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REPORT TO THE CONGRESS

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Improvement Needed
In The Reliability
Of The Navy Manpower
And Personnel Management
Information System B-169031

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BY THE COMPTROLLER GENERAL
OF THE UNITED STATES

700859

JUNE 23, 1970



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-169031

To the President of the Senate and the
Speaker of the House of Representatives

This is our report on the improvement needed in the reliability of the Navy manpower and personnel management information system. Our review was made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Copies of this report are being sent to the Director, Bureau of the Budget; the Secretary of Defense; and the Secretary of the Navy.

A handwritten signature in cursive script, reading "James B. Stacks", is positioned above the title.

Comptroller General
of the United States

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ABBREVIATIONS

BUPERS	Bureau of Naval Personnel
GAO	General Accounting Office
MAPMIS	manpower and personnel management information system
ODC	Officer Data Card
PAMI	personnel accounting machine installation
1080-14 report	Enlisted Distribution and Verification Report

D I G E S T

WHY THE REVIEW WAS MADE

The Navy's automated manpower and personnel management information system is designed to furnish accurate and timely data on its 1.2 million active and reserve officer and enlisted personnel. This system costs annually over \$10 million to operate.

Data contained in the system provide information for use in making decisions on personnel assignments, promotions, school selection, etc.

Because the data influence personnel decisions, the General Accounting Office (GAO)--using random statistical sampling techniques--tested the accuracy of selected data in the active duty officer and enlisted personnel management portions of the system.

FINDINGS AND CONCLUSIONS

On the basis of its sample, GAO estimated that at least 83 percent of the records of Navy officers and 79 percent of the records of enlisted men at the activities GAO visited contained one or more errors. (See pp. 6 and 7.)

The system contained inaccuracies in various types of information, such as data on the qualifications, achievements, and prior assignments of officer and enlisted personnel on active duty with the Navy. This could adversely affect the Navy's decisions on individuals' future assignments, promotions, etc. (See pp. 6, 7, 24, and 28.)

The Navy had not established, prior to GAO's review, standards reflecting the degree of accuracy that it wanted for data in the system. Consequently, the Navy had no criteria against which it could measure the reliability of the data. At GAO's suggestion, the Navy established accuracy standards for many data items. The error rates GAO found on specific data were considerably higher than those that the Navy standards indicated were acceptable. (See p. 6.)

GAO believes that factors contributing to the inaccuracies were that

--existing procedures for finding and correcting errors were not followed (see p. 9.).

--there was absence of accuracy standards until GAO began its review (at the completion of GAO's review, standards still had not been established for a few items--see p. 13), and

--internal reviews were not made to inform management on adherence to procedures and the degree of accuracy attained (see p. 13.)

RECOMMENDATIONS OR SUGGESTIONS

GAO suggested that the Navy consider taking various actions, such as

--strengthening error detection and correction procedures,

--establishing appropriate accuracy standards for all data, and

--requesting that the Navy Auditor General make an independent assessment of the validity of system data.

AGENCY ACTIONS AND UNRESOLVED ISSUES

The Navy stated that the significance of the overall error rates that GAO found in the system was difficult to assess in the absence of an established criterion or fair comparison with other automated personnel data systems. Although the significance of these error rates may be difficult to assess, the error rates for more than one half of the critical data items reviewed by GAO exceeded the Navy's own accuracy standards.

The Navy also stated that it seldom made critical decisions on assignments and promotions without referring to original personnel documents. To the extent that the Navy refers to original personnel documents because of the presence of erroneous data in the system, or concern that erroneous data may exist, GAO believes such action is unnecessarily time consuming and costly. (See pp. 15 and 16.)

The Navy has indicated that it believes its existing error detection and correction procedures will be adequate when complied with and that the Navy will take action that it believes is necessary to achieve the needed compliance. It has also finished establishing accuracy standards for data items. (See p. 16.)

The Navy does not plan to request the services of the Navy Auditor General until results of actions already taken can be evaluated. GAO believes that the Auditor General should be advised of the need for performing such reviews, so that he can make arrangements to include such reviews in future work plans, and GAO is so recommending. Such reviews should be made on a periodic basis and be designed to keep management informed of the data's accuracy and areas where improvements are needed. (See pp. 16 and 17.)

MATTERS FOR CONSIDERATION BY THE CONGRESS

This report is being issued to the Congress because of its interest in personnel management matters and in the effective and efficient use of automatic data processing systems.

CHAPTER 1

INTRODUCTION

To accomplish the effective management of its personnel, the Navy has established an automated manpower and personnel management information system (MAPMIS). This system comprises various subsystems which encompass the areas of manpower and personnel administration. The development and operation of MAPMIS are the responsibility of the Assistant Chief of Naval Personnel for Management Information.

The central data banks of the system are located at the Bureau of Naval Personnel (BUPERS), Washington, D.C. Three personnel accounting machine installations (PAMIs), located at Bainbridge, Maryland; Norfolk, Virginia; and San Diego, California, contribute to the operation of MAPMIS. PAMIs at Norfolk and San Diego have personnel accounting responsibility for all ships and stations assigned to the Atlantic and Pacific Fleets, respectively. PAMI at Bainbridge exercises personnel accounting jurisdictions over all naval activities in the continental United States and maintains records for inactive duty personnel.

MAPMIS is operated by about 900 personnel located at BUPERS and the three PAMIs and provides management information on about 1.2 million active and reserve officer and enlisted personnel. The operating cost of this system is estimated by the Navy to exceed \$10 million annually.

Manpower and personnel changes originating at the activity level which affect the data in the system are forwarded to the cognizant PAMI. PAMI, in turn, forwards the changes to BUPERS to update the information maintained in the central data banks. The central data banks are also periodically updated from changes originating at BUPERS and other bureaus and offices.

During our review we examined selected aspects of MAPMIS--the officer and enlisted personnel management portion of the system. The information maintained in this part of MAPMIS is used in making two types of decisions. One relates to decisions affecting large segments of the Navy's military population. In these cases, data maintained in

MAPMIS provide the Navy with statistical information that is used in making decisions, such as determining the number of personnel to be promoted from one rank to another, the number of personnel to receive training in various skills, and the number of people to be recruited. The other type of decision made using this information affects the individual service member. In this case, data maintained in MAPMIS are used in selecting individual personnel who are to be considered for various personnel actions, such as assignments, promotions, and attendance in training schools.

Our review was directed primarily toward evaluating the accuracy of the data recorded in the system and did not include an overall evaluation of MAPMIS. The scope of our review is described on pages 18 and 19 of this report. The principal officials responsible for administration of the activities discussed in this report are identified in appendix X.

CHAPTER 2

NEED TO IMPROVE THE ACCURACY OF PERSONNEL DATA

We found that information which the Navy was maintaining in its personnel data system was inaccurate and could adversely influence management decisions. We measured the results of our review against the system validation standards established by the Navy and found that much of the data in the system was not as accurate as desired by the Navy. We believe that the following management weaknesses contributed to the inaccurate personnel data.

1. Lack of adherence to existing procedures for finding and correcting errors in the system.
2. Absence of standards for evaluating the accuracy of personnel data.
3. Lack of internal review to keep management informed on adherence to procedures and the degree of accuracy attained.

The system, which costs over \$10 million annually to operate, was designed primarily to provide personnel managers with timely and accurate information for the efficient and effective management of Navy personnel. The effectiveness of this system as a management tool depends on the accuracy of the data entered and retained in it. The reporting of inaccurate personnel data, such as we found during our review, could result in inappropriate management decisions with an adverse effect on the Navy and the individual service member, since the data in the system influence such matters as assignments, promotions, school selections, separations, and retirements.

A detailed discussion of the inaccuracies found in officer and enlisted personnel data follows.

OFFICER PERSONNEL DATA

Our examination of 150 officer records encompassing 16,050 items of information showed that these records

contained a total of 729 errors, or an error rate of 4.5 percent. On the basis of the results of our examination, we estimate that a complete audit of the 82,455 active duty officer records would have disclosed between 339,700 and 461,500 errors.¹ Our analysis of the records showed that 132 of the 150 officer records, or 88 percent of the records, contained one or more errors. We found that 18 officer records did not contain any errors while one officer record contained as many as 22 errors. Included as appendix I is a chart showing the frequency distribution of errors on the 150 officer records we reviewed. On the basis of the results of our examination, we estimate that between 68,300 (83 percent) and 76,900 (93 percent) active duty officer records contain one or more errors.¹

More significantly, however, we found that 43 of the Navy's 58 critical data items and nine of the Navy's 19 non-critical data items we reviewed did not meet the Navy's validation standards. We have included as appendix II a chart of officer data items which did not meet the Navy's acceptable data validation standards.

A further analysis of the errors showed that 428 of the 729 errors related to critical data items. We found that these errors were concentrated in eight areas of personnel information which accounted for about 71 percent of the 428 critical data errors. Included as appendix III is a chart showing an analysis of these errors.

ENLISTED PERSONNEL DATA

Our examination of 600 enlisted records encompassing 45,000 items of information showed that these records contained a total of 1,812 errors, or an error rate of 4 percent. On the basis of the results of our examination, we estimate that a complete audit of the 4,508 enlisted records at the activities we visited would have disclosed between 12,600 and 14,400 errors.¹ Our analysis of the records

¹The sampling techniques utilized in this review provide 95-percent assurance that this statement is correct.

showed that 489 of the 600 enlisted records or about 82 percent of the records contained one or more errors. We found that 111 enlisted records did not contain any errors while three enlisted records contained as many as 13 errors. Included as appendix IV is a chart showing the frequency distribution of the 600 enlisted records we reviewed. On the basis of the results of our examination, we estimate that between 3,500 (79 percent) and 3,800 (84 percent) enlisted records at the activities we visited contained one or more errors.¹

More significantly, however, we found that nine of the Navy's 24 critical data items and 42 of the Navy's 51 non-critical data items we reviewed did not meet the Navy's validation standards. We have included as appendix V a chart of enlisted data items which did not meet the Navy's acceptable data validation standards.

A further analysis of the errors showed that 329 of the 1,812 errors related to critical data items. We found that these errors were concentrated in five areas of personnel data information which accounted for about 62 percent of the 329 critical data errors. Included as appendix VI is a chart showing this analysis of errors.

¹The sampling techniques utilized in this review provide 95-percent assurance that this statement is correct.

CHAPTER 3

MANAGEMENT WEAKNESSES CONTRIBUTING

TO INACCURATE PERSONNEL DATA

We observed several management weaknesses which we believe contributed to inaccurate personnel data. Examples of each of the specific management weaknesses identified during our review are discussed below.

LACK OF ADHERENCE TO EXISTING PROCEDURES

During our review we examined into the personnel procedures that the Navy had established to ensure the accuracy of the data in the system. Presented below are the results of our examination.

Verification of the Enlisted Distribution and Verification Report

One of the principal tools used by the Navy to ensure that the enlisted personnel data recorded in the system are accurate is the monthly verification of the "Enlisted Distribution and Verification Report (BUPERS Report 1080-14)," hereinafter referred to as the 1080-14 report. This report is prepared by the cognizant PAMI and forwarded to the activity for verification. Twenty-five of the 75 enlisted data items which we verified during our review are contained on the 1080-14 report.

With respect to the 1080-14 report, the Navy requires verification of:

1. Any item of information that was changed or reported during the accounting period (about 1 month) represented in the report.
2. All items of information on an individual when he is initially gained by the activity.

3. All items of information on an individual when there have been more than five changes reported for that individual during the reporting period.

After receipt and verification of a 1080-14 report, the commanding officer of each activity receiving such a report must certify that the required items have been verified to the individual's Enlisted Service Record (personnel file). Also, PAMIs must be notified by the activity that the required verifications have been made.

In our review of the verification procedures at the activity level, we found that 311 of the 1,812 errors disclosed during our review (17 percent of the errors) related to items on the 1080-14 report. We believe that, if existing procedures had been complied with, most of these errors would have been detected during the verification of this report; however, some of the errors had gone undetected for over a year, which indicates to us that the procedures had not been followed. We found also that only seven of the 25 data items we reviewed on the 1080-14 report attained the level of accuracy desired by the Navy.

As evidenced by the number of errors we found on data items shown on the 1080-14 report, we do not believe that the personnel clerks have been verifying all of the personnel data contained on the 1080-14 report to the appropriate source documents in the Enlisted Service Records. Therefore, in a draft of this report furnished the Department of Defense for its review and comments, we made proposals directed at strengthening the procedures used for monitoring verification of the 1080-14 report.

Verification of the Enlisted Service Record

To ensure the accuracy, completeness, and timeliness of the entries in the Enlisted Service Records, the Navy requires verification of these records annually and when the individual reports to or is detached from a duty station. Unless it is entirely impracticable, the Navy requires the individual service members to be present during the records verification. Any errors noted in the service records are required to be corrected. Further, the Navy

requires that any discrepancies noted which have caused erroneous entries in MAPMIS also should be corrected. In view of the number of errors we found during our review, we examined into the practices followed at the activities we visited in performing the verifications of the Enlisted Service Records.

We found that 117 of the 314 enlisted men we interviewed, or about 37 percent of the service members, were not present during their latest records verification. We believe that the absence of these individuals from their records verification may account for a substantial number of the errors that we found had not been detected by the Navy. We also found instances where corrections were not entered in the system even though the errors had been detected during the records verification and the source document in the Enlisted Service Records had been corrected. At one of the activities we visited, we were informed that the record verifiers were primarily concerned with ensuring the correctness of the Enlisted Service Records and not the data in MAPMIS.

To correct the above deficiencies, we proposed in our draft report that the Navy strengthen procedures to monitor the verification of the Enlisted Service Record. Furthermore, we suggested that the Navy emphasize the importance of initiating corrective entries in the automated personnel system when errors have been detected during the verification process which affect the accuracy of the data in the system.

Verification of the Officer Data Card

One of the officer reports produced by the system is called the Officer Data Card (ODC). This report contains officer information which is considered in making distribution decisions. To ensure that the ODC is accurate, current, and complete each officer is required to verify the information shown on this document.

ODCs are prepared at BUPERS and forwarded to the activities for verification by each officer about 4 to 6 months after the date on which the officer reported for duty. This schedule allows each officer to review his ODC

on the average of once every 2 years. Under current procedures, the individual officer is required to verify his ODC and to submit corrective and additional information to BUPERS. The principal means of notification is the return of the ODC by the officer to BUPERS with the required corrections annotated on the reverse side.

At the time of our review we found that BUPERS did not keep a record of which officers had received ODCs for verification and which officers had returned the verified ODCs to BUPERS. The Navy assumed that, if an ODC was not returned to BUPERS, the information contained thereon was correct. Since we believed that some method of control was needed to ensure that all ODCs containing corrective and additional information were returned to BUPERS, we suggested during our review that BUPERS establish appropriate control procedures. Before we completed our review, the Navy advised us that it had established the necessary control procedures.

Need for an information handbook

In view of the foregoing instances of noncompliance with existing procedures, we believe that there is a need to instill in personnel specialists, particularly in the lower pay grades, an awareness of the importance of the work being performed. Therefore, in our draft report, we proposed that the Navy prepare a general information handbook which would emphasize both the importance of maintaining accurate data and the role of the individual personnel specialist as it relates to the entire Navy manpower and personnel management information system.

ABSENCE OF MANAGEMENT RELIABILITY STANDARDS

During a meeting with Navy officials prior to our initiating fieldwork on this assignment, we were advised that the Navy did not have any formal standards for evaluating the degree of accuracy of the personnel data maintained in the system. During this meeting we suggested that the Navy give consideration to establishing appropriate standards, since we believed that management should have standards by which to measure the accuracy of personnel data.

During our review the Navy developed data validation standards for most of the officer and enlisted personnel data items. Accordingly, in our draft report, we proposed that the Navy establish acceptable data validation standards for the remaining data items in the system.

LACK OF INTERNAL REVIEW

During our review at the activity level, we found that no internal audit group of the Navy had performed a review similar to ours--verifying the accuracy of the data maintained at BUPERS to the individual's service records. However, after we began our review, the Navy established a procedure whereby a quarterly review is to be made of selected data items for at least 50 officer records and 100 enlisted records selected at random. This review is to be conducted at BUPERS by representatives from the Office of the Assistant Chief of Naval Personnel for Management Information.

We believe that the establishment of the quarterly review of selected data items for officer and enlisted records will be a valuable tool to management in identifying problem areas in the system. In this connection, we have been advised that the Navy plans to evaluate the results of its quarterly reviews of selected officer and enlisted data items against its validation standards. For those data items which fail to meet these validation standards, the Navy plans to make further inquiry into these areas and initiate the appropriate corrective action.

In our draft report we suggested that the Navy consider requesting the audit services of the Navy Auditor

General in order to have an independent audit group assess the validity of the data in the system. In addition, we proposed that the Navy consider establishing an organization within the Office of the Assistant Chief of Naval Personnel for Management Information whose main purposes would be to (1) provide on-the-spot technical and procedural assistance to all field activities for the improved management of personnel resources, (2) conduct comprehensive reviews and evaluations of procedures utilized by each personnel office, (3) prepare documentation containing recommendations for improving base-level personnel administration at each activity visited, and (4) conduct reviews at the activities' personnel offices to assess the accuracy of the data maintained in the system.

CHAPTER 4

AGENCY COMMENTS, OUR CONCLUSIONS, AND RECOMMENDATION

AGENCY COMMENTS

We brought our findings to the attention of the Department of Defense in a draft report dated May 21, 1969. The Assistant Secretary of the Navy (Financial Management), by letter dated July 28, 1969, commented on our findings on behalf of the Department of Defense. (See app. IX.) The Navy's more pertinent comments and our related views follow.

The Assistant Secretary informed us that the Navy considered the GAO review to be a more comprehensive examination of the data accuracy of MAPMIS than had been previously made. Furthermore, he advised us that many proposals presented in the draft report for improving system accuracy had already been adopted or were being considered.

In its reply the Navy stated that GAO did not examine into the specific effects inaccurate data would have on decisions and the resultant economic or operational impact or attempt to compare the economic or operational value of increased accuracy in the system with the cost of obtaining the increased accuracy. Although this statement tends to be critical of the scope of our review for not having developed data on these subjects, the Navy, nevertheless, agrees that development of such data is very difficult, perhaps even impossible, with present facilities. Furthermore, the actions taken and being considered by the Navy in connection with our proposals indicate to us that it recognizes the severity of the problems that can result from erroneous data such as that disclosed by our review, especially as they relate to the Navy's management of its 1.2 million military personnel. Moreover, if it is worth \$10 million annually to operate this data system for use in personnel management, we believe that it is also worth the effort to keep the data in the system as accurate as practicable.

The Navy has stated also that (a) the significance of an error rate of 4 to 4.5 percent in personnel data as

indicated by our review is difficult to assess in the absence of an established standard or a fair comparison with other automated personnel data systems and (b) critical personnel decisions, such as assignments and promotions, are seldom, if ever, made without reference to original personnel documents. With respect to the former comment, the Navy fails to recognize that many information items had error rates exceeding 10 percent and, further, that more than one half of the critical information items we reviewed did not meet the Navy's own data validation standards. (See apps. II and V.) With respect to the latter comment, we recognize that reference is often made to original personnel documents in connection with personnel decisions. However, to the extent that such action is taken because of the presence of erroneous data in MAPMIS or concern that erroneous data may exist, we believe that such action is unnecessarily time consuming and costly.

In regard to our proposal that the procedures be strengthened to monitor the verification of information on the Enlisted Service Record and the 1080-14 report, the Navy has expressed the view that existing procedures are adequate. However, the Navy stated that it would reemphasize the requirement for initiating corrective entries in the automated system when the errors found require such correction. The Navy stated also that every effort would be made to ensure compliance with the 1080-14 verification procedures through both formal and informal means of communication, including review and feedback procedures at the BUPERS level. Further, the Navy advised us that consideration would be given to the preparation of an information handbook such as we proposed along with alternative methods of inspiring greater recognition of the importance of maintaining accurate personnel data.

Regarding our proposal that acceptable data validation rates be developed for the remaining data items in the system, the Navy reply advised us that this action had been accomplished. The Navy has also stated that our proposal regarding the establishment of an organization within the Office of the Assistant Chief of Naval Personnel for Management Information, for the purpose of providing assistance at the field activity level, is being considered. In addition, the Navy agreed with our proposal to consider utilizing the

services of the Navy Auditor General but stated that the request would be held in abeyance until the results of the actions taken pursuant to our review could be evaluated.

CONCLUSIONS

The Navy has already adopted or is considering our proposals. We feel that these actions, if properly implemented and monitored, should result in an improvement of the accuracy of the data in MAPMIS. We concur in the Navy's plan to delay requesting any work by the Auditor General until the results of the actions taken in response to our findings can be evaluated. We believe, however, that the Auditor General should be apprised of the need for performing such reviews, in order that he can make arrangements to include such reviews in his future work plans.

RECOMMENDATION

To enable the Navy to realize the benefits of independent assessments of the validity of data in MAPMIS, we recommend that provision for reviews of these data be included in the future audit plans of the Navy Auditor General. Also, we recommend that such reviews be made on a periodic basis and be designed to keep management apprised of the level of data accuracy and areas where improvement may be necessary.

CHAPTER 5

SCOPE OF REVIEW

In conducting our review, we used random statistical sampling techniques and selected for review personnel records for 150 officers and 600 enlisted personnel from the entire universe of 82,455 officers who were on active duty in the Navy and 4,508 enlisted personnel. The universe for enlisted personnel includes only the enlisted personnel assigned to the activities we visited.

For officer records we verified the accuracy of selected items of information in the system by comparing the data on the source documents maintained, for the most part, at the Bureau of Naval Personnel, Washington, D.C., with the corresponding data on the ODC. A sample copy of an ODC identifying the 107 data items we examined during the review is included as appendix VII.

For enlisted records we verified the accuracy of selected items of information in the system by comparing the data on the source documents maintained, for the most part, at the activity level with corresponding data on an enlisted report prepared for our use during this assignment. A sample copy of the enlisted report showing the 75 data items we examined during the review is included as appendix VIII.

During our review we visited the following naval activities to verify the accuracy of enlisted personnel data.

Continental United States:

U.S. Naval Air Station, North Island, San Diego,
California

U.S. Naval Training Center, Bainbridge, Maryland

U.S. Naval Submarine Base, New London, Groton,
Connecticut

Overseas:

Commander, Fleet Activities, Yokosuka, Japan

U.S. Naval Ordnance Facility, Yokosuka, Japan

U.S. Naval Station, Pearl Harbor, Hawaii

U.S. Naval Supply Depot, Yokosuka, Japan

Ships:

USS SAMPLE
USS SCHOFIELD
USS SNOOK

We also interviewed 314, or 52 percent, of the enlisted personnel included in our sample.

The errors we found were discussed with responsible personnel to obtain confirmation of the errors and/or comments. We also examined into the internal control procedures that the Navy had established to ensure the accuracy of the personnel information maintained in the system. In addition, to the extent practicable, we attempted to identify the management weaknesses which contributed to the inaccuracies.

We also reviewed applicable Navy regulations, manuals, and directives relating to the system.

APPENDIXES

CHART OF FREQUENCY DISTRIBUTION OF ERRORS PER OFFICER DATA CARD

NUMBER OF OFFICER DATA CARDS

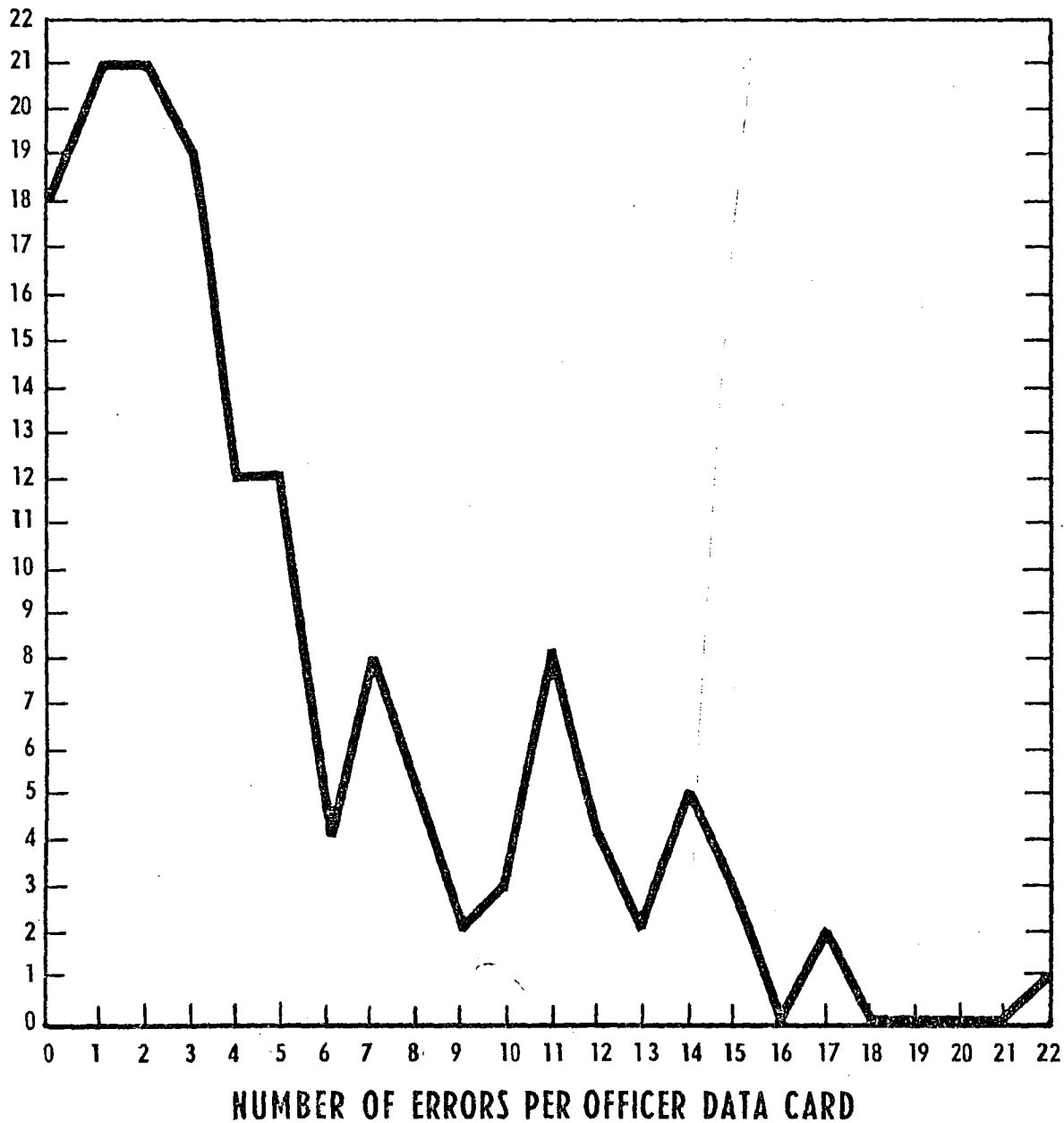


CHART OF OFFICER DATA ITEMS WHICH DID NOT MEET THE NAVY'S ACCEPTABLE DATA VALIDATION RATE

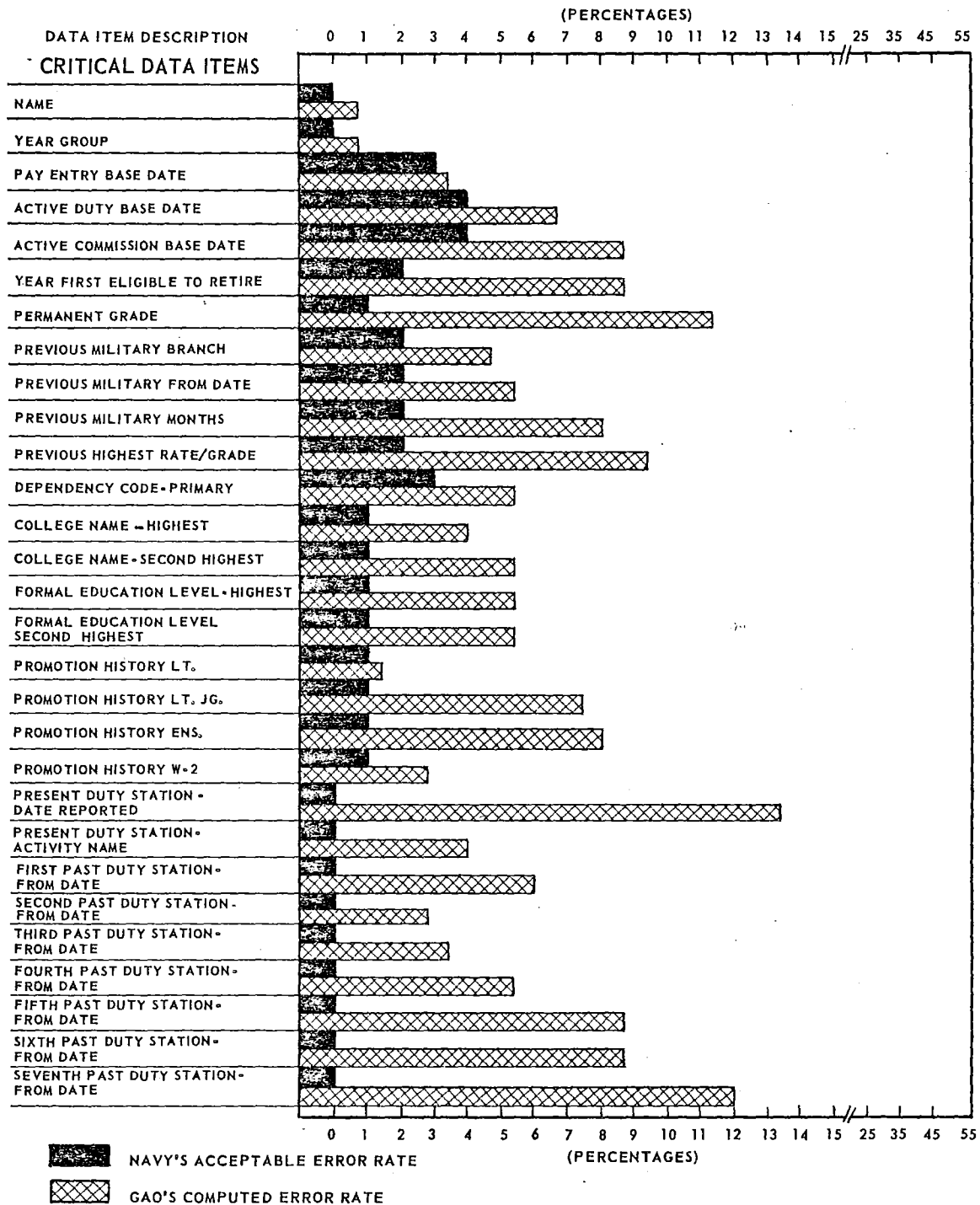


CHART OF OFFICER DATA ITEMS WHICH DID NOT MEET THE NAVY'S ACCEPTABLE DATA VALIDATION RATE

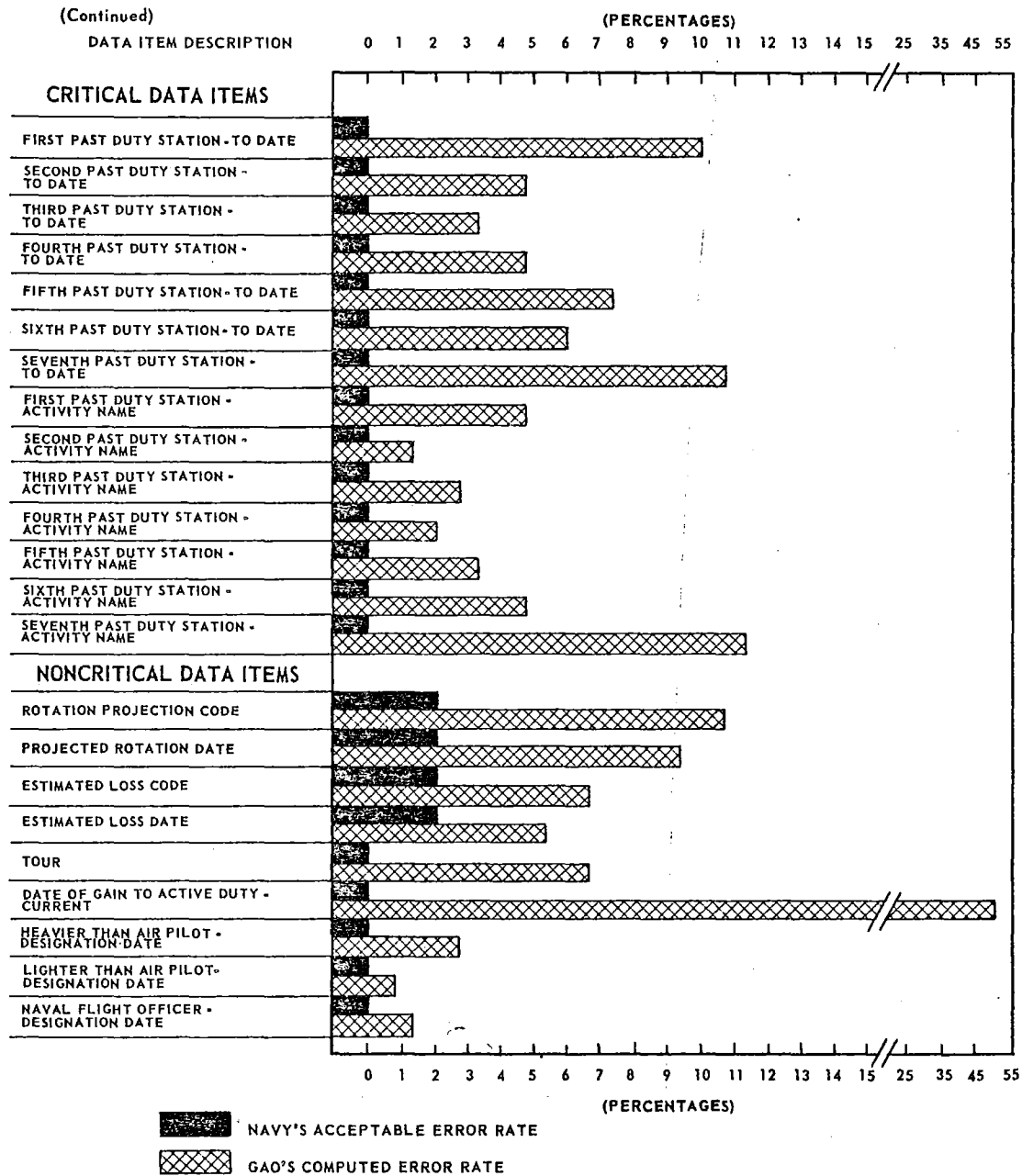


CHART OF OFFICER CRITICAL DATA
INFORMATION WHICH DID NOT MEET
THE NAVY'S ACCEPTABLE DATA VALIDATION RATE

TOTAL ERRORS ON CRITICAL DATA ITEMS 428

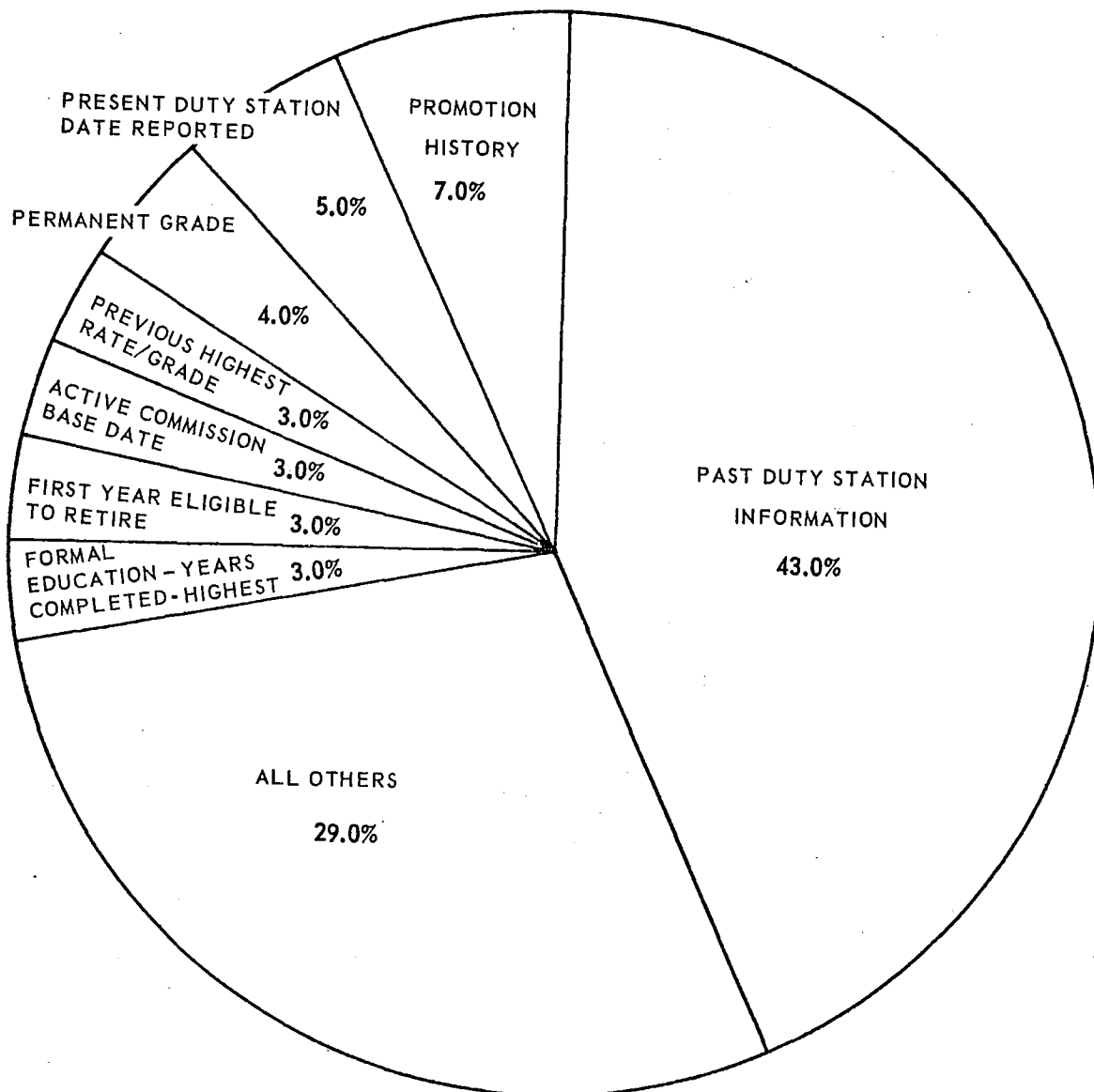
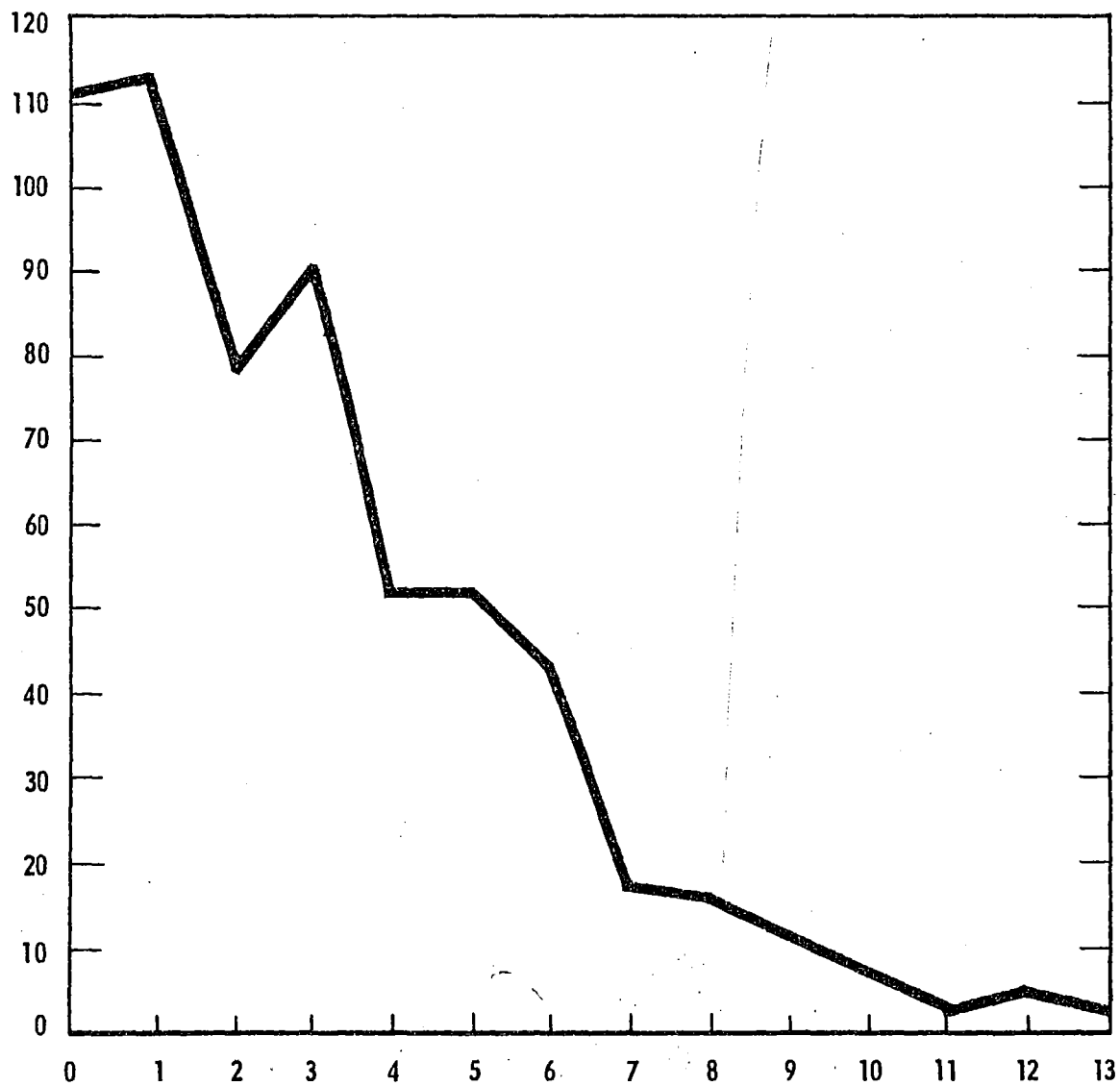


CHART OF FREQUENCY DISTRIBUTION OF ERRORS PER ENLISTED REPORT

NUMBER OF ENLISTED REPORTS



NUMBER OF ERRORS PER ENLISTED REPORT

CHART OF ENLISTED DATA ITEMS WHICH DID NOT MEET THE NAVY'S ACCEPTABLE DATA VALIDATION RATE

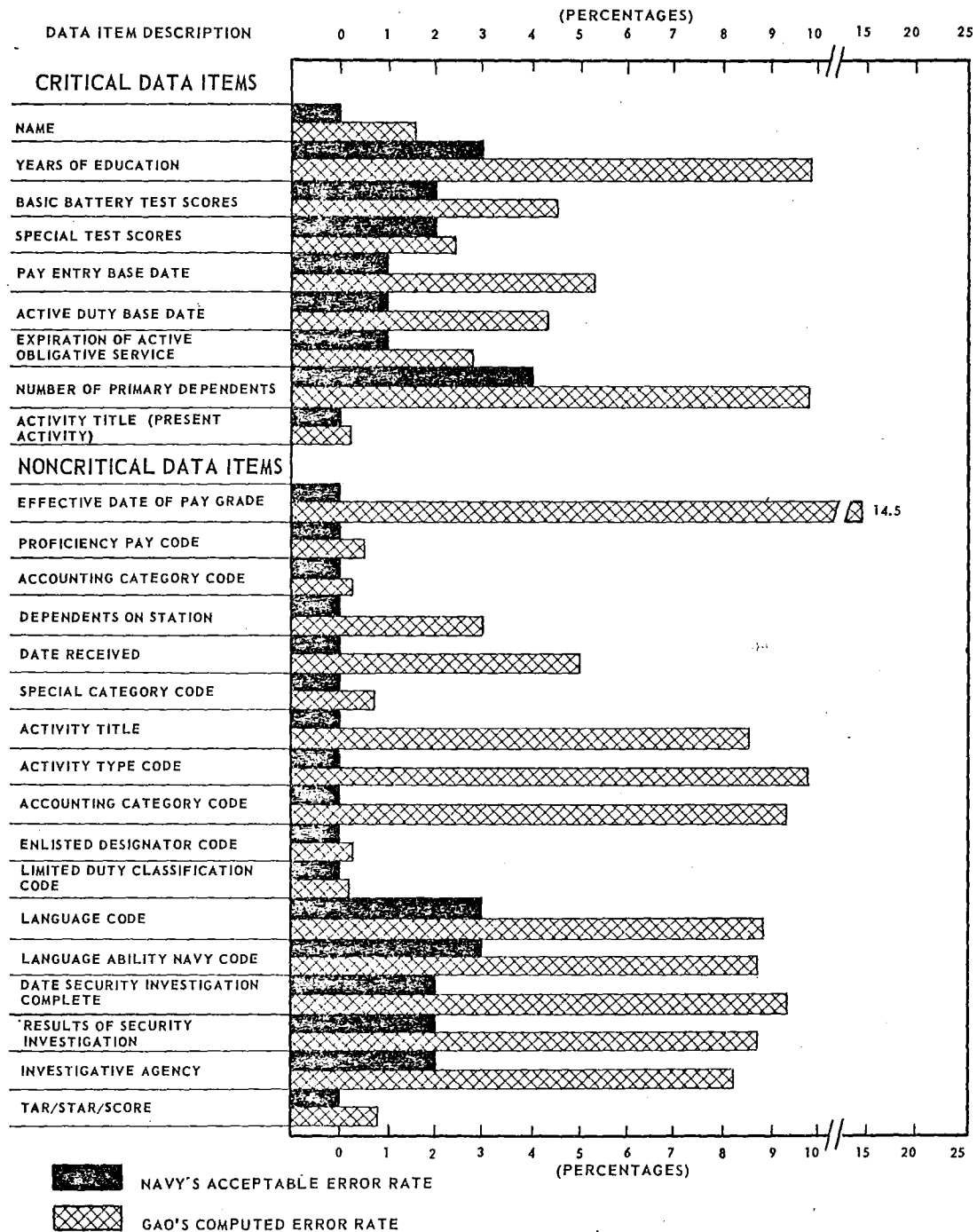


CHART OF ENLISTED DATA ITEMS WHICH DID NOT MEET THE NAVY'S ACCEPTABLE DATA VALIDATION RATE

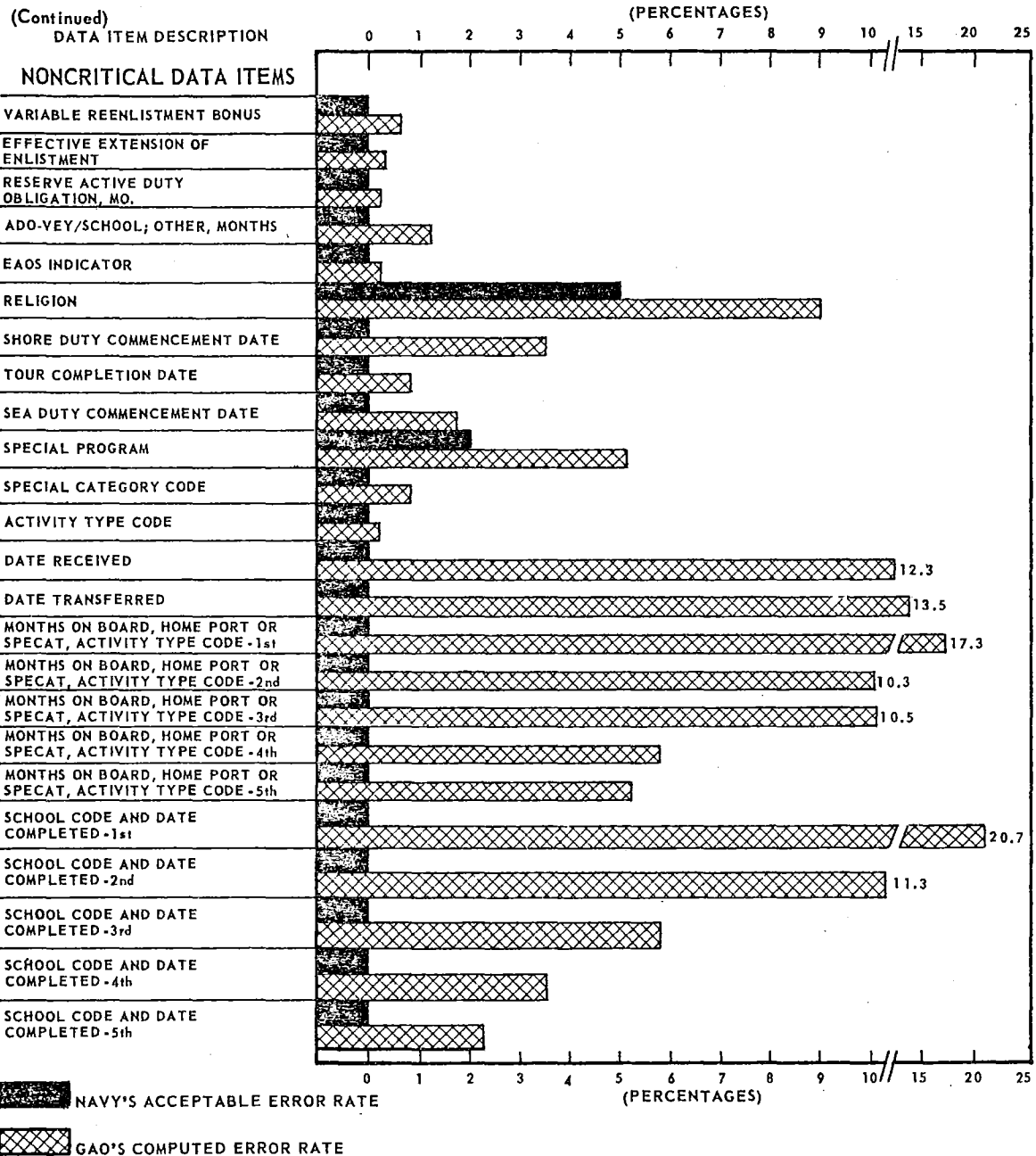
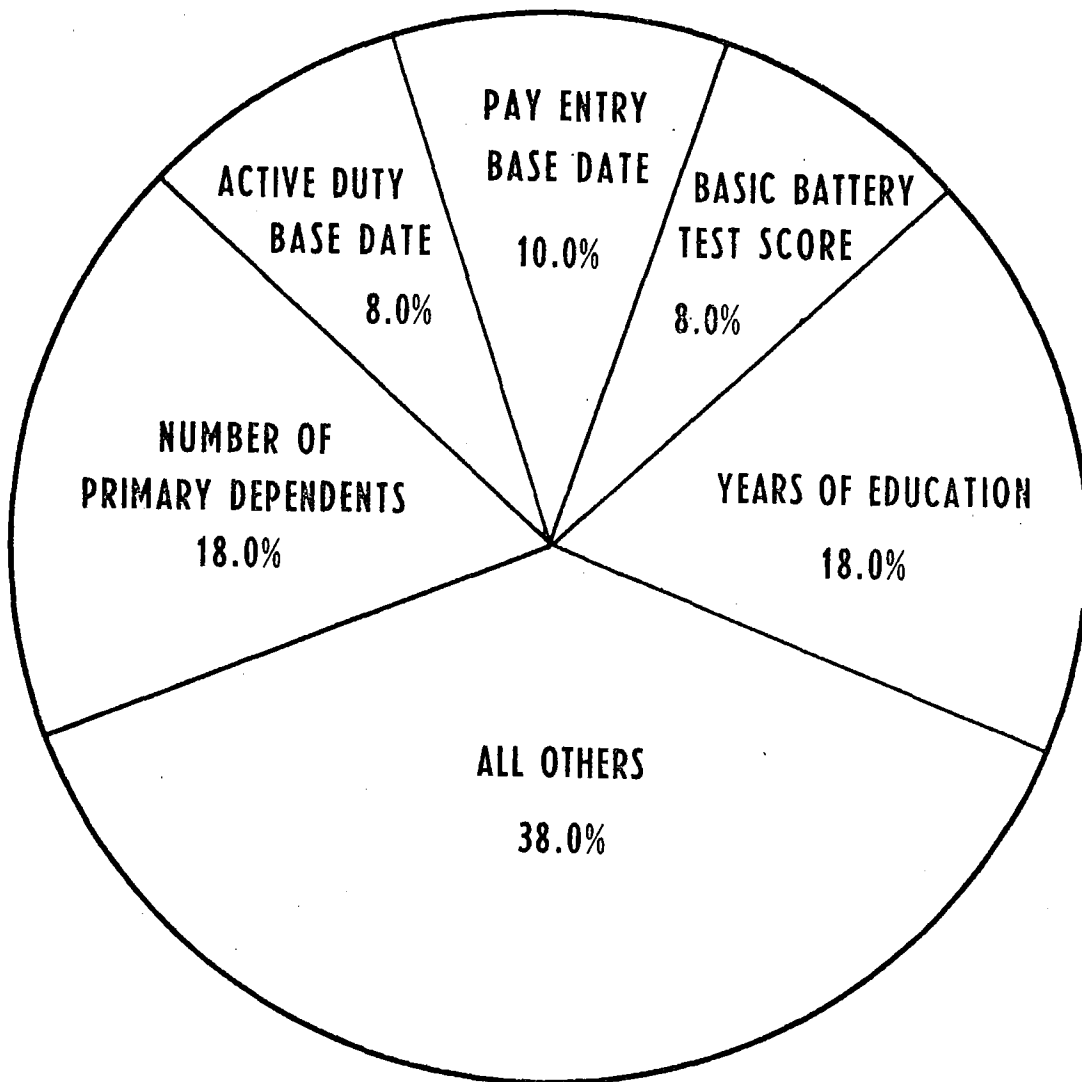


CHART OF ENLISTED CRITICAL DATA
INFORMATION WHICH DID NOT MEET
THE NAVY'S ACCEPTABLE DATA VALIDATION RATE

TOTAL ERRORS ON CRITICAL DATA ITEMS 329



OFFICER DATA CARD NAVPERS 1301/6 (REV. 11-67)

64 REPORTED	65 PRESENT DUTY STATION	66 HOME PORT	67 ACC	68 (A) PRESENT BILLET	69 DATE	70 (B) BILLET	71 MOS
1030366	RAIDERS PERS 42	S	100	PERSONNEL PIN	0268		

0403222 22050

*GAO note: Identifies the 107 data items examined during our review.

APPENDIX VIII

Sample

ENLISTED REPORT --- AS OF 03-30-68

1		2		3		4		5		6		7		8		9		10		11	
SERVICE NUMBER		NAME		RATE		EDPG		PROSP RATE		PNEC		SNEC		PRO PAY		YRS EDU		USAFI		AFOT	
1234567		Doe John		ETN2		660516		1577		0000		2		D							
12		13		14		15		16		17		18		19		20		21		22	
A T T		B B T		SPECIAL		ENL		LIM		LANG		NAVY		DOC-QUAL		DLP		SECURITY		CLEARANCE	
RE-MA-PH-EL		GC-AR-ME-CL		SO-RA-ET-SP		DES		DUT		CODE		ABIL		DATE		ABIL		DATE		SOURCE	
70		61		60		49		61		55		66									
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MOD		ENL		DOB		RACE		CIT		REL		STAT		PLACE		DEPENDENCY		SHDCD		TCD	
7		2		440105		0		0		V		11		511		1		0		6801	
54		55		56		57		58		59		60		61		62		63		64	
SPE		CAT		ACT		ACT		ACT		ACT		ACT		ACT		ACT		ACT		ACT	
7		2		440105		0		0		V		11		511		1		0		6801	
2		NAS		GLENVIEW		IGL		100		680113		S		NAITC		GLYNCO		GGO		940	
66		FIRST		30		G		NEA		71		FIRST		3510		6712				A	
67		SECOND								72		SECOND		6044		6410				8	
68		THIRD								73		THIRD								C	
69		FOURTH								74		FOURTH								TOTAL	
70		FIFTH								75		FIFTH								---	

DATE OF LATEST RECORDS VERIFICATION

WAS INDIVIDUAL PRESENT



DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20350

28 JUL 1969

Dear Mr. Bailey:

The Secretary of Defense has asked me to reply to the GAO letter of 21 May 1969 which forwarded the draft report on the reliability of the Navy Manpower and Personnel Management Information System.

I am enclosing the Navy reply to the report.

Sincerely,

Charles A. Bowshe

CHARLES A. POWSHER
ASSISTANT SECRETARY OF THE NAVY
(FINANCIAL MANAGEMENT)

Mr. Charles M. Bailey
Director, Defense Division
U. S. General Accounting Office
Washington, D. C. 20548

Enclosure

- (1) Department of the Navy Reply to GAO Draft Report of 21 May 1969
on Review of the Reliability of the Navy Manpower and Personnel
Management Information System (OSD Case #2948)

APPENDIX IX

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DEPARTMENT OF THE NAVY REPLY
to
GAO DRAFT REPORT OF 21 MAY 1969
on
REVIEW OF THE RELIABILITY
of the
NAVY MANPOWER AND PERSONNEL
MANAGEMENT INFORMATION SYSTEM
(OSD Case No. 2948)

Summary

The General Accounting Office (GAO) examined the accuracy of selected data in the Navy's manpower and personnel management information system. The accuracy of data contained in the system is important and influences decisions on personnel matters. The GAO found that the Navy was maintaining inaccurate personnel information in its system. They attributed those inaccuracies to: improper implementation of existing personnel procedures; absence of standards for evaluation; lack of internal review; ***.

[See GAO note.]

The GAO suggested that the Navy consider taking various actions, such as:

strengthening the personnel review procedures;

requesting the audit services of the Navy Auditor General for an independent assessment of the validity of system data;

establishing appropriate standards for validating system data; ***.

[See GAO note.]

The Navy considers that the GAO review has been helpful in providing a more comprehensive examination of the data accuracy of the manpower and personnel management information system than has been made previously, and that many of the GAO proposals for improving the accuracy of the system will be helpful. As indicated in the GAO report, some of the proposals were adopted during the review and, as stated later in this reply, others have been adopted, or are under consideration.

Enclosure (1)

The Navy believes, however, that certain aspects of the operational area covered by the GAO report should be delineated more clearly in the interest of a more objective appraisal of the situation. The GAO report states that inaccurate data "could adversely influence management decisions." It may be true that inaccurate data has adversely affected decisions. However, the GAO review did not include examination of the specific effect of inaccuracies on decisions and the resultant economic or operational impact, nor attempt to compare the economic or operational value of increased accuracy in the system with the cost of obtaining the increased accuracy. Such data is very difficult to develop, and the Navy neither has, nor is aware of definitive information on the subject. Therefore, the extent of adverse effects of the present degree of system inaccuracy, the optimum degree of accuracy for the system, the effects of increases and decreases in accuracy, and the amount of effort which is justified to obtain a given degree of improvement in accuracy are very difficult, even impossible, to determine with present facilities.

The answers to these questions are dependent largely on judgment and evaluation of personnel effectiveness in operating organizations. While the Navy agrees that improvement in the system is desirable, it is believed evident that the inaccuracies in the system have not produced ineffective operating organizations.

The validity of the data of the personnel accounting system has improved continuously with the development of the system. The Navy will continue to devote all justifiable effort to improving this system, but the requirements of this program must compete for available resources with many other Navy programs.

Statement

The GAO report indicates error rates of 4.5 percent in officer records and 4 percent in enlisted records. Certain inaccuracies found in the system result from a deliberate decision that the flat paper record research necessary to reconstruct history when the data element was introduced into the automated files would be prohibitively expensive. Specific examples of this are an officer's seventh past duty station and current date of gain to active duty. Over a period of time correction and verification by individual member submissions will improve the error rate to acceptable standards.

The significance of an error rate of 4 to 4.5 percent in personnel data, as indicated by the GAO examination, is difficult to assess in the absence of an established standard or a fair comparison with other automated personnel data systems. Without a basis for comparison, it might be assumed that such an error rate is acceptable and that further efforts to reduce it would not prove cost effective. Although the reporting of inaccurate personnel data could result in inappropriate management

APPENDIX IX

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decisions with an adverse effect on the Navy, it is emphasized that critical personnel decisions involving assignments, promotions, school selections, separations, and retirements of personnel are seldom, if ever, made without reference to flat-paper documents in the service record or as submitted by the individual member. Additionally, the Bureau of Naval Personnel monitoring systems are constantly being improved.

Validity standards have been established and have been in use just over one year. This program has resulted in continuously improved data accuracy and it is expected the trend will continue until desired accuracy goals are met.

The GAO proposed that the Navy establish definite procedures for implementing and monitoring the verification of the enlisted service record. It is also suggested in the report that the Navy reemphasize the importance of initiating corrective entries in the automated personnel system when errors are detected during the verification of the enlisted service record.

Established methods of verification are considered adequate from a procedural standpoint. The repetitive feature of the verification process, i.e., annually, and when a member reports to or is detached from a duty station, provides a built-in monitoring system. The primary purpose of the verification of the service record is to ensure the existence, accuracy, and the correctness of documents and entries in the record. Its relationship to MAFMIS, as is recognized in the report, stems from the requirement that errors found during the verification process should be corrected in MAFMIS as well as in the service record. Requirements for initiating corrective entries in the automated system when errors are detected during the verification process will be reemphasized.

The GAO proposed the establishment of definite procedures for implementing and monitoring the verification of the Enlisted Distribution and Verification Report (BUPERS 1080-14 report). ***.

[See GAO note.]

It is considered that current procedures for insuring verification of BUPERS 1080-14 report are adequate. Verification of the BUPERS 1080-14 is provided for in Part I of the Instructions for the Naval Manpower Information System, (NAVPERS 15462), where certification by the Commanding Officer of each activity of this action is required following the last entry in the Personnel Diary, NAVPERS 501. Verification of this certification entry by the Personnel Accounting Machine Installation is also provided for in NAVPERS 15642. Every effort will be made to ensure appropriate compliance with the procedures through both formal and informal means of communication, including internal review and feedback procedures at the Bureau of Naval Personnel level.

As indicated in the report, and at the beginning of their review efforts, GAO suggested that Navy give consideration to establishing appropriate reliability standards for evaluating the degree of accuracy of the personnel data maintained in the system. Subsequently, during the review, validation standards for many individual data items were developed. Acceptable validation rates have now been established for all data items in the system, and the validation program is an on-going operation.

The GAO has suggested that the Navy consider requesting the audit services of the Navy Auditor General in order to have an independent audit group assess the validity of the data in the system. This suggestion is concurred in and it is planned to investigate the availability of this service. It is expected that the request will be held in abeyance until such time as results of actions taken pursuant to the GAO review and report can be evaluated. It is to be noted that the Naval Area Audit Service, Norfolk, is scheduled to audit the Personnel Accounting Machine Installations at Bainbridge and Norfolk during fiscal year 1970. These audits will take into consideration the deficiencies noted in the GAO report.

Also in the area of internal review, the GAO proposed the establishment of an organization within the Bureau of Naval Personnel to provide technical and procedural assistance to all field activities; conduct reviews of personnel offices; document recommendations for improving personnel administration at each activity visited; and conduct activity personnel office reviews to assess the accuracy of data maintained in the system.

The advisability of establishing assistance teams for the purpose of obtaining improved personnel management and administration is being considered. If established, these teams would conduct periodic reviews to assist and monitor efforts in the area of personnel administration and would carry out the intent of the GAO proposal. The establishment of mobile teams as opposed to other alternatives for obtaining improved personnel management must, of necessity, include consideration of the availability of personnel and financial resources under current austere conditions.

* * * * * [See GAO note.]

Also ***, GAO believes there is a need to instill in the personnel specialists an awareness of the importance of the work being performed. Therefore, they propose that the Navy should prepare a general information handbook which would emphasize both the importance of maintaining accurate data and the role of the individual personnel specialist as it relates to the entire Navy Manpower and Personnel Information System. The Navy is aware of the continuing need to motivate its personnel to diligently perform their responsibilities. Consideration will be given to the preparation of a handbook along with other alternative methods of inspiring greater recognition of the importance of maintaining accurate personnel data.

GAO note: Omitted material relates to matters not pertinent to this report.

APPENDIX X

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PRINCIPAL OFFICIALS OF
THE DEPARTMENT OF DEFENSE AND
THE DEPARTMENT OF THE NAVY
RESPONSIBLE FOR ACTIVITIES
DISCUSSED IN THIS REPORT

		<u>Tenure of office</u>	
		<u>From</u>	<u>To</u>
<u>DEPARTMENT OF DEFENSE</u>			
SECRETARY OF DEFENSE:			
Melvin R. Laird	Jan. 1969	Present	
Clark M. Clifford	Mar. 1968	Jan. 1969	
Robert S. McNamara	Jan. 1961	Feb. 1968	
DEPUTY SECRETARY OF DEFENSE:			
David M. Packard	Jan. 1969	Present	
Paul H. Nitze	July 1967	Jan. 1969	
<u>DEPARTMENT OF THE NAVY</u>			
SECRETARY OF THE NAVY:			
John H. Chafee	Jan. 1969	Present	
Paul R. Ignatius	Sept. 1967	Jan. 1969	
CHIEF OF NAVAL PERSONNEL:			
Vice Admiral Charles K. Duncan	Apr. 1968	Present	
Vice Admiral Benedict J. Semmes, Jr.	Mar. 1964	Mar. 1968	
DEPUTY CHIEF OF NAVAL PERSONNEL:			
Rear Admiral Dick H. Guinn	June 1969	Present	
Rear Admiral Maurice F. Weisner	July 1968	June 1969	
Rear Admiral Bernard M. Streaan	July 1965	July 1968	

PRINCIPAL OFFICIALS OF
THE DEPARTMENT OF DEFENSE AND
THE DEPARTMENT OF THE NAVY
RESPONSIBLE FOR ACTIVITIES
DISCUSSED IN THIS REPORT (continued)

<u>Tenure of office</u>	
<u>From</u>	<u>To</u>

DEPARTMENT OF THE NAVY (continued)

ASSISTANT CHIEF FOR MANAGEMENT
INFORMATION, BUREAU OF NAVAL
PERSONNEL:

Captain Dwight E. DeCamp	Sept. 1969	Present
Captain Harry C. Grothjahn	July 1968	Aug. 1969
Rear Admiral Bernard M. Strean	Feb. 1967	July 1968