

Catalyst for Change

Adm. Thad Allen's Plans for USCG Strategic Modernization

By J.R. Wilson

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“I’ve never liked the word transformation,” says Adm. Thad Allen, commandant of the Coast Guard, “maybe strategic modernization or integration is better.” Now one year into his four-year tenure, Allen says the word has come to mean too many things to those in Washington, often things he does not associate with his own agenda of change.

But there is no question Thad Allen came to his post after a lifetime as a Coast Guardsman (he was born while his father was under way on a Coast Guard cutter) intent on a sweeping restructure of the 92-year-old multi-mission service. It is a needed effort he says has been building from the day in 1915 when the Revenue Cutter Service (founded in 1790) and the United States Lifesaving Service were merged to form the USCG. And it is that effort for which he would like to be remembered:

“That I completed the integration of the Coast Guard that was begun in 1915 and never completed, and taught the service how to think differently about itself,” he says. “Fact is, we started doing some of these things in the 1980s, but never fully executed them.

“Organizationally, we would arrive at an answer or cause for action, but sometimes it appeared to be too difficult an execution, or the cultural implications of it seemed to be too hard and sometimes we didn’t have the courage to believe ourselves. So in some cases we are just finishing a job we started and were just never able to accomplish all the way.”

Allen says he does not intend that as a referendum on his predecessors, nor is he in any way at all questioning their leadership or integrity. Rather, it is the result of a lifetime spent in and around the Coast Guard, collecting anecdotes, complaints, and questions.

“As I’ve told my flag officers, anybody who goes through an organization every once in awhile says, ‘What are those people in headquarters thinking?’ And if you go through an entire career



collecting anecdotes about things that need to be changed and then move into a position of leadership and aren’t prepared to do that, then you probably didn’t earn the job,” he says.

“When you are in an organization and look up at the top folks, you talk about ‘them’ and ‘they.’ Well, we are ‘them’ now. My favorite definition of leadership is the ability to reconcile opportunity and competency. The opportunity exists, the cause of action exists, and I need to do this for the service. It’s my challenge to be competent enough to pull it off.”

Shortly after taking command in May 2006, Allen issued a series of 10 Commandant Intent Action Orders (CIAOs) that form the framework for the strategic modernization the Coast Guard is undergoing (Coast Guard Modernization Efforts – see sidebar) and All Hands Messages explaining exactly what he planned to do.

“My goal has been to be completely transparent with the people in the Coast Guard, to put all the information we had available out as soon as we could and let them have access to it,” he says. “Depending on what your job is in the Coast Guard and where you stand in the organization, the implications of the modernization may be different.



Coast Guard Commandant Adm. Thad W. Allen and Master Chief Petty Officer of the Coast Guard Charles W. Bowen take some time to talk with Coast Guard personnel on their recent trip visiting units in the Hampton Roads, Va., area.

"I invite anyone who has a problem with what I'm doing or how the organization is being run to come in and tell me about it. Anybody who works for me has to have the ability to do what I call 'speak truth to power' – be able to walk in, shut the door, and say, 'Sir, here's what I think.' And I get those," he says. "I know when somebody walks in, shuts the door, and says it's 'truth to power time,' I'm going to take incoming. You have to expect, accommodate, and receive that if you are a leader."

Nor, he adds, was his plan a surprise to his boss, Michael Chertoff, secretary of the Department of Homeland Security, of which the Coast Guard is the largest component.

"The modernization I'm doing – mainly the C2 part and some of the business modernization – were part of my interview with Secretary Chertoff to become the commandant. I have been giving them updates throughout the last year," he adds.

"They are supportive of the reorganization and very supportive of a concept I call 'adaptive force packaging,' which is going to be the hallmark of the new Deployable Operations Group [DOG]. That's the ability to take different parts of the organization, assemble them with the right competency you need to address a problem or incident, and be able to airlift them where you need to go. That concept actually has gotten traction within DHS and was used during the evacuation of

"We will ensure Coast Guard men and women are the best trained and most versatile workforce in government, equipped with the most capable fleet of multi-mission ships, aircraft, boats, and command and control systems available." – Adm. Thad Allen, commandant, U.S. Coast Guard

For instance, I would hope, at the operating unit level, everyone would understand the command and control (C2) and mission support structure behind them should improve their ability to execute the mission.

"I've held All Hands meetings all over the Coast Guard – approaching 17,000 people I've talked to – and generally there is a very positive reception to this. The major questions Coast Guard people have is how will it impact me and where I work on a

day-to-day basis. Some of those questions we won't quite be able to answer until we have the whole implementation plan scoped out, which we are in the process of doing."

Recognizing the level of change he envisions requires understanding and cooperation at all levels, Allen has expanded his policy of information sharing with all ranks to include an open-door policy that may give "permission to speak freely" a whole new meaning.

Coast Guard Modernization Efforts

• Acquisition Directorate and Integrated Deepwater System Consolidation

The Coast Guard's Acquisition Programs (G-A); Deepwater (G-D) staffs; the Office of Procurement Management (CG-85); Office of Research, Development and Technical Management (CG-66); the Research and Development (R&D) Center; and the Head of Contracting Activities (HCA) will be consolidated under the Assistant Commandant for Acquisition (CG-9) to improve the effectiveness and efficiency of the service's total acquisition system.

• USCG Headquarters Transition to Numbered Staffs

Complete the reorganization of Coast Guard Headquarters staff into numbered staffs (CG-1, CG-2, CG-3, etc.) to align with DoD, improve the way the service develops policy and manages resources, and help integrate its operating programs.

• Deployable Operations Group Implementation

Implement the plan to align the service's special deployable forces and respective supporting entities under a single command entitled the Deployable Operations Group. The DOG will provide the capability to develop adaptive force packages for all threats, all hazards, will enhance unity of effort with interagency partners and DoD, and formalize the third and final leg of the Coast Guard trident force structure (in addition to shore-based forces and maritime patrol and interdiction Deepwater forces).

• Logistics Organizational Alignment

Develop and implement a mission-focused support structure to support operational mission effectiveness, reduce the support burden on Coast Guard field units, control costs, and improve accountability.

• USCG Financial Management Transformation and CFO Audit Remediation

Review and modernize the Coast Guard's financial accounting system to improve its accuracy, accountability, and alignment with DHS, and contribute to the DHS goal of earning a clean audit opinion.

• USCG Maritime Strategy and the Evergreen Cycle of Strategic Renewal

Develop and publish a comprehensive strategy that provides a strategic framework for planning Maritime Safety, Security and Stewardship responsibilities of the Coast Guard through the next 4 to 5 years.

• Assessment of Coast Guard Command and Control Organization

Develop a new operational framework for the Coast Guard to execute its missions more effectively and efficiently. This effort will focus on the command and control structure needed to effectively execute Coast Guard missions through the service's trident force structure.

• Human Resource Strategies to Support Coast Guard Maritime Strategy

Develop a process by which the Coast Guard can better identify human capital requirements. Upon implementation of the fully developed Human Resource Strategies, the service will be better able to manage staffing decisions, and more adept at preparing the workforce for the future.

• Reserve Component Mission Support System

Develop a new Coast Guard Reserve Component (RC) Mission Support System that will improve training and administrative support for reservists, and ultimately help optimize use of the Reserve Component.

• Service-Oriented "eCG" Architecture Implementation

Develop a plan to enhance mission execution through optimal Command, Control, Communications, Computers, and Information Technology (C4IT) enterprise investments and management. The resulting full eCG delivery capability will better serve the needs of the Coast Guard's internal and external customers by improving use of information technology, and greatly enhancing IT support of Coast Guard mission execution.

U.S. citizens from Lebanon when Israel invaded the lower part of Lebanon (in July 2006)."

In a speech to faculty at the Coast Guard Academy in January 2007, Allen made it clear he considers the changes outlined in his CIAOs to be his top priority.

"I am clear and unambiguous about where the Coast Guard needs to go; this is the template for my entire tenure as commandant," he told the assembly. "We won't do it all in the first year, because, frankly, there's too much to do, but we've got to do it all and we can't fail to execute, as has been the case for almost every transition leading up to my tenure as commandant, where we've identified a strategic problem and made a great effort at it, but we don't sustain and finish the job.

"The only reason I took the job as commandant is to be a transformative commandant, a transition commandant, a bridging commandant. My job is to prepare this organization and this service for my successor. So I'm starting a four-year process for my own change of command. That's why I'm here."

One quarter of the way into his term, Allen has moved to make modernization a permanent part of his command structure. He named Rear Adm. Jody Breckenridge, who had been commander of the 11th District, to take charge of the Strategic Transformation Team at Coast Guard Headquarters in mid-2007. This team will manage the synchronized, integrated, and aligned implementation of the Coast Guard's modernization efforts.

"This function will be a permanent staff function for the remainder of my tenure," he says, adding a permanent transition special staff is required to guide and oversee integration of all the various efforts leading to a new C2 support system, rather than continuing with independent teams, each focusing on a specific CIAO.

"At some point, we will move away from an organizational structure that focuses on those 10 action orders and into a structure that focuses on the major components of the organization that will be coming. That includes headquarters realignment, the Deputy Commandant for Operations, Deputy Commandant for Mission Support, and the entire mission support organization structure, and in the field, Coast Guard Operations Command and Coast Guard Force Readiness Command."

The USCG command and control structure will be converted into a single Coast Guard Operations Command (CG OPCOM) responsible for all Coast Guard operations and replacing the two Area Commands that currently share those duties. With all District Commanders



USCGC *Polar Star* (WAGB 10) in drydock. Allen says the way Coast Guard ships and boats are maintained is going to change dramatically.

USCG photo by Petty Officer 1st Class Alan Haraf

reporting to one next echelon of command, the operational chain of command will be shorter and more direct.

CG OPCOM also will take the lead for operational relations with the EPA for environmental issues, NOAA/NMFS in regard to fisheries operations, and the Air Force's Rescue Coordination Center for inland SAR, and will be the Coast Guard's single direct interface to DoD, such as Northern Command. This senior commander also will manage the USCG's common operating picture, greatly enhancing overall situational awareness across the full spectrum of Coast Guard missions. With a total focus on operations planning and execution, CG OPCOM thus becomes the service's single point of accountability.

The creation of CG OPCOM will remove any distinctions between the Atlantic and Pacific Coast Guards, including organizational boundaries that are irrelevant to drug-trafficking organizations and other transnational threats, as well as differing interfaces with the other armed services. This division of responsibility also has led to differences in USCG Marine Safety, Aids to Navigation, Fisheries, and Waterways Management Operations that have caused confusion among maritime stakeholders.

Planning also is under way to have a second new field level command - Coast Guard Force Readiness Command - replace the current Areas. CG FORCECOM will be responsible for the current and future readiness of the Coast Guard's workforce, platforms and infrastructure and for ensuring the maintenance of capabilities needed to execute its missions. The new command will monitor the operational capability and capacity requirements of CG OPCOM and communicate associated gaps to the strategic level, systematically

assessing the alignment of operational mission requirements with the capabilities and limitations of the operational assets and mission support system.

This one command will direct and manage the overall Coast Guard readiness posture, doctrine, and force allocation, including equipping the service's workforce. Currently, readiness management is fractured across headquarters, Areas, and MLCs. Unifying readiness under CG FORCECOM will eliminate geographical variances in readiness and training practices and provide a single point of accountability for the Coast Guard's overall readiness posture, similar to CG OPCOM's operations/mission execution.

Overall, these components of the strategic modernization effort will enable better unity of effort within DHS and at all levels of government, improve organizational effectiveness and efficiency, and significantly enhance the Coast Guard's overall readiness and mission execution capabilities.

Allen says the order in which his modernization efforts are listed does not indicate any priority in importance or implementation. And while creating the strategic framework for accomplishing everything was his number one issue coming into the top office, everything he has outlined would have been required of anyone who had been named commandant.

"There are external drivers that were going to force us to change whether or not I did this as the new commandant," he insists. "Some are more essential than others - the mission support piece is very, very critical. The financial management task force had to be done anyway to comply with the CFO audit. Some fundamental business practices in the Coast Guard had



An HH-65C model helicopter from Air Station Atlantic City flies low over the Atlantic Ocean. The newly re-engined helicopters are part of the Coast Guard's Deepwater program. Coast Guard acquisition, R&D, and the Deepwater Program Executive Office will be consolidated under CG-9.

Photo by PA2 John Edwards

to change. We've been behaving like a small business when we are a Fortune 500 company and that, at the root, is the most complex part of this.

"The one realization I've had [since embarking on the modernization] is the heaviest lift is going to be putting a new maintenance and mission support system in place, which will require cultural changes – the way people maintain ships and boats is going to change dramatically as we move to a system that more resembles our aviation maintenance system. That truly is the long pole in the tent."

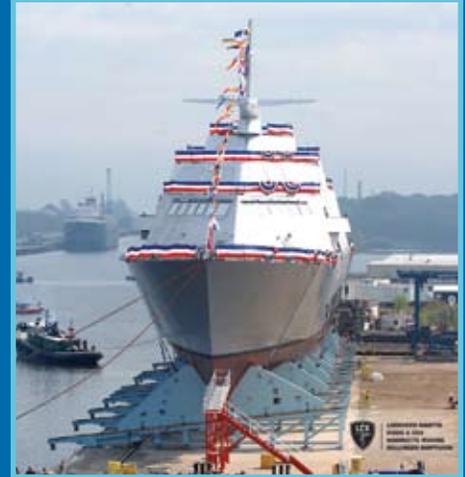
That "long pole" and significant parts of the financial and business components demonstrate that Allen's strategic modernization is not just a paper chase, but already has seen considerable progress toward substantial change in how the Coast Guard does business internally and how it interacts with other agencies externally.

"In July we will officially transition to the new acquisition organization – CG-9 – that will consolidate our current acquisition organization, the Deepwater Program Executive Office, and our R&D

organization. It also will take some procurement policy functions that were formally residing in our CFO shop," he says. "In addition, we will stand up an initial operational capability, the command component, of the DOG.

"We also are starting to prototype various concepts associated with the new support structure, going to logistics centers for our various domains of operations. We have an aviation logistics center at Elizabeth City [N.C.] right now; the goal is to create a logistics center for surface operations, for C2 communications, and for civil engineering and facilities. In advance of that, we have several prototypes on how to deliver services through those new logistics centers. We have our Coast Guard sectors in Baltimore and San Francisco actually trying out the new bi-level logistics system our aviation community uses."

The thread of continuity that runs through the new acquisition and mission support organizations is the need to do a better job of what Allen calls "a new integrated, cradle-to-grave system for managing our assets."



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"As we acquire a new boat or aircraft and bring it into the fleet, we need a single point of accountability to get the item we asked for at a proper price, that is supportable for the life cycle, so there is one 800 number to call for information or support on that asset. The concept is called product line management. We already do our aviation support that way," he explains.

"Right now, if you are on a small cutter or at a small boat station, depending on which coast you're on, you might talk to three or four different support entities to get technical help with an engine. Under this new structure, these logistics centers will be responsible for that and you will be able to call the surface logistics center and talk to the person who manages the 41-foot utility boat, and they will be one-stop shopping for all questions associated with that particular platform. That's not how we do business now, but it is how we will do business in the future."

The financial modernization portion is looking at the basic structure of USCG financial systems as well as issues raised in CFO audits of DHS and the Coast Guard in the last three years. A major element of that in the next several years will be changing the financial management information technology (IT) infrastructure to unify the various Coast Guard financial systems under a unified general ledger.

"The most complicated and complex issue we will have to deal with is the mission support piece, which will involve both a business and an organization modernization. The business modernization will redefine the responsibilities of unit-level maintenance and what should be done centrally. That will be a fundamental redefinition of how we conduct maintenance in the Coast Guard," Allen says. "The second piece of that will be the organizational structure to support that with these new logistics centers, which will ultimately take the place of our current maintenance and logistics commands."

To succeed there also requires a new way of collecting, storing, and retrieving information, across the Coast Guard and throughout all of its operations. That change is based around an expansion of the Internet-based eCoast Guard portals created in earlier years.

"Organizationally, we need to be fluid and adaptable. We need to continually look at our organizational structure and evolve. We also need to understand that current organizational structure doesn't really constitute how we do business in the government or any other organization anymore," he explains.

"The ubiquity of information and how people are now networked have created whole new ways to aggregate human effort. We need to understand that and

somehow incorporate the power of that into our organizational structure, be open to new ways to do business, new ways to collaborate, and new ways to put our people together so they can achieve the mission execution we expect of them."

The best way to achieve that, he adds, is through a services-oriented architecture.

"Rather than having everyone collecting and duplicating data in multiple data centers, you network the organization so information is available to whoever needs it through whatever application might be required to use that data, but it is only stored in one place," Allen notes. "That is consistent with the enterprise architecture of Homeland Security and where we see the new DHS OneNet going."

Although all of the DoD services also are going through major transformations, many begun prior to September 11 but continuing despite the ongoing Global War on Terrorism, Allen says his "strategic modernization" is unrelated to those, specific to the Coast Guard, and, if anything, required to meet the growing demands and missions to which the service is being subjected.

"My theory is these are coping mechanisms that will position us to deal with a broader scope of mission mix. I don't see the current stress of operations being something that is debilitating to us to where we can't do this; I see the current stress of operations as the reason why we have to do it," he says.

"We in Washington too often get captured by what I call the tyranny of the present – the next hearing, the next event forced by a budget cycle. But that doesn't relieve us of the responsibility to create a vision for the future and to try to drive the organization there. I believe you can effectively do both – deal with problems today and try to get the organization positioned so you create non-problems in the future."

Allen does not expect to see all of the changes he envisions completed by the end of his term as commandant – nor ever, for that matter. Indeed, he does not see his role so much as changing the structure and operations of the Coast Guard as permanently changing how the Coast Guard thinks about structure and operations from now on.

"We can't say we need to change, make the change and say we're done, then revisit it in 10 years. So I will make some progress in transitioning the Coast Guard to be better prepared in this century to do what they need to do, but my goal is to get an initial operational capability. I fully expect my successor to take a close look at it, see if anything else needs to be done, build on whatever I've been able to do, and finish what I haven't been able to do. But right now my goal is to get us up to an IOC by the time my tenure is over."

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