G A O
Accountability * Integrity * Reliability

United States Government Accountability Office
Washington, DC 20548

September 8, 2008

The Honorable Robert M. Gates
The Secretary of Defense

Subject: *DOD Systems Modernization: Maintaining Effective Communication Is Needed to Help Ensure the Army's Successful Deployment of the Defense Integrated Military Human Resources System*

Dear Mr. Secretary:

The Department of Defense (DOD) has had long-standing, serious problems with its numerous military component-unique personnel and pay systems, including accurately paying its military personnel on time and monitoring and tracking them to, from, and within their duty stations. For example, in the early 1990s, Army Reserve and National Guard troops received inaccurate or late pay and benefits after serving in Operations Desert Shield and Desert Storm.[1] We previously reported that the lack of integration among DOD's multiple military personnel and pay systems, among other things, caused these and similar errors.[2] To address these and other problems, in February 1998, DOD initiated a program to design and implement the Defense Integrated Military Human Resources System (DIMHRS). DIMHRS is intended to provide a joint, integrated, standardized personnel and pay system for all military components (including active and reserve components). In November 2004, DOD accepted the design of the first phase of DIMHRS for personnel and pay functions and then proceeded with development of the system. Meanwhile, as we reported in 2006,[3] some Army Reserve and National Guard troops continued to receive inaccurate pay resulting in part from a lack of integration in Army personnel and pay systems. Furthermore, personnel and pay problems have been exacerbated by the hundreds of thousands of military personnel deployed to Iraq and Afghanistan, whose families depend on receiving accurate and timely pay, in addition to DOD's need to track military personnel in and out of theater. DOD is concurrently working with the Army, Air Force, and Navy, but the Army is to be the first to deploy DIMHRS. Therefore, we focused our review on DOD's plans to deliver the system to the Army for deployment. DOD has planned five DIMHRS deployment dates for the Army with the most recent one scheduled in March 2009. Four of the deployment dates were postponed—April 2006, April 2008, July 2008, and October 2008. As of April 2008, DOD moved the

---

[1] For the purposes of this report, Army refers to active Army.

[2] GAO, *Financial Management: Defense's System for Army Military Payroll Is Unreliable*, GAO/AIMD-93-32 (Washington, D.C.: Sept. 30, 1993).

[3] GAO, *Military Pay: Inadequate Controls for Stopping Overpayments of Hostile Fire and Hardship Duty Pay to Over 200 Sick or Injured Army National Guard and Army Reserve Soldiers Assigned to Fort Bragg*, GAO-06-384R (Washington, D.C.: Apr. 27, 2006).

October date to March 2009. The other services are to follow the Army's deployment, but their dates remain undetermined as of June 2008. In addition, DOD estimates the cost for DIMHRS through fiscal year 2009 to be approximately $1 billion.[4]

DIMHRS uses software referred to as a commercial-off-the-shelf product. According to DIMHRS program officials, including the Deputy Director of the Business Transformation Agency, the product will address all military component requirements. The DIMHRS program office works with the components to make changes to their related business processes and adopt the commercial-off-the-shelf capabilities and processes as long as the changes do not result in inefficiencies or adversely affect mission or servicemembers and their families.

In February 2005, we reported that because DOD was not managing the DIMHRS program effectively, including its requirements, it was at increased risk of not delivering promised system capabilities and benefits on time.[5] In that report, we noted that the shortcomings in DOD's efforts to effectively manage DIMHRS requirements were attributed to a number of causes, including DOD's long-standing cultural resistance to departmentwide solutions. These shortcomings left DOD without adequate assurance that the requirements would accurately reflect the end users', including the Army's, needs. Since our 2005 report, we have monitored DOD's progress in managing the DIMHRS program under the authority of the Comptroller General to conduct evaluations on his own initiative. Specifically for this report, our objective was to determine to what extent DOD has effectively communicated the DIMHRS's capabilities to the Army in order for the Army to prepare for deployment of the system in March 2009.

To conduct our work, we reviewed and analyzed relevant documents, such as the system requirements documents,[6] the Army feasibility assessment of DIMHRS and requirements review, schedule, acquisition strategy, minutes from governance meetings, program status reports, and prior GAO reports. To augment our review of these documents, we interviewed officials from DOD's Business Transformation Agency, which is responsible for, among other things, leading and coordinating business transformation efforts, such as the DIMHRS program, across the department; the Enterprise Program Management Office-DIMHRS (called the DIMHRS program office in this report), which is responsible for, among other things, acquiring and implementing DIMHRS; and the Office of Personnel and Readiness Information Management, which, among other things, provides functional oversight for Human Resources Management and ensures that all requirements are consistent with the enterprise requirements. We also interviewed DIMHRS program officials from the Defense Finance and Accounting Service and the Department of the Army. We conducted this performance audit from January 2007 to July 2008 in accordance with generally accepted government auditing standards. Those standards require that

---

[4] According to DOD, as of March 31, 2008, it had spent approximately $766 million on the program, and it estimates spending an additional $286 million through fiscal year 2009. It does not include costs incurred by the Air Force from October 2007 through March 2008, the Marine Corps from fiscal year 2007 through March 2008, and the Navy since program inception.

[5] GAO, *DOD Systems Modernization: Management of Integrated Military Human Capital Program Needs Additional Improvements*, GAO-05-189 (Washington, D.C.: Feb. 11, 2005).

[6] The system requirements document, also known as the system subsystem specification document, is broken down into individual business processes that must be in place within DIMHRS.

we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Summary

DOD has taken some recent steps to improve communications with the Army about DIMHRS's capabilities in an effort to better prepare the Army for deployment of the system in March 2009. However, Army officials still have some concerns about the extent to which Army requirements are being incorporated into DIMHRS. In addition, DOD has not established a clear, well-defined process for maintaining effective communications to better prepare the Army to deploy DIMHRS. Effective communication is a key federal internal control standard that calls for communications to constantly flow down, across, and up the organization to help it achieve all of its objectives.[7] Such communication would improve the Army's understanding of what the system will deliver thus enabling the Army to better design and implement effective business processes to work with DIMHRS. The Army has had problems receiving assurance from DOD about the extent to which its requirements would be included in DIMHRS. For example, in September 2007, when the Army compared versions 3.0 and 3.1 of the system requirements document, it noted that DOD's DIMHRS program office had not effectively communicated with the Army the rationale or negotiated the acceptance of the Army's requirements that were dropped, changed, or both, which were agreed upon in version 3.0. During the Army's review of version 3.1, it identified and submitted 717 issues for DOD to resolve. Furthermore, when communicating changes for version 3.1, the format made it difficult for the Army to perform its comparative analysis. Army officials said that when the DIMHRS program office does not effectively communicate to them the differences between its requirements and the system, they have difficulty conducting a gap analysis between the system's planned capabilities and their own requirements. The gap analysis forms the basis upon which the Army can determine whether it needs to develop or adjust its business processes prior to deploying DIMHRS.

DOD recently took steps to improve its communications with the Army about DIMHRS's capabilities and its impact on Army requirements. For example, in May 2008, the DIMHRS program office began to meet with Army officials to discuss the development of a formal process of delivering and adjudicating the documented updates to the design; this includes the differences between the Army's requirements—documented need of what a particular product or service should be or do—and the DIMHRS's requirements, which are documented in the system requirements document. According to Army officials, with respect to version 3.2, they identified 311 issues with 98 issues remaining in July 2008, which the DIMHRS program office is working to resolve. Additionally, in April 2008, the DIMHRS program office shared more detailed information about DIMHRS's capabilities through activities, such as demonstrations of the system capabilities. Moreover, the Deputy Director of the Business Transformation Agency stated that moving the deployment date to March 2009 allowed the DIMHRS program office and the Army

---

[7] GAO, *Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1 (Washington, D.C. November 1999).

the time to communicate about DIMHRS's capabilities. Although these steps have been taken, DOD has not developed and documented a clearly defined process for maintaining effective communications of the differences between DIMHRS's capabilities and Army requirements. Without a clearly defined process for maintaining effective communications, the Army may not be effectively prepared to deploy the system when scheduled, and DOD may deliver a system that will require extensive and expensive investments. Therefore, we recommend that you direct the Deputy Secretary of Defense to develop a clearly defined process for maintaining effective communications of the differences between DIMHRS's capabilities and Army requirements to help ensure that the Army will have adequate time to prepare for deployment of the system. In commenting on a draft of this report, the department concurred with this recommendation. The department's comments are discussed in detail in a later section of this report. DOD's written comments are reprinted in enclosure I.

Background

Following reports of pay issues, in late 1995, the Under Secretary of Defense for Acquisition and Technology established a Defense Science Board Task Force on Military Personnel Information Management to advise the Secretary of Defense on the best strategy to support military personnel and pay functions. In its August 1996 report, the task force concluded that "the present situation, in which the Services develop and maintain multiple Service-unique military personnel and pay systems, has led to significant functional shortcomings (particularly in the joint arena) and excessive costs for system development and maintenance for the Department of Defense." The task force recommended that DOD "move to a single, all-Service and all-component, fully integrated personnel and pay system, with common core software."

In response to the task force's recommendation, DOD initiated the DIMHRS program in February 1998. DIMHRS will be Web based and uses a commercial-off-the-shelf product. DIMHRS is intended to be a joint, integrated, standardized personnel and pay system for all components of the military services, including active and reserve components. According to DOD, the program will provide improved processes and deliver timely and accurate pay and benefits to all servicemembers and their families, anytime and anywhere. Specifically, DIMHRS is intended to provide (1) accurate and timely personnel data, (2) standard data for comparison across the services and other components, (3) tracking information on reservists for both pay and service credit, (4) tracking information on military personnel in and out of theater, and (5) integrated personnel and pay functions.

The acquisition of DIMHRS was interrupted from July 2005 through December 2005 in order to assess its feasibility. In 2005, DOD had planned for the Army to deploy DIMHRS in the third quarter of fiscal year 2006 and the other services to deploy it in the fourth quarter of fiscal year 2007. The department had estimated that the program would cost $601 million from inception through fiscal year 2009. However, due to concerns raised by the military services, in July 2005, the Deputy Secretary of Defense directed a strategic pause whereby the military services discontinued developmental activities for DIMHRS in order to determine the continued viability of the DIMHRS program. According to DIMHRS officials—

including the Director of Human Capital Management Integration, Office of the Under Secretary of the Army—the Army, the Air Force, and the Navy completed their feasibility assessments of DIMHRS using the Army's configured solution as the baseline. Based on the results of the Army's assessment completed in October 2005, the Deputy Secretary of Defense in December 2005 directed Army program officials to proceed with the acquisition of DIMHRS as the first military service to implement the program.

Initially, DOD planned to acquire and deploy DIMHRS in three functionality-based phases: (1) military personnel and payroll, (2) military manpower, and (3) military training. However, after the strategic pause, DOD planned to acquire and deploy DIMHRS in one phase, which would include functionality for military personnel and payroll. DOD officials stated that this functionality would also include essential manpower and training requirements.

In addition, during the Army's feasibility assessment of DIMHRS, the Army identified business processes that needed to be integrated with, or adapted to, the capabilities of DIMHRS. In order to define, revise, and validate the designs of these business processes, the Army entered the design, development, and analysis phase—intended to collect the complete set of personnel and pay requirements necessary for the Army to deploy DIMHRS. This phase was part of the Army Requirements Review—intended to ensure that the DIMHRS design adequately covers the Army's requirements. During the design, development, and analysis phase, Army focus groups reviewed current Army business processes to identify the requirements that would be used to define the revised business processes as part of DIMHRS. Specifically, the Army analyzed 129 business processes and documented gaps between Army personnel and pay processes and the DIMHRS application. The Army DIMHRS program office delivered the Army documentation that was captured during the design, development, and analysis phase incrementally to the developer/integrator contractor of DIMHRS for consideration. The contractor redeveloped the Army's detailed business processes into designs for each individual business process. These designs were sent to the Army for review. The Army DIMHRS program office has accepted the design packages documenting the incorporation of baseline Army requirements into DIMHRS. According to DOD, a key product was developed during the design, development, and analysis process—the system requirements document. This document is broken down into individual business processes that must be in place within DIMHRS for the system to meet the requirements specified in the DIMHRS Operational Requirements Document.[8]

In February 2005,[9] we reported that DOD faced significant management challenges with DIMHRS, a major system acquisition program that is expected to lead to major changes in the processing of military personnel and pay. Until these challenges were addressed, the system was at increased risk of not providing expected capabilities and benefits on time and within budget. We made several recommendations aimed at improving the department's oversight of the program with which DOD generally

---

[8] The Operational Requirements Document is a tool used by managers responsible for defining system capabilities needed to satisfy the mission needs of DIMHRS. This document is intended to guide the scope of the DIMHRS program.
[9] GAO-05-189.

agreed, and DOD stated that it was already performing some of the best practices contained in our recommendations. Since our 2005 report, we testified in November 2006 that, among other things, in response to our recommendation to establish an integrated governance structure, DOD had established a steering committee that includes representatives from the services.[10]

Figure 1 depicts a chronology of events for the DIMHRS program.

Figure 1: Chronology of Key Events for the DIMHRS Program
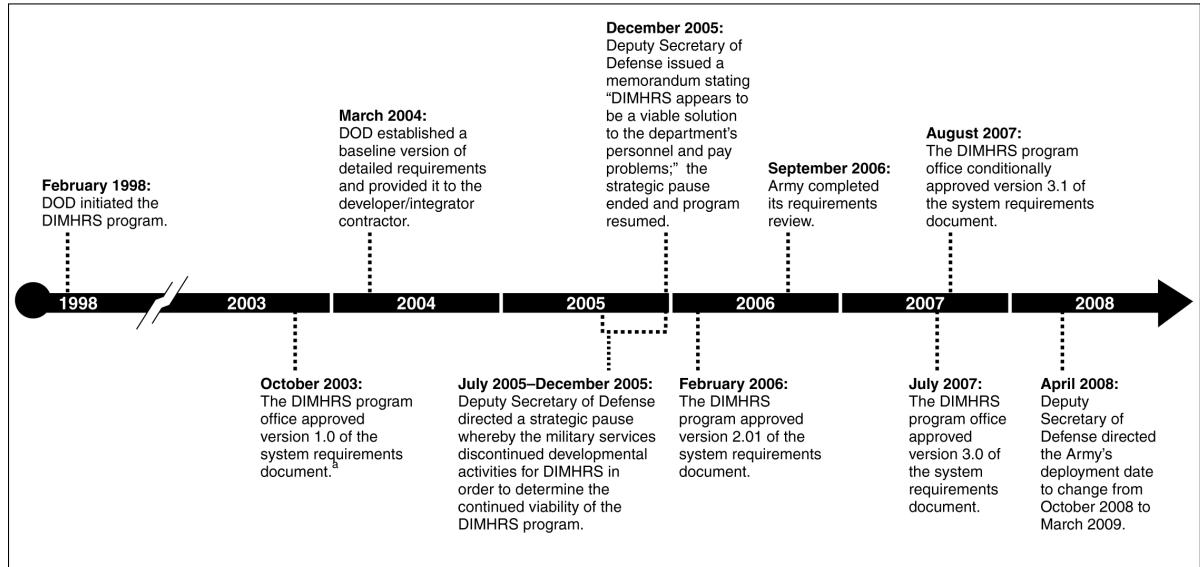
Source: GAO.

[a]The system requirements document is broken down into individual business processes that must be in place within DIMHRS for the system to meet the requirements specified in the DIMHRS Operational Requirements Document.

DOD Has Recently Taken Some Steps to Share DIMHRS Capabilities with the Army but Has Not Established a Clearly Defined Process for Maintaining Effective Communications

DOD does not have a clearly defined process to routinely communicate with the Army about the extent to which the Army's requirements—documented need of what a particular product or service should be or do—will be incorporated into DIMHRS, although DOD has improved some aspects of its communications recently. Effective communication is a key federal internal control standard that calls for communications to constantly flow down, across, and up the organization to help it achieve all of its objectives.[11] Standards encourage maintaining effective communication throughout an organization. DOD's Enterprise Program Management Office for DIMHRS, also known as the DIMHRS program office,[12] developed the DIMHRS project management plan, which states that the DIMHRS Program Manager is responsible for ensuring required liaison activities are accomplished with

---

[10] GAO, *Defense Business Transformation: A Comprehensive Plan, Integrated Efforts, and Sustained Leadership Are Needed to Assure Success*, GAO-07-229T (Washington, D.C.: Nov.16, 2006).

[11] GAO/AIMD-00-21.3.1.

[12] The DIMHRS program office is responsible for, among other things, acquiring and implementing DIMHRS.

GAO-08-927R DOD Systems Modernization

stakeholders. This could include ensuring that the DIMHRS program office effectively communicates the system capabilities of DIMHRS with the Army. Such communication would facilitate the Army's understanding of what the system will deliver thus enabling the Army to better design and implement effective business processes to work with DIMHRS.

The Army has had problems receiving assurance from DOD about the extent to which its requirements would be included in DIMHRS. DOD has submitted versions 3.0, 3.1, and 3.2 of the system requirements document (e.g., the document that captures the business processes that must be in place within DIMHRS for the system to meet requirements specified in the DIMHRS Operational Requirements Document) to the Army for review. For example, in September 2007, when the Army compared versions 3.0 and 3.1 of the system requirements document, it noted that the DIMHRS program office had not effectively communicated with the Army the rationale or negotiated acceptance of the Army's requirements that were dropped, changed, or both and were agreed upon in version 3.0. During the Army's review of version 3.1, it identified 717 issues and submitted them to the DIMHRS program office to be resolved. According to the Army, a few of the issues it identified in September 2007 remain unresolved in version 3.1 as of July 2008.

In addition, when the DIMHRS program office communicated changes in DIMHRS requirements in version 3.1 to the Army, the Army had difficulty tracking those changes between versions 3.0 and 3.1 because the information was provided in a format that made it difficult for the Army to extract the information needed to perform its comparative analysis. DOD's developer/integrator contractor that manages the system requirements and changes between the various versions of the system requirements document uses a requirements management tool, which facilitates its ability to track changes between the various versions of the system requirements document as the system requirements are changed over time. However, when the DIMHRS program office provided the information derived from this tool to the Army, the Army received the information in a format that made it difficult for the Army to extract the information it needed to compare changes to its requirements. The Army tracked thousands of requirements manually between versions 3.0 and 3.1 of the system requirements document. Army officials said that this effort took time and may not have been accurate or comprehensive. Subsequently, the DIMHRS program office sent a summary of the changes to the Army; however, by the time the Army received the summary of changes, it had already completed its comparative analysis of them. Army officials said that if the DIMHRS program office had provided timely access to the summary of changes, they could have performed the analysis with 100 percent certainty. According to Army officials, when the DIMHRS program office does not enable the Army to understand the differences between the Army's requirements and the system, the Army has difficulty conducting a gap analysis—determining the difference between what is needed and what is available—between the system's planned capabilities and its requirements. The Army relies on this gap analysis to form the basis upon which it can determine whether it needs to develop or adjust its business processes prior to deploying DIMHRS.

In April 2008, after the program's schedule was revised and approved, the DIMHRS program office took steps to improve its communications with the Army about DIMHRS's capabilities and its impact on Army requirements. Specifically, the Deputy

Director of the Business Transformation Agency stated that moving the deployment date to March 2009 allowed the DIMHRS program office and the Army the time to communicate about DIMHRS's capabilities and the impact the change in deployment date has on Army's preparation for deploying DIMHRS, including the Army's requirements. As part of its communication efforts, in April 2008, the DIMHRS program office provided the Army with demonstrations of the system capabilities. These demonstrations alleviated some of the Army's uncertainty about DIMHRS by giving it more access to the functionality of DIMHRS through activities such as "Try DIMHRS" and "See DIMHRS" demonstrations.[13] The DIMHRS Program Manager stated that these activities were not intended to be comprehensive because DIMHRS was still under development at that point in time.

In addition, according to Army officials, in May 2008, the DIMHRS program office began to meet with Army officials to discuss the development of a formal process of delivering and adjudicating the documented updates to the design; this included the differences between the Army's requirements and the DIMHRS's requirements, which are documented in the system requirements document. In February 2008, when the DIMHRS program office released version 3.2 of the system requirements document to the Army, the Army identified 311 issues with 98 issues remaining in July 2008, which the DIMHRS program office is working to resolve. According to DIMHRS program office officials, during its review of version 3.2 with the Army, they discussed the fact that the notification process for changes made to the system requirements document needed to be improved. The DIMHRS program office stated that it is modifying the process to ensure that the services receive formal notification of documented changes whenever the changes impact system requirements by preparing and sending out a summary of the changes to the services. Although DOD is working to improve its communications of DIMHRS's capabilities, it has not developed and documented a clearly defined process for maintaining effective communications of the differences between DIMHRS's capabilities and Army requirements.

According to the DIMHRS program office, the deployment date for DIMHRS was changed from October 2008 to March 2009 primarily because it had not conducted adequate testing of the system's performance on payroll processing. However, the Army raised several concerns, including (1) whether DOD will effectively communicate changes to system requirements and provide the Army with information that helps it determine the gaps between its requirements and DIMHRS's capabilities and (2) the lack of timely communication of the summary information derived from the requirements management tool, which would facilitate the Army's ability to identify changes needed to adapt its business processes and adequately prepare for DIMHRS. DOD does not have a clearly defined process that ensures effective communication will be maintained throughout the process for deploying the system. Having such a process would help ensure that the Army has a better understanding of the differences between its requirements and the system. Without

---

[13] The DIMHRS program office developed (1) an instructor-led lab called "Try DIMHRS" that allows Army personnel to practice hands-on navigation through DIMHRS to conduct routine Army human resources functions and (2) a weekly event using Defense Connect Online technology called "See DIMHRS" that allows personnel to view Army human resources instructor-led scenarios with explanations over the Web.

addressing these weaknesses, deployment of DIMHRS may result in a system that will require extensive and expensive investments.

Conclusions

DOD planned for the Army to deploy DIMHRS over 2 years ago, and has postponed deployment four times with deployment now scheduled for March 2009. Although DOD has taken steps to improve its communication of DIMHRS requirements to the Army, the Army continues to have concerns, including a lack of (1) assurance that Army requirements are covered in DIMHRS and (2) timely access to summary information on system requirements changes. In addition, it is too early to determine if DOD will continue to communicate with the Army about the differences between DIMHRS's capabilities and the Army requirements since DOD only began making improvements in April 2008 and has not established a clearly defined and documented process for maintaining this communication. Without effective communication, the Army has difficulty performing the gap analyses needed to determine which business processes to develop or adjust as it prepares for deployment of DIMHRS. If the Army does not have system information in time to adjust its business processes, the Army may not be prepared to deploy the system or may deploy it prematurely, which could affect servicemembers' pay. DOD's efforts to improve its communications with the Army regarding the DIMHRS program's system capabilities does not include clearly defining and documenting a process that maintains effective communications of the differences between DIMHRS's capabilities and Army requirements. DOD has committed the Army to deploy DIMHRS in March 2009 as a result of postponing its October 2008 date. However, without DOD establishing a clearly defined process for maintaining effective, timely communications, the Army may not be prepared to deploy the system when scheduled, and DOD may deliver a system that will require extensive and expensive investments.

Recommendation for Executive Action

To help address the Army's needs and minimize extensive and expensive fixes to DIMHRS, we recommend that you direct the Deputy Secretary of Defense to develop and document a clearly defined process for maintaining effective communications of the differences between DIMHRS's capabilities and Army requirements to help ensure that the Army will have adequate time to prepare for deployment of the system.

Agency Comments

The department concurred with our recommendation that the Deputy Secretary of Defense develop and document a clearly defined process for maintaining effective communications of the differences between DIMHRS's capabilities and Army requirements to help ensure that the Army will have adequate time to prepare for deployment of the system. In response to this recommendation, DOD stated in its comments that as the focus of the DIMHRS program shifts from application development to deployment, a recently formed Tiger Team—which is composed of representatives from the Business Transformation Agency, the Army, and the
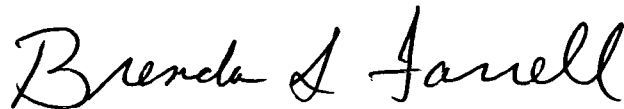
Defense Finance and Accounting Service—will, among other things, bolster the department's current communication efforts and assist with the Army's preparedness for DIMHRS deployment as well as the service delivery model after deployment. This will further enhance the department's communication efforts and will encourage the prompt resolution of issues that emerge due to potential differences between DIMHRS's capabilities and Army requirements. The process described above is captured in a draft charter for the Tiger Team that will be staffed, and the charter will be presented to the Deputy Secretary of Defense no later than the end of System Acceptance Testing for DIMHRS. DOD's written comments are reprinted in enclosure I.

- - - - -

We are sending copies of this report to the House and Senate Armed Services and Appropriations Committees; House Committee on Government Reform; Senate Committee on Governmental Affairs; the Director, Office of Management and Budget; and the Secretaries of the Army, Navy, and Air Force. We will also make copies available to others on request. In addition, the report will be available at no charge on the GAO Web site at http://www.gao.gov.

Should you or your staff have any questions on the matters discussed in this report, please contact me at (202) 512-3604 or farrellb@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in enclosure II.

Sincerely yours,

Brenda S. Farrell

Brenda S. Farrell
Director, Defense Capabilities and Management

Enclosures - 2

Enclosure I

Comments from the Department of Defense

OFFICE OF THE UNDER SECRETARY OF DEFENSE
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

ACQUISITION
TECHNOLOGY
AND LOGISTICS

AUG 2 9 2008

Ms. Brenda S. Farrell
Director, Defense Capabilities and Management
U.S. Government Accountability Office
441 G Street, N.W.
Washington, DC 20548

Dear Ms. Farrell:

This is the Department of Defense (DoD) response to the GAO draft report,
GAO-08-927R, "DOD SYSTEMS MODERNIZATION: Maintaining Effective Communication
Is Needed to Help Ensure the Army's Successful Deployment of the Defense Integrated Military
Human Resources System," dated August 5, 2008 (GAO Code 350927). Detailed comments on
the report recommendations are enclosed.

The Department concurs with GAO's recommendation. Maintaining effective
communications with the Army and other Components is important to the successful deployment
of the Defense Integrated Military Human Resource System (DIMHRS) and in ensuring that there
is adequate time for the Services to prepare for deployment. The Department has taken action to
realign the governance structure and processes as the focus of the program shifts from program
development to system deployment, which will bolster communications efforts with the Army
going forward and will encourage the prompt resolution of emerging issues.

Sincerely,

Paul A. Brinkley
Deputy Under Secretary of Defense
(Business Transformation)

Enclosure:
As stated

GAO DRAFT REPORT DATED AUGUST 5, 2008
GAO-08-927R (GAO CODE 350927)

"DOD SYSTEMS MODERNIZATION: MAINTAINING EFFECTIVE COMMUNICATION IS
NEEDED TO HELP ENSURE THE ARMY'S SUCCESSFUL DEPLOYMENT OF THE
DEFENSE INTEGRATED MILITARY HUMAN RESOURCES SYSTEM"

DEPARTMENT OF DEFENSE COMMENTS
TO THE GAO RECOMMENDATION

RECOMMENDATION 1: The GAO recommends that the Secretary of Defense direct the
Deputy Secretary of Defense to develop and document a clearly defined process for maintaining
effective communications of the differences between Defense Integrated Military Human
Resources System's capabilities and Army requirements to help ensure that the Army will have
adequate time to prepare for deployment of the system.

DOD RESPONSE: Concur. The Department concurs that maintaining effective
communications with the Services is important to the successful deployment of the Defense
Integrated Military Human Resources System (DIMHRS) program and in ensuring there is
adequate time for the Services to prepare for deployment. To that end, the Enterprise Program
Management Office and the Services have worked closely together throughout the program's
development. As development of the program was completed, the DIMHRS functionality that
had come on-line was demonstrated to the Army through a "See/Try DIMHRS" program. In
turn, the Army has a robust internal communication and change management program in place to
ensure that they have adequate time to prepare for DIMHRS deployment. Additionally, as the
focus of the program shifts from application development to deployment, a recently-formed
"Tiger Team" will bolster the Department's current communications efforts and assist with the
Army's preparedness for DIMHRS Go-Live as well as the service delivery model after Go-Live.
The Tiger Team, which is composed of representatives from the Business Transformation
Agency (BTA), Army, and the Defense Finance and Accounting Service (DFAS), will examine
operational readiness from a holistic business point of view, incorporating elements of people,
process, and technology for the Hire-to-Retire end-to-end business process. This will further
enhance the Department's communication efforts and will encourage the prompt resolution of
issues that emerge due to potential differences between DIMHRS' capabilities and Army
requirements. The Tiger Team will report to a Senior Executive Level Governance Board, which
will expedite resolution of issues, direct resources towards resolution of gaps that the team
identifies, and will closely monitor Army's deployment readiness as the DIMHRS Go-Live date
approaches. The process described above is captured in a draft Charter that will be staffed and
presented to the Deputy Secretary of Defense no later than the end of System Acceptance
Testing for DIMHRS.

GAO Contact and Staff Acknowledgments

GAO Contact

Brenda S. Farrell, (202) 512-3604 or farrellb@gao.gov

Acknowledgments

In addition to the individual named above, Grace Coleman, Karen N. Harms, Susannah Hawthorne, LaToya King, Rebecca Shea, Matthew Spiers, Robin Wagner, Jose Watkins, and Angela Watson made key contributions to this report.

Related GAO Products

Military Personnel: Navy Has Not Provided Adequate Justification For Its Decision to Invest in MCTFS. GAO-07-1139R. Washington, D.C.: July 25, 2007.

High-Risk Series: An Update. GAO-07-310. Washington, D.C.: January 2007.

Military Pay: Inadequate Controls for Stopping Overpayments of Hostile Fire and Hardship Duty Pay to Over 200 Sick or Injured Army National Guard and Army Reserve Soldiers Assigned to Fort Bragg. GAO-06-384R. Washington, D.C.: April 27, 2006.

Defense Management: Foundational Steps Being Taken to Manage DOD Business Systems Modernization, but Much Remains to be Accomplished to Effect True Business Transformation. GAO-06-234T. Washington, D.C.: November 9, 2005.

Army National Guard: Inefficient, Error-Prone Process Results in Travel Reimbursement Problems for Mobilized Soldiers. GAO-05-400T. Washington, D.C.: March 16, 2005.

Military Pay: Gaps in Pay and Benefits Create Financial Hardships for Injured Army National Guard and Reserve Soldiers. GAO-05-125. Washington, D.C.: February 17, 2005.

Military Pay: Gaps in Pay and Benefits Create Financial Hardships for Injured Army National Guard and Reserve Soldiers. GAO-05-322T. Washington, D.C.: February 17, 2005.

DOD Systems Modernization: Management of Integrated Military Human Capital Program Needs Additional Improvements. GAO-05-189. Washington, D.C.: February 11, 2005.

Army National Guard: Inefficient, Error-Prone Process Results in Travel Reimbursement Problems for Mobilized Soldiers. GAO-05-79. Washington, D.C.: January 31, 2005.

Military Pay: Army Reserve Soldiers Mobilized to Active Duty Experienced Significant Pay Problems. GAO-04-911. Washington, D.C.: August 20, 2004.

Military Pay: Army Reserve Soldiers Mobilized to Active Duty Experienced Significant Pay Problems. GAO-04-990T. Washington, D.C.: July 20, 2004.

Military Pay: Army National Guard Personnel Mobilized to Active Duty Experienced Significant Pay Problems. GAO-04-413T. Washington, D.C.: January 28, 2004.

Military Pay: Army National Guard Personnel Mobilized to Active Duty Experienced Significant Pay Problems. GAO-04-89. Washington, D.C.: November 13, 2003.

Military Personnel: DFAS Has Not Met All Information Technology Requirements for Its New Pay System. GAO-04-149R. Washington, D.C.: October 20, 2003.

Financial Management: Defense's System for Army Military Payroll Is Unreliable. GAO/AIMD-93-32. Washington, D.C.: September 30, 1993.

Defense Health Care: Quality Assurance Process Needed to Improve Force Health Protection and Surveillance. GAO-03-1041. Washington, D.C.: September 19, 2003.

(350927)