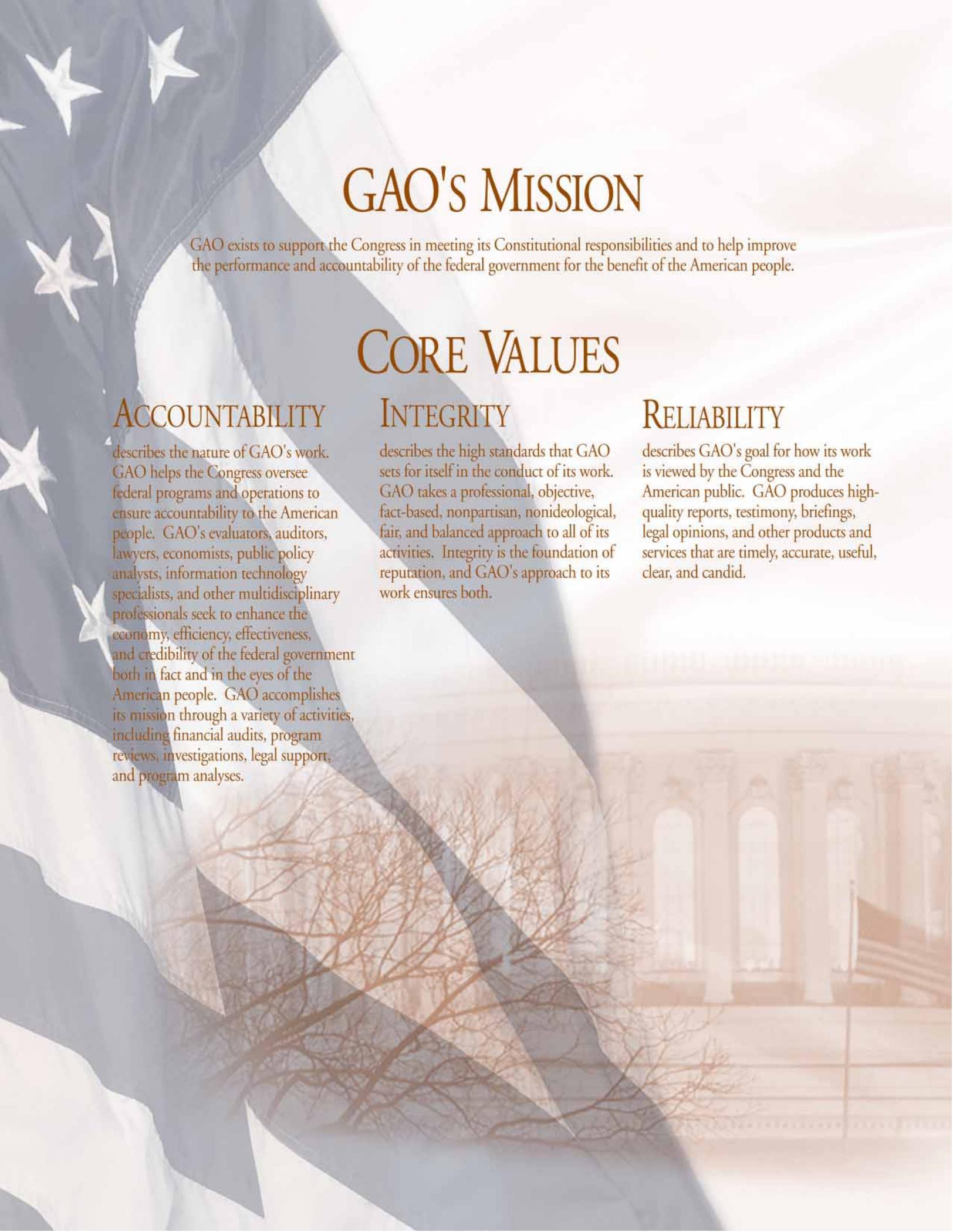


Parts of this plan have been revised.
Clicking within this box will allow you
to scroll through the revisions.

MILITARY CAPABILITIES AND READINESS

STRATEGIC OBJECTIVE PLAN **2000-2002**





GAO'S MISSION

GAO exists to support the Congress in meeting its Constitutional responsibilities and to help improve the performance and accountability of the federal government for the benefit of the American people.

CORE VALUES

ACCOUNTABILITY

describes the nature of GAO's work. GAO helps the Congress oversee federal programs and operations to ensure accountability to the American people. GAO's evaluators, auditors, lawyers, economists, public policy analysts, information technology specialists, and other multidisciplinary professionals seek to enhance the economy, efficiency, effectiveness, and credibility of the federal government both in fact and in the eyes of the American people. GAO accomplishes its mission through a variety of activities, including financial audits, program reviews, investigations, legal support, and program analyses.

INTEGRITY

describes the high standards that GAO sets for itself in the conduct of its work. GAO takes a professional, objective, fact-based, nonpartisan, nonideological, fair, and balanced approach to all of its activities. Integrity is the foundation of reputation, and GAO's approach to its work ensures both.

RELIABILITY

describes GAO's goal for how its work is viewed by the Congress and the American public. GAO produces high-quality reports, testimony, briefings, legal opinions, and other products and services that are timely, accurate, useful, clear, and candid.

FOREWORD

In fulfilling its mission, GAO examines the use of public funds; evaluates federal programs and activities; and provides analyses, options, recommendations, and other assistance to help the Congress make effective oversight, policy, and funding decisions. In this context, GAO works to continuously improve the economy, efficiency, and effectiveness of the federal government through the conduct of financial audits, program reviews and evaluations, analyses, legal opinions, investigations, and other services. Most of this work is based upon original data collection and analysis.

To ensure that GAO, in serving the Congress, targets the right issues, provides balanced perspectives, and develops practical recommendations, GAO regularly consults with the Congress and maintains relationships with a variety of federal, state, academic, and professional organizations. GAO also obtains the perspectives of applicable trade groups and associations and attends professional conferences. Moreover, GAO regularly coordinates its work with CRS, CBO, and agency Inspector General offices. Throughout, GAO's core values of accountability, integrity, and reliability are guiding principles.

In keeping with its mission and responsibilities, GAO has developed a strategic plan that includes four strategic goals and 21 related strategic objectives. To ensure that GAO's resources are directed to achieving its goals, a separate strategic plan underlies each objective. In support of GAO's goal of providing timely, quality service to the Congress and the federal government to respond to changing security threats and the challenges of global interdependence, this strategic plan describes the performance goals GAO will use in supporting congressional and federal decisionmaking on military capabilities and readiness.

This plan covers a 3-year period; however, because unanticipated events may significantly affect even the best of plans, GAO's process allows for updating this plan to respond quickly to emerging issues. If you have questions or desire information on additional or completed work related to this strategic objective, please call or e-mail us or the contact persons listed on the following pages.

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SERVING THE CONGRESS

GAO'S STRATEGIC PLAN FRAMEWORK

MISSION

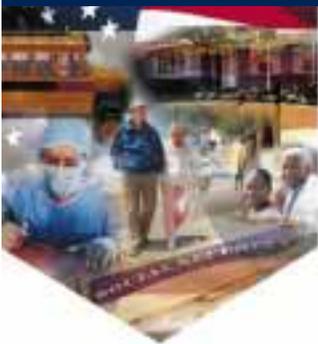
GAO exists to support the Congress in meeting its Constitutional responsibilities and to help improve the performance and accountability of the federal government for the benefit of the American people.

GOALS

PROVIDE TIMELY, QUALITY SERVICE TO THE CONGRESS AND THE FEDERAL GOVERNMENT

SUPPORT THE TRANSITION

MAXIMIZE THE VALUE OF GAO



TO ADDRESS CURRENT AND EMERGING CHALLENGES TO THE WELL-BEING AND FINANCIAL SECURITY OF THE AMERICAN PEOPLE

TO RESPOND TO CHANGING SECURITY THREATS AND THE CHALLENGES OF GLOBAL INTERDEPENDENCE

TO A MORE RESULTS-ORIENTED AND ACCOUNTABLE FEDERAL GOVERNMENT

BY BEING A MODEL ORGANIZATION FOR THE FEDERAL GOVERNMENT

THEMES

Demographics

Globalization

Quality of Life

Security

Technology

Government Performance and Accountability

OBJECTIVES

Health care needs and financing
Retirement income security
Social safety net
Education/workforce issues
Effective system of justice
Community investment
Natural resources use and environmental protection
Physical infrastructure

Diffuse security threats
MILITARY CAPABILITIES AND READINESS
Advancement of U.S. interests
Global market forces

Fiscal position of the government
Government financing and accountability
Governmentwide management reforms
Economy, efficiency, and effectiveness improvements in federal agencies

Client relations
Strategic and annual planning
Human capital
Core business and supporting processes
Information technology services

CORE VALUES

Accountability

Integrity

Reliability

PROVIDE TIMELY,
QUALITY SERVICE TO THE
CONGRESS AND THE
FEDERAL GOVERNMENT



TO RESPOND TO
CHANGING
SECURITY THREATS
AND THE
CHALLENGES
OF GLOBAL
INTERDEPENDENCE

Diffuse security threats
**MILITARY CAPABILITIES AND
READINESS**
Advancement of U.S. interests
Global market forces

ENSURING MILITARY CAPABILITIES AND READINESS

Strong military capabilities, along with economic security and the support of friendly nations, contribute to national security. To ensure strong military capabilities tomorrow and in the foreseeable future, the Congress has called for increased defense spending. In February 1999, the President proposed that the Department of Defense begin the first sustained increase in defense spending in 15 years, calling for additional resources totaling \$112 billion over the next 6 years.

During the past 10 years, active duty military forces have shrunk 33 percent; the overall defense budget has declined 28 percent in constant dollars; and funds to procure new weapons have dropped 50 percent. By contrast, the number of troop deployments over the last 12 years has increased about 160 percent, from 26 to 68 annually.

Pressing concerns identified by the Congress and senior military leaders are that (1) the force structure left after cutbacks—the number of Army and Marine divisions, Air Force wings, Navy carrier battle groups, and associated support forces—be able to implement the national military strategy; (2) a perceived erosion of benefits has contributed to personnel recruiting and retention shortfalls; (3) modernization problems have led to costly weapons that take too long to develop and fall below promised quality and performance; (4) logistics systems are outdated and need to be reengineered to ensure responsive and effective support; and (5) considerable resources will be needed to upgrade and modernize the Department of Energy's aging nuclear weapons complex. In developing and acquiring new and improved weapons systems, the Congress and the Department of Defense are continually faced with what is wanted versus needed and affordable.

GAO's strategic plan identifies five multiyear performance goals to support congressional and federal decisionmaking on ensuring military capabilities and readiness. The following pages discuss the significance of the performance goals, the key efforts that will be undertaken, and the potential outcomes.

Performance Goals

- Assess Development of an Appropriate and Ready Force Structure of People, Weapons, and Facilities for the Post-Cold War Period
- Assess Improvements in Personnel Recruiting, Retention, and Quality of Life
- Assess Modernization of Weapons Systems and Revisions of Acquisition Practices
- Assess Improvements in the Responsiveness and Effectiveness of Logistical Support Systems
- Assess DOE's Efforts to Maintain a Safe and Reliable Nuclear Weapons Stockpile



Assess Development of an Appropriate and Ready Force Structure of People, Weapons, and Facilities for the Post-Cold War Period

Significance

After a series of force reductions throughout the 1990s, the nation's military leaders are questioning whether DOD has sufficient force structure—the number, size, and composition of the units that constitute U.S. military forces—to carry out the national military strategy to fight two overlapping wars. At the other end of the conflict spectrum, U.S. forces are increasingly involved in operations other than war, and military leaders are faced with a complex management challenge of providing the right mix of forces to support such operations with a force structure largely designed for two major theater wars. Ensuring that DOD has the sustained capability necessary to achieve U.S. military objectives is the crux of readiness measures. Recently, congressional committees raised the concern that continued participation in peacekeeping missions and military operations other than war places significant strains on U.S. military forces and diverts forces from their principal warfighting mission. The Congress is focused on ensuring that U.S. military readiness is not degraded from peak levels achieved during the late 1980s.



Key Efforts

Evaluate the Air Force's efforts to better prepare its forces for the full spectrum of conflicts

Evaluate the Army's process for assessing whether it has sufficient force structure to carry out the national military strategy

Evaluate proposals to change the size and mix of Naval forces

Assess Army initiatives to integrate active and reserve combat forces

Assess the National Guard's enhanced separate brigades' readiness to accomplish their wartime missions

Assess the adequacy of the current force structure to provide the forces needed for contingency operations

Assess U.S. mobility forces' readiness (airlift, sealift, and prepositioned assets)

Assess the Army's weapons acquisition master plans for developing the additional capabilities that the Army needs

Evaluate the adequacy of current technologies to defend U.S. forces against chemical and biological warfare

Analyze annual budgets for military operations and personnel

Potential Outcomes

Improved initiatives and processes for providing the military forces to meet the national military strategy

Better integration of active and reserve forces and improved effectiveness to accomplish the mission

Consideration by congressional committees of options for revising DOD's force structure requirements

Improved military readiness to accomplish the national military strategy and elimination of barriers to achieving expected levels of readiness

Consideration of options for revising or eliminating weapons development programs that may not meet the Army's needs that are contained in the approved master plan

Consideration of options for developing technology needed for adequate chemical and biological defenses for U.S. military forces

Opportunities to reduce appropriations based on more accurate, complete, and current information

CONTACTS FOR ADDITIONAL INFORMATION: Norman J. Rabkin, Director, National Security Preparedness Issues, (202) 512-5140, rabkinn.nsiad@gao.gov



Assess Improvements in Personnel Recruiting, Retention, and Quality of Life

Significance

According to the conferees for the National Defense Authorization Act for Fiscal Year 2000, America's military is understaffed and overextended and suffers from the strain of doing more with less for too many years. They believe that heavy personal workloads resulting from an increased pace of operations, combined with declining defense budgets and a shrinking force structure, are forcing American military personnel and their families to make great personal sacrifices. To reverse what they see as increasing problems in recruiting and retaining quality military personnel, the conferees hope to increase military pay and retirement and housing benefits and to add funding for recruiting and advertising. Some persons in the Congress and the media believe that even these improvements may not be enough to prevent the necessity for a return to the draft to meet U.S. military needs.



Key Efforts

Analyze data from surveys of military servicemembers to provide DOD-wide information on perceptions of quality-of-life issues and their relationship to recruiting and retention

Examine military benefits such as health care and retirement to determine how they have been changed and whether the changes have resulted in increased retention

Assess the quality of care and medical outcomes in military medical facilities

Assess the effectiveness of family support and morale, welfare, and recreation programs in providing for families' well-being and economic stability and the needs of the military dependents

Potential Outcomes

Improvement of the services' ability to recruit and retain well-qualified personnel

Better understanding of the impact on retention of the services' policies and practices and recommended improvements to quality-of-life services, including medical care

Better understanding of the factors that explain variations in measured quality among DOD medical facilities to enable appropriate improvements to be made

Improved effectiveness of family support and morale, welfare, and recreation programs



Assess Modernization of Weapons Systems and Revisions of Acquisition Practices

Significance

The Department of Defense has a wide array of programs to develop and acquire new weapon systems for national defense. For example, to defend the United States against an intercontinental ballistic missile attack from a rogue nation and protect U.S. and allied deployed forces from theater missile attacks, the President has proposed about \$24 billion in total funding for national and theater missile defense systems from 2001 through 2005.

According to the top acquisition and technology official in the Department of Defense, weapons systems cost far too much, take too long to field, and most importantly fall below desired quality and performance. What is wanted versus needed and affordable is a major concern. Modern weapons are viewed as a key to affordable defense against military threats to national security. However, the pressures inherent in the weapons acquisition process lead to systemic problems, such as reliance on immature technologies, use of optimistic estimates of costs and risks, and commitment to production without adequate testing. Major financial commitments are being made on individual weapons without considering whether the total bill for all desired weapons systems is affordable. Proceeding without major changes may mean that fewer units of a needed weapons can be acquired because unit costs are significantly higher than planned. In addition, defense acquisitions remain a high-risk area for misuse of billions of dollars in public funds. Adoption of best practices used by world-class enterprises could shorten cycle times for developing and producing weapons systems and lower acquisition and ownership costs and could result in improved acquisition management.



Key Efforts

Review major weapons acquisition programs, including the F/A-18 E/F, F-22, and Joint Strike Fighter tactical aircraft modernization programs and ballistic missile defense programs such as the National Missile Defense System

Evaluate DOD initiatives and opportunities to reduce lifecycle costs of weapon systems

Analyze annual budget requests for weapons development and procurement programs to determine whether they have incorporated findings from current and past programmatic reviews

Compare military acquisition strategies to best commercial practices to identify opportunities for systemic improvements in weapons acquisitions

Potential Outcomes

Reduced risk of cost overruns, delays, and performance shortfalls in weapons acquisition plans and strategies, and identification of system maturity at key acquisition decision points

Improvement of management, processes, and incentives to address main causes of inefficient and ineffective acquisition strategies

Consideration by congressional committees of opportunities to reduce appropriations for weapons based on more accurate, complete, and current information

Increased effectiveness and efficiency of acquisitions through the adoption of best commercial practices

CONTACTS FOR ADDITIONAL INFORMATION: Louis J. Rodrigues, Director, Defense Acquisitions Issues, (202) 512-4199, rodriguesx.nsiad@gao.gov



Assess Improvements in the Responsiveness and Effectiveness of Logistical Support Systems

Significance

DOD's operations support and logistics infrastructure for fiscal year 1998 cost about \$147 billion and is the focus of much of DOD's and the Congress's attention as both work to provide more funds for modernization in a relatively stable defense spending environment. Congressional committees have raised concerns about DOD's excess inventories and infrastructure, which we have identified as high-risk because of their vulnerabilities to waste, fraud, and abuse. In addition, according to the Secretary of Defense, DOD has labored under support systems and business practices that were developed during the Cold War and are now at least a generation removed from modern corporate America. To accomplish its goals, DOD has defined a series of initiatives to (1) reengineer its practices by adopting modern business practices, (2) consolidate organizations to remove redundancy, (3) compete more functions now performed by DOD, and (4) eliminate excess infrastructure and support. Adopting these initiatives could result in large dollar savings and process improvements to logistical support systems.



Key Efforts

Evaluate ways to improve DOD's business process reform initiatives

Analyze the Defense Logistics Agency's and the services' implementation of inventory management best practices

Evaluate DOD's efforts to reengineer its transportation activities

Analyze DOD's progress toward achieving public and private sector competitions for commercial activities

Review the Defense Logistics Agency's responsibilities and missions

Determine the impact of DOD's plans for logistics support to meet wartime requirements

Assess the economy and efficiency of DOD's depot maintenance system and its compliance with associated legislative requirements

Potential Outcomes

Reduced infrastructure of defense facilities and improved business practices across DOD's logistics activities, leading to lower costs and effective support for the entire logistics system

Consideration of options by congressional committees and DOD for developing more realistic plans and milestones for DOD's public and private sector competitions

Improved logistics support and better plans for meeting wartime requirements

Improved depot maintenance, economy, and efficiency while also in compliance with legislative requirements



Assess DOE's Efforts to Maintain a Safe and Reliable Nuclear Weapons Stockpile

Significance

With aging weapons, workforce, and facilities and a ban on nuclear weapons testing, DOE's mission has changed from one of designing and building nuclear weapons to ensuring that the existing stockpile of weapons is safe and reliable (stockpile stewardship). In addition, DOE is playing a major role in ensuring the safety of nuclear facilities in other countries. It is developing a science-based program that consists of first-of-a-kind high-speed computer capability and advanced laser and other types of testing facilities that are designed to ensure reliability and safety without actually detonating the weapon. These activities are estimated to cost about \$45 billion over the next 10 years. In addition, DOE must have production capacity for nuclear materials and special weapons parts that periodically need to be replaced in existing weapons. It also needs to be able to safely store and dispose of weapons materials and parts that are no longer needed. And with a legacy of high costs, now estimated at \$150 billion, to manage and clean up the wastes left by past nuclear weapons complex activities, DOE must ensure that the future stewardship program is efficient, safe, and environmentally sound.



Key Efforts

Assess whether, without testing, DOE's science-based program provides sufficient data to determine how aging will affect the materials and components for each nuclear weapon design in the stockpile

Evaluate whether DOE's planning, budgeting, and organization support an efficient and environmentally sound stockpile stewardship program

Determine the cost-effectiveness of DOE's plans to produce and safely store nuclear materials, such as tritium, and other weapons components

Evaluate the impact of U.S. assistance on the safety of nuclear facilities in other countries

Potential Outcomes

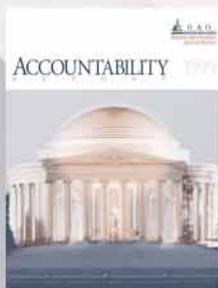
Information to help decisionmakers better gauge the ability of DOE's stockpile stewardship program to ensure the safety and reliability of existing nuclear weapons

A better understanding of the management and budgetary structure of the stockpile stewardship program to help the Congress ensure that the annual investment of more than \$4.5 billion is spent efficiently and supports specific program outcomes

Improve DOE's process for the safe storage of nuclear materials and components at the nuclear weapons complex

Improve DOE's program for ensuring the safety of international nuclear facilities

The full set of GAO's strategic planning, performance, and accountability documents are listed below. All of these documents, as well as other GAO reports and documents, may be obtained electronically on our website, www.gao.gov.



Accountability Report for fiscal year 1999

Strategic Plan, 2000-2005

Strategic Plan Executive Summary

Strategic Plan Framework

Strategic Objective Plans

Health Care Needs and Financing

Retirement Income Security

Social Safety Net

Education/Workforce Issues

Effective System of Justice

Community Investment

Natural Resources Use and Environmental Protection

Physical Infrastructure

Diffuse Security Threats

Military Capabilities and Readiness

Advancement of U.S. Interests

Global Market Forces

Fiscal Position of the Government

Government Financing and Accountability

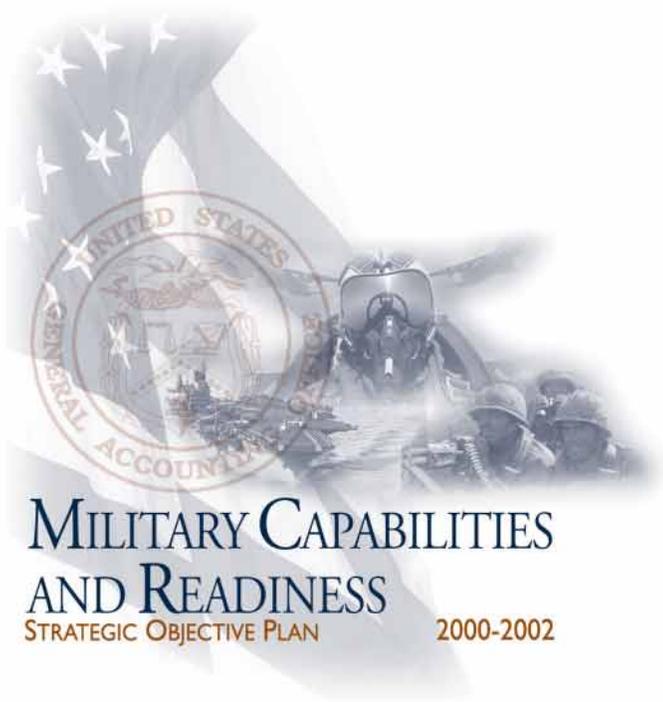
Governmentwide Management Reforms

Economy, Efficiency, and Effectiveness

Improvements in Federal Agencies

Maximize the Value of GAO

Performance Plan Fiscal Year 2001



**MILITARY CAPABILITIES
AND READINESS**
STRATEGIC OBJECTIVE PLAN 2000-2002