



Highlights of [GAO-10-774](#), a report to the Committee on Armed Services, U.S. Senate

Why GAO Did This Study

In May 2009, Congress passed the Weapon Systems Acquisition Reform Act of 2009 (Reform Act). The Reform Act contains a number of systems engineering and developmental testing requirements that are aimed at helping weapon programs establish a solid foundation from the start of development.

GAO was asked to examine (1) DOD's progress in implementing the systems engineering and developmental testing requirements, (2) views on the alignment of the offices of the Directors of Systems Engineering and Developmental Test and Evaluation, and (3) challenges in strengthening systems engineering and developmental testing activities. In conducting this work, GAO analyzed implementation status documentation and obtained opinions from current and former DOD systems engineering and testing officials on the placement of the two offices as well as improvement challenges.

What GAO Recommends

GAO recommends that DOD develop performance criteria to assess program risk; track the extent to which directors' recommendations are implemented; address identified workforce and training needs; and report to Congress on the status of these efforts. DOD concurred with the recommendations.

View [GAO-10-774](#) or [key components](#). For more information, contact Michael J. Sullivan at (202) 512-4841 or sullivanm@gao.gov.

DEFENSE ACQUISITIONS

DOD Needs to Develop Performance Criteria to Gauge Impact of Reform Act Changes and Address Workforce Issues

What GAO Found

DOD has implemented or is implementing the Reform Act requirements related to systems engineering and developmental testing. Several foundational steps have been completed. For example, new offices have been established, directors have been appointed for both offices, and the directors have issued a joint report that assesses their respective workforce capabilities and 42 major defense acquisition programs. Many other requirements that have been implemented will require sustained efforts by the directors' offices, such as approving systems engineering and developmental testing plans, as well as reviewing these efforts on specific weapon programs. DOD is studying the option of allowing the Director, Developmental Test and Evaluation, to serve concurrently as the Director of the Test Resource Management Center. The directors have not yet developed joint guidance for assessing and tracking acquisition program performance of systems engineering and developmental testing activities. It is unclear whether the guidance will include specific performance criteria that address long-standing problems and program risks, such as those related to concurrency of development and production activities and adequacy of program resources.

Current and former systems engineering and developmental testing officials offered varying opinions on whether the new directors' offices should have been placed under the Director of Defense Research and Engineering organization—an organization that focuses primarily on developing and transitioning technologies to acquisition programs. The Director of Defense Research and Engineering believes aligning the offices under his organization helps address congressional and DOD desires to increase emphasis on and strengthen activities prior to the start of a new acquisition program. Most of the officials GAO spoke with believe the two offices should report directly to the Under Secretary for Acquisition, Technology and Logistics or otherwise be more closely aligned with acquisition programs because most of their activities are related to weapon programs. They also believe cultural barriers and staffing issues may limit the effectiveness of the two offices under the current organizational structure. Currently, DOD is not reporting to Congress on how successfully the directors are effecting program changes, making it difficult to determine if the current placement of the offices makes sense or if the Reform Act is having an impact.

The military services face a number of challenges as they try to strengthen systems engineering and developmental testing activities on acquisition programs. Although the services believe they have enough staff to perform both of these activities, they have not been able to clearly identify the number of staff that are actually involved. The Director of Developmental Test and Evaluation does not believe the military services have enough testing personnel and is concerned that DOD does not have the capacity to train the large influx of contractors that are expected to be converted to government employees.