

095505

2.50.25



UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

72-0425

OCT 7 1971

DEFENSE DIVISION

B-160879



3

2
1
The Honorable
The Secretary of Defense

Attention: Assistant Secretary of Defense
(Comptroller)

BEST DOCUMENT AVAILABLE

Dear Mr. Secretary:

We have completed our inquiry into the Air Force Management Engineering Program as outlined in our letter to you dated December 10, 1969, and identified by our code number 54021. 35

The Air Force established the program to scientifically develop and maintain guidelines for allocating military and civilian personnel to various functions within each command. Payroll costs for personnel subject to management under the program were about \$9 billion for fiscal year 1971.

The program objective since 1967 has been to cover 89 percent of all manpower authorizations with engineered standards. The remaining 11 percent are not considered susceptible to measurement. As of July 1, 1971:

- Engineered standards covered only 36 percent of the measurable authorizations.
- Estimated standards, which are less precise than engineered standards, had been implemented for 35 percent of the measurable authorizations.
- No standards had been implemented for the remaining 29 percent.

Air Force data have indicated 25 months, on the average, elapses between the start of manpower standard studies and the implementation of the resulting standards. As a result of the fairly limited coverage by engineered standards and the length of time required to implement engineered standards, we believe the program has not been responsive to the manpower management needs of Air Force Commanders and the guidelines have not been used to achieve the intended control over the distribution and utilization of manpower. Instead, manpower ceilings and dollar limitations have been applied by the Air Force in determining on-board strengths without full assessment of operational needs.

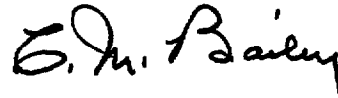
095505

700-798

We also observed that the Air Force reported the success of the Management Engineering Program in terms of a comparison between total program costs and savings through reduced personnel authorizations resulting from application of the program. The reported total net savings were about \$69.2 million for fiscal year 1971. It appeared that the reported savings would have been considerably less, if actual reductions in assigned personnel, not reductions in personnel authorizations, had been used as the basis for calculation.

We plan no further review or reporting on the Air Force Management Engineering Program at this time. However, we would appreciate any comments you may have on the above matters. The Secretary of the Air Force is being advised on the completion of this assignment by a copy of this letter.

Sincerely yours,



Director

BEST DOCUMENT AVAILABLE