



Highlights of [GAO-06-215](#), a report to the Subcommittee on Readiness and Management Support, Committee on Armed Services, U.S. Senate

Why GAO Did This Study

Because it is important that the Department of Defense (DOD) adheres to disciplined information technology (IT) acquisition processes to successfully modernize its business systems, GAO was asked to determine whether the Naval Tactical Command Support System (NTCSS) is being managed according to important aspects of DOD's acquisition policies and guidance, as well as other relevant acquisition management best practices. NTCSS was started in 1995 to help Navy personnel effectively manage ship, submarine, and aircraft support activities. To date, about \$1 billion has been spent to partially deploy NTCSS to about one-half its intended ashore and afloat sites.

What GAO Recommends

GAO is making recommendations to the Secretary of Defense to develop the analytical basis to determine if continued investment in NTCSS represents prudent use of limited resources. GAO is also making recommendations to strengthen management of the program, conditional upon a decision to proceed with further investment in the program. DOD either fully or partially concurred with the recommendations. It also stated that while some of GAO's findings are valid, the overall findings understated and misrepresented the program's level of discipline and conformance with applicable guidance and direction.

www.gao.gov/cgi-bin/getrpt?GAO-06-215.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Randolph C. Hite at (202) 512-3439 or hiter@gao.gov.

DOD SYSTEMS MODERNIZATION

Planned Investment in the Naval Tactical Command Support System Needs to Be Reassessed

What GAO Found

The Department of the Navy has not managed its NTCSS program in accordance with key aspects of the department's policies and related guidance, including federal and recognized best practice guidance. Collectively, these policies and guidance are intended to reasonably ensure that investment in a given IT system represents the right solution to fill a mission need and, if it is, that acquisition and deployment of the system are handled in a manner that maximizes the chances of delivering defined system capabilities on time and within budget. In the case of NTCSS, neither of these outcomes is being realized. Specifically,

- The Navy has not economically justified its ongoing and planned investment in NTCSS. Specifically, it (1) has not reliably estimated future costs and benefits and (2) has not ensured that independent reviews of its economic justification were performed to determine its reliability.
- The Navy has not invested in NTCSS within the context of a well-defined DOD or Navy enterprise architecture, which is necessary to guide and constrain NTCSS in a way that promotes interoperability and reduces redundancy with related and dependent systems.
- The Navy has not effectively performed key measurement, reporting, budgeting, and oversight activities. In particular, earned value management, which is a means for determining and disclosing actual performance against budget and schedule estimates, has not been implemented effectively, and oversight entities have not had the visibility into the program needed to affect its direction.
- The Navy has not adequately conducted requirements management and testing activities. For example, requirements were neither prioritized nor traced to related documentation to ensure that the system delivers capabilities that meet user needs. This contributed to failures in developmental testing that have prevented the latest component of NTCSS from passing operational testing twice over the last 4 years.

Reasons the Navy cited for not following policies and guidance ranged from their not being applicable to the NTCSS program, to lack of time available to apply them, to plans for strengthening system practices not being applied retroactively. Nevertheless, the Navy has begun taking steps and is considering other steps intended to address some of the above problems. Until program management improves, NTCSS will remain a risky program.