DEFENSE BUSINESS TRANSFORMATION

DOD Should Improve Its Planning with and Performance Monitoring of the Military Departments

While DOD maintains military forces with unparalleled capabilities, it continues to confront management weaknesses related to its business functions that support these forces. GAO designated DOD’s approach to business transformation as high risk in 2005 because DOD had not taken steps to achieve business reform on a strategic, department-wide basis.

This report (1) describes the roles and responsibilities established by DOD and the military departments for overseeing business transformation and the continuity of leadership in senior business transformation positions, (2) assesses the extent to which DOD has coordinated with the military departments to align strategic planning efforts for business transformation, and (3) evaluates the extent to which the DOD DCMO has used the Defense Business Council to effectively monitor department-wide performance. GAO reviewed documentation, including summaries from Defense Business Council meetings, and interviewed cognizant officials.

What GAO Recommends

GAO recommends that DOD define a role for the military department CMOs or DCMOs in DOD’s strategic planning process, and align DOD’s and the military departments’ goals and objectives for business transformation in its Agency Strategic Plan. GAO also recommends that DOD take action to improve its monitoring of the military departments’ performance. DOD concurs with GAO’s recommendations.

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