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MILITARY READINESS

Improved Assessment Measures Are Evolving

Statement of Mark E. Gebicke, Director, Military Operations and Capabilities Issues, National Security and International Affairs Division

Mr. Chairman and Members of the Subcommittee:

During the past several years, military service chiefs of staff and commanders in chief (CINC) have expressed concerns about the effect on current and future military readiness of (1) the level of current military operations, (2) contingency operations, (3) the shifting of funds to support these operations, and (4) personnel turbulence. Related to these concerns is a question about the ability of the Department of Defense's (DOD) readiness reporting system to provide a comprehensive assessment of overall readiness. Accordingly, Representative Spence, the then Ranking Minority Member of the House Committee on Armed Services, asked us to determine whether current indicators of readiness adequately reflect the many complex components that contribute to overall military readiness and whether there are readiness indicators that can predict positive or negative changes in readiness. Today, I plan to highlight key findings from our report[1] on these issues and some major DOD initiatives that seek to achieve a more comprehensive readiness assessment.

My comments are framed around four key points:

-- The DOD indicators for measuring readiness provide valuable information, but this information is limited, is not always objective, and was never intended to provide the comprehensive assessment of readiness that has become increasingly important in today's national security environment.

-- To supplement readiness data reported in DOD's system, we found that the military commands independently monitor numerous additional indicators, many of which are not only critical to a more comprehensive readiness assessment but also have some degree of predictive value.

-- DOD has begun to incorporate into its readiness monitoring system some of these additional indicators; however, there is insufficient historical data about them to permit meaningful trend analyses at this time.

-- DOD and the services have other important inititiatives underway to improve readiness assessments; however, there is no focal point within DOD that oversees or coordinates these efforts.

DOD'S CURRENT APPROACH TO MEASURING READINESS HAS LIMITATIONS

DOD's current system for reporting readiness to the Joint Chiefs of Staff (JCS) is the Status of Resources and Training System (SORTS). This system measures the

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[1]Military Readiness: DOD Needs to Develop a More Comprehensive Measurement System (GAO/NSIAD-95-29, Oct. 27, 1994).

extent to which individual service units possess the required resources and are trained to undertake their wartime missions. SORTS was established to provide the current status of specific elements considered essential to readiness assessments, that is, personnel and equipment on hand, equipment condition, and training of operating forces. SORTS' elements of measure, "C" ratings that range from C-1 (best) to C-4 (worst),[2] are probably the most frequently cited indicator of readiness in the military.

JCS and service officials told us that the measures of readiness in SORTS are no longer adequate in today's national security environment. Specifically, SORTS does not (1) address all the factors that JCS considers critical, (2) warn of impending decreases in readiness, and (3) provide data on joint readiness. In addition, SORTS includes subjective assessments of training proficiency. Let me elaborate on each of these items.

SORTS does not provide information on several factors that, according to JCS, are critical to a comprehensive readiness assessment. Additional factors believed to be critical include mobility, operational tempo, morale, leadership, and training exercises.

Information reported under SORTS is a snapshot in time and does not predict impending changes. Units report readiness monthly or, for some units, upon a change of status. These reports provide commanders and JCS with status information only for that point in time. Commanders have stated that in today's environment of force reductions and increasing commitments, there is a need for indicators that can predict readiness changes.

SORTS does not provide data with which commanders can adequately assess joint readiness. The need for joint readiness information was demonstrated by the Persian Gulf War and reaffirmed by contingency operations in Somalia and Bosnia. Officials at four joint commands told us that SORTS, the primary source of readiness data, was inadequate for assessing joint readiness. Although JCS recently developed its first list of joint mission tasks, it has not developed the training conditions for conducting joint exercises and criteria for evaluating them. It may be several years before JCS completes these efforts.

Finally, some elements of SORTS are not based on objective data. The C-rating for training, for example, is based on a commander's subjective assessment of the number of additional training days a unit needs to reach a C-1 status. This assessment may be based on any number of factors, including completion of required or scheduled training or personal observation. In addition, in the past, we have found that Army training assessments have not been reliable. For example, in 1991 we reported that training readiness assessments of active Army units may have been

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[2]There is also a C-5 rating that indicates that a unit is not ready because it is undergoing a reorganization or equipment upgrade.

overstated.[3] We reported that the information provided to higher commands and JCS was of limited value because the assessments (1) were based on training conducted primarily at home stations rather than on results of more realistic exercises conducted at combat training centers and (2) may not have adequately considered the effect that the loss of key personnel had on proficiency. Likewise, in our reviews pertaining to the Persian Gulf War, we noted that readiness reports for Army support forces and National Guard combat forces were often inflated or unreliable.[4]

GAO'S EFFORTS TO IDENTIFY CRITICAL READINESS INDICATORS

Because of the limitations associated with DOD's traditional approach to measuring readiness, we sought to identify indicators that, together with SORTS information, could provide a more comprehensive readiness assessment.

To determine whether there were indicators being monitored in addition to SORTS, we visited 39 DOD agencies, including active and reserve service commands, defense civilian agencies, unified commands, and the Joint Staff. We found that 28 active and reserve commands were monitoring literally hundreds of indicators in addition to SORTS, but generally did not report them above the command level. Military commanders and outside defense experts agreed that many of the indicators were not only critical to a comprehensive readiness assessment at the unit level but also had some degree of predictive value regarding readiness changes within the services.

We compiled a list of over 650 indicators that the 28 commands were monitoring in addition to SORTS. To further refine these indicators, we asked the commands to rate the indicators in three areas: (1) the importance of the indicator for assessing readiness, (2) the degree of value the indicator has as a predictor of readiness change, and (3) the quality of the information the indicator provides.

The indicators that service officials told us were either critical or important to a more comprehensive assessment of readiness and that also have some predictive value are listed in attachment I. Six indicators--personnel deployability status, unit readiness and proficiency, operational tempo, weapon systems proficiency, funding, and unit and

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[3]Army Training: Evaluations of Units' Proficiency Are Not Always Reliable (GAO/NSIAD-91-72, Feb. 15, 1991).

[4]National Guard: Peacetime Training Did Not Adequately Prepare Combat Brigades for Gulf War (GAO/NSIAD-91-263, Sept. 24, 1991) and Operation Desert Storm: Army Had Difficulty Providing Adequate Active and Reserve Support Forces (GAO/NSIAD-92-67, Mar. 10, 1992).

intermediate maintenance performance--were rated highest by at least one-half of the commands visited.

We asked the Defense Science Board Task Force on Readiness, which is composed of retired general officers from each military service, to examine the indicators the commands believed were most important. Task force members agreed with the commands' ratings and said that the indicators were an excellent beginning for developing a more comprehensive readiness measurement system.

To take advantage of our findings, we recommended that DOD, as part of an effort to develop a more comprehensive readiness system to be used DOD-wide, (1) review the indicators identified as being critical to predicting readiness and select the specific indicators most relevant to a more comprehensive readiness assessment and (2) develop criteria to evaluate the selected indicators and prescribe how often the indicators should be reported to supplement SORTS data.

As I will discuss later, DOD has completed the first of several steps that it plans to take to implement our recommendations.

AVAILABILITY OF DATA TO DETERMINE READINESS TRENDS IS LIMITED

Related to the feature of predictive capability is the ability to conduct trend analyses based on the most important indicators. During our visits to the military commands, we noted an unevenness in the availability of historical data, depending on the indicator being monitored. More recently, we sought to obtain historical data for critical indicators monitored by the commands in an effort to identify readiness trends. However, the commands did not keep sufficient historical data to permit meaningful analyses.

We either visited or contacted all 28 commands included in our earlier study and asked them to provide us information on the availability of data since 1990--a period generally viewed by DOD as the apex of readiness--for indicators they had identified as critical to assessing readiness. In total, this involved 313 indicator groups (a group may comprise a number of individual indicators, e.g., the indicator "Morale" may include data on nonjudicial punishments administered, courts-martial, drug abuse, and divorce rates). Responses from these commands showed that data availability varied widely among the services, the commands, and the indicators themselves.

In total, the 28 commands told us that data dating back to 1990 was available for only 95 (30 percent) of the indicators. However, in many instances, commands that reported having data back to 1990 stated that it was partial, meaning that some units had it for that period, some did not, or data was kept for some weapon systems but not for others.

Explanations for the lack of historical data were primarily that (1) there was no requirement to keep the data and (2) there was little or no interest in comparing the indicators over time.

DOD'S EFFORTS TO IMPROVE READINESS ASSESSMENTS

Recognizing the limitations of SORTS and the need for more comprehensive readiness information, a number of DOD organizations have undertaken major efforts to improve readiness assessments. Included are the Office of the Undersecretary of Defense for Personnel and Readiness, JCS, the Air Force, the Army, and the Navy. We found, however, that no organization within DOD was overseeing or coordinating these efforts. As a result, we are concerned about duplication of effort and the possibility that DOD could develop systems that are incompatible. For example, initiatives being conducted by the Office of the Undersecretary of Defense for Personnel and Readiness, JCS, the Army, and Navy all have the same objective--to identify readiness indicators with predictive capability. Yet, no one in DOD is overseeing or coordinating these initiatives to avoid duplication or to ensure a sharing of lessons learned. The Office of the Undersecretary of Defense for Personnel and Readiness, which was formed in 1993 to provide oversight and coordination of readiness initiatives, would seem to be a logical choice for this role.

I would like to highlight the key initiatives underway, one of which addresses the issues identified in our previous report.

Office of the Secretary of Defense

The first key initiative is the Senior Readiness Oversight Council. This Council, comprised of high-level military and civilian officials and co-chaired by the Deputy Secretary of Defense and the Vice Chairman of JCS, meets monthly to assess readiness status based on briefings given by each service chief of staff. The briefings--primarily based on SORTS data and other data such as recruiting, retention, and personnel tempo--cover a broad overview of readiness in the areas of personnel, equipment, and training. The focus of the Council's assessment has been on short-term readiness.

The second key initiative, which stems from recommendations made in our previous report, seeks to develop a more comprehensive readiness assessment system with predictive capability. Sponsored by the Office of the Undersecretary of Defense for Personnel and Readiness, this project's initial focus was on assessing the value of the indicators we identified in terms of their potential for monitoring a critical aspect of current readiness and the opportunity to help shape the Future Years Defense Plan. This assessment, completed by a DOD contractor in October 1994, found that two-thirds of the indicators we identified had high or medium potential to achieve these two

objectives. Key remaining steps include (1) identifying and assessing other potential indicators of readiness, (2) developing a list of the most useful indicators that will satisfy the needs of decisionmakers at the DOD level, (3) determining the availability of data that would be needed to monitor each of the selected indicators, and (4) establishing criteria to evaluate the selected indicators.

DOD officials told us that once they have completed an assessment of the indicators they plan to monitor, they will direct the services to keep the data required for trend analyses. Officials said they expect to begin developing trend lines based on selected indicators sometime during the summer of 1995.

JCS Initiatives

In June 1994, the Defense Science Board Task Force on Readiness issued its report to the Secretary of Defense on how to maintain readiness. The task force identified major shortcomings in assessing joint readiness and recommended improvements in the measurement of joint readiness. In response to the report, the Chairman of the JCS established the Joint Readiness System, which became operational in December 1994.

The purpose of this system is to assess the readiness of forces to jointly execute operational plans for two nearly simultaneous major regional conflicts. The system includes a Joint Monthly Readiness Review, which requires each CINC to assess the readiness status of major combat and critical strategic support forces. Each month, JCS varies the scenarios on which the assessments are based. To assess unit readiness, the system uses SORTS data and data on the status of joint enablers such as the Airborne Warning and Control System and pre-positioned equipment. To assess joint readiness, the system makes assessments in eight additional areas, such as mobility, infrastructure, and special operations capability. These assessments are based on a mix of objective and subjective data. The system produces current and projected views of unit and joint readiness and a list of deficiencies that can be prioritized for possible remedy.

JCS is also seeking to improve readiness reporting under SORTS. Over the next few months, it plans to review all SORTS data elements, assess the continued need for each element, and make necessary modifications to ensure that SORTS includes only those elements that JCS and the services agree are necessary to evaluate readiness.

Service Initiatives

The Air Force, the Army, and the Navy have independently undertaken efforts to improve readiness assessments.

The Air Force, in late 1993, initiated a readiness assessment system called ULTRA, which used SORTS data as a starting point. ULTRA was to consider fiscal projections contained in the Five Year Defense Plan and predict readiness at varying levels of funding. It was to use computer models and compare budget data to model outcomes. According to Air Force officials, ULTRA was largely completed in January 1994, but remaining work has been suspended, or "put on the back burner." Air Force officials said that the leadership was not comfortable with certain assumptions and factors used in the model and believed that the system would produce misleading results. Although ULTRA has not been officially abandoned, it has a low priority within the Air Staff. Currently, the Air Force does not plan to pursue alternatives to ULTRA.

The Army has developed and partially implemented the Army Readiness Management System (ARMS), which allows unit readiness status to be projected for up to 2 years. ARMS is a result of integrating current and historical readiness information from SORTS with the Status Projection System--a system that draws future resource acquisition and distribution information from a number of Army databases. For example, by comparing a unit's reported equipment shortages with distribution schedules, ARMS can forecast when those shortages will be alleviated and when the unit's readiness posture will be improved. Army officials told us that they expect ARMS to become more comprehensive as it gains access to additional Army databases.

The Navy is also developing a system--called Predictive Measures of Readiness--to supplement SORTS and provide a more comprehensive readiness assessment. Using this system, the Navy plans to assess overall readiness by examining seven broad measurement areas--personnel, training, aircraft, ships, munitions, installations, and operating tempo. Assessments in each of these areas will be based on SORTS data, coupled with other measures, some of which are objective, that the Navy believes have predictive value. Many of the predictive measures the Navy uses are those identified in our previous report. Navy officials told us that the system is still evolving and will probably expand over time.

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Mr. Chairman, this concludes my prepared statement. I would be happy to respond to any questions that you or Members of the Subcommittee may have.

Attachment I

Readiness Indicators Critical or Important to Predicting Readiness

	Category/subcategory		Total commands in study by service				
			Air Force	Army	Navy	Marine Corps	Total
			5	6	10	7	28
	Indicator	Definition	Number of commands reporting indicators				
Personnel							
	Personnel strength						
1	**Personnel deployability status**[a]	**Data showing numbers of personnel by grade who are not deployable due to medical or dental problems, personal hardship, or lack of essential training**	1	4	9	6	20
2	Projected personnel trends	Comparisons of future personnel requirements with projected personnel availability	1	0	5	1	7
3	Crew manning[a]	Percentage of crews fully qualified, grades of crew members, and experience of crew members	2	3	0	0	5
4	Recruiting shortfalls	Number of personnel recruited and placed in units compared to recruiting goals	0	2	0	0	2
	Personnel turbulence						
5	Personnel stability	Personnel turnover, attrition, and retention rates	0	4	4	5	13
6	Personnel tempo	Numbers of personnel deployed to meet assigned missions or unit taskings	0	2	0	2	4
7	Borrowed manpower	Number of personnel (1) performing duties at bases in the continental United States that are not the same as required by their assigned Military Occupational Specialty and (2) not consistently training with their assigned units	0	3	1	0	4
8	Crew turnover[a]	Percentage of crews by weapon system type where crew members were transferred, replaced, or interchanged	0	2	2	0	4
	Other						
9	Personnel morale	Subjective assessment based on indicators such as incidences of article 15a, court martials, drug/alcohol abuse, spouse/child abuse, reenlistment rates, unit climate assessments, days deployed per individual, pay comparability, promotion rates, and career advancement opportunities	0	3	5	3	11
Training							
10	**Unit readiness and proficiency**[b]	**Inspections, evaluations, and exercises including Combat Training Center rotations used to assess how well the unit is prepared to perform its mission**	3	5	6	5	19
11	**Operational tempo**	**Level of operational and training activity against specific standards**	4	6	4	4	18

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Category/subcategory			Total commands in study by service				
			Air Force	Army	Navy	Marine Corps	Total
			5	6	10	7	28
	Indicator	Definition	Number of commands reporting indicators				
Training (Continued)							
12	**Weapon systems proficiency[a]**	**Certifications, qualifications, and other indicators of individual and crew proficiency in military operations and weapons employment**	3	5	7	1	16
13	Funding	Current and projected funding available for operations, training, and maintenance in units	2	3	7	3	15
14	Completion of required and specialty training[a]	Numbers and/or percentages of personnel completing required or specialty training in a specific period	2	2	5	4	13
15	Commitments and deployments	Number and types of missions/commitments that (1) require all or part of a unit's resources or (2) do not provide an opportunity to train in all essential unit tasks	0	0	0	4	4
16	Accidents	Percentage of accidents in relation to standard measures, e.g., accidents per 100,000 flying hours	1	1	2	0	4
Logistics							
	Equipment fill						
17	Deployed equipment	Numbers and percentages of equipment that are pre-positioned or deployed in relation to authorized equipment	0	0	0	2	2
18	Equipment distribution	Excess equipment made available by downsizing of the force compared to shortages or old equipment requiring replacement	0	0	0	2	2
	Equipment condition						
19	Not mission capable rate	Percentages of not mission capable equipment due to supply, maintenance, or both	3	1	7	0	11
20	Equipment availability	Present and projected equipment availability rates	3	2	0	3	8
21	Fully mission capable rate for non-pacing equipment	Fully mission capable rates for equipment not reported in SORTS but nevertheless necessary for mission accomplishment	0	1	0	0	1
	Equipment maintenance						
22	**Unit and intermediate maintenance performance**	**Performance of unit level and intermediate maintenance activities compared to established standards. Indicators include (1) number *of items in maintenance over a set number of days*, (2) scheduling effectiveness, and (3) average number of items processed**	3	4	6	4	17

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Category/subcategory			Total commands in study by service				
			Air Force	Army	Navy	Marine Corps	Total
			5	6	10	7	28
	Indicator	Definition	Number of commands reporting indicators				
Equipment maintenance (Continued)							
23	Maintenance backlog[c]	The number and dollar value of maintenance actions that were not accomplished when needed	0	3	3	0	6
24	Depot maintenance performance	Performance of depot level maintenance activities compared to established standards. Indicators include (1) number of items in maintenance over a set number of days, (2) scheduling effectiveness, and (3) average number of items processed	1	0	0	2	3
	Supply						
25	Supply performance	Performance of unit-level supply activities compared to established standards, such as percent of requests filled from on hand stock or cannibalizations per 100 flying hours to identify inventory trends and needed items	3	2	3	1	9
26	Availability of ammunition and spares[d]	On-hand assets compared with prescribed or authorized levels	0	1	2	5	8

[a]Indicators especially critical for the reserve components.

[b]Data should also be maintained on individuals with Combat Training Center experience.

[c]Readiness Task Force commented that maintenance backlogs should be purged of irrelevant items to make this a more useful indicator.

[d]Readiness Task Force commented that on-hand and programmed purchase of precision-guided munitions should be specifically monitored.

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