, New York. He and Mrs. Paget, the former Inez Bouvea, have two children.



MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 10, 1969

MEMORANDUM FOR RECORD

Subject: First Meeting of The President's Advisory Council on
Executive Organization, April 10, 1969

The President's Advisory Council on Executive Organization held its first meeting today in the Executive Office Building from 10:00 a. m. until 4:00 p. m. Of the five members (Roy Ash, Fred Kappel, George Baker, John Connally and Dick Paget) only Dean George Baker was unable to attend. The day's activities are listed below:

- (1) Roy Ash gave the members a thorough background concerning the need for the Advisory Council.
- (2) Members were given copies of the Nixon Task Force Report on Reorganization of the Executive Branch of the Government. The report was reviewed and discussed.
- (3) There was long discussion on what the Council should take on as its priority objectives.
- (4) Lunch at White House Staff Mess was hosted by Mr. Butterfield.
- (5) Members reconvened and met with Mr. Peter Flanigan re prospective candidates for the Council's full-time liaison with the President. It was agreed that the nominee would be selected from among their peers.
- (6) The Council met with Assistant Budget Director Sam Hughes and Director of the Office of Executive Management Dwight Ink to determine BoB's view of priority objectives ... and to understand the degree to which Mr. Ink's staff could support the Advisory Council.

From my casual conversations with the Council members prior to and after their meeting -- and during the lunch hour -- I gained these impressions:

- (1) The members believe their first order of business is to select a highly qualified man, of a stature equal to their own, to serve as the full-time White House staff liaison between their Council and the President.
- (2) They believe their second order of business is to put priorities on their objectives -- and they feel that they cannot do this without at least some indication from the President, personally, as to what he sees as the most pressing organizational problems confronting the Executive branch today.
- (3) There was some very slight disappointment on the part of the members that priorities had not been placed on objectives prior to this first meeting.

~~A~~
ALEXANDER P. BUTTERFIELD

POST-INAUGURAL ACTIVITIES RE COUNCIL'S CREATION

Because of general uncertainties concerning the best ways and means to help the President deal with the separate but related problems of government organization and management of the Executive branch, it was decided (well before the inauguration) that an organization should be designed and established to give the President maximum control of the Executive branch with a minimum expenditure of his time. This project and its associated problems was studied (prior to the inauguration) by a task force chaired by Frank Lindsay, and independently by Roy Ash at the President's request. The Lindsay task force recommended that the President "elevate and greatly strengthen BoB's Office of Executive Management, placing it under a new Deputy Director and assigning it responsibility to review, evaluate and coordinate federal programs and to make sure that Executive departments work in harmony and make the most effective use of regional and local agencies -- especially in their relation to state and local governments." Pursuant to that recommendation, on February 5 the BoB's Office of Executive Management was upgraded, given more exposure, and a new Director (Mr. Dwight Ink).

Additionally, a small White House unit was established at the outset of the Administration which, under a Senior Adviser to the President (Dr. Arthur Burns ... with Cabinet rank) was charged with bringing about the maximum possible cohesion to the planning of legislation and executive actions within the domestic sphere. This unit works closely with the various departments and agencies, and with all elements within the Executive office, especially the BoB, the Council for Urban Affairs and the Council of Economic Advisers.

Meanwhile, Roy Ash's recommendations concentrated on problems of efficient organization and management of the Executive branch and urged strong central management of the government under a single, uniquely high-level Assistant (or Counsellor) to the President.

January 23, 1969

FOR: Mr. H. Robert Haldeman

FROM: Henry Loomis

Arthur Burns, Martin Anderson, and I met last night with Lindsay and three members of his task force. We discussed various methods for organization of the Executive Office, including Mr. Ash's. All of us agree on the following:

The organization should be designed to give the President maximum control of the Executive Branch with the minimum expenditure of his time.

The number of issues that reach the President should be held to a minimum, not necessarily the number of men who see the President on the issues. By keeping down the number of issues that reach the President, his time and energy will be best economized. During the consideration of policy problems the President should be exposed to the approaches, thinking, and points of view of the relevant members of his staff and Cabinet.

The effectiveness of the President would be limited by a single source of information or by a single individual attempting to synthesize the divergent views of others.

The staff should mediate but not arbitrate major problems. When mediation fails, the President -- and only the President -- must decide. Mediation will be more successful with the less important issues since the protagonists will be less determined to escalate the problem to the President's attention.

We discussed the Eisenhower concept of a First Secretary which died before birth due to overwhelming opposition by the Cabinet and Congress.

We therefore recommend that:

1. The Bureau of the Budget be strengthened to better meet the responsibilities it has long had on paper.

- a. The Office of Executive Management should be expanded and headed by a new Deputy Director of the Bureau. Its function should be to review, evaluate, and coordinate federal programs.

b. An Office of Executive Personnel should be established and headed by a third Deputy Director of the Bureau. It should guide and review proposals for changes in the many federal personnel systems and eventually set policies governing recruitment, classification, and transfer of all "super-grade" personnel.

We believe this approach will contribute significantly to the successful functioning of the White House, provide the most "clout," and be the most acceptable to the Congress, and the heads of departments and agencies.

2. Establish a small unit in the White House, under a senior adviser to the President, charged with bringing the maximum possible cohesion to the planning of legislation and executive actions in the domestic sphere. This unit should work closely with the various departments and agencies, and all units within the Executive Office, especially the Budget Bureau, the Council for Urban Affairs, and the Council of Economic Advisers. The new unit should utilize special task forces as required. (This is already being done, with Arthur Burns in charge.)

3. We all recognize the political pressure behind a new "Hoover Commission." We believe that such a Commission should not be pushed at present, since that may delay desirable immediate changes.

We, therefore, recommend that the President's Advisory Committee on Government Organization be reconstituted. (It functioned from 1946 to 1962.) The Committee, composed of three or five respected citizens, would address itself to those problems deemed most urgent by the President. The Office of Executive Management within the Bureau of the Budget would provide the bulk of the staff work.

HL:dsb

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON 25, D.C.

April 26, 1969

MEMORANDUM FOR MR. BUTTERFIELD

Subject: Meeting with Ash Council

In accordance with your request, following is a resume of our meeting with the Council.

Sam Hughes, Deputy Director of the Bureau of the Budget, and Dwight Ink, Assistant Director for Executive Management, met with the Council at its request for about an hour on April 10. All members of its Council were present except for Mr. George Baker.

The Council was seeking advice as to the areas to which it might devote attention and suggestions as to the matters of highest priority.

Hughes and Ink suggested the science area for priority attention. This involves questions such as a Department of Science or a Science Council, and the best method of managing and coordinating the interrelated science activities of the NSF, NASA, AEC, DOD, OST, and the science activities of other departments and agencies.

The whole area of human resources, particularly HEW, HUD, Labor and OEO, needs to be reviewed from an organizational standpoint. There is an overlapping of functions and some confusion of basic roles. This matter may need to be broken into manageable phases.

The natural resources area is one in which people have long recognized the need for reorganization. Although the need for meeting this organizational problem is not as urgent as in the human resources area, the need is not dissimilar.

There also was some Council discussion of the international area and regulatory activities.

The Council apparently intends to limit its attention to organization and generally speaking does not intend to concern itself with the internal organization of departments and agencies.

Hughes and Ink volunteered all possible assistance. The Council appears to contemplate only a small staff (one or two professionals), with heavy reliance on Bureau of the Budget and agency personnel, as did the similar Eisenhower body. The Council indicated that it plans monthly meetings.

The Council stated a preference for not having an Executive Order unless we advised them of specific areas in which they would be handicapped for lack of an Executive Order. We doubted they would be in any way handicapped, but agreed to check this further. The check confirmed our view.

(signed) Sam Hughes

Phillip S. Hughes
Deputy Director

THE WHITE HOUSE

WASHINGTON

March 10, 1969

MEMORANDUM FOR: Mr. H. R. Haldeman

Uncertainty has existed since the election on how best to help the President deal with the separate but related problems of government organization and management of the Executive Branch. The organization of the White House staff and Executive Office of the President is a dependent issue. These problems were studied by the Task Force on Organization of the Executive Branch under the Chairmanship of Frank Lindsay and independently by Roy Ash at the President's request. Their recommendations are quite different and mutually incompatible.

The Task Force made two key recommendations. First: the President "should elevate and greatly strengthen the Budget Bureau's Office of Executive Management, placing it under a new Deputy Director and assigning it responsibility to review, evaluate, and coordinate federal programs and to make sure that executive departments work in harmony and make the most effective use of regional and local agencies, especially in their relation to state and local governments."

Second: the President "should reestablish the President's Advisory Committee on Government Organization, the members of which would be drawn from private life. With full support from the Budget Bureau's new Office of Executive Management, this Committee would recommend to the President plans for improvements in the organization and administration of the Executive Branch." Specifically, this Committee should "study the desirability of consolidating, or dividing, existing agencies concerned with both domestic and foreign affairs."

The Task Force felt that such a Committee would "provide for greater flexibility and responsiveness to the President's needs than would a new, statutory 'Hoover Commission.'"

Pursuant to the first recommendation, on February 5 the Bureau of the Budget's Office of Executive Management was upgraded, given more exposure, and a new Director, Dwight Ink.

A few days later pursuant to the second recommendation, the President agreed in a discussion with Burns, Harlow, and yourself to the formation of the Advisory Committee on Organization with Roy Ash as Chairman and Frank Lindsay as a member. The number and identity of the remaining members was not settled.

In the meantime, Roy Ash was studying the same basic problems independently. His recommendations concentrated on problems of efficient management of the Executive Branch rather than its organization and urged strong central management of the government under a single, uniquely high level, Assistant to the President.

After a discussion with Ash, the President approved a memorandum on February 17 establishing "The President's Council on Organization and Management" with five "outside" members and Ash as Chairman.

The next day in a telephone conversation, Ash indicated to me that he understood that the President had approved the following:

a. Formation of a Council on Organization and Management as quickly as possible to meet three or four days a month.

b. Invitations to the following to serve as members:

Roy Ash -- Chairman
George Baker
Franklin Murphy
McGeorge Bundy
John Connolly

and Kaplan

c. Appointment of a full-time, very senior official as Counselor to the President and staff to the Council. Ash mentioned Richard Paget and Marvin Bower, senior management consultants, as possibilities.

During this conversation, Ash indicated that initially the Council would have the major responsibility to advise the President with the Counselor acting as the Council's staff and their representative within the White House. However, he felt that it would be best to move in the direction of the Counselor gradually assuming more authority until in the end he would be the President's principal advisor on organization and management and the Council would be advisory to him.

This concept is quite different from the Task Force's proposed Advisory Committee on Organization. Not only would it negate the newly upgraded responsibilities of the Budget Bureau's Office of Executive Management but it would also establish an individual in the White House whose managerial duties would move strongly in the direction of establishing a "Deputy President."

As you know, Bob Mayo was seriously concerned by this conflict and, therefore, Ash has been directed not to proceed further with the formation of the Council until he and Mayo can confer. (Baker and ~~Murphy~~ ^{Connally} had already been contacted by Ash and have agreed to serve.)

Also
Kappel
(+ Page 1)

Urgent problems of Executive Branch reorganization are awaiting decisions. Each is being considered separately, frequently by different offices.

Must avoid this!

I believe the President is on the brink of creating the impression that confusion and overlapping exists within his own staff.

I strongly urge that the Task Force recommendation be adopted and that an Advisory Committee on Government Organization be established to work on major problems of organization. The Committee should not be involved in management. Its Executive Secretary should be a "medium level" Assistant to the President and not a Counselor. The Bureau of the Budget should be relied on for the bulk of staff support. The Committee members, not the staff, should be the President's principal advisors on organization. On the assumption that Roy Ash will be Chairman, I further recommend that the remaining Committee members and the Executive Secretary be men who have had experience in managing large organizations within the government at either the federal or state level. The Committee should be bipartisan.

This recommendation would follow the decision the President reached in the meeting with you, Burns, and Harlow but it is incompatible with Roy Ash's suggested Council and Counselor to the President.

I believe the problems of government organization are serious and urgent and that it is in the President's interest to decide this issue promptly.

Henry Loomis

Nixon Names Panel On Reorganization

By GARNETT D. HORNER
Star Staff Writer

MIAMI — President Nixon today named a five-man advisory council on government reorganization.

He named Roy L. Ash, president of Litton Industries, Inc., as chairman of the blue-ribbon panel to make a thorough review of the organization of the executive branch and recommend changes for greater efficiency.

A White House announcement said the council will "deal with both immediate and long-range needs for organizational changes to make the executive branch a more effective instrument of public policy."

The council will work along the lines of the old Hoover Commission and its recommendations will be the basis of the President's reorganization plans.

The Hoover Commission's recommendations led to extensive reorganizations in the Truman and Eisenhower administrations.

Besides Ash, Nixon named: George Baker, dean of the Harvard University Graduate School of Business Administration; former Texas Gov. John B. Connolly, now with a Houston law firm; Frederick R. Kappel, chairman of the executive board of the American Telephone & Telegraph Co.; and Richard M. Paget, of the Manhattan management consultant firm of Cressap, McCormick & Paget.

The council will meet for the first time in Washington next Thursday.

In his election campaign last fall, Nixon promised extensive reorganization of the govern-



ROY L. ASH

ment to make it more efficient in meeting the country's needs.

He has been conferring with Ash off and on since soon after the November election. Ash's recommendations are understood to have played a big part in Nixon's organization of the White House staff.

No time limit was set for the new council's work. It is expected to make interim reports to the President from time to time, resulting in periodic submission of reorganization plans to Congress.

Meanwhile, the President scheduled a meeting of the Urban Affairs Council at the White House for 10 a.m. Monday to carry forward a series of discussions on domestic programs.

As a result of a conference

See NIXON, Page A-2

NIXON

Reorganization Panel Named by President

Continued From Page A-1
with five key advisers here yesterday afternoon, the meeting Monday and other discussions, the President plans to start sending special messages to Congress soon after its Easter recess that will disclose his plans for meeting major domestic problems.

Nixon, who flew to Florida Wednesday afternoon to spend the Easter weekend at his Key Biscayne home near here, plans to return to Washington tomorrow night.

White House Press Secretary Ronald L. Ziegler said the President expects to attend the season-opening baseball game in Washington Monday afternoon and throw out the first ball.

Ziegler said arrangements were being made, at Nixon's request, for him to take some Washington area Little League players to the Senators-Yankees game with him.

Ziegler also said the traditional Easter Monday egg roll on the White House south lawn is scheduled to begin at 11:45 a.m. He said he did not know whether the President would greet the participants.

Meanwhile, Nixon announced that he intends to nominate Charles Burke Elbrick, a career diplomat, as ambassador to Brazil.

Elbrick, 61, has served as ambassador to Yugoslavia since 1964. The President named William Leonhart, another career diplomat, earlier this week to replace Elbrick in Yugoslavia.

Elbrick has served previously as assistant secretary of state for European affairs, as ambassador to Portugal and numerous other posts.

There were indications that Nixon may name John Davis Lodge as ambassador to the Organization of American States.

Asked about speculation regarding such an appointment for Lodge, Ziegler said today he could neither confirm nor deny it. His remark tended to lend support to reports that Lodge, former governor of Connecticut and ambassador to Spain, would replace Sol M. Linowitz in the OAS post.

Lodge is a brother of Henry Cabot Lodge, head of the U.S. delegation to the Vietnam peace talks in Paris.

Reappointing Andolsek

Ziegler did announce that Nixon intends to nominate Ludwig J. Andolsek, the Democratic member of the Civil Service Commission, for reappointment to another six-year term on the commission.

Andolsek, who formerly was chief clerk of the House Public Works Committee, has been a member of the CSC since 1963.

By law, no more than two members of the commission may be members of the same party. Chairman Robert E. Hampton and James Johnson are the Republican members.

Nixon set up the advisory council on reorganization only eight days after signing legislation extending his authority to submit reorganization plans to Congress that become effective within 60 days unless disapproved by the Senate or House.

White House aides said that, at the President's direction, the council will "provide over-all and specific recommendations for improved effectiveness" in government operations.

The council will consider:

- The organization of the executive branch as a whole "in light of today's changing requirements of government."
- Solutions to organizational problems which arise from among the more than 150 departments, offices, agencies and other units in the executive branch.
- The organizational relationships of the federal government to states and cities in carrying out domestic programs.

Ziegler said the council will work closely with the Senate and House government organization committees and the Office of Intergovernmental Relations, headed by Vice President Spiro T. Agnew, which serves as liaison between the President and state and local governments.

WASHINGTON STAR, APR 5

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

Determined to be an
Administrative Marking
Not National Security Information
By MS NARA Date 3/10/2016

April 3, 1969

VERY CONFIDENTIAL

MEMORANDUM FOR: MR. RON ZIEGLER

Subject: Supplemental Info re Your Press Announcement on The
Advisory Council

Many Republican Senators and a good number of Democrats have been pushing for the formation of a Hoover-type Commission. Thus, it may be wise to make it known by way of this initial announcement that the new Advisory Council will not be ignoring them but, quite the contrary, will be working closely with the Congressional Committees on Government Operations ... as well as the Advisory Commission on Intergovernmental Relations and the Budget Bureau. Perhaps you could incorporate this material by inserting something along the lines of the following paragraph:

The Council will work closely with:

- (1) The Committees on Government Operations of both houses of Congress in order to assure that full Congressional consideration is given to its recommendations;
- (2) The Advisory Commission on Intergovernmental Relations, which was established to bring together representatives of Federal, state and local governments for consideration of common problems, to discuss the administration of Federal grant programs and the controls involved in their administration, and to make available technical assistance to the executive and legislative branches of the Federal government in the review of proposed legislation.
- (3) The Budget Bureau's Office of Executive Management (established February 5th and headed by Director Dwight Ink) which assists the Director in reviewing, evaluating and coordinating Federal programs and activities.

VERY CONFIDENTIAL

VERY CONFIDENTIAL

If you are forced to defend the "Advisory Council" idea over a "Hoover-type Commission", it may be of interest to you to know that the last Hoover Commission -- in just under two years (late '53 to late '55) -- operated from a \$2,800,000 budget and reached a peak staff of 525 people. This five-man Advisory Council will be more flexible, and far more responsive to the President's wishes. Further, the Advisory Council will not get immersed in intradepartmental detail as did the '53-'55 Hoover Commission; instead, it will deal only with the important issues ... the policies and principles of efficient organization (and management).

Bryce may think it a good idea to hint that this entire (Advisory Council) ball of wax stems from ideas put forth in the past by Senator Pearson (R-Kans.). Such an implication might flatter Pearson and generate a little more Senatorial support.


ALEXANDER P. BUTTERFIELD

NOTE: I just received word from the Vice President's office (having checked this entire matter with them yesterday afternoon) that the Vice President has personally requested the inclusion in your announcement of something to indicate that the Council will work closely with his "office of Intergovernmental Relations, ^{which} to serve as the liaison between state and local governments and the President on all matters relating to intergovernmental relations."



VERY CONFIDENTIAL

FOR IMMEDIATE RELEASE

APRIL 5, 1969

ACTUAL RELEASE
(Same as
compromise)

Office of the White House Press Secretary
(Key Biscayne, Florida)

THE WHITE HOUSE

The President announced today the appointment of a President's Advisory Council on Executive Organization to undertake a thorough review of the organization of the Executive Branch of Government.

Named as Chairman of the Council was Roy L. Ash, President of Litton Industries, Inc., Beverly Hills, California.

Members are Dean George Baker of Harvard University's Graduate School of Business Administration, Boston, Massachusetts; former Texas Governor John B. Connally, now a member of the Houston law firm of Vinson, Elkins, Weems, and Searls; Frederick R. Kappel, chairman of the Executive Committee, American Telephone and Telegraph Company, New York; and Richard M. Paget of the New York management consultant firm of Cresap, McCormick, and Paget.

At the President's direction, the newly formed Advisory Council on Executive Organization -- which follows by only eight days the President's signing of the Reorganization Act, one of the first completed actions of the 91st Congress will provide over-all and specific recommendations for improved effectiveness. It will deal with both immediate and long-range needs for organizational changes to make the Executive Branch a more effective instrument of public policy.

The Council will consider: (1) The organization of the Executive branch as a whole in light of today's changing requirements of government; (2) Solutions to organizational problems which arise from among the 150 plus departments, offices, agencies and other separate Executive organizational units; and (3) The organizational relationships of the federal government to states and cities in carrying out the many domestic programs in which the federal government is involved.

Although it is planned that staff assistance will be provided by the Budget Bureau's Office of Executive Management, the Council will have direct access to the President. Contacts with the Congress, the states and localities, and other interested entities will be handled through established government channels.

The Council will work closely with the Office of Intergovernmental Relations established by the President under the supervision of the Vice President to serve as the liaison between state and local governments and the President.

Mr. Ash has called the first meeting of the Council for April 10 in Washington DC.

Mr. Ash has been President of Litton Industries, Inc., since 1961. He was vice president from 1953 to 1958 and executive vice president from 1958 to 1961.

Prior to serving as an executive with Litton Industries, Mr. Ash was chief financial officer of Hughes Aircraft Company from 1949 to 1953. He was affiliated with Bank of America from 1936 to 1942 and again from 1947 to 1949, and has served as a member of the board of directors.

He has also been a director for various Litton subsidiaries.

MORE

(OVER)

Mr. Ash was graduated from Harvard University in 1947 with a master of business administration degree.

His civic activities include membership on the board of regents for Marymount College and Loyola University, board member for St. John's Hospital in Santa Monica, and membership on the Los Angeles World Affairs Council and the American Management Association.

Ash was born in Los Angeles, California on October 20, 1918. He married the former Lila M. Hornbek on November 13, 1943. They have five children. Their residence is Beverly Hills, California.

Mr. Ash worked with President-Elect Nixon after the November election on ways in which to improve management and efficiency in government.

Dean Baker graduated from Harvard University in 1925 and received his Doctor of philosophy degree in 1934. He has served Harvard since 1925 and was named Dean of the Graduate School of Business Administration in 1962. He has served in many departments of the Executive Branch; in 1947 he was named vice chairman of the President's Air Policy Commission, and from 1946 to 1956 served as the United States member of the United Nations Transport and Communications Commission. Dean Baker married Ruth P. Bremer in 1926; they have four children.

The Honorable John B. Connally served as Secretary of the Navy in 1961, and as Governor of Texas from 1962 until 1969. Prior to 1950, he was president and general manager of the Austin radio station KVET and administrative assistant to the then Senator Lyndon B. Johnson. Governor and Mrs. Connally have three children.

Mr. Kappel began with Northwestern Bell Telephone Company in 1924. He held several positions with Northwestern Bell until 1949 when he was selected as an assistant vice president of American Telephone and Telegraph Company. He became president in 1956 and in 1967 was elected chairman of the Executive Committee. Mr. Kappel has served as chairman of the President's Committee on Postal Organization, and also as chairman of the Commission on Executive, Legislative and Judicial Salaries.

Married to the former Ruth Carolyn Ihm, they have two children.

Mr. Paget was a partner in the management consultant firm of Booz, Allen, and Hamilton before assuming his present position with Cresap, McCormick, and Paget, in New York. He holds a bachelor of science degree from Northwestern University. He serves as a director of the Prudential Insurance Company of Great Britain and Atlas Chemical Industries; and as a trustee of the U.S. Trust Company, the Union Dime Savings Bank, and the Metropolitan Museum of Art, all of New York. He is chairman of the Board of Trustees of the Parsons School of Design, New York. He and Mrs. Paget, the former Inez Bouvea, have two children.

#

1. Develop & maintain an integrated President's plan of goals, objectives, & prog.

2. Rec the level of fed govt'l commitments & expenditures nec to achieve these nat'l goals consistent w/ the financial, econ & other policies & ^{con}straints.

3. Budget the funds req'd & process the nec legis action to implement them.

4. Propose delineations of the responsibilities & authorities w/ Sec Br for achieving stated objectives.

5. Coord mtrng requiring interdept'l action

6. Eval both the efficiency with which resources are employed & the effectiveness w/ which goals & benefits are achieved - & to use that info to rec chgs & improvements

Prog Planning
(What to do)

Prog Execution
funds - legis - org

Prog Coord
Mch Smith

Prog Eval
(measure results)

Let's stop
doing the
unproductive
~~function~~ This
takes care of
determination,
& commitment

#1 prob of govt
today is the disparity
between effort
resources, &
the actual performance

Ash

political
realities
political
theories

political
absurdity
(many new
mini states)

political
wisdom

political
vision

political
rhetoric

Step #1 Review/critique present day domestic
prog- many in oper are wasteful.
Must clear the debris for initial implementation.

#2 What does Ash expect Successor Admin
to do with presently instituted prog
which translate outgoing Pres'
values & goals. Again - at the
outset of an Admin there will have
to be a full scale review/critique...
but admittedly never so big as the
one now due.

It is a fact that a healthy and state can
serve as a healthy participant in international
councils - (UN, etc). It is the international
division (leaving nothing where it exists) which
precludes progress in international scene.

They are too
powerful to
have allies; can
only have depts.

Also a fact that superpowers cannot admit to & true
neutral position - for they have too many outside vested
interests which matter. This leads often to over reaction
(VN - Damb - Congo for US & similar caution for USSR) & underachievement.

Means to diversity is unity - not uniformity

ADMINISTRATIVELY CONFIDENTIAL

BRIEFING OUTLINE

REORGANIZATION PLAN - EXECUTIVE OFFICE OF THE PRESIDENT

The President will soon send to Congress a Reorganization Plan for his Executive Office. The Plan establishes a Domestic Council to advise the President on total domestic policy and an Office of Management to carry on the work of the Bureau of the Budget with increased emphasis on securing effective results from Federal programs.

THE PRIORITY OF THE EXECUTIVE OFFICE

The President has long been concerned about the need to improve the functioning of the Executive Branch. To develop sound and innovative approaches, he appointed last April the President's Advisory Council on Executive Organization under the chairmanship of Roy Ash. Shortly thereafter, the President concluded with the Council that a most important opportunity for change was in the Office of the President itself:

1. Certain changes in the Executive Office would provide a strong impetus for improving the operations of the entire Executive Branch--a conclusion which echoes studies made by several previous administrations.
2. Such changes would reverse the trend towards operational decision-making in the White House, and permit greater reliance upon the agencies, a necessary step in meeting the greater responsibilities imposed on the Executive Branch by the increased scope and complexity of national affairs.
3. Just as these greater responsibilities have created the need for change at the agency level, so they require modification of the structure and operation of the President's Office. It has been some thirty years since any major formal change has been made in the President's Office.

THE WORK OF THE ASH COUNCIL

Under the guidance of the President, the Ash Council's study of the problems of the Executive Office lasted for some eight months. The Council and its staff brought to bear a variety of experience from the fields of law, business, management consulting, political science, and government service.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIAL

Extensive interviews were conducted with many past and present officials of the President's Office and other agencies of the Executive Branch, and with distinguished authorities outside of government.

Studies over the past thirty years were analyzed along with a wide variety of other written material.

FUNDAMENTAL CONCLUSIONS OF THE COUNCIL

The Council identified a number of key processes which were fundamental for carrying out the management role of the Executive Office. In some of these, important improvements have already been made by the President since January, 1969. The Council found that in other areas, organizational inadequacies still persist:

Development of Policies and Programs. Translating national goals into specific, workable, and consistent action programs.

Assignment of Organizational Responsibilities. Making program decisions with due regard for their organizational implications. If today's programs fail to receive greater and ongoing attention to sound organization, the Executive Branch will become locked even more securely into patterns of disorganization that persist into the future.

Resolution of Program Management Problems. Easing the operating bottlenecks that result from the interactions of multiple Federal agencies among themselves and with State and local governments. Agencies should work out their own differences if they can, but sometimes the help of the President's Office is needed.

Evaluation of Programs. Assessing program achievements in terms of performance objectives and cost and pinpointing key problems.

Development of Executive Personnel Programs. Developing policies and programs to permit the mobilization of the best executive talent in the places where the needs are greatest.

Creation of an Information System. Developing the necessary systems to keep the President informed in an orderly and timely fashion about the Government's programs.

The President, in consultation with his Advisory Council, developed a Reorganization Plan to improve the vital functions mentioned above.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIAL

THE DOMESTIC COUNCIL

Late last year the President created the post of Assistant to the President for Domestic Affairs and developed the "mission-oriented" approach of forming specific project groups to analyze policy options. The Reorganization Plan enhances these steps by establishing a Domestic Council which brings together under one roof many of the sources for researching long range goals, developing domestic policy, and designing specific programs with related legislation.

Structure. The Domestic Council houses interagency committees, advisory councils, task forces, and the like, that deal with both broad program areas such as environmental quality and more specialized areas such as prison reform. It deals with policy for ongoing as well as new programs. Above all the Domestic Council is flexible; its groupings change as the President deems appropriate to meet new conditions.

Staff. Key to the functioning of the Domestic Council is its Executive Director and his staff, which serves at the pleasure of the President. The staff is available for assignment to any group and moves from one group to another when desired.

Council. The Council itself is at Cabinet level chaired by the President. Membership includes the secretaries of nine Departments (all but State, Defense and Post Office). Additional executives from elsewhere in the Executive Branch may be included on the Council at the President's discretion.

Thus the Domestic Council advises the President in an integrated way on total domestic policy. It is a vital link between the agencies and the President--disseminating the President's philosophy to the agencies and communicating agency positions to the President.

THE OFFICE OF MANAGEMENT

The Reorganization Plan transfers the functions of the Bureau of the Budget to the President and establishes instead an Office of Management. The Office of Management carries on the work of the Bureau of the Budget with increased emphasis and personnel in the non-budgetary processes of program implementation. The Domestic Council and National Security Council answer the question, "What is to be done"; the Office of Management focuses on the means of doing it and evaluating the results. The Office of Management has six major units:

ADMINISTRATIVELY CONFIDENTIAL

Deputy Director for Budget and Evaluation. Prepares and reviews the budget much as the present BoB. Increased personnel and attention, however, is devoted to pinpointing critical problem areas, evaluating results, and relating such evaluations to budgetary decisions. The present BoB Examining Divisions are attached to this Division.

Division of Program Coordination. Helps work out interagency operating problems in the field by serving as an expeditor or catalyst. It also serves as a contact point for State and local levels of government to discuss program problems. The staff is based in Washington but is constantly active in the field.

Division of Legislative Reference. Performs the legislative reference function of the BoB, drawing together agency reactions on all legislation and helping in the development of Presidential legislation.

Division of Executive Development. Responsible for executive manpower planning. It takes the lead in developing and evaluating programs to recruit, train, motivate, deploy, and evaluate top executives so that talented executives are identified and utilized to their fullest. It deals with programs for executives, not the individual executive himself, in terms of selection, promotion, or otherwise. The Civil Service Commission and the agencies continue to execute the executive personnel programs.

Division of Organization and Management. Continually reviews the organizational structure and management processes of the Executive Branch and recommends improvements.

Division of Information Systems. Develops information systems for use by the President and the agencies. It deals primarily with matters of Presidential level concern, and programs which cut across agency lines.

NEED FOR THE NEW ORGANIZATIONS TO WORK TOGETHER CLOSELY

The Office of Management and the Domestic Council must work closely with all the groups in the Executive Office but especially with each other. Together these new organizations can greatly strengthen our ability to create the most useful programs, to gear the Executive Branch to their performance and to achieve, in actions, the results intended by Congress and the President--now and in future administration.

ADMINISTRATIVELY CONFIDENTIAL

BRIEFING OUTLINE

REORGANIZATION PLAN - EXECUTIVE OFFICE OF THE PRESIDENT

The President will soon send to Congress a Reorganization Plan for his Executive Office. The Plan establishes a Domestic Council to advise the President on total domestic policy and an Office of Management to carry on the work of the Bureau of the Budget with increased emphasis on securing effective results from Federal programs.

THE PRIORITY OF THE EXECUTIVE OFFICE

The President has long been concerned about the need to improve the functioning of the Executive Branch. To develop sound and innovative approaches, he appointed last April the President's Advisory Council on Executive Organization under the chairmanship of Roy Ash. Shortly thereafter, the President concluded with the Council that a most important opportunity for change was in the Office of the President itself:

1. Certain changes in the Executive Office would provide a strong impetus for improving the operations of the entire Executive Branch--a conclusion which echoes studies made by several previous administrations.
2. Such changes would reverse the trend towards operational decision-making in the White House, and permit greater reliance upon the agencies, a necessary step in meeting the greater responsibilities imposed on the Executive Branch by the increased scope and complexity of national affairs.
3. Just as these greater responsibilities have created the need for change at the agency level, so they require modification of the structure and operation of the President's Office. It has been some thirty years since any major formal change has been made in the President's Office.

THE WORK OF THE ASH COUNCIL

Under the guidance of the President, the Ash Council's study of the problems of the Executive Office lasted for some eight months. The Council and its staff brought to bear a variety of experience from the fields of law, business, management consulting, political science, and government service.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIAL

Extensive interviews were conducted with many past and present officials of the President's Office and other agencies of the Executive Branch, and with distinguished authorities outside of government.

Studies over the past thirty years were analyzed along with a wide variety of other written material.

FUNDAMENTAL CONCLUSIONS OF THE COUNCIL

The Council identified a number of key processes which were fundamental for carrying out the management role of the Executive Office. In some of these, important improvements have already been made by the President since January, 1969. The Council found that in other areas, organizational inadequacies still persist:

Development of Policies and Programs. Translating national goals into specific, workable, and consistent action programs.

Assignment of Organizational Responsibilities. Making program decisions with due regard for their organizational implications. If today's programs fail to receive greater and ongoing attention to sound organization, the Executive Branch will become locked even more securely into patterns of disorganization that persist into the future.

Resolution of Program Management Problems. Easing the operating bottlenecks that result from the interactions of multiple Federal agencies among themselves and with State and local governments. Agencies should work out their own differences if they can, but sometimes the help of the President's Office is needed.

Evaluation of Programs. Assessing program achievements in terms of performance objectives and cost and pinpointing key problems.

Development of Executive Personnel Programs. Developing policies and programs to permit the mobilization of the best executive talent in the places where the needs are greatest.

Creation of an Information System. Developing the necessary systems to keep the President informed in an orderly and timely fashion about the Government's programs.

The President, in consultation with his Advisory Council, developed a Reorganization Plan to improve the vital functions mentioned above.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIALTHE DOMESTIC COUNCIL

Late last year the President created the post of Assistant to the President for Domestic Affairs and developed the "mission-oriented" approach of forming specific project groups to analyze policy options. The Reorganization Plan enhances these steps by establishing a Domestic Council which brings together under one roof many of the sources for researching long range goals, developing domestic policy, and designing specific programs with related legislation.

Structure. The Domestic Council houses interagency committees, advisory councils, task forces, and the like, that deal with both broad program areas such as environmental quality and more specialized areas such as prison reform. It deals with policy for ongoing as well as new programs. Above all the Domestic Council is flexible; its groupings change as the President deems appropriate to meet new conditions.

Staff. Key to the functioning of the Domestic Council is its Executive Director and his staff, which serves at the pleasure of the President. The staff is available for assignment to any group and moves from one group to another when desired.

Council. The Council itself is at Cabinet level chaired by the President. Membership includes the secretaries of nine Departments (all but State, Defense and Post Office). Additional executives from elsewhere in the Executive Branch may be included on the Council at the President's discretion.

Thus the Domestic Council advises the President in an integrated way on total domestic policy. It is a vital link between the agencies and the President--disseminating the President's philosophy to the agencies and communicating agency positions to the President.

THE OFFICE OF MANAGEMENT

The Reorganization Plan transfers the functions of the Bureau of the Budget to the President and establishes instead an Office of Management. The Office of Management carries on the work of the Bureau of the Budget with increased emphasis and personnel in the non-budgetary processes of program implementation. The Domestic Council and National Security Council answer the question, "What is to be done"; the Office of Management focuses on the means of doing it and evaluating the results. The Office of Management has six major units:

ADMINISTRATIVELY CONFIDENTIAL

Deputy Director for Budget and Evaluation. Prepares and reviews the budget much as the present BoB. Increased personnel and attention, however, is devoted to pinpointing critical problem areas, evaluating results, and relating such evaluations to budgetary decisions. The present BoB Examining Divisions are attached to this Division.

Division of Program Coordination. Helps work out interagency operating problems in the field by serving as an expeditor or catalyst. It also serves as a contact point for State and local levels of government to discuss program problems. The staff is based in Washington but is constantly active in the field.

Division of Legislative Reference. Performs the legislative reference function of the BoB, drawing together agency reactions on all legislation and helping in the development of Presidential legislation.

Division of Executive Development. Responsible for executive manpower planning. It takes the lead in developing and evaluating programs to recruit, train, motivate, deploy, and evaluate top executives so that talented executives are identified and utilized to their fullest. It deals with programs for executives, not the individual executive himself, in terms of selection, promotion, or otherwise. The Civil Service Commission and the agencies continue to execute the executive personnel programs.

Division of Organization and Management. Continually reviews the organizational structure and management processes of the Executive Branch and recommends improvements.

Division of Information Systems. Develops information systems for use by the President and the agencies. It deals primarily with matters of Presidential level concern, and programs which cut across agency lines.

NEED FOR THE NEW ORGANIZATIONS TO WORK TOGETHER CLOSELY

The Office of Management and the Domestic Council must work closely with all the groups in the Executive Office but especially with each other. Together these new organizations can greatly strengthen our ability to create the most useful programs, to gear the Executive Branch to their performance and to achieve, in actions, the results intended by Congress and the President--now and in future administration.

ADMINISTRATIVELY CONFIDENTIAL

BRIEFING OUTLINE

REORGANIZATION PLAN - EXECUTIVE OFFICE OF THE PRESIDENT

The President will soon send to Congress a Reorganization Plan for his Executive Office. The Plan establishes a Domestic Council to advise the President on total domestic policy and an Office of Management to carry on the work of the Bureau of the Budget with increased emphasis on securing effective results from Federal programs.

THE PRIORITY OF THE EXECUTIVE OFFICE

The President has long been concerned about the need to improve the functioning of the Executive Branch. To develop sound and innovative approaches, he appointed last April the President's Advisory Council on Executive Organization under the chairmanship of Roy Ash. Shortly thereafter, the President concluded with the Council that a most important opportunity for change was in the Office of the President itself:

1. Certain changes in the Executive Office would provide a strong impetus for improving the operations of the entire Executive Branch--a conclusion which echoes studies made by several previous administrations.
2. Such changes would reverse the trend towards operational decision-making in the White House, and permit greater reliance upon the agencies, a necessary step in meeting the greater responsibilities imposed on the Executive Branch by the increased scope and complexity of national affairs.
3. Just as these greater responsibilities have created the need for change at the agency level, so they require modification of the structure and operation of the President's Office. It has been some thirty years since any major formal change has been made in the President's Office.

THE WORK OF THE ASH COUNCIL

Under the guidance of the President, the Ash Council's study of the problems of the Executive Office lasted for some eight months. The Council and its staff brought to bear a variety of experience from the fields of law, business, management consulting, political science, and government service.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIAL

Extensive interviews were conducted with many past and present officials of the President's Office and other agencies of the Executive Branch, and with distinguished authorities outside of government.

Studies over the past thirty years were analyzed along with a wide variety of other written material.

FUNDAMENTAL CONCLUSIONS OF THE COUNCIL

The Council identified a number of key processes which were fundamental for carrying out the management role of the Executive Office. In some of these, important improvements have already been made by the President since January, 1969. The Council found that in other areas, organizational inadequacies still persist:

Development of Policies and Programs. Translating national goals into specific, workable, and consistent action programs.

Assignment of Organizational Responsibilities. Making program decisions with due regard for their organizational implications. If today's programs fail to receive greater and ongoing attention to sound organization, the Executive Branch will become locked even more securely into patterns of disorganization that persist into the future.

Resolution of Program Management Problems. Easing the operating bottlenecks that result from the interactions of multiple Federal agencies among themselves and with State and local governments. Agencies should work out their own differences if they can, but sometimes the help of the President's Office is needed.

Evaluation of Programs. Assessing program achievements in terms of performance objectives and cost and pinpointing key problems.

Development of Executive Personnel Programs. Developing policies and programs to permit the mobilization of the best executive talent in the places where the needs are greatest.

Creation of an Information System. Developing the necessary systems to keep the President informed in an orderly and timely fashion about the Government's programs.

The President, in consultation with his Advisory Council, developed a Reorganization Plan to improve the vital functions mentioned above.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIALTHE DOMESTIC COUNCIL

Late last year the President created the post of Assistant to the President for Domestic Affairs and developed the "mission-oriented" approach of forming specific project groups to analyze policy options. The Reorganization Plan enhances these steps by establishing a Domestic Council which brings together under one roof many of the sources for researching long range goals, developing domestic policy, and designing specific programs with related legislation.

Structure. The Domestic Council houses interagency committees, advisory councils, task forces, and the like, that deal with both broad program areas such as environmental quality and more specialized areas such as prison reform. It deals with policy for ongoing as well as new programs. Above all the Domestic Council is flexible; its groupings change as the President deems appropriate to meet new conditions.

Staff. Key to the functioning of the Domestic Council is its Executive Director and his staff, which serves at the pleasure of the President. The staff is available for assignment to any group and moves from one group to another when desired.

Council. The Council itself is at Cabinet level chaired by the President. Membership includes the secretaries of nine Departments (all but State, Defense and Post Office). Additional executives from elsewhere in the Executive Branch may be included on the Council at the President's discretion.

Thus the Domestic Council advises the President in an integrated way on total domestic policy. It is a vital link between the agencies and the President--disseminating the President's philosophy to the agencies and communicating agency positions to the President.

THE OFFICE OF MANAGEMENT

The Reorganization Plan transfers the functions of the Bureau of the Budget to the President and establishes instead an Office of Management. The Office of Management carries on the work of the Bureau of the Budget with increased emphasis and personnel in the non-budgetary processes of program implementation. The Domestic Council and National Security Council answer the question, "What is to be done"; the Office of Management focuses on the means of doing it and evaluating the results. The Office of Management has six major units:

ADMINISTRATIVELY CONFIDENTIAL

Deputy Director for Budget and Evaluation. Prepares and reviews the budget much as the present BoB. Increased personnel and attention, however, is devoted to pinpointing critical problem areas, evaluating results, and relating such evaluations to budgetary decisions. The present BoB Examining Divisions are attached to this Division.

Division of Program Coordination. Helps work out interagency operating problems in the field by serving as an expeditor or catalyst. It also serves as a contact point for State and local levels of government to discuss program problems. The staff is based in Washington but is constantly active in the field.

Division of Legislative Reference. Performs the legislative reference function of the BoB, drawing together agency reactions on all legislation and helping in the development of Presidential legislation.

Division of Executive Development. Responsible for executive manpower planning. It takes the lead in developing and evaluating programs to recruit, train, motivate, deploy, and evaluate top executives so that talented executives are identified and utilized to their fullest. It deals with programs for executives, not the individual executive himself, in terms of selection, promotion, or otherwise. The Civil Service Commission and the agencies continue to execute the executive personnel programs.

Division of Organization and Management. Continually reviews the organizational structure and management processes of the Executive Branch and recommends improvements.

Division of Information Systems. Develops information systems for use by the President and the agencies. It deals primarily with matters of Presidential level concern, and programs which cut across agency lines.

NEED FOR THE NEW ORGANIZATIONS TO WORK TOGETHER CLOSELY

The Office of Management and the Domestic Council must work closely with all the groups in the Executive Office but especially with each other. Together these new organizations can greatly strengthen our ability to create the most useful programs, to gear the Executive Branch to their performance and to achieve, in actions, the results intended by Congress and the President--now and in future administration.

ADMINISTRATIVELY CONFIDENTIAL

BRIEFING OUTLINE

REORGANIZATION PLAN - EXECUTIVE OFFICE OF THE PRESIDENT

The President will soon send to Congress a Reorganization Plan for his Executive Office. The Plan establishes a Domestic Council to advise the President on total domestic policy and an Office of Management to carry on the work of the Bureau of the Budget with increased emphasis on securing effective results from Federal programs.

THE PRIORITY OF THE EXECUTIVE OFFICE

The President has long been concerned about the need to improve the functioning of the Executive Branch. To develop sound and innovative approaches, he appointed last April the President's Advisory Council on Executive Organization under the chairmanship of Roy Ash. Shortly thereafter, the President concluded with the Council that a most important opportunity for change was in the Office of the President itself:

1. Certain changes in the Executive Office would provide a strong impetus for improving the operations of the entire Executive Branch--a conclusion which echoes studies made by several previous administrations.
2. Such changes would reverse the trend towards operational decision-making in the White House, and permit greater reliance upon the agencies, a necessary step in meeting the greater responsibilities imposed on the Executive Branch by the increased scope and complexity of national affairs.
3. Just as these greater responsibilities have created the need for change at the agency level, so they require modification of the structure and operation of the President's Office. It has been some thirty years since any major formal change has been made in the President's Office.

THE WORK OF THE ASH COUNCIL

Under the guidance of the President, the Ash Council's study of the problems of the Executive Office lasted for some eight months. The Council and its staff brought to bear a variety of experience from the fields of law, business, management consulting, political science, and government service.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIAL

Extensive interviews were conducted with many past and present officials of the President's Office and other agencies of the Executive Branch, and with distinguished authorities outside of government.

Studies over the past thirty years were analyzed along with a wide variety of other written material.

FUNDAMENTAL CONCLUSIONS OF THE COUNCIL

The Council identified a number of key processes which were fundamental for carrying out the management role of the Executive Office. In some of these, important improvements have already been made by the President since January, 1969. The Council found that in other areas, organizational inadequacies still persist:

Development of Policies and Programs. Translating national goals into specific, workable, and consistent action programs.

Assignment of Organizational Responsibilities. Making program decisions with due regard for their organizational implications. If today's programs fail to receive greater and ongoing attention to sound organization, the Executive Branch will become locked even more securely into patterns of disorganization that persist into the future.

Resolution of Program Management Problems. Easing the operating bottlenecks that result from the interactions of multiple Federal agencies among themselves and with State and local governments. Agencies should work out their own differences if they can, but sometimes the help of the President's Office is needed.

Evaluation of Programs. Assessing program achievements in terms of performance objectives and cost and pinpointing key problems.

Development of Executive Personnel Programs. Developing policies and programs to permit the mobilization of the best executive talent in the places where the needs are greatest.

Creation of an Information System. Developing the necessary systems to keep the President informed in an orderly and timely fashion about the Government's programs.

The President, in consultation with his Advisory Council, developed a Reorganization Plan to improve the vital functions mentioned above.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIALTHE DOMESTIC COUNCIL

Late last year the President created the post of Assistant to the President for Domestic Affairs and developed the "mission-oriented" approach of forming specific project groups to analyze policy options. The Reorganization Plan enhances these steps by establishing a Domestic Council which brings together under one roof many of the sources for researching long range goals, developing domestic policy, and designing specific programs with related legislation.

Structure. The Domestic Council houses interagency committees, advisory councils, task forces, and the like, that deal with both broad program areas such as environmental quality and more specialized areas such as prison reform. It deals with policy for ongoing as well as new programs. Above all the Domestic Council is flexible; its groupings change as the President deems appropriate to meet new conditions.

Staff. Key to the functioning of the Domestic Council is its Executive Director and his staff, which serves at the pleasure of the President. The staff is available for assignment to any group and moves from one group to another when desired.

Council. The Council itself is at Cabinet level chaired by the President. Membership includes the secretaries of nine Departments (all but State, Defense and Post Office). Additional executives from elsewhere in the Executive Branch may be included on the Council at the President's discretion.

Thus the Domestic Council advises the President in an integrated way on total domestic policy. It is a vital link between the agencies and the President--disseminating the President's philosophy to the agencies and communicating agency positions to the President.

THE OFFICE OF MANAGEMENT

The Reorganization Plan transfers the functions of the Bureau of the Budget to the President and establishes instead an Office of Management. The Office of Management carries on the work of the Bureau of the Budget with increased emphasis and personnel in the non-budgetary processes of program implementation. The Domestic Council and National Security Council answer the question, "What is to be done"; the Office of Management focuses on the means of doing it and evaluating the results. The Office of Management has six major units:

ADMINISTRATIVELY CONFIDENTIAL

Deputy Director for Budget and Evaluation. Prepares and reviews the budget much as the present BoB. Increased personnel and attention, however, is devoted to pinpointing critical problem areas, evaluating results, and relating such evaluations to budgetary decisions. The present BoB Examining Divisions are attached to this Division.

Division of Program Coordination. Helps work out interagency operating problems in the field by serving as an expeditor or catalyst. It also serves as a contact point for State and local levels of government to discuss program problems. The staff is based in Washington but is constantly active in the field.

Division of Legislative Reference. Performs the legislative reference function of the BoB, drawing together agency reactions on all legislation and helping in the development of Presidential legislation.

Division of Executive Development. Responsible for executive manpower planning. It takes the lead in developing and evaluating programs to recruit, train, motivate, deploy, and evaluate top executives so that talented executives are identified and utilized to their fullest. It deals with programs for executives, not the individual executive himself, in terms of selection, promotion, or otherwise. The Civil Service Commission and the agencies continue to execute the executive personnel programs.

Division of Organization and Management. Continually reviews the organizational structure and management processes of the Executive Branch and recommends improvements.

Division of Information Systems. Develops information systems for use by the President and the agencies. It deals primarily with matters of Presidential level concern, and programs which cut across agency lines.

NEED FOR THE NEW ORGANIZATIONS TO WORK TOGETHER CLOSELY

The Office of Management and the Domestic Council must work closely with all the groups in the Executive Office but especially with each other. Together these new organizations can greatly strengthen our ability to create the most useful programs, to gear the Executive Branch to their performance and to achieve, in actions, the results intended by Congress and the President--now and in future administration.

ADMINISTRATIVELY CONFIDENTIAL

BRIEFING OUTLINE

REORGANIZATION PLAN - EXECUTIVE OFFICE OF THE PRESIDENT

The President will soon send to Congress a Reorganization Plan for his Executive Office. The Plan establishes a Domestic Council to advise the President on total domestic policy and an Office of Management to carry on the work of the Bureau of the Budget with increased emphasis on securing effective results from Federal programs.

THE PRIORITY OF THE EXECUTIVE OFFICE

The President has long been concerned about the need to improve the functioning of the Executive Branch. To develop sound and innovative approaches, he appointed last April the President's Advisory Council on Executive Organization under the chairmanship of Roy Ash. Shortly thereafter, the President concluded with the Council that a most important opportunity for change was in the Office of the President itself:

1. Certain changes in the Executive Office would provide a strong impetus for improving the operations of the entire Executive Branch--a conclusion which echoes studies made by several previous administrations.
2. Such changes would reverse the trend towards operational decision-making in the White House, and permit greater reliance upon the agencies, a necessary step in meeting the greater responsibilities imposed on the Executive Branch by the increased scope and complexity of national affairs.
3. Just as these greater responsibilities have created the need for change at the agency level, so they require modification of the structure and operation of the President's Office. It has been some thirty years since any major formal change has been made in the President's Office.

THE WORK OF THE ASH COUNCIL

Under the guidance of the President, the Ash Council's study of the problems of the Executive Office lasted for some eight months. The Council and its staff brought to bear a variety of experience from the fields of law, business, management consulting, political science, and government service.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIAL

Extensive interviews were conducted with many past and present officials of the President's Office and other agencies of the Executive Branch, and with distinguished authorities outside of government.

Studies over the past thirty years were analyzed along with a wide variety of other written material.

FUNDAMENTAL CONCLUSIONS OF THE COUNCIL

The Council identified a number of key processes which were fundamental for carrying out the management role of the Executive Office. In some of these, important improvements have already been made by the President since January, 1969. The Council found that in other areas, organizational inadequacies still persist:

Development of Policies and Programs. Translating national goals into specific, workable, and consistent action programs.

Assignment of Organizational Responsibilities. Making program decisions with due regard for their organizational implications. If today's programs fail to receive greater and ongoing attention to sound organization, the Executive Branch will become locked even more securely into patterns of disorganization that persist into the future.

Resolution of Program Management Problems. Easing the operating bottlenecks that result from the interactions of multiple Federal agencies among themselves and with State and local governments. Agencies should work out their own differences if they can, but sometimes the help of the President's Office is needed.

Evaluation of Programs. Assessing program achievements in terms of performance objectives and cost and pinpointing key problems.

Development of Executive Personnel Programs. Developing policies and programs to permit the mobilization of the best executive talent in the places where the needs are greatest.

Creation of an Information System. Developing the necessary systems to keep the President informed in an orderly and timely fashion about the Government's programs.

The President, in consultation with his Advisory Council, developed a Reorganization Plan to improve the vital functions mentioned above.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIALTHE DOMESTIC COUNCIL

Late last year the President created the post of Assistant to the President for Domestic Affairs and developed the "mission-oriented" approach of forming specific project groups to analyze policy options. The Reorganization Plan enhances these steps by establishing a Domestic Council which brings together under one roof many of the sources for researching long range goals, developing domestic policy, and designing specific programs with related legislation.

Structure. The Domestic Council houses interagency committees, advisory councils, task forces, and the like, that deal with both broad program areas such as environmental quality and more specialized areas such as prison reform. It deals with policy for ongoing as well as new programs. Above all the Domestic Council is flexible; its groupings change as the President deems appropriate to meet new conditions.

Staff. Key to the functioning of the Domestic Council is its Executive Director and his staff, which serves at the pleasure of the President. The staff is available for assignment to any group and moves from one group to another when desired.

Council. The Council itself is at Cabinet level chaired by the President. Membership includes the secretaries of nine Departments (all but State, Defense and Post Office). Additional executives from elsewhere in the Executive Branch may be included on the Council at the President's discretion.

Thus the Domestic Council advises the President in an integrated way on total domestic policy. It is a vital link between the agencies and the President--disseminating the President's philosophy to the agencies and communicating agency positions to the President.

THE OFFICE OF MANAGEMENT

The Reorganization Plan transfers the functions of the Bureau of the Budget to the President and establishes instead an Office of Management. The Office of Management carries on the work of the Bureau of the Budget with increased emphasis and personnel in the non-budgetary processes of program implementation. The Domestic Council and National Security Council answer the question, "What is to be done"; the Office of Management focuses on the means of doing it and evaluating the results. The Office of Management has six major units:

ADMINISTRATIVELY CONFIDENTIAL

Deputy Director for Budget and Evaluation. Prepares and reviews the budget much as the present BoB. Increased personnel and attention, however, is devoted to pinpointing critical problem areas, evaluating results, and relating such evaluations to budgetary decisions. The present BoB Examining Divisions are attached to this Division.

Division of Program Coordination. Helps work out interagency operating problems in the field by serving as an expeditor or catalyst. It also serves as a contact point for State and local levels of government to discuss program problems. The staff is based in Washington but is constantly active in the field.

Division of Legislative Reference. Performs the legislative reference function of the BoB, drawing together agency reactions on all legislation and helping in the development of Presidential legislation.

Division of Executive Development. Responsible for executive manpower planning. It takes the lead in developing and evaluating programs to recruit, train, motivate, deploy, and evaluate top executives so that talented executives are identified and utilized to their fullest. It deals with programs for executives, not the individual executive himself, in terms of selection, promotion, or otherwise. The Civil Service Commission and the agencies continue to execute the executive personnel programs.

Division of Organization and Management. Continually reviews the organizational structure and management processes of the Executive Branch and recommends improvements.

Division of Information Systems. Develops information systems for use by the President and the agencies. It deals primarily with matters of Presidential level concern, and programs which cut across agency lines.

NEED FOR THE NEW ORGANIZATIONS TO WORK TOGETHER CLOSELY

The Office of Management and the Domestic Council must work closely with all the groups in the Executive Office but especially with each other. Together these new organizations can greatly strengthen our ability to create the most useful programs, to gear the Executive Branch to their performance and to achieve, in actions, the results intended by Congress and the President--now and in future administration.

ADMINISTRATIVELY CONFIDENTIAL

BRIEFING OUTLINE

REORGANIZATION PLAN - EXECUTIVE OFFICE OF THE PRESIDENT

The President will soon send to Congress a Reorganization Plan for his Executive Office. The Plan establishes a Domestic Council to advise the President on total domestic policy and an Office of Management to carry on the work of the Bureau of the Budget with increased emphasis on securing effective results from Federal programs.

THE PRIORITY OF THE EXECUTIVE OFFICE

The President has long been concerned about the need to improve the functioning of the Executive Branch. To develop sound and innovative approaches, he appointed last April the President's Advisory Council on Executive Organization under the chairmanship of Roy Ash. Shortly thereafter, the President concluded with the Council that a most important opportunity for change was in the Office of the President itself:

1. Certain changes in the Executive Office would provide a strong impetus for improving the operations of the entire Executive Branch--a conclusion which echoes studies made by several previous administrations.
2. Such changes would reverse the trend towards operational decision-making in the White House, and permit greater reliance upon the agencies, a necessary step in meeting the greater responsibilities imposed on the Executive Branch by the increased scope and complexity of national affairs.
3. Just as these greater responsibilities have created the need for change at the agency level, so they require modification of the structure and operation of the President's Office. It has been some thirty years since any major formal change has been made in the President's Office.

THE WORK OF THE ASH COUNCIL

Under the guidance of the President, the Ash Council's study of the problems of the Executive Office lasted for some eight months. The Council and its staff brought to bear a variety of experience from the fields of law, business, management consulting, political science, and government service.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIAL

Extensive interviews were conducted with many past and present officials of the President's Office and other agencies of the Executive Branch, and with distinguished authorities outside of government.

Studies over the past thirty years were analyzed along with a wide variety of other written material.

FUNDAMENTAL CONCLUSIONS OF THE COUNCIL

The Council identified a number of key processes which were fundamental for carrying out the management role of the Executive Office. In some of these, important improvements have already been made by the President since January, 1969. The Council found that in other areas, organizational inadequacies still persist:

Development of Policies and Programs. Translating national goals into specific, workable, and consistent action programs.

Assignment of Organizational Responsibilities. Making program decisions with due regard for their organizational implications. If today's programs fail to receive greater and ongoing attention to sound organization, the Executive Branch will become locked even more securely into patterns of disorganization that persist into the future.

Resolution of Program Management Problems. Easing the operating bottlenecks that result from the interactions of multiple Federal agencies among themselves and with State and local governments. Agencies should work out their own differences if they can, but sometimes the help of the President's Office is needed.

Evaluation of Programs. Assessing program achievements in terms of performance objectives and cost and pinpointing key problems.

Development of Executive Personnel Programs. Developing policies and programs to permit the mobilization of the best executive talent in the places where the needs are greatest.

Creation of an Information System. Developing the necessary systems to keep the President informed in an orderly and timely fashion about the Government's programs.

The President, in consultation with his Advisory Council, developed a Reorganization Plan to improve the vital functions mentioned above.

ADMINISTRATIVELY CONFIDENTIAL

ADMINISTRATIVELY CONFIDENTIALTHE DOMESTIC COUNCIL

Late last year the President created the post of Assistant to the President for Domestic Affairs and developed the "mission-oriented" approach of forming specific project groups to analyze policy options. The Reorganization Plan enhances these steps by establishing a Domestic Council which brings together under one roof many of the sources for researching long range goals, developing domestic policy, and designing specific programs with related legislation.

Structure. The Domestic Council houses interagency committees, advisory councils, task forces, and the like, that deal with both broad program areas such as environmental quality and more specialized areas such as prison reform. It deals with policy for ongoing as well as new programs. Above all the Domestic Council is flexible; its groupings change as the President deems appropriate to meet new conditions.

Staff. Key to the functioning of the Domestic Council is its Executive Director and his staff, which serves at the pleasure of the President. The staff is available for assignment to any group and moves from one group to another when desired.

Council. The Council itself is at Cabinet level chaired by the President. Membership includes the secretaries of nine Departments (all but State, Defense and Post Office). Additional executives from elsewhere in the Executive Branch may be included on the Council at the President's discretion.

Thus the Domestic Council advises the President in an integrated way on total domestic policy. It is a vital link between the agencies and the President--disseminating the President's philosophy to the agencies and communicating agency positions to the President.

THE OFFICE OF MANAGEMENT

The Reorganization Plan transfers the functions of the Bureau of the Budget to the President and establishes instead an Office of Management. The Office of Management carries on the work of the Bureau of the Budget with increased emphasis and personnel in the non-budgetary processes of program implementation. The Domestic Council and National Security Council answer the question, "What is to be done"; the Office of Management focuses on the means of doing it and evaluating the results. The Office of Management has six major units:

ADMINISTRATIVELY CONFIDENTIAL

Deputy Director for Budget and Evaluation. Prepares and reviews the budget much as the present BoB. Increased personnel and attention, however, is devoted to pinpointing critical problem areas, evaluating results, and relating such evaluations to budgetary decisions. The present BoB Examining Divisions are attached to this Division.

Division of Program Coordination. Helps work out interagency operating problems in the field by serving as an expeditor or catalyst. It also serves as a contact point for State and local levels of government to discuss program problems. The staff is based in Washington but is constantly active in the field.

Division of Legislative Reference. Performs the legislative reference function of the BoB, drawing together agency reactions on all legislation and helping in the development of Presidential legislation.

Division of Executive Development. Responsible for executive manpower planning. It takes the lead in developing and evaluating programs to recruit, train, motivate, deploy, and evaluate top executives so that talented executives are identified and utilized to their fullest. It deals with programs for executives, not the individual executive himself, in terms of selection, promotion, or otherwise. The Civil Service Commission and the agencies continue to execute the executive personnel programs.

Division of Organization and Management. Continually reviews the organizational structure and management processes of the Executive Branch and recommends improvements.

Division of Information Systems. Develops information systems for use by the President and the agencies. It deals primarily with matters of Presidential level concern, and programs which cut across agency lines.

NEED FOR THE NEW ORGANIZATIONS TO WORK TOGETHER CLOSELY

The Office of Management and the Domestic Council must work closely with all the groups in the Executive Office but especially with each other. Together these new organizations can greatly strengthen our ability to create the most useful programs, to gear the Executive Branch to their performance and to achieve, in actions, the results intended by Congress and the President--now and in future administration.