



Highlights

Highlights of [GAO-06-585T](#), a testimony before the Armed Services Committee, House of Representatives

Why GAO Did This Study

In the past 5 years, DOD has doubled its planned investments in weapons systems, but this huge increase has not been accompanied by more stability, better outcomes, or more buying power for the acquisition dollar. Rather than showing appreciable improvement, programs are experiencing recurring problems with cost overruns, missed deadlines, and performance shortfalls. GAO was asked to testify on ways to obtain a better return on DOD's weapons systems investments.

This testimony identifies the following steps as needed to provide a better foundation for executing weapon programs: (1) developing a DOD-wide investment strategy that prioritizes programs based on realistic and credible threat-based customer needs for today and tomorrow, (2) enforcing existing policies on individual acquisitions and adhering to practices that assure new programs are executable, and (3) making it clear who is responsible for what and holding people accountable when these responsibilities are not fulfilled. Past GAO reports have made similar recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-06-585T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Katherine Schinasi at (202) 512-4841 or schinasi@gao.gov.

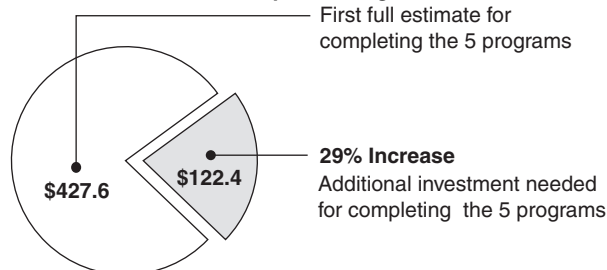
DEFENSE ACQUISITIONS

Actions Needed to Get Better Results on Weapons Systems Investments

What GAO Found

DOD has a mandate to deliver high-quality products to warfighters, when they need them and at a price the country can afford. Quality and timeliness are especially critical to maintain DOD's superiority over others, to counter quickly changing threats, and to better protect and enable the warfighter. Cost is critical given DOD's stewardship responsibility for taxpayer money, combined with long-term budget forecasts which indicate that the nation will not be able to sustain its currently planned level of investment in weapons systems, and DOD's plans to increase investments in weapons systems that enable transformation of various military operations. At this time, however, DOD is simply not positioned to deliver high quality products in a timely and cost-efficient fashion. It is not unusual to see cost increases that add up to tens or hundreds of millions of dollars, schedule delays that add up to years, and large and expensive programs frequently rebaselined or even scrapped after years of failing to achieve promised capability.

Additional Investment: Top Five Programs in 2006 Plan, Billions in Constant 2006 Dollars



Fiscal year 2006: \$550 billion total

Source: GAO analysis of DOD data.

Note: Estimate includes total research, development, test, and evaluation (RDT&E); procurement; military construction; and acquisition, operation, and maintenance.

Recognizing this dilemma, DOD has tried to embrace best practices in its policies, and instill more discipline in requirements setting, among numerous other actions. Yet it still has trouble distinguishing wants from needs, and many programs are still running over cost and behind schedule.

Our work shows that acquisition problems will likely persist until DOD provides a better foundation for buying the right things, the right way. This involves making tough tradeoff decisions as to which programs should be pursued, and more importantly, not pursued, making sure programs are executable, locking in requirements before programs are ever started, and making it clear who is responsible for what and holding people accountable when these responsibilities are not fulfilled. These changes will not be easy to make. They require DOD to re-examine the entirety of its acquisition process—what we think of as the “Big A”—including requirements setting, funding, and execution. Moreover, DOD will need to alter perceptions of what success means, and what is necessary to achieve success.