ADMINISTRATIVE REORGANIZATION IN THE SOUTHWEST REGION
OF THE FEDERAL AVIATION AGENCY

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ADMINISTRATIVE REORGANIZATION IN THE SOUTHWEST REGION
OF THE FEDERAL AVIATION AGENCY

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CHAPTER I

INTRODUCTION

Administrative Reorganization is a subject of which much has been said and written; one book, Herbert Emmerich's Essays on Federal Reorganization, deals with the administrative reorganization in the federal executive structure. It is in this book that Emmerich presents the substance of the reason that much has been written on administrative reorganization by those who study public administration and why much more should and will be written on the subject. It also presents much of the reason that administrative reorganization is significant to public administration. He wrote:

The Administrative Reorganization movement has sometimes been viewed as a kind of revivalism in governmental reform. There is a widely held notion that reorganization occurs only as a result of surges of outside agitation for reform and major deliberate efforts to rationalize administrative organization and methods. This notion is predicated on a concept of a static federal executive structure. It springs, I believe, as so many administrative concepts do, from an engineering-legal approach which conceives an organizational structure as it does a bridge or a constitution. It fails to perceive the constantly changing nature of human organizations. In studying these organizations a biological or sociological orientation would give us greater insight into the realities of their growth and change than we can obtain from regarding them as rigid, inanimate edifices. Federal reorganization is essentially a continuing process. It is going on all the time as a
result of both internal and external pressures. Structural change brought about by political, cultural, economic, and legal development is incessant. There is a continuing adjustment of federal administrative structure to the ever-changing scope and complexity of federal activities. These activities are in constant flux as the American economy expands and American administrative responsibilities assume larger proportions. . . .

This paper is concerned with a small segment of the continuing process of reorganization within the Federal Executive structure, administrative reorganization in the Southwest Region of the Federal Aviation Agency.

The purpose of this study is to examine an example of administrative reorganization which can provide useful information to those interested in the continuing process of administrative reorganization. The reorganization of the Federal Aviation Agency, in 1962, is an example of a deliberate effort to change the organization of the agency. By studying that reorganization in the Southwest Region of the Federal Aviation Agency it is possible that generalizations can be drawn which may be applicable to similar reorganizations. In addition, by studying an example of deliberate reorganization, it is possible that some understanding can be gained as to how actual operation under an organizational structure modifies the prescribed organization.

\footnote{Herbert Emmerich, \textit{Essays on Federal Reorganization} (University, Alabama, 1950), pp. 1-2.}
The administrative reorganization in the Southwest Region of the F.A.A. provided an excellent example of that phenomenon and an ample source of information. Information was gathered by studying agency documents and conducting personal interviews with personnel in the regional office. The interviews were conducted with a view toward obtaining pertinent evaluations of problems, advantages, and disadvantages of the new organization and organizational relationships not apparent in the agency's organizational charts, manuals, and functional statements.

The study of the reorganization takes into account formal and informal aspects of administration. Formal refers to the authority and power conferred directly by the organization. Informal refers to the authority and power in addition to or apart from the formal organization. This study also recognizes limitations, the principal one being that the process of reorganization was incomplete and that because of this the organization was somewhat fluid and at points confused.

This chapter has three purposes in addition to setting forth the purposes of this study and the sources and limitations on the research. The first is to define terms used.

2 The Federal Aviation Agency, like many government agencies, is known by an abbreviation. The use of F.A.A. is understood to mean Federal Aviation Agency.
in analysis and presentation of this study. The second is to present a background of facts, problems, and concepts and issues directly relevant to this study. The third is to place in perspective the present administrator of the P.A.A., N. E. Halaby, and his management philosophy, which has a definite relation to the reorganization in the Southwest Region.

Definitions of Organization and Reorganization

If this study is to concern administrative organization and reorganization, then a definition of these terms should be presented. The necessary content of a definition of organization is found in the writings of two authors, John M. Gaus and Adolf A. Berle, Jr. Gaus defines organization as an arrangement of personnel for facilitating the accomplishment of an agreed purpose. Berle says that the essence of an organization is that it is a mechanism for making decisions of a central group or individual causative at distant points.

For the purposes of this paper an organization is defined as a human mechanism created for an agreed purpose

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whose arrangement facilitates making causative the decisions of a central authority at distant points of application. A definition of reorganization depends on the definition of an organization. So, a reorganization must be a change in the mechanism or arrangement of an organization. Both Berle and 0·us include in their discussions of an organization the necessity of delegation of authority and function within an organization. Although it is not necessary to include delegation in a definition, it is necessary to recognize that it is part of arranging the mechanism of an organization.

There are five categories of changes in the mechanism of an organization which affect the organization enough to effect a reorganization. These are changes in function and responsibilities, structure, area, decision-making authority, and line of command. These changes can occur simultaneously, singly, or in any combination.

The changes in functions and responsibilities can involve the creation of new functions and responsibilities, discontinuing them or reallocating them. The changes in structure involve combination of organizational units, dividing them, creating them or discontinuing them in the organization. Area change involves territorial boundaries, that is enlarging, contracting, creating or destroying. Changes in line of command involve the shifting of the
relationship between superior and inferior organizational units.

In such an agency-wide reorganization as occurred in the F.A.A. in 1962, there normally is a simultaneous occurrence of all possible changes. In Chapter II, the discussed changes, which relate to the regional organization, fall in all of the above categories. The present national organization that resulted from the reorganization of the F.A.A. is shown in Figure 1.

Background

The Southwest Region of the F.A.A. conducts its many operations in five states, Texas, New Mexico, Louisiana, Arkansas, and Oklahoma. The regional office of the Southwest Region is located in Fort Worth, Texas, and the Regional Director is Archie W. League.

The operation of the Southwest Region of the F.A.A. under the present organization started in January, 1962, but the reorganization did not become formally effective throughout the United States until October 1, 1962. The regional reorganization, part of an agency-wide reorganization, proceeded from a centralized organization to a decentralized organization which involved creating regionally

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5 Interview with Donald G. Schuler, Executive Officer, F.A.A., Fort Worth, Texas, July 8, 1963.
* Programs conducted at the Aeronautical Center are under the direction of the respective services and office.

Figure I
responsible divisions within the F.A.A. Previously the regional operations of the F.A.A. were directly responsible to a Washington bureau office.

In the present organization, the Washington office of the F.A.A. is to serve as an office that advises and guides the regional organizations and provides technical standards and procedures for which the regional program divisions are held responsible. The regions have been delegated responsibility for accomplishing the goals of the F.A.A. The Washington office is to have only two line officers, the Administrator and his Deputy.

The F.A.A., an independent agency with some regulatory powers,\(^6\) is young in age. The Federal Aviation Act of 1958, Public Law 85-726, was passed by Congress in 1958, and the agency began operation in 1959. The agency which preceded the F.A.A. in the area of civil aviation was the Civil Aeronautics Administration or C.A.A. The functions of the C.A.A., some functions of the Civil Aeronautics Board, and the functions of the Airways Modernization Board were included in the functions of the F.A.A.\(^7\)

The purpose of the Federal Aviation Act was to provide a governmental agency to cope with the growing problems of

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\(^6\)U. S. Statutes at Large, LXXII, Part I, 744 (1958).

\(^7\)A C.A.B. function assumed by the F.A.A. is the safety rule-making function. The F.A.A. is involved in accident investigation at the C.A.B.'s request. The F.A.A. can be requested to investigate an accident to provide factual information to aid the C.A.B. in determining the cause of the accident.
air traffic safety. The growing number of aerial collisions and near collisions was the pressing problem. A declaration of policy in Public Law 85-726 gives the full range of responsibilities of the F.A.A. The five general responsibilities are: regulation of civil aviation, promotion of civil aviation, airspace use control, consolidation of research and development in air navigation facilities, and the development and operation of a common system of air traffic control for both civil and military aircraft. This latter area of policy was the bill's most controversial feature and its most necessary feature.

The responsibility for accomplishment of the policies of the F.A.A. is vested in an administrator. The F.A.A. has had two administrators since 1958, E. R. Quesada and N. E. Halaby. These administrators have greatly influenced the organization of the F.A.A. and the regional organization, with which this study is concerned.

The F.A.A. Administrator's Organizational Authority

The F.A.A. Administrator has broad organizational authority with few limitations. The limitations generally


10See Redford, op. cit.
concern personnel classification and pay scales in the agency. The authority to determine organizational structure and function within the range of the goals of the organization is broad because of the lack of any specified organizational pattern within the law creating the agency. There is a virtual organizational carte blanche. The organizational authority of the Administrator is found in Title III of Public Law 85-726.

The Administrator is authorized, subject to the civil-service and classification laws, to select, employ, appoint, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary to carry out the provisions of this Act, and to define their authority and duties, except that the Administrator may fix the compensation for not more than ten positions at rates not to exceed $19,500 per annum.\(^\text{11}\)

The provision for delegation of authority and functions so necessary to the operation of any large organization and central to this study is also found in Title III of this Act.

The Administrator may, subject to such regulations, supervision, and review as he may prescribe, from time to time make such provision as he shall deem appropriate authorizing the performance by any officer, employee, or administrative unit under his jurisdiction of any function under this Act; or, with its consent, authorizing the performance by any other Federal department or agency of any function under section 307 (b) of this Act.\(^\text{12}\)

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\(^{12}\)U. S. Statutes at Large, LXXII, Part I, 749 (1958).
These two authorities concerning organization and delegation are basic to the reorganization that took place in 1962.

Decentralization--Definition

The present organization of the F.A.A. is a decentralized form of organization with responsible regional divisions. The use of the word "decentralization" is used to denote an organizational structure that Millett termed "Decentralization by Hierarchy." This means an organizational structure which descends from a central administrator to a regional administrator in the field who has the same range of activities as his superior but confined to his particular area.¹⁹

Something which Millett considers necessary to an effective decentralization by hierarchy is "Dual Supervision." Dual supervision exists in an organization if the supervision of management functions and technical functions come from different sources, but are integrated into a single administrative organization by the presence of a single generalist administrative head. The position of the generalist administrator is designed to favor neither the management nor technical areas of the organization; it is designed to unite the two functions for a single purpose.¹⁴ A good


¹⁴Ibid., p. 116.
indication of an organization with some degree of dual supervision is the regional organization of the F.A.A. as described in Chapter III.

Concepts and Justifications of Decentralization

Decentralization has been said to have become a gospel of management.° Pfiffner and Sherwood point out that it has come to be regarded as a way of life with its idealistic roots in democracy.° The association of decentralization with the democratic process can be seen in Luther Gulick's justification of decentralization. He said that decentralization would develop a sensitivity to the process of democratic control through intimate association of the officials with the people served.° James Fesler almost repeats Gulick by saying that an external factor which influences the need for decentralization is the need for support, participation, and representation at the grass roots of democracy.°

Gulick presents a good justification for decentralization in "Notes on the Theory of Organization." There are


16 Ibid.


three general points to his justification. They are: (1) greater coordination of services and controls exercised in a given area; (2) greater tendency to adapt the total program to the area served; and (3) greater ease with which cooperative relations may be established with subordinate governmental units. In addition Millett says that decentralization makes possible economical operation of central services, and it can encourage a common approach among specialists in meeting common problems in the field.

Decentralization—Problems

Pfiffner and Sherwood pointed out that the idealistic root of decentralization was in democracy, but they were also careful to point out that, like democracy, it has problems. The paradoxical problem, which is involved in any effort to decentralize, is the problem of reconciling the need for regional adjustment of an agency's programs to the need for national uniformity.

Possibly the greatest handicap in efforts to decentralize is "Administrative Responsibility," that is, holding a


single administrator responsible for the effective performance of a program. When an administrator is held responsible for an agency program, it is difficult to allow discretion that could cause criticism to be directed at the responsible administrator. Another critical problem is the conflict between those specialists in the central office of an agency and the generalists in the regional offices. This conflict of generalist and specialist will be discussed further in Chapter IV.

People and personalities are an integral part of any organization, so it is inevitable that problems should arise because of them. Pfiffner and Sherwood provide a good analysis of the behavioral problems associated with decentralization. They point out that decentralization calls for a change from the normal or stereotyped executive behavior. This executive is characterized as finding it difficult to delegate authority, to listen instead of giving orders, and to plan and guide instead of acting. The abstractions of administration required of long term planning and evaluation of long term progress run counter to the normal executive culture pattern. The aggressive, forceful,

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22 Ibid. See also, James W. Fesler, Area and Administration (University, Alabama, 1959), p. 64.
23 James W. Fesler, Area and Administration (University, Alabama, 1949), p. 67.
dynamic executive has an extremely difficult task in refraining from taking immediate corrective action rather than letting his subordinates recognize the error and take corrective action. Under decentralization people must be allowed to make mistakes.  

James W. Fesler supports Pfiffner and Sherwood, saying that administrative psychology may block a vigorous policy of decentralization. A vigorous policy is needed, for the first major step toward decentralization must originate in the central office. Kamp and Fesler say that there is a need for positive leadership in the central office to achieve decentralization. Positive leadership can be exercised in two ways, by delegating authority, and by refusing to reassume authority except as a last resort. Any lessening of the drive for decentralization can cause a counter-tendency toward centralization.  

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25 Fesler, Area and Administration, op. cit., p. 64.
27 Henry Wilbur Kamp, Central-Field Relations in the Veterans' Administration 1945-1953 (Ann Arbor, Michigan, 1958), p. 5. See also, Fesler, Area and Administration, op. cit., p. 64.
N. E. Halaby--Biography

The man responsible for the 1962 reorganization of the F.A.A. and the present Administrator of the F.A.A. is N. E. Halaby. Halaby, the second Administrator of the F.A.A., was appointed by President Kennedy. Halaby's qualifications for the position are varied. They range from experience in the aviation industry and government service to being a test pilot for the Navy and helping establish a test pilot school for the Navy during World War II. After World War II, Halaby worked in the field of foreign affairs in several government agencies. He was Foreign Affairs Advisor to Secretary of Defense, James Forrestal. He served in a North Atlantic Treaty Organization post and as Deputy Assistant Secretary of Defense for International Security Affairs. Halaby's non-governmental experiences include the operation of his own law firm and holding several executive posts in the aerospace industry.28

N. E. Halaby--Management Philosophy

The fact that Halaby has been a pilot and is familiar with the problems of the aviation industry does not give much indication as to how he would organize the F.A.A. The variety of experience, both civilian and military, would be a handicap in using past experience to determine how Halaby

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would run the Agency. The problem of determining Halaby's management philosophy was simplified by Halaby himself—he merely wrote it down. In a memorandum\(^3\) circulated to top management personnel of the F.A.A., Halaby stated what he called his management philosophy.

To read the memorandum is in effect to read the intentions of Halaby in respect to the F.A.A. organization. The memorandum could possibly be better described as a statement of management and organizational policy with due notice of problem areas in the organization and suggestions as to how the Administrator intended to approach these problems.

In many ways the statement of philosophy by Halaby resembles the content of Luther Gulick's "Notes on the Theory of Organization."\(^3\) Sections devoted to "Line and Staff," "Decentralization," "Chain of Command," and "Accountability" show marked similarity to Gulick's. However, this probably is not too unusual because of the influence that Gulick has had in the field of administration.

The problems that Halaby pointed out in the memorandum concern areas of administrative responsibility, the problem of unifying the organization along with the problem of factional forces, and the problem of defining authority. The

\(^3\)Federal Aviation Agency Memorandum from Administrator, April 3, 1963.

\(^3\)Gulick, op. cit.
organization of which Halaby approved and which is now in operation is an effort to eliminate these problems of administration. The solution was to provide strong areas of administrative leadership by creating direct and short lines of authority and a decentralization by hierarchy.

The personality of an agency administrator would be a definite factor in the behavioral situation described by Sherwood and Pfiffner. Halaby has impressed those who have worked with him by his easy-going personality. An administrator easy to work with would be a definite asset in a decentralized organization. Halaby's management philosophy and his personality may not be related, but it would be difficult, as pointed out earlier, for a person with a driving personality to push actively for a decentralized organization.

Delegation on the Principle of Exception

As stated previously, decentralization requires a positive effort by management to succeed. The most positive promotion of decentralization in the F.A.A. is the policy of making delegations of authority on the principle of exceptions, that is, by which specific limitations are placed on broad grants of authority.  

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32Federal Aviation Agency Order OA P 1100.1, p. 31.
This policy of the F.A.A., a policy which has not as yet proved its degree of effectiveness, is evidence that the Administrator intends to provide the lower levels of management with the authority to accomplish their delegated functions.

Summary

A reorganization, as defined, must involve one or a combination of any of the five changes possible for a reorganization. The F.A.A. Administrator by using his authority as provided in the law establishing the F.A.A. was able to reorganize extensively the F.A.A. in 1962. This reorganization took place along the lines of a decentralization by hierarchy, as defined by Millett. The justification of this type of decentralization plan is well outlined by Gulick, and at the same time it becomes clear that a concern for the democratic process is part of the rationale for decentralization as an organizational form.

The problems of decentralization are many and varied with the problems of regional adjustment versus national uniformity and administrative responsibility being very critical to the decentralization process. The man who has pushed the decentralization of the F.A.A. has been N. E. Halaby, whose management philosophy, as outlined by himself, closely resembles the theories of Gulick, a strong supporter
of decentralization. This philosophy has resulted in a policy which is a positive effort on the part of the Administrator to promote decentralization. That policy is delegation of authority on the principle of exceptions. This policy, although not proven, is an indication of the desire to achieve decentralization.

The following chapter deals with the previous organization of the F.A.A., which was the opposite of decentralization. It was a centralized bureau type of organization. It also deals with the man responsible for that organization, E. R. Quesada, and the changes that took place in that organization which affect the regional organization in the Southwest Region. Chapter III will describe the organization of the Southwest Region as it presently is.
CHAPTER II

E. R. QUESADA AND THE BUREAU TYPE OF ORGANIZATION
OF THE FEDERAL AVIATION AGENCY

This chapter has four purposes. The first is to show the origins and essential content of E. R. Quesada's management philosophy which was responsible for the bureau type of organization that existed during his administration of the F.A.A. The second is to present a justification of the bureau type of organization and to relate it to Quesada's management philosophy. The third is to point out the major organization areas of the Quesada organization and point out those which are important to the regional structure. The fourth is to point out some of the organization changes which have occurred in the regional organization and the Southwest Region.

The Bureau Type of Organization

The organization of the F.A.A. under Quesada is known as a bureau type of organization. A bureau type of organization is more specifically called "Decentralization by Specialty" by John D. Millett.¹ In this type of organization,

authority comes down from an administrator to heads of various specialized program bureaus in the central office. Bureau offices in specified regions carry out the directives of the chiefs of their bureau in the central office. The responsibility for programs lies in the central office rather than the regional office. The word "decentralization" is deceptive and in this instance refers to the existence of a field structure but does not refer to the decision-making authority in the organization. There was a decentralization of facilities in the Quesada organization but not of decision-making authority.

The organization which carried out the responsibilities of the F.A.A. during Quesada's administration was affected by his definite concepts on how the agency should be administered and organized. An examination of the management philosophy and the functions assigned to the regional organization is necessary to understand the impact of the reorganization on the regions, and the Southwest Region in particular.

E. R. Quesada--Biography

E. R. Quesada was appointed to the post of Administrator of the F.A.A. by President Eisenhower. He brought to the new agency a combination of expertise in air traffic control and forcefulness that was necessary to provide the results envisioned in the Federal Aviation Act.
Quesada's experience prior to his appointment as F.A.A. Administrator was in the military and public service. Military experience predominates in his credentials. From 1924 to 1951 he served with the Army Air Force and Air Force, rising from the ranks to become a Commanding General in several posts during World War II.\(^2\) It was during World War II that Quesada gained experience and knowledge in the problems of air traffic control. Quesada retired from the Air Force in 1951, and at the time of his appointment as F.A.A. Administrator, he was Aviation Advisor to the President and Chairman of the Airways Modernization Board.

E. R. Quesada--Management Philosophy

Determining the essential content of Quesada's management philosophy was not too difficult. Many of the personnel interviewed in the Southwest Regional office worked closely with him in Washington. Their descriptions of his beliefs and attitudes were without variance. Those people who worked with him described him as a "commander" who demanded that the controllers of the organization be easily accessible to him. One described him as an administrator who did not understand people and said that Quesada's attitude toward subordinates was "stand up," "speak up," "shut-up."\(^3\)


\(^3\)Interview with Robert V. Reynolds, Deputy Regional Director, F.A.A., Fort Worth, Texas, July 24, 1963.
A more formal expression of Quesada's management philosophy was possible because of Quesada's military background. The Department of the Air Force published a manual that states the management philosophies and policies of the Air Force. One statement in this manual closely described the organization of the F.A.A. under Quesada. It also summarized the organizational philosophy described by the people working with Quesada. The statement of philosophy that was pertinent was "Centralized control of decentralized operations."\(^4\)

The application of this philosophy was important to the organization of the F.A.A. It meant placing all program responsibilities in bureau chiefs in the Washington office of the F.A.A. Quesada believed that any regional autonomy would promote division of the F.A.A. into separate units without national programs.

What type of organization did Quesada want to accomplish the goals of the F.A.A.? Before a formal organization was established, he asked a F.A.A. study group to propose an organization for the F.A.A. That group proposed an organization similar to the one now in existence; however, Quesada rejected the proposed organization. He then intended to substitute organizational plans which he believed to be better. The plans which he intended to substitute provided that all

program functions would be contained within central office bureaus. Quesada did not want any organizational set-up that would not provide for control by the central office. It was with great difficulty that Quesada was persuaded to approve the organization that was established in 1959. That organizational structure provided for the Regional Manager with management support functions. 

Justification—Decentralization by Specialty

Millett points out the advantage of decentralization by specialty. The advantage is simply that each bureau or subbureau in the central office can set up a field office according to its own work load needs and has direct authority over all the work of each field office. If one considers this advantage in light of Quesada's philosophy of management, his ideas on control of functions, and his past experience, it would have been surprising if he had approved of an integrated decentralization by hierarchy as proposed by his study group.

The Quesada Organization

Structural and functional similarities between the old and the new organizations make it unnecessary to provide a

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5 Interview with Archie W. League, Regional Director, F.A.A., Fort Worth, Texas, November 21, 1963.

detailed breakdown of the functions and responsibilities of the old regional organization. An examination of the organization charts (see pages 7 and 29) will show the similarities in organization. The following chapter, which treats functions and responsibilities of the regional organization in more detail, could be transposed to the old organization with knowledge of certain changes that have been made.

Although it is unnecessary to break down the old organization, it is necessary to point out the areas of decision-making authority. These decision-making areas are the ones that existed in the Quesada organization. The Quesada organization can be divided into four major decision-making areas. The first is the Office of the Administrator, composed of the Administrator, his deputy, and four staff offices. The three management staff offices in Washington is another. The third area is the group of six bureaus, four with regional offices in each region. The fourth area is the Regional Managers in the six regions. The first and second decision-making areas are not as important to this study as the third and fourth areas. The bureaus and their regional offices and the Regional Manager are the areas the reorganization greatly affected.

An examination of the accompanying chart (see page 29) will show that the relationship between the bureau's regional offices and Regional Manager was not one of clear-cut
authority for either. The bureaus had responsibility for accomplishing Agency goals with their regional offices taking all regional action; their lines of authority led directly to the Washington office of the bureau. The Regional Manager had management support functions in the regions. Management support functions provide management skills to technical personnel and organizations. Skills such as budgeting, auditing, personnel, and management analysis were provided to the program bureaus as requested. The Regional Manager had management support functions but the responsibilities more often than not involved paper authority rather than the authority to act.

The Regional offices of the bureaus often had offices that corresponded to those under the Regional Manager, such as Personnel and Budget. The authority exercised by the Regional Manager in the management support area was parallel to, and seldom carried the weight of, bureau offices. Often the bureau offices were able to achieve their aims even if they were opposed by the Regional Manager. However, at times the office of the Regional Manager acted as a cross-check on the activities of the bureau's regional offices. The position of the Regional Manager to that of the bureau's regional offices in coordinating regional functions was one of persuasion rather than authority. Archie League, the Regional Manager of Region Two, said that the quality of "salesmanship"
FIGURE 3
was necessary to achieve some degree of cooperation and co-
ordination between the Regional Manager and the operating
bureaus of the region.  

Organizational Changes

There have been five changes which affected the re-
gions and in particular the Southwest Region. In an effort
to simplify administrative problems caused by communications
in a large area, the old F.A.A. "Region Two" was split into
two regions. Region Two included ten states in the south
and southwest United States; its regional offices were in
Fort Worth, Texas. This region was divided into what are
now called the Southern and Southwestern Regions. The
Southern Region now has six states in the "old south" area
of the U.S. and the Southwest Region has the remainder of
the old region's states plus the state of New Mexico, which
was in the old Region Four.

A fundamental change involving regional organization
came through the breaking up of the large and unwieldy Fa-
cilities and Materiels Bureau of the old organization. This
bureau was divided into three separate divisions which are
now part of the regional program division structure. The
Airports Division, the Installation and Materiel Division,

7Interview with Archie W. League, F.A.A., Fort Worth,
Texas, November 21, 1963.
and the Systems Maintenance Division were created from the old bureau. This dividing of functions was not as drastic as it may appear, for there were three separate branches within the Facilities and Materiel Bureau carrying out essentially similar functions as those of the new divisions. The division was accomplished by elevating the three separate functional areas within the bureau to Division status.

The most important changes in the regional organization were the changes in authority over regional function. The creation and delegation of full authority to the Regional Director for the accomplishment of Agency goals in the region is the most basic change in the organization. The regional program chiefs now report to the Regional Director rather than to a Washington bureau office, and they are responsible to the Regional Director for the performance of their duties. In addition the program divisions are responsible for the technical standards and procedures established by the Washington staff offices. This provides for a system of dual supervision because it makes the program divisions responsible to two areas of the F.A.A. organization, but for different aspects of their work. The communications between the Washington staff offices and the program divisions in the region pass through the regional director's office or through channels prescribed by him.

Two changes accompany the delegation of authority to the Regional Director. The status of the counterparts of
the old Washington bureaus is the first change. Each program division in the region now has a corresponding staff office in Washington. These staff offices are for the purpose of advising the Administrator in Washington and the program divisions in the regions on technical problems. Prior to the reorganization these Washington staff offices were in the chain of command as the offices of the Washington bureau. This change has brought some problems which are explained in Chapter IV.

The second change accompanying delegation of full authority to the Regional Director is that there is now some regional responsibility for some aspects of organization, whereas before all organizational authority was in Washington. Organizational authority is the authority to determine organizational structure and function. This power of the Regional Director, as is pointed out in Chapter III, enables him to determine and prescribe the organization of certain units of the regional organization which best fit the needs of the region.

With the creation of the position of Regional Director, the position of the Regional Manager has not entirely disappeared. An examination of organization charts (see pages 33 and 37) will show the similarities that exist in the position of the Regional Manager and the Executive Officer of the present regional organization. There is a considerable
REGION TWO
OFFICE OF REGIONAL MANAGER

PUBLIC AFFAIRS OFFICER

REGIONAL MANAGER
ASS'T REGIONAL MANAGER

MANAGEMENT ANALYSIS OFFICER

SECURITY STAFF
AUDIT SERVICES STAFF

EMERGENCY READINESS STAFF

PERSONNEL & TRAINING DIVISION

BUDGET DIVISION
ACCOUNTING DIVISION
LEGAL DIVISION

ADMINISTRATIVE SERVICES DIVISION

PERSONNEL SERVICES BRANCH

EMPLOYMENT BRANCH
CLASSIFICATION BRANCH

ACCOUNTS BRANCH

PAYROLL BRANCH

PUBLICATIONS & GRAPHICS BRANCH

PROPERTY SERVICES BRANCH

CONTROL BRANCH

VOUCHER EXAMINATION BRANCH
PROPERTY & COST ACCOUNTING BRANCH

TRAINING BRANCH

FIGURE 4
difference which does not show on an organization chart, however. This will be further expanded in Chapters III and IV.

In effect, the reorganization has not extensively changed functions and responsibilities; the major change lies in a reallocation and strengthening of decision-making authority in certain organizational divisions in the region.

Summary

The bureau type, or decentralization by specialty, is the organizational type which existed during Quesada's administration of the F.A.A. The justification for the type of organization, as given by Millett, admirably fills the management philosophy of Quesada, as described by those who worked with him. The origin of Quesada's management philosophy, and therefore the logic for the use of the bureau type of organization, can be traced to the military background and experience of Quesada. One could not reasonably expect an organization which would differ to any marked degree from the type with which he had been so familiar.

The two areas of the organizational set-up of the Quesada administration which are directly related to this study are the most changed of the organization—the bureaus and their regional offices and the Regional Manager. The five changes have not drastically altered the visible
structure of the organization, but the changes in the lines of command and the decision-making authority of the regional organization are fundamental and far reaching changes.

One additional comment can be made on the organization of the region during the Quesada administration. In a study made of the organization of Region Two of the F.A.A. by S. J. Park, III\(^8\) two significant points were made in reference to the results of the bureau type of organization. One was that there was centralization of each bureau in Washington with little independent authority for the regional operation of the bureaus. Secondly, there developed a field division autonomy, that is an operation of programs independently and lacking consultation with other field divisions. This is a significant comment and is directly tied to the rationalizing of the changes which occurred.

Chapters I and II have introduced the general organizational pattern of the old and new organizations. Chapter III treats the regional organization in greater detail, dealing with the formal organization of functions, responsibilities, and lines of command. Chapter IV then develops the informal aspects of the regional organization and the effects of the reorganization.

CHAPTER III

THE REGIONAL ORGANIZATION

The purpose of this chapter is to outline the organization of the Southwest Region of F.A.A. and to explain the major areas of responsibility for the organizational subdivisions. There are three major organizational divisions of the Southwest Region: (1) The Office of the Regional Director, (2) the Management Staff Divisions, and (3) the Program Divisions. Each of the major divisions includes several subdivisions which are, in some cases, divided further.

This division of broad responsibilities into three groups provides a system of dual supervision. The Regional Director is the generalist officer in the region who is the coordinator of the regional functions. The management staff divisions perform the management functions both as advisors to the Regional Director and providers of services to the program divisions. The program divisions are the technical operating divisions which carry out the functions of the F.A.A. in the region and they are responsible to the Washington staff offices for the technical standards and procedures established in Washington. These three areas of the generalist coordinator, the management functions, and the technical
functions fulfill the organizational qualifications for a system of dual supervision by separating management and technical functions.

The Office of Regional Director

The office of Regional Director in the Southwest Region of the F.A.A. includes two administrative units, the Regional Director and the Deputy Regional Director, and four staff units. The Security and Compliance Division, the Defense Readiness Division, the Regional Counsel, and the Public Affairs Officer comprise the staff units.

The Regional Director

The Regional Director is the principal generalist officer in the Southwest Region of F.A.A., and his authority is delegated to him by the Administrator of the F.A.A. He reports only to the Administrator of the F.A.A. He has responsibility for the planning, direction, and execution of the F.A.A. programs in the Southwest Region. The limitations of the Regional Director's authority are the applicable laws and the agency-wide plans, programs, and standards of the F.A.A. Additional limitations are imposed at the discretion of the Administrator of the F.A.A.

The Regional Director is authorized to make organizational changes in the branch and lower level, and he can make adjustments at the divisional level provided that these
adjustments do not deviate significantly from established functional patterns. Adjustment must not require a major reallocation of resources or contravene exceptions to his granted authority.¹

The Deputy Regional Director

The Deputy Regional Director is the second ranking official in the region who serves as acting Director in the absence or disability of the Director and aids the Regional Director. The Deputy Director also coordinates and gives guidance to the program divisions.² The person who fills this position is generally a technically trained administrator familiar with some phase of the operation of the programs. During the latter period of the research for this paper the Deputy Regional Director's office was vacant and the heads of the program divisions were being rotated through the Deputy's office to evaluate their performance in that position.

The four staff units of the Office of the Regional Director are directly responsible to the Regional Director and perform their duties with the guidance of the Director. The staff divisions of the Director's office provide staff services to the other divisions of the Region as directed by the Regional Director.

¹Federal Aviation Agency, Order OA P 1100.1, p. 1404.
²Ibid., p. 1429.
The Compliance and Security Division

The Compliance and Security Division is responsible for the security policies of the Southwest Region concerning personnel security and all other security matters. Security and Compliance makes investigations of personnel regarding suitability for employment and other investigations requested by the Regional Director.\(^3\)

The Defense Readiness Division

The Defense Readiness Division is responsible for the Southwest Region's continuity of operational capability and effective support of military air operations in a national emergency or natural disaster. This Division establishes plans to reduce the vulnerability of essential facilities to enemy attack and to insure emergency operations capability of civil aviation.\(^4\)

The Regional Counsel

The Regional Counsel is responsible for providing legal counsel to the Regional Director, his staff, and other divisions of the Regional Organization as needed. Interpretation of the laws and regulations administered by the Southwest

\(^3\)Ibid., p. 1441.

\(^4\)Ibid., p. 1439.
Region, as well as appropriate legal action for violation of the laws and regulations, are provided by the Regional Counsel. The legal authority of the Regional Director, when provided by agency order, is exercised by the Regional Counsel who also collaborates with the General Counsel of F.A.A. in development of legal practices, procedures, and interpretations concerning the F.A.A.\textsuperscript{5}

**The Public Affairs Officer**

The Public Affairs Officer fulfills the following responsibilities: (1) provides staff assistance for public affairs, public relations, and public information in the Region; (2) represents the Region in meetings of the aviation public; and (3) functions as the Regional Director's press officer for his activities.\textsuperscript{6}

**The Management Staff Divisions**

The Management Staff Divisions' general responsibilities are to provide support for the programs of the Region. The Staff Divisions report to the Executive Officer and their functions are coordinated by him. Some duplicative staff offices exist in the program divisions but their activities are confined to their division and are not organization-wide.

\textsuperscript{5}Ibid., p. 1433.

\textsuperscript{6}Ibid., p. 1437.
with the Region. A program division staff unit must conform to the standards of the management staff divisions. The contacts between a program division staff unit and the management staff divisions are more informal than formal; all formal contact must pass through the division heads. More will be said concerning the position of these staff divisions relative to the entire regional organization at the end of this chapter.

The Executive Officer

The Executive Officer is responsible for assuring all Southwest Region programs adequate support services, and in the absence of disability of both the Director and Deputy Director of the Region the Executive Officer serves as acting Regional Director. The Executive Officer of the Southwest Region has line supervisory authority over the six management staff divisions. Audit, Accounting, Budget, Management Analysis, Personnel and Training, and Administrative Services are the six management staff divisions. He also chairs the Budget Committee which reviews budget and position requests of all divisions. This position of the Executive Officer in relation to other areas of the organization is very important. This will be further expanded later in this chapter and in Chapter IV.

7Ibid., p. 1429.
8Federal Aviation Agency, Southwest Region, Fort Worth, Texas, Order SW 2500.1, p. 3.
The Accounting Division

The Accounting Division advises and assists regional organizational divisions in formulation of policies and procedures of financial management. Complete accounting, voucher payment, and payroll service is provided by the Accounting Division. The Division also designs and installs a regional accounting system to accommodate the Agency-wide system. There are three sections in the Accounting Division. The Payroll Section provides payroll procedures and disbursement; the Accounts Section provides the general accounting services; and the Voucher Examination Section provides accountability controls and claims examination.9

The Audit Division

The Audit Division is responsible for performing a program of internal audits of the regional organization which provides management with appraisals of the performance of a division's financial responsibilities. The Audit Division provides advisory services in connection with contracts, such as examination of accounting systems and pricing proposals of contractors. The division furnishes technical advice on procurement activities, accounting, pricing, and related matters on proposed contracts.10

9Ibid., Attachment I.
10Ibid., Attachment G.
The Administrative Services Division

The Administrative Services Division is responsible for the housekeeping and additional functions for the management divisions and program divisions. The Administrative Services Division has three branches: Property Services Branch, Automatic Data Processing Branch, and Graphics and Publications Branch. The Property Services Branch consists of four sections. The Space Management Section conducts surveys and recommends approval of administrative space. The Motor Fleet Management Section conducts tort claims investigations and administers the government drivers license program for the Region. The Offices Services Section provides office services including administrative property management, mail and messenger service, and communications and cryptographic services. The Reservation Maintenance Section includes maintenance forces, janitorial service, and plant protection service for the regional headquarters. The Publications and Graphics Branch consists of a Graphics Section and a Publications Section which together provide printing, binding, general reproduction, photography, illustration, and exhibit services. The Automatic Data Processing Branch provides the technical services and equipment necessary to automatic data processing and information collection.11

The Budget Division

The Budget Division has responsibility for preparing a budget in accord with policies of the Agency and Region to accomplish F.A.A. objectives in the Region. Preparation and justification of the annual and quarterly fiscal works programs and program adjustment for the Region are the responsibility of the Budget Division. Adjustments between fiscal programs within the total regional staffing and funding are made by the Budget Division provided that the adjustments do not alter the established objectives. The fiscal adjustment function is important because the Region receives its funding in lump-sum appropriations and a rational distribution of funds must be provided.

The Management Analysis Division

The Management Analysis Division serves as the principal regional division for analysis and improvement of management functions. The Division provides for reporting, analyzing, and evaluating information on the progress of Regional programs and objectives. Other work done by this division is evaluation of new developments in management techniques, conducting surveys and studies of Regional organizational relationships, methods of operation, and

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12Ibid., Attachment J.

13Interview with Linne Ahlberg, Chief, Budget Division, F.A.A., Fort Worth, Texas, July 22, 1963.
delegation of authority. The Division develops and provides for application of workload formulas and criteria used in determining Regional manpower requirements.14

The Personnel and Training Division

The Personnel and Training Division's responsibilities are to insure that all phases of the personnel program meet statutory requirements, Agency policy, and program standards. The Personnel and Training Division has six separate branches, Control Branch, Classification Branch, Employment Branch, Personnel Services Branch, Career Development Branch, and the Field Personnel Representatives. The Classification Branch evaluates the region's classification program so as to provide proper work assignments and skill utilization. The Employment Branch develops and insures that placement and recruitment programs provide an adequate work force to meet the operational needs of the Region. The Career Development Branch plans and evaluates training programs and provides assistance to technical training officers in their training programs. The Field Representatives are counselors to management and employees who are assigned to specific geographical areas within the Region. The counseling is performed on a broad range of personnel problems such as personnel classification, working conditions, recruitment,

14Organization Manual, op. cit., Attachment D.
and training needs. The Personnel Services Branch evaluates employee-management relations and points out potential problem areas; this branch also promotes the development of a sound employee-management relationship and corrects active or potential employee dissatisfaction. The Control Branch prepares notices of official personnel action and maintains personnel folders, service records and automatic data processing listings of employees. This branch controls leave, retirement, and similar tenure applications.\textsuperscript{15}

The Program Divisions

The Program Divisions report to the Regional Director through the Deputy Regional Director. Coordination of the activities of the Program Divisions is the responsibility of the Deputy Regional Director. These divisions are the technical divisions. It is these divisions which have the responsibility for achieving the program of the F.A.A. in the Southwest Region. There are six of these divisions: the Air Traffic Division, the Airports Division, Aviation Medicine, the Flight Standards Division, the Installation and Materiel Division, and the Systems Maintenance Division.

The \textbf{Air Traffic Division}

The Air Traffic Division provides for the management

\textsuperscript{15}Interview with Frank D. Munroe, Chief, Personnel and Training Division, F.A.A., Fort Worth, Texas, November 6, 1963.
of all air traffic within the jurisdiction of air traffic service facilities operated by the Region and provides related assistance and services to the aviation community. There are three branches of the Air Traffic Division, the Program Planning Branch, the Operations Branch, and the Procedure Branch. There is also a staff branch, the Evaluation and Investigation Staff. The Evaluation and Investigation Staff evaluates the effectiveness of operations and determines the adherence to prescribed practices and procedures. Supervision of Air Traffic Division's participation in the investigation of aircraft accidents and evaluation in the investigation of aircraft accidents and evaluation of the effectiveness of public relations with users of air traffic services is provided by this staff.\(^1\)

The Airspace and Procedures Branch determines requirements for the assignment and use of navigable airspace and proposes airspace allocation to fulfill these requirements. The Branch insures standardization of procedural regulations, policies, and directives governing the control of air traffic and tower--center air--ground communications. The Program Coordinator evaluates airspace proposals to prevent conflicts in processing actions. En Route and Obstruction Evaluation Section reviews, develops, and recommends routes and airway configurations, navigational structure, and

\(^{16}\)Interview with Newell W. Lepeard, Assistant Chief, Air Traffic Division, F.A.A., Fort Worth, Texas, August 6, 1963.
air-traffic control procedure in the en route area; the section also reviews obstruction effects on en route traffic. Terminal and Obstruction Section reviews and recommends arrival and departure routes and airways and instrument approach procedures. It also monitors obstructions affecting the movement and control of air traffic in terminal areas. The Special Use Section reviews and recommends the airspace configuration, navigational aids, and associated air traffic control procedures affecting special use airspace areas which include restricted areas, balloon, missile and rocket operations, and flight test areas. The Military Liaison Section coordinates with military agencies the air traffic control procedures and airspace requirements affecting the North American Air Defense Command, The Strategic Air Command, and the Tactical Air Command. The FSS Procedures Section is responsible for the communication procedures associated with the handling of air-ground communications and movement control messages.¹⁷

The Program Planning Branch plans and determines requirements and priorities for Air Traffic Division equipment and services. It analyzes air traffic problem areas and obtains supporting data for corrective action. This branch controls the division's budget and fiscal program and analyzes statistical data to forecast development trends in air traffic.

¹⁷Ibid.
The Program Section conducts studies upon which current and future programs are predicated and plans the budget and fiscal program of the division. The En Route Section determines requirements for air route traffic control centers. The Terminal FSS Section determines requirements for Towers combined Station--Towers, RAPCONs, RATCC--Tower and Flight Service Stations.\textsuperscript{18}

The Operations Branch administers the operation of all facilities under the jurisdiction of the division and provides personnel, facilities, equipment training programs, and local operational plans. The En Route Section supervises and administers the operation of all air traffic control centers. The Terminal Section supervises and administers the operation of all Towers, combined Station--Towers, RAPCONs, RATCC--Towers and provides resident Air Traffic specialists. Flight Service Station supervises and administers the operation of all Flight Service Stations. Manpower Utilization and Training Section evaluates and implements on-the-job technical training programs for field facilities and provides staffing of the facilities.\textsuperscript{19}

\textbf{Airports Division}

The Airports Division administers the Regional Segment of the National Airports Plan, which promotes the development

\textsuperscript{18}Tbid. \hspace{1cm} \textsuperscript{19}Tbid.
of public airports, and conducts Regional and Community airport systems planning as required. The Airport Division administers regional responsibilities under the Federal Airport Act, which provides monies for airport modification and the Federal Aid to Airports Program. The Airport Division advises the public on airport location, planning, engineering, operation, standards, airport ground safety, and defense readiness activities. The Division participates in investigation of proposed obstructions in the vicinity of airports.\(^{20}\)

The Airports Division includes three branches, Airport Planning Branch, Airport Engineering Branch, and Development Engineering Branch. The Airport Planning Branch performs the regional functions of the division with respect to the National Airports Plan. The Airport Engineering Branch performs the regional engineering functions of the division with respect to airport design and construction. The Development Programs Branch performs the non-engineering administration function with respect to the Federal-Aid to Airports Program.\(^{21}\)

\(^{20}\)Interview with William E. Peterson, Chief, Airports Division, F.A.A., Fort Worth, Texas, October 24, 1963.

\(^{21}\)Interview with Newell W. Lepeard, Assistant Chief, Air Traffic Division, F.A.A., Fort Worth, Texas, August 6, 1963.
The Aviation Medicine Division

The Aviation Medicine Division provides for the medical certification of airmen within the Region. The Division consists of three branches, the Certification Branch, the Examiner Branch, and the Employee Health Branch. The Certification Branch conducts the certification program for airmen which calls for a determination of mental and physical fitness. The Branch provides initial professional review of all cases denied medical certification, all pathology cases and all cases not meeting medical standards. The Certification Branch is composed of two sections, the Airman Certification Section and the Aircraft Accident Investigation Section which conducts human factor investigation of aircraft accidents. The Examiner Branch administers the Designated Aviation Medical Examiner program including selection and designation of examiners and conducts post-graduate seminars in aviation medicine. The Employee Health Branch directs employee health programs for the entire region which include preventative medicine programs, advice, and emergency treatment for on-the-job injury. These branches are functional divisions and the ten employees of the Regional office perform the functions throughout the region with the exception of emergency treatment in the field.²²

²²Interview with Thomas G. Milburn, Medical Administrative Officer, F.A.A., Fort Worth, Texas, November 7, 1963.
SOUTHWEST REGION FEDERAL AVIATION AGENCY

AVIATION MEDICINE DIVISION

REGIONAL FLIGHT SURGEON
ASSISTANT

MEDICAL ADMINISTRATION OFFICER

CERTIFICATION BRANCH
AIRMAN CERTIFICATION

MEDICAL EXAMINER BRANCH
AIRCRAFT ACCIDENT INVESTIGATION

EMPLOYEE HEALTH

FEDERAL AIR SURGEON

FIGURE 11
The Flight Standards Division

The Flight Standards Division plans, directs, and evaluates the execution of programs that provide safety of air transportation within the Region. This includes the application of airworthiness standards for aircraft and parts, evaluation of competence of airmen, the testing of accuracy of navigational aids, studying feasibility of flight procedures, and the licensing of flight schools, ground schools, and repair stations. The organization of Flight Standards Division of the Southwest Region provides four branches.²³

The Engineering and Manufacturing Branch is responsible for the certification of airworthiness of civil aircraft and aircraft components. The Branch has four organizational sections, the Airframe and Equipment Section, the Flight Test Section, the Propulsion Section, and the Manufacturing and Inspection Section. The Aircraft Management Branch is responsible for the certification of standards and procedures for the use of air navigation facilities and systems.²⁴

The General Aviation Branch and the Air Carrier Branch have similar responsibilities; however, they differ in the type of aircraft and facilities they supervise. The General Aviation Branch conducts inspection of flight operations, maintenance activities and facilities of industrial, agricultural, business-executive, and all other general aviation

²³Interview with George J. Harlow, Assistant Chief, Flight Standards Division, F.A.A., Fort Worth, Texas, August 5, 1963.
²⁴Ibid.
operators. The Air Carrier Branch is responsible for the original and recurrent certification and inspection of the maintenance and operational aspects of United States Air carriers, commercial operators, and foreign flag air carriers operating over Southwest Region territory. Each of the two above branches are responsible for the examination and certification of airmen and air agencies which include repair stations and approved training schools. Each branch conducts its responsibilities in relation to the type of aircraft and facility operator.  

All branches are involved in the investigation of accidents and incidents to determine contributing factors and initiate corrective action in each branch's specific field.

The Installation and Materiel Division

The Installation and Materiel Division directs and administers establishment and materiel support for the air navigation facilities and systems of the Region. The two staff branches in the Installation and Materiel Division are the Administrative Staff and the Technical Staff. The Administrative Staff provides staff support for the direction and evaluation of management activities in the division. The Technical Staff provides advice on technical and

25Ibid.
engineering policy pertinent to the division's programs and provides radio frequency management.\textsuperscript{28}

The Materiel Branch of the Installation and Materiel Division administers the division's programs for acquisition, utilization, conservation, and disposal of property and supervises contractual services. The Procurement Section of the branch conducts regional programs for acquisition of real property, utilities, and transportation. The Materiel Management Section plans materiel requirements, disposes of excess property, and provides materiel receipt, distribution, and storage services.\textsuperscript{27}

The Project Management Branch of the Installation and Materiel Division is responsible for regional establishment surveying, engineering, construction, installation and modernization of aids to air navigation. The Nav aids Project Section of the Branch is responsible for engineering, construction and installation of all Nav aids projects. The Communications Project Section is responsible for engineering, construction, and installation of all communications projects. The Radar Project Section is responsible for engineering, construction and installation of all radar projects.\textsuperscript{28}

\textsuperscript{28}Interview with Fred H. Harlan, Chief, Materiel Branch, F.A.A., Fort Worth, Texas, July 22, 1963.

\textsuperscript{27}Ibid.

\textsuperscript{28}Ibid.
The Engineering Planning Branch provides basic engineering liaison for planning functions of long range programs of the division. The Fiscal Planning Section of the branch provides planning and implementation of budget and fiscal policies of the division. The Current Programs Engineering Section plans and schedules currently assigned engineering programs and evaluates and prepares reports concerning program project status. The Programs and Fiscal Planning Branch provides the regional planning and fiscal programs for the Installation and Materiel Division.\(^2\)

The **Systems Maintenance Division**

The Systems Maintenance Division directs a consolidated regional maintenance program which assures the accuracy and effective operation of all air navigation and air traffic control equipment and facilities within the region. The Systems Maintenance Division consists of two staff branches, Administrative Staff and Technical Staff, and two program branches, the Engineering Branch and the Operations Standards Branch.\(^3\)

The Administrative Staff directs the administrative activities of the division related to personnel, training,

\(^2\)Ibid.

\(^3\)Interview with W. A. Hankins, Assistant Chief, Systems Maintenance Division, F.A.A., Fort Worth, Texas, August 5, 1963.
security, budget, and fiscal programs. It develops administration standards and performs management analysis of non-technical operations of the division. Administration of prescribed fiscal and accounting policies of the division is provided by the Administrative Staff. The Technical Staff provides to the division advice concerning engineering and technical policy. Planning and programming with other divisions on maintenance considerations is a responsibility of the Technical Staff. The Technical Staff represents the division on technical boards, committees, or similar bodies.

The Analysis and Standardization Branch conducts an industrial engineering program that analyzes, plans, simplifies work, and improves an integrated system of men, material and equipment for maintenance of navigation and control equipment. Evaluation and analysis of operational data, and determination of need for data, coordination with the Installation and Materiel Division, recommendations on technical personnel qualification standards and placement examinations, are performed by the Analysis and Standardization Branch.

The Engineering Branch provides engineering assistance to the Division Chief on engineering aspects of a regional program of maintenance. The Engineering Branch develops equipment, facility, and system adjustment techniques, and provides consultation and correlation to regional field
organization on modification and improvement of equipment. The Engineering Branch develops new and improved technical standards and instructions needed to accomplish division programs. \(^{31}\)

**Summary**

The structure of the regional organization provides for a system of dual supervision, which Millett considers necessary in a decentralized organization. This structure provides three major organizational areas, the generalist officer (the Regional Director), the management functions (the management staff divisions), and the technical functions (the program divisions). The responsibilities of the divisions are allocated on a functional basis, each performing a highly professional or technical task.

This chapter has described the functions and responsibilities of the regional organization. Theoretically, the management staff divisions of the regional organization are purely staff. That is, they exercise no command authority over the program divisions. The concept that staff does not command line is considered a myth by Simon, Smithburg and Thompson. \(^{32}\) This point of Simon, Smithburg and Thompson

\(^{31}\)Tbid.

will be further considered in Chapter IV. A situation of staff commanding line would place the Executive Officer of the region in an important place in the regional organization. This is a consideration which will also be further pursued in Chapter IV.

The factor concerning staff commanding line is not evident from a presentation of a formal organizational structure. Information that goes beyond the formal organization is needed to indicate such factors. This information can be provided by interviewing people closely concerned with the workings of the organization. Personnel of the Southwest Region were interviewed to provide additional information on the organization and reorganization, the results of which are presented in Chapter IV.
CHAPTER IV

THE INTERVIEWS

The purpose of this chapter is to present the results of the interviews conducted with the personnel at the regional office in Fort Worth, Texas. Personnel in all areas of the organization were interviewed to complete the process of gathering information on the organization and the reorganization.

Regional Personnel--Attitudes

The interviews brought out two attitudes which permeated the regional office of the Southwest Region. One was the desire to be organizationally "flexible;" the other was that any organization will work. These attitudes were not engendered by the present F.A.A. administration; however, they probably are the result of the respect for the lesson that the history of the Civil Aeronautics Administration teaches.

The Civil Aeronautics Administration, or the C.A.A., which preceded the F.A.A. and was absorbed by the newly created F.A.A., underwent many reorganizations. In an interview with George Harlow, Assistant Chief of the Flight Standard Division, he stated that the C.A.A. had undergone a reorganization approximately every two and one half years and change of
administrators approximately every year and seven months. He gave these approximate figures to illustrate the rapidity of change in organization of the C.A.A. and the relatively short tenure of its administrators. He also made the observation that the present type of decentralized organization was not unfamiliar to the employees of the old C.A.A. Many of the reorganizations of the C.A.A. were viewed first-hand by Harlow, for he has been an employee of the C.A.A. or F.A.A. since 1946.¹

The frequency of change in the organization of the C.A.A. was mentioned by others in the regional office; Chalmers Frazer, Chief of the Management Analysis Division, said that some of the resistance to the changes of the 1962 reorganization were probably influenced by the characteristic impermanence of the past organizations.² The F.A.A. in its short five year history has already undergone a reorganization, and Quesada was Administrator slightly more than two years. When Halaby became Administrator he was quick to announce a change in the organization he had inherited from Quesada. These factors are likely to have reinforced the attitudes of the Region's personnel.

¹Interview with George Harlow, Assistant Chief of the Flight Standard's Division, F.A.A., Fort Worth, Texas, August 8, 1963.

²Interview with Chalmers Frazer, Chief of the Management Analysis Division, F.A.A., Fort Worth, Texas, August 8, 1963.
The desire to remain organizationally flexible, because of the lessons of the past, is epitomized by a statement of Archie League, the Regional Director. When asked about the possibility of a future reorganization he replied, "We like to remain flexible."\(^5\)

The program division personnel were quick to make the evaluation that any organization will work. Every one interviewed from the program division quickly raised the point. Seldom would the conversation continue longer than ten minutes before the statement would be made. At no time was prompting necessary to elicit the statement; this was not necessarily true in the other areas of the organization.

The management staff divisions' personnel would concede that any organization will work only after being asked about it in reference to the comments by the program division personnel. However, they were reluctant to agree to the proposition without qualifying it. Normally they would qualify it by stating that some organizations are more efficient than others. The reluctance on the part of the management staff personnel to agree to the proposition without qualification is very probably based on a desire to uphold the value of the reorganization that has placed greater authority in their hands.

\(^5\)Interview with Archie W. League, Regional Director, F.A.A., Fort Worth, Texas, November 21, 1963.
Concerning the issue of efficiency of the present organization as compared to the old organization, there was a division of opinion. During the interviews, one question was asked concerning organizational efficiency. The question was: "Is the efficiency of the organization the same as before the reorganization?" This question is obviously a leading question, and a "yes" or "no" answer is not sufficient to answer the question. Those interviewed were informed of the character of the question. The program division personnel who answered the question (two chose to ignore it) stated flatly that the reorganization was not responsible for the efficiency or quality of the work of their division.

When the position of the program division personnel was brought to the attention of the Regional Director, during an interview, he showed a great deal of surprise and indignation. He insisted stoutly that the reorganization had been responsible for a significant increase in the efficiency of operation of the region. This divergence of views as well as the positiveness with which they are held is significant.

These differences are related to the differences of positions which the Regional Director and the program divisions occupy. The Regional Director views the question of

\[\text{Ibid.}\]
efficiency in the context of the entire regional operations while the program divisions view the question of efficiency in the context of operations of their separate divisions. Then, too, it involves the factor that those who supported the reorganization and gained as a result of it tend to defend the efficacy of the reorganization.

Problems of the Reorganization

There were two problems which were considered to be the most difficult problems of the reorganization. One was maintaining morale in the face of the uncertainties of the reorganization. The other was the problem of convincing the Washington staff offices, the old Washington bureau offices, that they were no longer in charge of the regional program divisions. The interesting aspect of these problems is that the program divisions were concerned with morale, and the other areas of the organization were concerned with the Washington staff offices.

In the interviews with the Regional Director, the Executive Officer, and the chief of the Management Analysis Division, it was indicated that they considered the problem

6 Donald G. Schuler, November 7, 1963.
7 Chalmers Frazer, August 8, 1963.
of the Washington staff offices to be the most difficult. This problem arose because of the desire to retain old patterns of authority. Previously the Washington offices were specialist bureau offices which held line authority over their counterparts in the region. Under the present organization the Washington offices are essentially staff offices. This change of authority took the regional specialist from under the Washington specialists and put him under a regional generalist. The Washington offices resisted this even after the formal changes in line of command. In addition, during the interview with Donald G. Schuler, he indicated that the problem had not been entirely solved. This is certainly a threat to the authority of the Regional Director, who is the regionally responsible official. The threat to the authority of the Regional Director involves two broad points. First, the Regional Director has the authority to provide channels of communication between the Washington staff offices and the regional program divisions. Secondly, the Regional Director is the responsible officer for the region's programs. By-passing the approved channels is a direct slap at the Regional Director's delegated authority; by-passing the Regional Director also places the

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*Interview with Donald G. Schuler, Executive Officer, F.A.A., Fort Worth, Texas, November 7, 1963.*
responsible officer in a position of not being in the decision-making process, but being responsible for the decisions.

Another factor in the evident conflict between the regional and the Washington offices brought out by the concern which was shown about the above problem is the part which the regional program divisions played. To what extent did the regional program divisions cooperate with the Washington offices in this evident effort to by-pass the authority of the Regional Director? The answer to this is not clear because of the reluctance of the program divisions and other divisions to say anything specific concerning this aspect of the problem. It is difficult, however, to conceive of this problem being so important to the Regional Director and the management staff area of the organization if there was no substantial degree of participation by the program divisions in this effort to by-pass the authority of the Regional Director.

The morale problem was the one which the program divisions were concerned with. During the interviews with the program division personnel, they were asked what they thought was their most difficult problem. The answer was invariably "morale." Previously the program division in the region had been responsible to a Washington bureau office. These bureaus were familiar with the technical problem with which the regions were concerned. The program
divisions were then made responsible to a regional generalist officer whom they considered inadequately familiar with their problems. This was expressed strongly during an interview with George Harlow.  

It is possible that after considering the division of opinion on the problems which were the most difficult that a generalization could be made. The Regional Director and the management staff divisions were gaining authority within the region as a result of the reorganization. The program divisions were losing a degree of autonomy and authority and were being made responsible to a regional officer rather than a Washington office. The Regional Director and the management staff divisions were concerned about threats to this newly gained authority by the resistance of the Washington staff offices and the regional program divisions. The program divisions were concerned with morale and evidently resisted the reorganization by attempting to retain the old pattern of communication and control through the Washington offices. The generalization is that those areas of the organization gaining authority are concerned with threats to that newly gained authority, while the areas of the organization losing authority are concerned with morale coupled

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9Interview with George Harlow, Assistant Chief, Flight Standards Division, F.A.A., Fort Worth, Texas, August 8, 1963.
with attempts to resist the effects of the reorganization by seeking to retain the established patterns of authority.

Lesser problems accompanied the major ones. One, the problem of jurisdiction, is very important to organization. The interviews established that there was little conflict caused by over-lapping functions. There seemed to be a definite ease of defining areas of responsibilities. The only indications of conflict, where strictly arbitrary definitions of responsibility are found, were in allocating responsibilities between the Installation and Materiel Division and the Administrative Services Division. A typical problem would be in the situation in which administrative office space, a responsibility of the Administrative Services Division, is found in a building or facility which contains navigation or air traffic control equipment, a responsibility of the Installation and Materiel Division. All facilities, maintenance, and supply of all administrative space is the responsibility of the Administrative Services Division. This means that any administrative space which occurs in a facility which is the responsibility of the Installation and Materiel Division creates a jurisdictional problem for these two divisions. The occurrence of such a situation calls for sharp definition of each particular division's responsibilities to prevent conflict.
Improvements Brought by Decentralization

To say that the program divisions did not agree with the Regional Director concerning increased efficiency of the organization does not mean to imply that the program divisions did not recognize some improvement in some aspects of the organization as a result of the reorganization. The one aspect of the organization that the program divisions admitted as improved may well tag the reorganization as a success in the Southwest Region.

A purpose of the reorganization was to provide for coordination of regional program operations. During the interviews with William E. Peterson, Chief, Airports Division, W. A. Hankins, Assistant Chief, Systems Maintenance Division, N. W. Lepeard, Assistant Chief, Air Traffic Division, and Fred H. Harlan, Chief, Materiel Branch, Installation and Materiel Division, they said that they recognized a greater ability to communicate with other program divisions and solve problems of common interest in the region which previously required Washington office action. There are other improvements, but an admission by

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10 October 24, 1963.
11 August 5, 1963.
12 August 6, 1963.
these program division personnel that they appreciate the convenience of not having to go to Washington for decisions is significant.

The management staff divisions noted improvements also, but these improvements generally can be reduced to a gain in authority which made their work more effective. The extent of this gain in authority is brought out later. In an interview with the Regional Director, he gave three broad improvements that the reorganization had brought about.¹⁴ These were: Better man-power utilization, simplified decision-making process, and the authority to carry out reforms—principally fiscal reforms.

The recognition of improvements is closely related to different organizational area's evaluations on efficiencies derived from the reorganizations. The program divisions and the management staff divisions all viewed the improvements from the context of their divisions, while the Regional Director viewed improvements from the context of the entire regional operation.

The Relationship Between the Management Staff Divisions and the Program Divisions

The relationship between the management staff divisions and the program divisions is ambiguous. The program divisions

¹⁴ November 21, 1963.
recognize the value of the management staff divisions and there are few complaints about the general functioning of these divisions, but there are complaints about interference from the management staff divisions.

The complaint that was persistent and without variance was concerning the additional paper work and personnel time used to answer management staff inquiries. George Harlow, Assistant Chief, Flight Standards Division,\(^{15}\) and W. A. Hankins, Assistant Chief, Systems Maintenance Division,\(^{16}\) made almost identical complaints that they spend more time doing paper work for the staff divisions than they do tending to their own duties. Harlow also complained that personnel time and money which had been budgeted to the division and for which the division was held accountable to achieve its program goals, was frequently needed to provide reports called for by the management staff divisions. Others interviewed were not quite as specific, but the annoyance of an increased load of paper work was often the subject of complaint. The interesting aspect about the complaints of interference is where they were directed. They were not directed toward the individual management staff division but toward the Executive Officer. The phrase that was most often

\(^{15}\)August 8, 1963.

\(^{16}\)August 5, 1963.
used to refer to the management staff personnel was "Schuler's people."

One result of the reorganization was an increase in staff inquiries, and it is interesting to note that in the two divisions where the complaints were strongest, Flight Standards and Systems Maintenance, the process of decentralization within the region, that is extensive delegation of authority below the Division Chief, had proceeded further than in the other divisions. These inquiries are evidently a manifestation of the problem of how to retain sufficient control of those delegated broad authority. In any system of delegation of broad authority some authority must be retained to assure judicious use of the delegated authority. If the responsible officer is not certain that the authority is being used properly, then the result is a constant stream of inquiries to those delegated authority.

Another result of the reorganization seems to be a definite confining of the friction between line and staff so that it is between the Executive Officer and the separate program divisions. The unusual point that the criticism by the program divisions is directed toward the Executive Officer and not the staff divisions is an indication of the importance the program division personnel attach to the position of the Executive Officer. The opposite of this is the degree of importance that the personnel of the program divisions
attach to the Deputy Regional Director. The Deputy is supposed to be responsible for coordinating the activities of the program divisions, but the interviews indicate that this is a relatively weak position.

During the interviews with the program division personnel they were asked about the coordinating activities of the Deputy Regional Director. The answers were very evasive. Everyone agreed that they liked Robert Reynolds—he was Deputy at the time but later this post became vacant—but other than saying that they liked the man they were non-committal concerning coordination. During an interview with W. A. Hankins the question was asked concerning the Deputy Regional Director and coordination of program division activities. Hankins replied, "We report more to Schuler than we do to Reynolds." This is definitely an indication of the relatively weak position of the Deputy Regional Director.

The program division personnel are definitely upset over what they call a centralization of the staff. There is much truth in this because of the line supervisory authority that the Executive Officer has over the management staff divisions. The importance of the centralization of the staff can be seen in the following evaluation concerning staff units. These are evaluations of Simon, Smithburg, and Thompson; they examine two common beliefs concerning overhead units, that

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17 August 5, 1963.
is, staff or auxiliary units. One belief is that overhead units do not exercise authority over line units; the other, that staff units are closer to the executive than the line units and are "in his office" or that they are "an extension of his personality." Simon, Smithburg and Thompson conclude that these concepts concerning overhead units are myths.¹⁸

As a practical matter, they state, when an overhead unit gives advice to a line unit the advice is almost always taken, and that overhead units command up to that point where superiors are willing to make a high level issue out of the matter. If complaints are received of staff advice (commands), how do superiors react? High level superiors resent being asked to take up such matters unless they are very important. Issues of this kind make ruffled feelings all along the line. Eventually a common superior may have to make a decision between the two sides and this he hates to do because he alienates the losing side. Consequently, superiors have a limited fund of good will for use in appeals of this kind and use it sparingly.¹⁹

The other concept that overhead units are close to the executive and are part of his personality is conceded to be partially true if in reference to a small group of

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¹⁹Ibid.
personal advisors to an executive. However, as the organization grows large and complex this no longer holds true. As the organization grows and the staff grows, the staff units themselves become complex organizations. The employees of the staff units tend to reflect the staff organization rather than the personality of the executive. With this in mind, one should consider the position of the Executive Officer in the southwest Region organization. The overhead units in the regional organization are the management staff divisions, and the Executive Officer exercises line supervisory authority over them.

The Regional Director

The Regional Director of the southwest Region is Archie W. League; he had previously been Regional Manager of Region Two. League was the first Assistant Administrator— as the Regional Director was titled at the time of the reorganization—to receive full authority in the region; he received authority in January, 1962. It was not until October, 1962, that all regions had Assistant Administrators in a position of authority. It was at this time that the new organization became formally effective.

At the time of the reorganization League was the only Regional Manager to have the qualifications that Halaby

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20Ibid., p. 285.
considered necessary for the position of "Assistant Administrator." League has considerable experience in aviation as a pilot, both civil and military, and as an executive in the C.A.A. and the F.A.A.

League considered the position of Regional Manager as involving much salesmanship to provide regional coordination. Now as Regional Director, with much more authority, he still believes in salesmanship, that is, convincing as opposed to coercing, to aid in regional coordination. He also believes in delegating authority and he believes that the division chiefs should delegate as much authority as possible. He has implemented his beliefs by pushing delegation of authority in the program divisions. The extent of decentralization and delegation of authority of the Flight Standards Division and the Systems Maintenance was the result of pressure from the Regional Director.

Much of the coordination of the region's work is done by staff meetings which regularly take place and in which the division chiefs are asked to bring up any problem they have encountered and suggestions for improvement of the regional operations. This method has evidently met with the approval of the divisions, for there was no criticism of this approach. In fact, an extraordinary thing happened throughout the interviews. At no time was there any criticism
of the Regional Director. The criticism that would normally be directed toward the Regional Director was not directed toward him at all but it was instead directed toward the Executive Officer.

The Regional Director's comments concerning the possibility of future reorganizations and the effect of the reorganization on efficiency have been presented previously. His comment concerning the morale problems and the additional paper work was that he did not think that they were significant, although he admitted that such problems were often encountered during a reorganization.

There is a distinct indication from the interviews that a considerable portion of the Regional Director's time is absorbed by activities outside the region and in public relations work that is often necessary of top executive personnel of a government agency. The Regional Director has participated in management training programs in Washington, D.C. and other areas outside the region. The public relation's publications of the region and the regional personnel had many comments on the outside activities of the Regional Director.

In addition there are other activities such as appearing in Civil Aeronautics Board hearings; a case in point is the Dallas, Fort Worth regional airport dispute hearing in 1963. The Regional Director must also travel to Washington
to aid in coordinating the regional activities with the national programs of the F.A.A. There are also the inevitable contacts with Congressmen and Senators which must be maintained by top executives of a government agency. Speech-making is another activity participated in by the Regional Director. He generally speaks on the subjects of the F.A.A. and management. These activities, although necessary for the most part, are time consuming and draw the Regional Director from his administrative duties. This may be one reason that extensive authority has been delegated to the Executive Officer.

The Executive Officer

The Executive Officer in the Southwest Region is Donald G. Schuler, and the position he occupies is a critical one in the regional organization. He exercises line supervisory authority over the management staff divisions. This fact alone makes the position of Executive Officer important but he has additional authority which has been informally delegated to him by the Regional Director. The informal authority delegated to him seems to be rather broad. He said that it involved the management staff divisions as they affect the program divisions.21 He gave no specific example as to what the additional informal authority entails.

21 Interview with Donald G. Schuler, November 6, 1963.
This additional authority of the Executive Officer offers an explanation for the criticism of the program divisions being directed toward him rather than toward the Regional Director, because, from all indications of the interviews, the additional authority involves resolving internal disputes, that is, disputes between line and staff. The resolution of this type of problem in the levels of the organization below the Regional Director relieves him (the Regional Director) of the consequences of possible alienation of the disputing personnel.

Schuler said in an interview that he believed that the budget determines and controls basic policies and goals. This is significant if one considers that Schuler is also chairman of the Budget Review Committee which reviews and approves all budget requests or alterations. If the lack of availability of money will determine to a great extent what an organization will do, then Schuler is in an excellent position to practice budgetary controls on the organization. It was not possible to determine the extent of the use of this position on the Budget Review Committee to influence policy, but it would be remarkable indeed if he did not exercise some influence through this position.

22Ibid.
The influence of the Executive Officer throughout the regional organization is significant enough that the formal organization chart does not show his actual position. The Executive Officer's relationship to the line of command to the program divisions should be changed on the charts. The accompanying organization chart shows the actual position of the Executive Officer in the regional organization (see p. 90) as opposed to the position he occupies on the formal organization chart (see p. 37). The Executive Officer's relationship to the line of command going to the program divisions is changed by shifting the Executive Officer to a point on the line of command of the program divisions, but so that they do not pass directly through the Executive Officer. This indicates that the Executive Officer is not in the formal chain of command to the program divisions, but he is close enough to significantly affect their decision-making processes because of his authority over the staff units and the additional authority which he exercises.

Interview Justification

The personnel of an organization are important to that organization; an organization is a human mechanism, and a change in the internal composition of the mechanism means that the personnel are shifted about, their functions are changed, or their authority is affected. Since people are
so important in a reorganization, then it would be important to interview those who took part or were affected by the reorganization.

The interviews brought out several aspects of the reorganization that could not have been obtained otherwise. The attitudes of the personnel, the position of the Executive Officer, and problems that were encountered by the organization were brought out by the interviews. A study of the documents of the organization would not have revealed any of these points of the reorganization.

Summary

There were two attitudes which were in evidence in the regional office. These attitudes were that any organization will work and that there is a desire to remain organizationally flexible. The influences which undoubtedly created these attitudes were contained in the history of the frequent reorganizations of the C.A.A., which the quick reorganization under Halaby probably reinforced.

An area of disagreement was brought out by the interviews which concerned increases in efficiency caused by the reorganization. The program divisions did not consider the reorganization responsible for their level of efficiency, while the Regional Director was very positive that the reorganization had produced greater efficiency in the
organization. The division of opinion is significant for it shows a separation in the position of specialists and generalist.

The problem caused by the decentralization which the program division thought the most difficult was that of morale. The problem which the other areas of the regional organization thought most difficult was trying to convince the Washington staff offices that they were no longer in command of the regional program divisions. The corollary to the latter problem is the extent to which the regional program divisions did aid the Washington office in seeking to retain the old patterns of authority. The generalization derived from the concern expressed over the above problems is that the areas of an organization which gain authority as a result of a reorganization are concerned with threats to that authority, while areas of the organization losing authority are concerned with morale and attempt to retain the old pattern of authority.

The improvement brought by the reorganization varied. The program divisions noted an increased ability to communicate with other program divisions in the region and ability to solve problems of mutual interest among the program divisions without having to go to Washington for a decision. They appreciated this. The management staff divisions noted improvement based primarily on additional
authority. The Regional Director thought there were improvements in man power utilization, simplified decision-making processes, and authority to carry out reforms.

The relationship between the management staff divisions and the program divisions was ambiguous. The program divisions recognized the value of the staff divisions but they had complaints. The complaints were based on too much additional paper work and staff inquiries. Another factor was that criticism of the staff divisions was not directed toward the individual staff divisions but at the Executive Officer. The program division personnel were concerned about what they considered a centralization of staff authority in the Executive Officer.

The Regional Director, Archie League, firmly believes in decentralization and delegation of authority and has pushed it in the regional organization. The most significant point derived from the interviews concerning the Regional Director was that there was no criticism of the Regional Director, which is extraordinary. The criticism which normally should be directed toward the Regional Director was directed toward the Executive Officer.

The Executive Officer, Donald Schuler, occupies an important position in the regional organization. A combination of formal and informal authority in effect places the Executive Officer in a position to influence the decision-
making processes to a greater extent than contemplated in the formal organizational structure.

The use of interviews to obtain information was a necessity in this study. Without such an approach much important information not otherwise obtainable would have been lost. The importance of people to an organization is unquestioned, so their views on and reactions to the reorganization are important to a study of a reorganization.
CHAPTER V

CONCLUSION

A reorganization, as stated in Chapter I, is a change in a human mechanism; there are five ways in which changes can be made to effect a reorganization. A reorganization seldom is confined to one specific type of a change but involves any combination of the five types of possible changes. The reorganization of the Southwest Region of the Federal Aviation Agency was a deliberate effort to change a bureau type of organization—termed decentralization by specialty by Millett—to another decentralized type—termed decentralization by hierarchy. These two terms are used by Millett to describe the two systems of organization of a field structure. In the latter structure he said that it must be accompanied by a system of dual supervision. The present organization of the F.A.A. provides a close approximation of dual supervision.

The most significant change in the Southwest Region organization was the placing of full responsibility for the accomplishment of the goals of the Agency in the Regional Director, whereas in the old organization the program divisions were responsible to a bureau office in Washington.
All other changes in the regional organization were the result of this basic change.

The most significant moving force behind the changes that took place was a fundamental conflict in the management philosophies of the past and present Administrators. E. R. Quesada had established the F.A.A. organizational structure which N. E. Halaby inherited when he became Administrator in 1961. Quesada thoroughly believed in a centralized control of the agency's operation, as was discussed in Chapter II, and he organized the F.A.A. along these lines. Halaby's management philosophy, as presented in Chapter I, closely resembled the theories of organization of Luther Gulick, who strongly believed in a decentralized organization. The authority given the Administrator to prescribe the organization of the Agency was a virtual carte blanche. The law placed very few limitations on the Administrator's authority in this respect. This authority was fully presented in Chapter I. With this authority Halaby proceeded to announce a reorganization of the F.A.A. It was to be a change from a decentralization by specialty to a decentralization by hierarchy with an element of dual control.

The description of the regional organization in Chapter III shows the structure as it was established to provide for regional authority and the element of dual control. However,
it was noted in Chapter III that an organizational structure is not as it formally appears. As a practical matter, it was pointed out in Chapter IV that staff units do control and command line units and staff units do not necessarily reflect the personality of the executive, but more often reflect their organizational unit. With these factors in mind, the position of the Executive Officer was presented as a critical one, which was not necessarily indicated by the formal organization of the region.

The interviews which were conducted at the regional office of the Southwest Region brought out two attitudes expressed by the regional personnel. One was the desire to remain organizationally flexible and the other was that any organization will work. The history of the C.A.A. which preceded the F.A.A. and was absorbed by the F.A.A. has probably influenced these attitudes. The C.A.A., as stated in Chapter IV, had undergone numerous reorganizations and administrative changes. The fact that the F.A.A. underwent a reorganization within three years of its creation probably served to reinforce these attitudes.

The program division personnel, as pointed out in Chapter IV, were quick to say that any organization will work, but the Regional Director and the management staff were inclined to qualify the statement by pointing out that
some organizations were more efficient than others. Those areas of the organization which pointed out greater efficiency of some organizations were the areas of the organization which gained authority from the reorganization.

The major problems of the reorganization, as presented in Chapter IV, were morale and convincing the Washington staff offices that they were no longer in charge of the regional program divisions. The program divisions considered the problem of morale as paramount. The Regional Director and the management staff divisions were more concerned with threats to their newly gained authority caused by attempts of the staff offices in Washington and the program divisions in the region to maintain the old lines of authority.

The fact that there were problems did not mean that improvements went unnoticed by the regional personnel. In general, the Regional Director and the management staff divisions noticed improvements based on increased authority to act. The program divisions noted an increased ability to communicate with other program divisions in the region and that they were able to solve problems of common interest in the region which previously needed a Washington decision.

The recognition of this advantage of decentralization would undoubtedly please Archie League, the Regional Director. League firmly believes in decentralization and
delegation of authority, as well as the efficacy of the reorganization. He has pushed decentralization and delegation of authority in the region. An interesting factor concerning the Regional Director was that at no time during the interviews was there any criticism of the Regional Director. The criticism was directed toward the Executive Officer rather than the Regional Director.

The Executive Officer has had additional authority informally delegated to him by the Regional Director. This authority, as brought out in Chapter IV, involves resolving internal disputes between program and staff divisions. This authority coupled with the fact that Schuler has line supervisory authority over the management staff divisions and that he is chairman of the Budget Review Committee--Schuler believes in budgetary control of organization--puts Schuler in a critical and strong position in the regional organization. This position of the Executive Officer is strong enough that he participates to a greater extent in the control of the program divisions and the decision-making processes of those divisions than the formal organizational structure prescribes.

The authority of the Executive Officer is extensive and the program division personnel are concerned with a centralization of authority of the staff divisions while the
authority of the program divisions is being further decentralized and delegated.

A generalization derived from this study is significant to any organization going through the reorganization process. It states that the areas of the organization which lose authority are concerned with morale and seek to retain the old patterns of authority. This causes the areas of the organization gaining authority to be concerned with the threats to their newly gained authority, which is caused by the attempts to retain the old patterns of authority.

The effect of the position of the Executive Officer is significant to the regional organization. The authority does not conform to the formal organizational patterns. This significantly modifies the decision-making processes in the program divisions. This is an indication of how operation significantly affects the paper concept of an organizational structure. This is also an indication of informal patterns that develop within organizational structures. Such informal patterns of organization are gaining greater recognition in the literature of public administration, and it is now often suggested that informal patterns be used to advantage whenever possible. In the Southwest Region of the F.A.A, two informal patterns are indicated. One is the position and responsibility of the Executive Officer, the other, the attempts of the program divisions to maintain
their Washington contacts as before the reorganization.

Within the Southwest Region the two indicated informal patterns present a contrast. The Regional Director has encouraged one informal pattern—the additional authority of the Executive Officer—while there are efforts to repress the other—the program divisions Washington contacts. Morale has already been brought out as a problem that faced the program divisions during the reorganization, which was caused principally by placing a generalist, the Regional Director, over specialists, the program divisions. Encouraging an informal organizational pattern which the program divisions do not like while at the same time efforts are made to repress the informal pattern which the program divisions want appears certain to present another morale problem in the program divisions. Therefore, it would appear that a major problem of the Regional Director would be to maintain morale in the program divisions.

This study brought out indications of a problem of organization about which concern has often been expressed in the literature of public administration, that is, a conflict between generalist and specialist. This conflict has its roots in the resentment by specialists of control by generalists who are unfamiliar with the specialty. This resentment is tied in turn to a desire for autonomy and control by a specialist administrator who understands and
promotes the specialty. The organizational structures of
the F.A.A. epitomized the conflict between specialist and gen-
eralist; the organization of the F.A.A. established by E. R.
Quesada provided for control by specialists as is indicated
by the term "decentralization by specialty." The organiza-
tion at present provides for control by generalists.

The specialist or technical personnel in the F.A.A.
play a critical role in providing a nationwide program of
air safety. The F.A.A. needs electronic technicians, air-
craft maintenance specialists, air traffic control special-
ists, and radar operators, among many such highly technical
and specialized fields of knowledge. The F.A.A. is involved
in a technical field and needs technical personnel to
achieve its goals. The rapidly expanding technology of the
aircraft industry and related industries is likely to call
for more technicians to provide for the future safety of
future aircraft. The position of the technician and
specialist in the F.A.A. is likely to reflect a trend in
all governmental agencies, that of increased use and im-
portance of specialists and technicians.

The rising need for specialists in government as a
practical consideration is contrasted with the organizational
pattern (decentralization) considered better by many in the
field of public administration. Decentralization by hierarchy
which provides for generalist control is said to have be-
come a gospel of management. If there is to be an increase
in the number and importance of specialists in governmental agencies, then it appears that this would increase the conflict between generalist and specialist if the generalist is to pressure for decentralization and generalist control.

The conflict between specialist and generalist and the conflicting trend of increased specialist importance with that of increased management pressure for decentralization and generalist control raises a fundamental question. To what extent must an organizational structure defer to specialists and generalists to achieve the goals of the organization and at the same time prevent substantial conflict between generalist and specialist? This study does not answer the above question, but it does present it in the framework of an agency composed of many specialists—a likely increasing situation of other governmental agencies. The indications are that the position of the specialists and technicians in an organization need extended study, for the problem of specialist-generalist conflict is likely to assert itself more often.

Another problem of which indications are brought out by this study is the problem of supervisory controls over delegated authority, that is, delegation versus control. The policy of the F.A.A. is to delegate authority on the principle of exception, that is, delegation of broad authority with exclusion of specifics on the authority. The exceptions
are for the purpose of retaining ultimate decision-making authority in the hands of those delegating the authority. The problem which arises from such a policy is how much and what kind of authority must be retained, because there must be coordination of delegated authority. Without coordination there can be a dispersal of effort. This problem is compounded when a generalist who has responsibility must delegate authority to several areas of an organization which have technical functions; this is the position of the Regional Director and the program divisions in the Southwest Region of the F.A.A.

There cannot be control over delegated authority to technical divisions by a generalist on the basis of technical competence, for he lacks the range of expertise necessary. However, he must control the organization in some manner. It was noted in Chapter IV that staff does exercise control over line functions. The line units in the Southwest Region are the program divisions and the staff units are the management staff divisions. These staff units control the three essentials of organization—men, money, and materiel. This is done principally through the budget and the personnel divisions and the other divisions' related activities. It was also noted that the authority of the staff units was centralized and strengthened by additional authority granted the Executive Officer.
Technical functions can be controlled by the generalist through the use of the management functions which are centralized and readily applied. The control of budget, audit, personnel, and supply can determine the extent of the activities of the program divisions. It appears that the only device available to a generalist for control of authority broadly delegated is through centralizing and strengthening of staff controls, especially if management insists on a decentralization with broad delegation of authority. The alternative is the training of generalists in technical functions so that they have adequate expertise to provide control, which appears very unlikely.

Staff inquiries are used as a means to follow up on delegated authority and exert control over line. Such inquiries are not appreciated by line personnel, as was noted in Chapter IV. The staff inquiries were greatest in areas of the Southwest Region organization where decentralization was the greatest. There was much resentment of these staff inquiries, which was caused by "wasted time" involved in answering them. Specialists resent this type of control by those who know little of their work.

This and other staff controls present an aggravated problem of the traditional conflict between the line and staff. If delegation of broad authority is the policy, it appears that staff controls are necessary to provide adequate
controls for the generalist administrator. If this is the situation, then a primary concern of the generalist would be to provide means to ameliorate the conflict between line and staff.

In general it can be said that despite problems encountered during the reorganization in the Southwest Region of the F.A.A. the process was relatively smooth. There were problems but there were also improvements noted as a result of the reorganization. From this it appears that reorganization brings other problems, both major and minor, that were not encountered in the previous organization. It appears that an organization which has broad goals and a complex structure can not have an ideal structure which answers the needs and problems of all involved in the organization, nor would there be a universally valid organizational structure to fit the needs of all organizations. The problems of organization are continuous. This is an indication of why the process of reorganization is a continuous one.
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